OFFICIAL STATEMENT DATED MAY 20, 2021

IN THE OPINION OF BOND COUNSEL, THE BONDS ARE VALID OBLIGATIONS OF FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152 AND INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION UNDER STATUTES, REGULATIONS, PUBLISHED RULINGS AND COURT DECISIONS EXISTING ON THE DATE OF SUCH OPINION. SEE "TAX MATTERS" HEREIN FOR A DISCUSSION OF THE OPINION OF BOND COUNSEL.

The District has designated the Bonds as "qualified tax-exempt obligations." See "TAX MATTERS - Qualified Tax-Exempt Obligations."

NEW ISSUE - Book-Entry Only

Ratings: S&P Global Ratings (BAM Insured)…. "AA" (stable outlook)
Moody's Investors Service, Inc. (Underlying) …. "Baa3" (stable outlook)
See "BOND INSURANCE" and "RATINGS" herein

$5,650,000
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
(A Political Subdivision of the State of Texas located within Fort Bend County, Texas)
UNLIMITED TAX BONDS, SERIES 2021

Dated: June 1, 2021

Due: September 1, as shown on the inside cover

Principal of the above bonds (the "Bonds") is payable by the paying agent/registrar, initially, The Bank of New York Mellon Trust Company, N. A., currently in Dallas, Texas, or any successor paying agent/registrar (the "Paying Agent," "Registrar" or "Paying Agent/Registrar"). Interest on the Bonds accrues from June 1, 2021, and is payable on March 1, 2022 (nine-month interest payment), and on each September 1 and March 1 thereafter until the earlier of maturity or redemption. The Bonds are issued in denominations of $5,000 or any integral multiple thereof in fully registered form only.

The Bonds, including the Term Bonds, maturing on and after September 1, 2027, are subject to redemption prior to maturity at the option of Fort Bend County Municipal Utility District No. 152 (the "District"), as a whole or in part, on September 1, 2026, or any date thereafter, at a price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities and amounts of the Bonds to be redeemed shall be selected by the District in integral multiples of $5,000 within any one maturity. If fewer than all of the Bonds of any given maturity are to be redeemed at any time, the particular Bonds to be redeemed shall be selected by such method of random selection as determined by the Registrar (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form). The Registered Owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Registrar for payment of the redemption price on the portion of the Bond so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds, but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. See "THE BONDS – Book-Entry- Only System."

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by Build America Mutual Assurance Company ("BAM" or the "Insurer").

BAM

See Maturity Schedule on the inside cover

The Bonds constitute the eighth series of unlimited tax bonds issued by the District for the purpose of acquiring and constructing a waterworks, sanitary sewer and storm drainage system (the "System") to serve the District. THE BONDS ARE SUBJECT TO SPECIAL INVESTMENT CONSIDERATIONS DESCRIBED HEREIN. SEE "INVESTMENT CONSIDERATIONS." Voters in the District have authorized a total of $92,345,000 principal amount of bonds for the purpose of acquiring and constructing the System, $25,782,000 for refunding such bonds, $7,355,000 for parks and recreational facilities, and $14,400,000 for roads. Following the issuance of the Bonds, $60,450,000 principal amount of unlimited tax bonds authorized by the District's voters for acquiring and constructing the System, $25,647,000 for refunding purposes, and all of such bonds that have been authorized for parks and recreational facilities and roads will remain authorized but unissued. See "THE BONDS – Issuance of Additional Debt."

The Bonds, when issued, constitute valid and legally binding obligations of the District, payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. See "THE BONDS – Source of Payment." Neither the State of Texas, the City of Rosenberg, Texas, Fort Bend County, Texas, nor any political subdivision other than the District shall be obligated to pay the principal of and interest on the Bonds. Neither the faith and credit nor the taxing power of the State of Texas, the City of Rosenberg, Texas, Fort Bend County, Texas, is pledged to the payment of the principal of and interest on the Bonds.

The Bonds are offered subject to prior sale, when, as and if issued by the District, subject among other things to the approval of the Attorney General of Texas and of Smith, Murdaugh, Little & Bonham, L.L.P., Houston, Texas, Bond Counsel. Delivery of the Bonds in book-entry form through the facilities of DTC is expected on or about June 17, 2021.

MATURITY SCHEDULE
CUSIP Prefix (a): 34682L

$1,570,000 Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (b)	CUSIP Suffix (a)
2023	$ 145,000	4.00%	0.60%	HC4
2024	150,000	4.00	0.75	HD2
2025	160,000	4.00	0.90	HE0
2026	165,000	3.00	1.00	HF7
2027 (c)	175,000	2.00	1.10	HG5
2028 (c)	180,000	2.00	1.25	HH3
2029 (c)	190,000	2.00	1.40	HJ9
2030 (c)	200,000	2.00	1.60	HK6
2031 (c)	205,000	2.00	1.70	HL4

$440,000 Term Bonds, Due September 1, 2033(c)(d), CUSIP Suffix HN0 (a), Interest Rate 2.00% (Yield 1.90%)(b)
$480,000 Term Bonds, Due September 1, 2035(c)(d), CUSIP Suffix HQ3 (a), Interest Rate 2.00% (Yield 2.05%)(b)
$530,000 Term Bonds, Due September 1, 2037(c)(d), CUSIP Suffix HS9 (a), Interest Rate 2.00% (Yield 2.15%)(b)
$575,000 Term Bonds, Due September 1, 2039(c)(d), CUSIP Suffix HU4 (a), Interest Rate 2.00% (Yield 2.20%)(b)
$960,000 Term Bonds, Due September 1, 2042(c)(d), CUSIP Suffix HX8 (a), Interest Rate 2.125% (Yield 2.27%)(b)
$1,095,000 Term Bonds, Due September 1, 2045(c)(d), CUSIP Suffix JA6 (a), Interest Rate 2.25% (Yield 2.37%)(b)

(a) CUSIP is a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. CUSIP numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for the convenience of the owners of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. Neither the District, the Financial Advisor (as defined herein), nor the Underwriter (as defined herein) take any responsibility for the accuracy of CUSIP numbers.

(b) Information with respect to the initial reoffering yields of the Bonds is the responsibility of the Underwriter. Initial reoffering yields represent the initial offering price to the public which has been established by the Underwriter for public offerings, and which subsequently may be changed. Accrued interest from June 1, 2021, is to be added to the price.

(c) Subject to optional redemption as described on the front cover.

(d) Subject to mandatory redemption by lot or other customary method of random selection on September 1 in the years and in the amounts set forth herein under the caption "THE BONDS - Redemption Provisions."

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USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the District.

All of the summaries of the statutes, resolutions, orders, contracts, audits, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are available from Bond Counsel, for further information.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions, or matters of opinion, or that they will be realized.

This Official Statement is not to be used in an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. However, the District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District, and to the extent that information actually comes to its attention, the other matters described in this Official Statement until the delivery of the Bonds to the Underwriter (hereinafter defined) and thereafter only as specified herein. See "OFFICIAL STATEMENT - Updating of Official Statement."

The Underwriter (defined herein) have provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter do not guarantee the accuracy or completeness of such information.

Neither the District nor the Underwriter makes any representations as to the accuracy, completeness, or adequacy of the information supplied by The Depository Trust Company for use in this Official Statement.

This Official Statement contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, which generally can be identified with words or phrases such as "anticipates," "believes," "could," "estimates," "expects," "foresees," "may," "predict," "should," "will" or other words or phrases of similar import. All statements included in this Official Statement that any person expects or anticipates will, should or may occur in the future are forward-looking statements. These statements are based on assumptions and analyses made in light of experience and perceptions of historical trends, current conditions and expected future developments as well as other factors the District believes are appropriate in the circumstances. However, whether actual results and developments conform with expectations and predictions is subject to a number of risks and uncertainties, including, without limitation, the information discussed under "INVESTMENT CONSIDERATIONS" in this Official Statement, as well as additional factors beyond the District's control. The important risk factors and assumptions described under that caption and elsewhere herein could cause actual results to differ materially from those expressed in any forward- looking statement. All of the forward-looking statements made in this Official Statement are qualified by these cautionary statements.

Build America Mutual Assurance Company ("BAM" or the "Insurer") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM supplied by BAM and presented under the heading "BOND INSURANCE" and "APPENDIX C - SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY."

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the lowest bid, which was tendered by a syndicate managed by SAMCO Capital Markets, Inc. (referred to herein as the "Underwriter" or the "Initial Purchaser") to purchase the Bonds bearing the interest rates shown under "MATURITY SCHEDULE" at a price of 97.25% of the principal amount thereof plus accrued interest to the date of delivery, which resulted in a net effective interest rate of 2.329180% as calculated pursuant to Chapter 1204, Texas Government Code, as amended.

Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriter on or before the date of delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity have been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker, or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Underwriter regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds after a bona fide offering of the Bonds is made by the Underwriter at the yields specified on the cover page. Information concerning reoffering yields or prices is the responsibility of the Underwriter.

The District has no control over the reoffering yields or prices of the Bonds or over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked prices of the Bonds may be greater than the difference between the bid and asked prices of bonds of comparable maturity and quality issued by more traditional municipal entities, as bonds of such entities are more generally bought, sold or traded in the secondary market.

The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering price, including sales to dealers who may sell the Bonds into investment accounts. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure obligations of states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM. The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com. BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at www.standardandpoors.com. The rating of BAM should be evaluated independently. The rating reflects the S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2021 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $477.7 million, $156.4 million and $321.3 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE."

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at www.buildamerica.com/videos. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at www.buildamerica.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

BOND INSURANCE RISK FACTORS

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the Policy for such payments.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "BOND INSURANCE" and "RATINGS" herein. As is stated in this Official Statement under the caption "LEGAL MATTERS - No Material Adverse Change," the rating of the Insurer's creditworthiness by any rating agency does not in any manner affect the District's financial condition, and thus any change to such rating, including a downgrade thereof, at any time, does not constitute a change, material or otherwise, in the District's financial condition, and therefore cannot be a basis for termination by the Underwriters of their obligations to take up and pay for the Bonds.

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Underwriter has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See “BOND INSURANCE” herein for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

RATINGS

The Bonds have received an insured rating of “AA” (stable outlook) from S&P Global Ratings (“S&P”), a business unit of Standard & Poor’s Financial Services LLC and “A2" (stable outlook) from Moody’s Investors Service (“Moody’s”), based upon the issuance of the Policy by the Insurer at the time of delivery of the Bonds. The underlying credit rating of the Bonds assigned by Moody’s is “Baa3” (stable outlook).

An explanation of the significance of the foregoing ratings may only be obtained from S&P and Moody’s. The foregoing ratings express only the view of S&P and Moody’s at the time the ratings are given. Furthermore, a security rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P and Moody’s, if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

The District is not aware of any ratings assigned the Bonds other than the ratings of S&P and Moody’s.

OFFICIAL STATEMENT SUMMARY

The following information is a summary of certain information contained herein and is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, reference to which is made for all purposes.

THE BONDS

The Issuer . . . . Fort Bend County Municipal Utility District No. 152 (the "District"), a political subdivision of the State of Texas, is located in Fort Bend County, Texas. See "THE DISTRICT."

The Issue . . . . $5,650,000 Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds, Series 2021 (the "Bonds"), are dated June 1, 2021. Interest on the Bonds accrues from June 1, 2021, at the rates for each maturity set forth on the inside cover page of this Official Statement, and is payable on March 1, 2022 (nine-month interest period), and on each September 1 and March 1 thereafter until maturity or redemption. $1,570,000 of the Bonds are issued as serial bonds maturing on September 1 in each of the years 2023 through 2031, inclusive. $4,080,000 of the Bonds are issued as term bonds maturing on September 1 in each of the years 2033, 2035, 2037, 2039, 2042 and 2045 (collectively, the "Term Bonds") in the principal amounts set forth on the inside cover page of this Official Statement. The Bonds, including the Term Bonds, scheduled to mature on and after September 1, 2027, are subject to redemption, in whole or in part from time to time, at the option of the District on September 1, 2026, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. In addition to being subject to optional redemption, the Term Bonds are also subject to mandatory sinking fund redemption on September 1 in the years and in the amounts as is more completely described in this Official Statement under the caption "THE BONDS - Redemption Provisions," which amounts are subject to reduction by prior cancellation and optional redemption. The Bonds are issued pursuant to a bond order (the "Bond Order") adopted by the Board of Directors of the District. The Bonds are issued in fully registered form only, transferrable only upon presentation to the Registrar. The Bonds are issued in the denomination of $5,000 each, or integral multiples thereof. See "THE BONDS - General" and - "Redemption Provisions."

Book-Entry-Only System . . . . The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC, pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar (hereinafter defined) to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - Book-Entry-Only System").

Source of Payment . . . . Principal of and interest on the Bonds are payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. The Bonds are obligations solely of the District, and are not obligations of the State of Texas, Fort Bend County, Texas, the City of Rosenberg, Texas, or any entity other than the District. Neither the faith and credit nor the taxing power of the State of Texas, Fort Bend County, Texas, nor the City of Rosenberg, Texas, is pledged to the payment of the principal of and interest on the Bonds. See "THE BONDS - Source of Payment."

Use of Proceeds .... Proceeds of the sale of the Bonds will be used by the District to (i) make payment to the Developer (defined below under the caption "Developer") for the cost of acquisition or construction of (a) Walnut Creek detention expansion, phase III; and water, wastewater, and drainage facilities to serve Walnut Creek, Sections 18, 19, and 22 through 25; engineering, surveying and materials testing; geotechnical study; and erosion consultant and stormwater permits; (ii) pay engineering fees associated with the foregoing projects; (iii) pay interest to such Developer on advances that have been made on behalf of the District; (iv) pay the principal of and accrued interest on the District's $2,450,000 Bond Anticipation Note, Series 2020 (the "BAN"), the proceeds of the sale of which the District utilized to interim finance a portion of the cost of the aforementioned items; (v) pay Impact Fees to the City of Rosenberg, and (vi) pay for administrative and issuance costs, legal fees, fiscal agent's fees, fees to the Texas Commission on Environmental Quality (the "TCEQ" or the "Commission") and the Attorney General of Texas, engineering fees, a review fee to the City of Rosenberg, and certain financing costs related to the issuance of the BAN and the Bonds. See "THE BONDS - Use and Distribution of Bond Proceeds."

Authority for Issuance .... At an election held within the District on November 8, 2005, the District's voters authorized the issuance of a total of $42,970,000 unlimited tax bonds for financing the acquisition or construction of the System. The Bonds are issued pursuant to the Bond Order; Chapters 49 and 54 of the Texas Water Code, as amended; Chapter 1207, Texas Government Code, as amended, and Article XVI, Section 59 of the Texas Constitution.

Payment Record .... The Bonds constitute the eighth series of unlimited tax bonds issued by the District for the purpose of construction and acquisition of waterworks, sanitary sewer and drainage facilities. The District has previously issued Unlimited Tax Bonds, Series 2010 (the "Series 2010 Bonds"), Unlimited Tax Bonds, Series 2014 (the "Series 2014 Bonds"), Unlimited Tax Bonds, Series 2016 (the "Series 2016 Bonds"), Unlimited Tax Bonds, Series 2017 (the "Series 2017 Bonds"), Unlimited Tax Bonds, Series 2018 (the "Series 2018 Bonds") Unlimited Tax Bonds, Series 2019 (the "Series 2019 Bonds"), Unlimited Tax Refunding Bonds, Series 2019A (the "Series 2019A Refunding Bonds"), and Unlimited Tax Bonds, Series 2020 (the "Series 2020 Bonds") (collectively the "Prior Bonds"). The District has timely made all payments on the Prior Bonds when due. Before the issuance of the Bonds, the principal amount of the Prior Bonds that has not been previously retired by the District is $25,005,000 (the "Outstanding Bonds"). After issuance of the Bonds, the District's total bonded indebtedness will be $30,655,000.

Qualified Tax-Exempt Obligations ... The District has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended. See "TAX MATTERS - Qualified Tax- Exempt Obligations."

Municipal Bond Insurance	Build America Mutual Assurance Company ("BAM"). See "BOND INSURANCE" and "BOND INSURANCE RISK FACTORS."
Municipal Bond Rating	S&P Global Ratings (BAM Insured) "AA" (stable outlook). Moody's Investors Service, Inc. (Underlying) "Baa3" (stable outlook). See "BOND INSURANCE" and "RATINGS."
Paying Agent/Registrar	The Paying Agent/Registrar of the Bonds is The Bank of New York Mellon Trust Company, N.A., with its principal payment office currently in Dallas, Texas.
Bond Counsel	Smith, Murdaugh, Little & Bonham, L.L.P., Houston, Texas, Bond Counsel. See "LEGAL MATTERS" and "TAX MATTERS."
Disclosure Counsel	McCall, Parkhurst & Horton L.L.P., Houston, Texas."

THE DISTRICT

The District	Fort Bend County Municipal Utility District No. 152, a political subdivision of the State of Texas, was created by the TCEQ, on July 15, 2005, and operates pursuant to Chapters 49 and 54 of the Texas Water Code. The District contains approximately 456.7 acres of land. The District is located entirely within Fort Bend County, Texas. The District is located partially (approximately 397 acres) within the extraterritorial jurisdiction of the City of Rosenberg, Texas (the "City"), and partially (approximately 60 acres) within the corporate boundaries of the City. The District is located approximately 25 miles southwest of the central business district of the City of Houston. The District is located south of U.S. Highway 59 and F.M. 762 and east of F.M. 2977. The District lies wholly within the Lamar Consolidated Independent School District. See "THE DISTRICT - Authority" and - "Description," "AERIAL PHOTOGRAPH OF THE DISTRICT," and "APPENDIX A - LOCATION MAP." On April 20, 2021, the City consented to the petition of FDC (defined in this Official Statement under the caption "DEVELOPER") and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.
Authority	The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, particularly Chapters 49 and 54 of the Texas Water Code. See "THE DISTRICT- Authority." The District was created to finance the acquisition or construction of water distribution, wastewater collection and storm drainage facilities, and related projects (the "System") to serve the land located within the District. See "THE SYSTEM".
Authorized but Unissued Bonds	$60,450,000 for waterworks, sanitary sewer, and drainage facilities (collectively, the "System") (after issuance of the Bonds), $25,647,000 for refunding purposes, $7,355,000 for parks and recreational facilities, and $14,400,000 in unlimited tax bonds for roads. See "FUTURE DEVELOPMENT." In addition to the components of the System that the District has financed with the proceeds of the sale of the Prior Bonds and is financing with portions of the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of

additional components of the System and arterial or collector roads and improvements in aid thereof with the proceeds of the sale of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt," "INVESTMENT CONSIDERATIONS - Future Debt" and "THE SYSTEM."

Development and Home Construction . . .

As of March 1, 2021, the District contained 1,147 homes, including 56 homes under construction. See "Builders" below. According to the District's Engineer, the development of Rosehaven, Sections 1 and 2 and Walnut Creek, Sections 3 through 25, consisting of a total of 1,205 single-family residential lots located within the District (an aggregate of approximately 324.0 acres) is complete with the provision of water distribution, wastewater collection, and storm drainage facilities and street paving. Approximately 24.3 acres of currently undeveloped, but developable, land located within the District that are designated for future commercial development are owned by Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership, doing business as Friendswood Development Company by U.S. Home Corporation, a Delaware corporation ("FDC" or the "Developer"). See "Developer" below. FDC has no obligation to the District to develop any of such currently undeveloped acres, and may sell any of such acres at any time at its sole discretion. Since there is no legal commitment on the part of FDC to the District to develop any of such acres available for future development according to any specific plan, timetable, or at all, the District cannot predict when, or whether, any of such currently undeveloped acres located within the District might be developed. FDC is marketing lots to Lennar Homes and Devon Street Homes that are constructing homes in the District as is described below under the caption "Builders." Approximately 14.0 acres located within the District are owned by the Lamar Consolidated Independent School District. Approximately 94.5 acres of land located within the District are contained within drainage/detention easements, a District lift station site and a District wastewater treatment plant site, or are otherwise not available for future development.

On April 20, 2021, the City consented to the petition of FDC and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.

Developer . . . .

The developer of the District is Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership, doing business as Friendswood Development Company by U.S. Home Corporation, a Delaware corporation ("FDC" or the "Developer").

FDC has developed its land located within the District as a primarily residential community. FDC has completed the development of the 1,205 single-family residential lots that have been subdivided as Rosehaven, Sections 1 and 2, and Walnut Creek, Sections 3 through 25 (an aggregate of approximately 324.0 acres). Approximately 24.3 acres of currently undeveloped, but developable, land located within the District that are designated for future commercial development are owned by FDC. FDC has no obligation to the District to develop any of such currently undeveloped acres, and may sell any of such acres at any time at its sole discretion. Since there is no legal commitment on the part of FDC to the District to develop such acres available for future development according to any specific plan, timetable, or at all, the District cannot predict when, or whether, any of such currently undeveloped acres located within the District might be developed. FDC is marketing lots to Lennar Homes and Devon Street Homes that are constructing homes in the District as is described below under the caption "Builders."

On April 20, 2021, the City consented to the petition of FDC and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.

Builders . . . . Lennar Homes and Devon Street Homes (the "Builders") are constructing homes within the District as is enumerated in the chart that appears in this Official Statement under the caption "DEVELOPMENT AND HOME CONSTRUCTION." According to FDC, homes which Lennar Homes and Devon Street Homes are currently constructing in the District range in size from approximately 1,700 to 3,600 square feet of living area and in sales price from approximately $220,000 to $350,000.

Although FDC reports that the foregoing information respecting the building activity of the Builders is accurate as of the date hereof, the Builders may change the size(s) and the type(s) of homes which they elects to build, and the sales prices thereof, at their sole discretion.

Infectious Disease Outbreak (COVID-19) The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. As described herein under "INVESTMENT CONSIDERATIONS - Infectious Disease Outbreak (COVID-19)," federal, state and local governments have all taken actions to respond to the Pandemic, including disaster declarations by both the President of the United States and the Governor of Texas.

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic conditions and financial markets worldwide and within Texas.

Such adverse economic conditions, if they continue, could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

While the potential impact of the Pandemic on the District cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the District's operations and financial condition. The financial and operating data contained herein are the latest available, but some of the data are as of dates and for periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not indicative of the economic impact of the Pandemic on the District's financial condition.

INVESTMENT CONSIDERATIONS

THE BONDS ARE SUBJECT TO SPECIAL INVESTMENT CONSIDERATIONS AS SET FORTH IN THIS OFFICIAL STATEMENT. PROSPECTIVE PURCHASERS SHOULD CAREFULLY EXAMINE THE ENTIRE OFFICIAL STATEMENT BEFORE MAKING THEIR INVESTMENT DECISIONS, ESPECIALLY THE PORTION OF THE OFFICIAL STATEMENT ENTITLED "INVESTMENT CONSIDERATIONS."

SELECTED FINANCIAL INFORMATION
(UNAUDITED)

2020 Assessed Valuation	$	227,213,193	(a)
(As of January 1, 2020)			
See "TAX DATA" and "TAXING PROCEDURES"			
Estimated Valuation at March 1, 2021	$	259,535,250	(a)
(As of March 1, 2021)			
See "TAX DATA" and "TAXING PROCEDURES"			
Direct Debt:			
Outstanding Bonds	$	25,005,000	
The Bonds		5,650,000	
Total	$	30,655,000	(c)
Estimated Overlapping Debt	$	14,925,211	
Total Direct and Estimated Overlapping Debt	$	45,580,211	
Direct Debt Ratio			
: as a percentage of 2020 Assessed Valuation		13.49	%
: as a percentage of Estimated Valuation at March 1, 2021		11.81	%
Direct and Overlapping Debt Ratio			
: as a percentage of 2020 Assessed Valuation		20.06	%
: as a percentage of Estimated Valuation at March 1, 2021		17.56	%
Debt Service Fund Balance as of April 15, 2021	$	2,179,895	(d)
General Fund Balance as of April 15, 2021	$	2,689,417	
2020 Tax Rate per $100 of Assessed Valuation			
Debt Service Tax	$	0.85	
Maintenance Tax		0.43	
Total	$	1.28	(e)
Average Percentage of Total Tax Collections (2010-2019) as of March 31, 2021		100.00	%
Percentage of Collections of 2020 Tax Levy as of March 31, 2021		98.13	%
Average Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2021-2039)	$	1,968,472	
Maximum Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2039)	$	2,171,377	
Tax Rate per $100 of Assessed Valuation Required to Pay Average Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2021-2039) at 95% Tax Collections			
Based Upon 2020 Assessed Valuation	$	0.92	
Based Upon Estimated Valuation at March 1, 2021	$	0.80	

Tax Rate per $100 of Assessed Valuation Required to Pay Maximum Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2039) at 95% Tax Collections		
Based Upon 2020 Assessed Valuation	$	1.01
Based Upon Estimated Valuation at March 1, 2021	$	0.89
Number of Single Family Homes as of March 1, 2021 (including 56 homes under construction)		1,147

(a) As of January 1, 2020, and comprises the District's 2020 tax roll. All property located in the District is valued on the tax rolls by the Fort Bend Central Appraisal District (the "Appraisal District") at 100% of assessed value as of January 1 of each year. The District's tax roll is certified by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board"). See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments" and "TAXING PROCEDURES."

(b) Provided by the Appraisal District for informational purposes only, this amount is an estimate of the value of all taxable property located within the District as of March 1, 2021, and includes an estimate of values resulting from the construction of taxable improvements from January 1, 2020, through February 28, 2021. The ultimate Assessed Valuation of any improvements added from January 1, 2020, through December 31, 2020, will not be included on the District's 2020 tax roll but will be placed on the District's 2021 tax roll, and may vary significantly from such estimate once the Appraisal Review Board certifies the value thereof in 2021. Moreover, the ultimate Assessed Valuation of any improvements added from January 1, 2021, through February 28, 2021, will not be included on the District's 2021 tax roll but will be placed on the District's 2022 tax roll, and may vary significantly from such estimate once the Appraisal Review Board certifies the value thereof in 2022.

(c) See "DISTRICT DEBT." In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and is financing with portions of the proceeds of the sale of the Bonds, the District expects to finance the cost of acquiring or constructing additional components of the System and arterial or collector roads and improvements in aid thereof with the proceeds of the sale of bonds, if any, by the District in the future. See "INVESTMENT CONSIDERATIONS - Future Debt, "THE BONDS - Issuance of Additional Debt," and "THE SYSTEM." "

(d) Neither Texas law nor the Bond Order requires the District to maintain any particular sum in the Debt Service Fund. Such fund balance reflects the timely payment by the District of its debt service requirements on the Outstanding Bonds that were due on March 1, 2021. The District's remaining debt service payments for 2021, which are due on September 1, 2021, total $997,076. The District's initial debt service payment on the Bonds, consisting of a nine-month interest payment thereon, is due on March 1, 2022.

(e) The District levied a total tax rate of $1.28 per $100 of Assessed Valuation for 2020, consisting of debt service and maintenance taxes of $0.85 and $0.43 per $100 of Assessed Valuation, respectively. As is enumerated in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon the approximately 397 acres located in the District that lie within the extraterritorial jurisdiction of the City of Rosenberg, plus the District's total 2020 rate of $1.28 per $100 of Assessed Valuation, is $3.002307 per $100 of Assessed Valuation. Approximately 60 acres located within the boundaries of the District lie within the City of Rosenberg, and are subject to taxation by the City of Rosenberg. The City of Rosenberg levied a tax of $0.401775 per $100 of Assessed Valuation for 2020, and thus the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon such approximately 60 acres, including the City of Rosenberg, is $3.404082 per $100 of Assessed Valuation. Such aggregate levies are higher than the aggregate tax levies of many municipal utility districts in the Houston metropolitan area, including the area of the District, but are within the range of the aggregate levies of many municipal utility districts in the Houston metropolitan area and the area of the District which are in stages of development comparable with the District. See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments."

$5,650,000
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
UNLIMITED TAX BONDS
SERIES 2021

INTRODUCTION

This Official Statement of Fort Bend County Municipal Utility District No. 152 (the "District") is provided to furnish information with respect to the sale by the District of its $5,650,000 Unlimited Tax Bonds, Series 2021 (the "Bonds"). The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, Chapters 49 and 54, Texas Water Code, as amended, and pursuant to an order (the "Bond Order") adopted by the Board of Directors of the District (the "Board").

There follow in this Official Statement descriptions of the Bonds, the use of proceeds of the Bonds, the Bond Order and certain information about the District and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the District upon payment of the costs of duplication therefor. Certain capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Bond Order, except as otherwise indicated herein.

THE BONDS

General

The following is a description of some of the terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Order of the Board authorizing the issuance of the Bonds. A copy of the Bond Order may be obtained from the District upon request.

The $5,650,000 Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds, Series 2021, are dated June 1, 2021, with interest payable on March 1, 2022 (nine-month interest payment), and on each September 1 and March 1 thereafter until the earlier of maturity or redemption. $1,570,000 of the Bonds are issued as serial bonds maturing on September 1 in each of the years 2023 through 2031, inclusive. $4,080,000 of the Bonds are issued as term bonds maturing on September 1 in each of the years 2033, 2035, 2037, 2039, 2042 and 2045 (collectively, the "Term Bonds") in the principal amounts set forth on the inside cover page of this Official Statement. The Bonds are issued in fully registered form only, transferrable only upon presentation to the Registrar. The Bonds are issued in the denomination of $5,000 each, or integral multiples thereof. The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds, but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent (hereinafter defined) directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described below under "Book-Entry-Only System."

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District and the Financial Advisor believe the source of such information to be reliable, but neither of the District or the Financial Advisor takes any responsibility for the accuracy or completeness thereof.

The District cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC, New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries.

Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and, (ii) except as described above, notices that are to be given to registered owners under the Order will be given only to DTC.

Record Date

The record date for payment of the interest on any regularly scheduled interest payment date is defined as the 15th day of the month (whether or not a business day) preceding such interest payment date.

Assignments, Transfers and Exchanges

In the event the book-entry-only system is discontinued, the Bonds may be transferred, registered and assigned only on the registration books kept by The Bank of New York Mellon Trust Company, N.A., currently in Dallas, Texas (the "Paying Agent," "Registrar" or "Paying Agent/Registrar"), at the principal payment office of the Registrar, and such registration and transfer shall be without expense or service charge to the owner, except for any tax or other governmental charges required to be paid with respect to such registration and transfer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instrument of transfer and assignment acceptable to the Registrar. At any time after the date of delivery of the Bonds to the Initial Purchaser (the "Initial Delivery"), any Bond may be transferred or exchanged upon its presentment and surrender at the office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the Registered Owner or assignee of the owner not more than three business days after the receipt of the request in proper form to transfer, exchange or replace the Bonds. New Bonds registered and delivered in an exchange or transfer shall be in denominations of $5,000 or any integral multiple thereof for any one maturity and for a like aggregate principal amount as the Bond or Bonds surrendered for exchange or transfer. Neither the District nor the Registrar is required (1) to transfer or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding interest payment date, or (2) to transfer or exchange any Bond selected for redemption in whole or in part within thirty (30) calendar days of the redemption date.

Redemption Provisions

Optional Redemption

The Bonds, including the Term Bonds, that mature on and after September 1, 2027, shall be subject to redemption and payment prior to their scheduled maturities at the option of the District, in whole or from time to time in part, on September 1, 2026, or on any date thereafter, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.

If fewer than all of the Bonds are optionally redeemed at any time, the particular maturities and amounts of Bonds to be redeemed shall be selected by the District in denominations of $5,000 or any integral multiple thereof within any one maturity. If fewer than all of the Bonds within a certain maturity are to be redeemed, the Paying Agent/Registrar shall designate the Bonds within such maturity to be redeemed by method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form). In the event the book-entry-only system is discontinued, the Registered Owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bond so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

Mandatory Redemption

The Term Bonds are subject to mandatory sinking fund redemption by the District by lot or other customary method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form) prior to scheduled maturity on September 1 in the years and in the amounts set forth below, subject to reduction by the amount of any prior optional redemption or cancellation, at a redemption price of par plus accrued interest to the date of redemption:

$440,000 Term Bonds Maturing on September 1, 2033

Mandatory Redemption Dates	Principal Amount
September 1, 2032	$215,000
September 1, 2033 (maturity)	225,000

$480,000 Term Bonds Maturing on September 1, 2035

Mandatory Redemption Dates	Principal Amount
September 1, 2034	$235,000
September 1, 2035 (maturity)	245,000

$530,000 Term Bonds Maturing on September 1, 2037

Mandatory Redemption Dates	Principal Amount
September 1, 2036	$260,000
September 1, 2037 (maturity)	270,000

$575,000 Term Bonds Maturing on September 1, 2039

Mandatory Redemption Dates	Principal Amount
September 1, 2038	$280,000
September 1, 2039 (maturity)	295,000

$960,000 Term Bonds Maturing on September 1, 2042

Mandatory Redemption Dates	Principal Amount
September 1, 2040	$305,000
September 1, 2041	320,000
September 1, 2042 (maturity)	335,000

$1,095,000 Term Bonds Maturing on September 1, 2045

Mandatory Redemption Dates	Principal Amount
September 1, 2043	$350,000
September 1, 2044	365,000
September 1, 2045 (maturity)	380,000

On or before 30 days prior to each Mandatory Redemption date set forth above, the Paying Agent/Registrar shall (i) determine the principal amount of such Term Bonds that must be mandatorily redeemed on such Mandatory Redemption Date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form), the Term Bonds or portions of Term Bonds of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Order. The principal amount of Term Bonds of a particular maturity to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced, at the option of the District, by the principal amount of Term Bonds of such maturity, which, by the 45th day prior to such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the District to the Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence.

Notice of any redemption will be given by the Registrar at least thirty (30) days prior to the redemption date by sending such notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the bond register.

Replacement of Bonds

The District has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds at the principal payment office of the Registrar, currently in Dallas, Texas, or receipt of satisfactory evidence by the Registrar and the District of such destruction, loss or theft, and receipt by the District and the Registrar of security or indemnity to hold them harmless. The District and the Registrar may require payment of taxes, governmental charges and other expenses in connection with any such replacement.

Source of Payment

The Bonds, when issued, will constitute valid and binding obligations of the District, and the principal thereof and interest thereon, together with the principal of and interest on the Outstanding Bonds (hereinafter defined) and such additional tax bonds of the District, if any, as hereafter may be issued, are payable from and are secured by the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. In the Bond Order, the District covenants to levy a tax sufficient to pay principal of and interest on the Outstanding Bonds and the Bonds, with full allowance being made for delinquencies, costs of levy and collection, and Registrar and Fort Bend County Appraisal District fees. Tax proceeds, after deduction for collection costs, will be placed in the Debt Service Fund and used solely to pay principal of and interest on the Bonds, the Outstanding Bonds, and on additional bonds payable from taxes which may be issued. See "TAX DATA."

Authority for Issuance

At an election held within the District on November 8, 2005, the District's voters authorized the issuance of $42,970,000 unlimited tax bonds for financing the acquisition or construction of the System, $25,782,000 for refunding such bonds and $7,355,000 for parks and recreational facilities. At an election held within the District on May 4, 2019, the District's voters authorized the issuance of $49,375,000 unlimited tax bonds for financing the acquisition or construction of the System, and $14,400,000 unlimited tax bonds for roads. The Bonds constitute the eighth installment of bonds from such authorizations for financing the acquisition or construction of the System. The District has previously issued Unlimited Tax Bonds, Series 2010 (the "Series 2010 Bonds"), Unlimited Tax Bonds, Series 2014 (the "Series 2014 Bonds"), Unlimited Tax Bonds, Series 2016 (the "Series 2016 Bonds"), Unlimited Tax Bonds, Series 2017 (the "Series 2017 Bonds"), Unlimited Tax Bonds, Series 2018 (the "Series 2018 Bonds") Unlimited Tax Bonds, Series 2019 (the "Series 2019 Bonds"), Unlimited Tax Refunding Bonds, Series 2019A (the "Series 2019A Refunding Bonds"), and Unlimited Tax Bonds, Series 2020 (the "Series 2020 Bonds") (collectively the "Prior Bonds"). The District has timely made all payments on the Prior Bonds when due. Before the issuance of the Bonds, the principal amount of the Prior Bonds that has not been previously retired by the District is $25,005,000 (the "Outstanding Bonds").

The Bonds are issued pursuant to the Bond Order; to Chapters 49 and 54 of the Texas Water Code, as amended; and Article XVI, Section 59 of the Texas Constitution.

Issuance of Additional Debt

The District may issue additional bonds payable from taxes to provide and maintain improvements and facilities for which the District was created, with approval of the TCEQ and the District's voters. Following the issuance of the Bonds, $60,450,000 for waterworks, sanitary sewer, and drainage facilities, $25,647,000 for refunding purposes, $7,355,000 for parks and recreational facilities, and $14,400,000 in unlimited tax bonds for roads authorized by the District's voters will remain unissued. Additional tax bonds may be voted in the future. The Board is further empowered to borrow money for any lawful purpose and to issue bond anticipation notes, tax anticipation notes, and revenue bonds and notes.

The Bond Order imposes no limitation on the amount of additional bonds which may be issued by the District (if authorized by the District's voters and approved by the TCEQ). Any additional bonds issued by the District may be on a parity with the Bonds.

Additional unlimited tax bonds will be required to provide water, sanitary sewer and drainage facilities and services to the remaining undeveloped land within the District's boundaries. Based on present engineering cost estimates, the total remaining authorized unlimited tax bonds in the amount of $60,450,000 are sufficient, in the opinion of the District's Engineer, to complete the extension of water, sanitary sewer and drainage facilities and services and to finance Connection Charges to all of the remaining undeveloped acreage located within the District. See "FUTURE DEVELOPMENT."

The District is also authorized by law to engage in fire-fighting activities, including the issuance of bonds payable from taxes for such purpose. Before the District could issue bonds payable from taxes for fire-fighting activities, the following actions would be required: (i) authorization of a detailed master plan and bonds for such purpose by the qualified voters in the District; (ii) approval of the master plan and bonds by the TCEQ; and (iii) approval of bonds by the Attorney General of Texas. The Board has not considered calling an election at this time for such purposes.

The District is authorized by statute to develop parks and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue park bonds payable from taxes, the following actions would be required: (i) preparation of a detailed park plan; (ii) authorization of park bonds by the qualified voters in the District; (iii) approval of the park plan and bonds by the TCEQ; and (iv) approval of the bonds by the Attorney General of Texas.

The District is authorized by statute to develop recreational facilities, including the issuing of bonds payable from taxes for such purpose, and voters of the District approved the issuance of $7,355,000 in principal amount of unlimited tax bonds for recreational facilities at an election held on November 8, 2005. The outstanding principal amount of unlimited tax bonds for recreational facilities may not exceed an amount equal to one percent of the value of the taxable property in the District.

The District also is authorized by statute to acquire road powers. The TCEQ has approved the District's application for approval of road powers to construct roads and improvements in aid thereof benefitting the District. Voters of the District approved the issuance of $14,400,000 in principal amount of unlimited tax bonds for the purposes of financing these roads at an election held on May 4, 2019. If additional debt obligations are issued in the future by the District for road purposes, such issuance will increase the grow debt/property ratios and might adversely affect the investment security of the Bonds.

The District expressly reserves the right to issue in one or more installments the following: (1) bonds payable solely from net revenues of the District's water and sewer system for the purpose of completing, repairing, improving, extending, enlarging or replacing such system, and such bonds may be payable from and equally secured by a lien on and pledge of said net revenues on a parity with the pledge on any previously issued bonds secured by net revenues to the extent net revenues are used to pay the principal of and interest on such bonds; (2) inferior lien bonds and to pledge the net revenues of such system to the payment thereof, such pledge to be subordinate in all respects to the lien of previously issued revenue bonds and any previously issued or subsequently issued bonds which are on a parity with the Bonds; and (3) special project bonds for the purchase, construction, improvement, extension, replacement, enlargement or repair of water, sewer and/or drainage facilities necessary under a contract or contracts with persons, corporations, municipal corporations, political subdivisions or other entities, such special project bonds to be payable from and secured by the proceeds of such contract or contracts.

Issuance of additional bonds or other subsequently authorized bonds could affect the investment quality or security of the Bonds. See "INVESTMENT CONSIDERATIONS - Future Debt."

Defeasance

The Bond Order provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished as follows: (i) by paying or causing to be paid principal and interest on the Bonds (whether at maturity, redemption or otherwise) in accordance with the terms of the Bonds; (ii) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption, or (iii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, or with a trust company or commercial bank designated in the proceedings authorizing such discharge, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct non-callable obligations of the United

States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The foregoing obligations may be in book entry form and shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds. If any of such Bonds are to be redeemed prior to their respective dates of maturity, provision must have been made for giving notice of redemption as provided in the Bond Order.

Upon such payment or deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Bond Order does not contractually limit such investments, Registered Owners may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality of those currently permitted under Texas law.

Consolidation

A district (such as the District) has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its assets, such as cash and the utility system, with the water and wastewater systems of districts with which it is consolidating as well as its liabilities (which would include the Bonds). No representation is made concerning the likelihood of consolidation.

Legal Investment and Eligibility to Secure Public Funds in Texas

Pursuant to Section 49.186, Texas Water Code, and Chapter 1201, Texas Government Code, the Bonds, whether rated or unrated, are (a) legal investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, and trustees and (b) legal investments for the public funds of cities, towns, villages, school districts, and other political subdivisions or public agencies of the State. The Bonds are also eligible under the Public Funds Collateral Act, Chapter 2257, Texas Government Code, to secure deposits of public funds of the State or any political subdivision or public agency of the State and are lawful and sufficient for those deposits to the extent of their market value. Most political subdivisions in the State of Texas are required to adopt investment guidelines under the Public Funds Investment Act, Chapter 2256, Texas Government Code, and such political subdivisions may impose other, more stringent, requirements in order for the Bonds to be legal investments for such entity's funds or to be eligible to serve as collateral for their funds.

The District has not reviewed the laws in other states to determine whether the Bonds are legal investments for various institutions in those states or eligible to serve as collateral for public funds in those states. The District has made no investigation of any other laws, rules, regulations or investment criteria that might affect the suitability of the Bonds for any of the above purposes or limit the authority or any of the above persons or entities to purchase or invest in the Bonds.

Amendments

The District has reserved the right to amend the Bond Order without the consent of the Registered Owners as may be required (a) by the provisions of the Bond Order, (b) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission in the Bond Order, or (c) in connection with any other change not to the prejudice of the holders of the Bonds, but may not otherwise amend the terms of the Bonds or of the Bond Order without the consent of the holders of the Bonds.

Registered Owners' Remedies

The Bond Order contains a covenant that while any of the Bonds is outstanding, there shall be assessed, levied, and collected an annual ad valorem tax, without limit as to rate or amount, on all taxable property within the District, sufficient to pay principal of and interest on the Bonds when due and to pay the expenses necessary in collecting taxes. Pursuant to Texas law, the Bond Order provides that in the event the District defaults in the payment of the principal of or interest on any of the Bonds when due, or fails to make payments required by the Bond Order into the Debt Service Fund, or defaults in the observance or performance of any of the other covenants, conditions or obligations set forth in the Bond Order, any Registered Owner shall be entitled at any time to seek a writ of mandamus from a court of competent jurisdiction compelling and requiring the Board of Directors of the District to make such payments or to observe and perform such covenants, obligations or conditions. Such right is in addition to all other rights the Registered Owners may be provided by the laws of the State of Texas.

In the event of default in the payment of principal of or interest on the Bonds, the Registered Owners may seek a writ of mandamus requiring the District to levy and collect adequate taxes to make such payments. Except for the remedy of mandamus, the Bond Order does not specifically provide for remedies to a Registered Owner in the event of a District default, nor does it provide for the appointment of a trustee to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year by the Registered Owners. Even if the Registered Owners could obtain a judgment against the District, such a judgment could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on the property of the District or sell taxable property within the District in order to pay the principal of or interest on the Bonds.

Certain traditional legal remedies also may not be available. The enforceability of the rights and remedies of the Registered Owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. See “Bankruptcy Limitation to Registered Owners' Rights” below.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of the Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Subject to the requirements of Texas law, the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. §§ 901-946, if the District (1) is generally authorized to file for federal bankruptcy protection by Texas law; (2) is insolvent or unable to meet its debts as they mature; (3) desires to effect a plan to adjust such debts; and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Under Texas law, a municipal utility district, such as the District, must obtain the approval of the TCEQ prior to filing for bankruptcy protection. Such law requires that the TCEQ investigate the financial condition of the District and authorize the District to proceed only if the District has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

If the District decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the District would develop and file a plan for the adjustment of its debts, and the Bankruptcy Court would confirm the District's plan if (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code, (2) all payments to be made in connection with the plan are fully disclosed and reasonable, (3) the District is not prohibited by law from taking any action necessary to carry out the plan, (4) administrative expenses are paid in full, and (5) the plan is in the best interests of creditors and is feasible. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect the Registered Owners by reducing or eliminating the interest rate or the principal amount, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of such Registered Owners' claim against the District. See "INVESTMENT CONSIDERATIONS."

The District may not be placed into bankruptcy involuntarily.

Use and Distribution of Bond Proceeds

Proceeds of the sale of the Bonds will be used by the District to (i) make payment to the Developer (defined in this Official Statement under the caption "DEVELOPER") for the cost of acquisition or construction of (a) Walnut Creek detention expansion, phase III; and water, wastewater, and drainage facilities to serve Walnut Creek, Sections 18, 19, and 22 through 25; engineering, surveying and materials testing; geotechnical study; and erosion consultant and stormwater permits; (ii) pay engineering fees associated with the foregoing projects; (iii) pay interest to such Developer on advances that have been made on behalf of the District; (iv) pay the principal of and accrued interest on the District's $2,450,000 Bond Anticipation Note, Series 2020 (the "BAN"), the proceeds of the sale of which the District utilized to interim finance a portion of the cost of the aforementioned items; (v) pay Impact Fees to the City of Rosenberg, and (vi) pay for administrative and issuance costs, legal fees, fiscal agent's fees, fees to the Texas Commission on Environmental Quality (the "TCEQ" or the "Commission") and the Attorney General of Texas, engineering fees, a review fee to the City of Rosenberg, and certain financing costs related to the issuance of the BAN and the Bonds.

Construction Costs

		District's Share
A. Developer Contribution Items (a)		
1.	Walnut Creek, Section 18 Water, Wastewater and Drainage	$ 821,907
2.	Walnut Creek, Section 19 Water, Wastewater and Drainage	364,576
3.	Walnut Creek, Section 19 and 22 Water, Wastewater and Drainage	787,884
4.	Walnut Creek, Section 23 Water, Wastewater and Drainage	512,576
5.	Walnut Creek, Section 24 Water, Wastewater and Drainage	327,846

6.	Walnut Creek, Section 25 Water, Wastewater and Drainage	270,605
7.	Walnut Creek Detention Expansion, Phase III	102,569
8.	Engineering, Surveying, and Geotechnical Study	506,273
9.	Erosion Consultant and Stormwater Permits	144,440
10.	City of Rosenberg Impact Fees	833,040
	Total Developer Contribution Items	$4,671,716
B. District Items		
None		
	TOTAL CONSTRUCTION COSTS	$4,671,716
Non-Construction Costs		
1.	Legal Fees	$ 156,250
2.	Fiscal Agent Fees	113,000
3.	Interest	
	a. Developer Interest (b)	257,657
	b. Bond Anticipation Note Interest	85,750
4.	Bond Discount	155,124
5.	Bond Issuance Expenses	48,752
6.	Bond Anticipation Note Issuance Expenses	75,100
7.	Bond Application Report Costs	50,000
8.	City of Rosenberg Review Fee	2,500
9.	Attorney General Fee	5,650
10.	TCEQ Bond Issuance Fee	14,125
11.	Contingency (c)	14,376
	TOTAL NON-CONSTRUCTION COSTS	$978,284
	TOTAL BOND ISSUE REQUIREMENT	**$5,650,000**

(a) In general, developers are required to pay up to thirty percent (30%) of the cost of emplacing certain of the water, wastewater and drainage facilities in a municipal utility district pursuant to the rules of the TCEQ. However, pursuant to certain exceptions under TCEQ rules, the District is permitted to finance one hundred percent (100%) of the cost of the facilities being financed with the proceeds of the sale of the Bonds. The District requested an exemption from such participation requirement with respect to certain facilities being financed with portions of the proceeds of the sale of the Bonds on the basis of one of the criteria under TCEQ rules for such exemption. The TCEQ granted the request for such exemption in its Order authorizing the District to issue the Bonds.

(b) Represents interest owed on advances of construction costs and engineering fees and operating expenses made on the District's behalf. The actual amount of interest owed will be calculated at the lesser of (i) the net effective interest rate borne by the Bonds or (ii) the interest rate at which the party making such advance has borrowed funds.

(c) The TCEQ Order requires the District to designate surplus bond proceeds resulting from the sale of the bonds at amounts less than initially projected in the District's Bond Application to the TCEQ as a contingency line item in the Official Statement. Such funds may be used by the District only upon approval by the TCEQ.

INVESTMENT CONSIDERATIONS

General

The Bonds, which are obligations of the District and not of the State of Texas, Fort Bend County, Texas, the City of Rosenberg, or any political subdivision other than the District, will be secured by an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. Therefore, the ultimate security for payment of the principal of and interest on the Bonds depends upon the ability of the District to collect from the property owners within the District taxes levied against all taxable property located within the District, or, in the event taxes are not collected and foreclosure proceedings are instituted by the District, upon the value of the taxable property with respect to taxes levied by the District and by other taxing authorities. The District makes no representations that over the life of the Bonds the property within the District will maintain a value sufficient to justify continued payment of taxes by the property owners. The potential increase in taxable valuation of District property is directly related to the economics of the residential housing industry, not only due to general economic conditions, but also due to the particular factors discussed below.

Factors Affecting Taxable Values and Tax Payments

Economic Factors: The rate of development of the District is directly related to the vitality of the residential housing industry. New construction can be significantly affected by factors such as interest rates, construction costs, credit availability, energy availability and cost, and consumer demand. Decreased levels of home construction activity would restrict the growth of property values in the District. A fluctuation in the price of oil could adversely affect the demand for housing, the values of existing homes and the demand for the commercial activity in the District (see "Potential Effects of Oil Price Fluctuation on the Houston Area" above). Recent changes in federal tax law limiting deductions for ad valorem taxes may adversely affect the demand for housing and the prices thereof. Were the District to experience a significant number of residential foreclosures, the value of all homes within the District could be adversely affected. Although development and home construction has occurred to date as is described in this Official Statement under the caption "DEVELOPMENT AND HOME CONSTRUCTION," the District cannot predict the pace or magnitude of any future development or future construction of homes that might be undertaken in the District other than that which has occurred to date.

National Economy: The housing and building industry has historically been a cyclical industry, affected by both short- and long-term interest rates, availability of mortgage and development funds, employment levels and general economic conditions. Although development and home construction has occurred as to date as described in this Official Statement under the caption "DEVELOPMENT AND HOME CONSTRUCTION," the District cannot predict the pace or magnitude of any future development or future construction of homes that might be undertaken in the District other than that which has occurred to date. The District cannot predict what impact, if any, a downturn in the local housing markets or a continued downturn in national housing and financial markets may have on the Houston market generally and the District specifically, or the maintenance of assessed values in the District.

Credit Markets and Liquidity in the Financial Markets: Interest rates and the availability of mortgage and development funding have a direct impact on development and homebuilding activity, particularly short-term interest rates at which developers are able to obtain financing for development costs and at which homebuilders are able to finance the construction of new homes for sale. Interest rate levels may affect the ability of a developer with undeveloped property to undertake and complete development activities within the District, and of homebuilders to initiate the construction of new homes for sale. Because of the numerous and changing factors affecting the availability of funds, particularly liquidity in the national credit markets, the District is unable to assess the future availability of such funds for continued development and/or home construction within the District. The success of development within the District and growth of District taxable property values are, to a great extent, a function of the Houston metropolitan and regional economies and national credit and financial markets. A downturn in the economic conditions of Houston and further decline in real estate and financial markets in the United States could adversely affect development and homebuilding plans in the District and restrain the growth of the District's property tax base.

Maximum Impact on District Tax Rates: Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2020 Assessed Valuation of property located within the District (see "TAX DATA") is $227,213,193. After issuance of the Bonds, the Maximum Annual Debt Service Requirement on the Bonds and the Outstanding Bonds (hereinafter defined) will be $2,171,377 (2039) and the Average Annual Debt Service Requirements will be $1,968,472 (2021 through 2039, inclusive). Assuming no increase to nor decrease from the 2020 Assessed Valuation, the issuance of no bonds by the District in addition to the Prior Bonds, no use of District funds on hand other than tax receipts, tax rates of $1.01 and $0.92 per $100 of Assessed Valuation at a 95% tax collection rate would be necessary to pay the Maximum Annual Debt Service Requirement and the Average Annual Debt Service Requirements, respectively, on the Bonds and the Outstanding Bonds. The District's Estimated Valuation at March 1, 2021, is $259,535,250. Assuming no increase to nor decrease from the Estimated Valuation at January 1, 2021, the issuance of no bonds by the District in addition to the Prior Bonds, no use of District funds on hand other than tax receipts, tax rates of $0.89 and $0.80 per $100 of Assessed Valuation at a 95% tax collection rate would be necessary to pay the Maximum Annual Debt Service Requirement and the Average Annual Debt Service Requirements, respectively.

The District has levied a debt service tax of $0.85 per $100 of Assessed Valuation and a maintenance tax of $0.43 per $100 of Assessed Valuation for 2020. As is illustrated in the immediately preceding paragraph, a debt service tax of $0.85 is sufficient to pay the Average Annual but not the Maximum Annual Debt Service Requirements on the Bonds and the Outstanding Bonds, assuming taxable values in the District at the level of the Estimated Valuation at March 1, 2021, a tax collection rate of 95%, the issuance of no bonds by the District in addition to the Bonds and the Prior Bonds, and no use of District funds on hand other than tax receipts. However, as is illustrated in this Official Statement under the caption "TAX DATA - Historical Values and Tax Collection History," the District had collected an average of 100.00% of its tax levies for the period 2010 through 2019, as of March 31, 2021, and its 2020 levy, which is in the process of collection, was 98.13% collected as of such date. Moreover, the District's Debt Service Fund balance was $2,179,895 as of April 15, 2021. Although neither Texas law nor the Bond Order requires that any specific amount be retained in the Debt Service Fund at any time, the District has in the past applied earnings from the investment of monies held in the Debt Service Fund to meet the debt service requirements of the Prior Bonds. See "APPENDIX B - ANNUAL FINANCIAL REPORT." The District anticipates that, given these factors, and future increases in taxable values which are expected to occur as a consequence of the construction of homes on the lots developed by the Developer (see "DEVELOPMENT AND HOME CONSTRUCTION" and "BUILDERS"), the District will be able to meet the debt service requirements on the Bonds and the Outstanding Bonds without increasing the debt service tax rate above the debt service tax rate which the District has levied for 2020 - $0.85 per $100 of Assessed Valuation. However, the District can make no representation that the taxable property values in the District will increase in the future or will maintain a value sufficient to support the aforementioned tax rate or to justify continued payment of taxes by property owners See "TAX DATA - Tax Rate Calculations." Increases in the District's total tax rate to higher levels than the total $1.28 per $100 of Assessed Valuation rate which the District levied for 2020 may have an adverse impact upon future development of the District, and the ability of the District to collect, and the willingness of owners of property located within the District to pay, ad valorem taxes levied by the District. In addition, the collection by the District of delinquent taxes owed to it and the enforcement by a Registered Owner of the District's obligations to collect sufficient taxes may be a costly and lengthy process. See "THE BONDS - Issuance of Additional Debt" and "INVESTMENT CONSIDERATIONS- Future Debt" below."

As is enumerated in this Official Statement under the caption “TAX DATA - Estimated Overlapping Taxes,” the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon the approximately 397 acres located in the District that lie within the extraterritorial jurisdiction of the City of Rosenberg, plus the District's total 2020 rate of $1.28 per $100 of Assessed Valuation, is $3.002307 per $100 of Assessed Valuation. Approximately 60 acres located within the boundaries of the District lie within the City of Rosenberg, and are subject to taxation by the City of Rosenberg. The City of Rosenberg levied a tax of $0.401775 per $100 of Assessed Valuation for 2020, and thus the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon such approximately 60 acres, including the City of Rosenberg, is $3.404082 per $100 of Assessed Valuation. Such aggregate levies are higher than the aggregate tax levies of many municipal utility districts in the Houston metropolitan area, including the area of the District, but are within the range of the aggregate levies of many municipal utility districts in the Houston metropolitan area and the area of the District which are in stages of development comparable with the District. To the extent that such composite tax rates are not competitive with competing developments, the growth of property tax values in the District and the investment quality or security of the Bonds could be adversely affected.

One must consider the total tax burden of all overlapping jurisdictions imposed upon property located within the District as contrasted with property located in comparable real estate developments to gauge the relative tax burden on property within the District. The tax rate necessary to service the debt issued or to be issued by the District, and the tax rates levied by other overlapping jurisdictions, are subject to numerous uncertainties and variables, and thus the District can give no assurance that the composite tax rates imposed by overlapping jurisdictions, plus the District's tax rate, will be competitive with the tax rates of competing projects. See “THE BONDS - Registered Owners' Remedies,” “TAX DATA - Estimated Overlapping Taxes,” and “TAXING PROCEDURES.”

Tax Collection Limitations

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by (a) cumbersome, time-consuming and expensive collection procedures, (b) a bankruptcy court's stay of tax collection procedures against a taxpayer, (c) market conditions limiting the proceeds from a foreclosure sale of taxable property or (d) the taxpayer's right to redeem the property within two years of foreclosure for residential homestead and agricultural use property and within six (6) months of foreclosure for other property. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding.

Registered Owners' Remedies and Bankruptcy

In the event of default in the payment of principal of or interest on the Bonds, the Registered Owners have a right to seek a writ of mandamus requiring the District to levy adequate taxes each year to make such payments. Except for mandamus, the Bond Order does not provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government’s sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas legislature, a default by the District in its covenants in the Bond Order may not be reduced to a judgement for money damages. Even if the Registered Owners could obtain a judgment against the District, such a judgment could not be enforced by a direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District in order to pay the principal of and interest on the Bonds. Since there is no trust indenture or trustee, the Registered Owners would have to initiate and finance the legal process to enforce their remedies.

The enforceability of the rights and remedies of the Registered Owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. In this regard, should the District file a petition for protection from creditors under federal bankruptcy laws, a suit seeking the remedy of mandamus would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See “THE BONDS - Registered Owners’ Remedies.”

The Effect of the Financial Institutions Act of 1989 on Tax Collections of the District

The Financial Institutions Reform, Recovery and Enforcement Act of 1989 (“FIRREA”) contains certain provisions which affect the time for protesting property valuations, the fixing of tax liens and the collection of penalties and interest on delinquent taxes on real property owned by the Federal Deposit Insurance Corporation (“FDIC”) when the FDIC is acting as the conservator or receiver of an insolvent financial institution. Under FIRREA real property held by the FDIC is still subject to ad valorem taxation, but such act states (i) that no real property of the FDIC shall be subject to foreclosure or sale without the consent of the FDIC and no involuntary liens shall attach to such property, (ii) the FDIC shall not be liable for any penalties, interest, or fines, including those arising from the failure to pay any real or personal property tax when due and (iii) notwithstanding failure of a person to challenge an appraisal in accordance with state law, such value shall be determined as of the period for which such tax is imposed.

To the extent the FIRREA provisions are valid and applicable to any property in the District, and to the extent that the FDIC attempts to enforce the same, these provisions may affect the timeliness of collection of taxes on property, if any, owned by the FDIC in the District, and may prevent the collection of penalties and interest on such taxes.

Marketability

The District has no understanding (other than the initial reoffering yields) with the Underwriter regarding the reoffering yields or prices of the Bonds and has no control over the trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made for the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the bid and asked spread of other bonds generally bought, sold or traded in the secondary market. See “SALE AND DISTRIBUTION OF THE BONDS.”

Future Debt

The District has the right to issue the remaining $60,450,000 for waterworks, sanitary sewer, and drainage facilities, $25,647,000 for refunding purposes, $7,355,000 for parks and recreational facilities, and $14,400,000 in unlimited tax bonds for roads (see “THE BONDS - Issuance of Additional Debt”), and such additional bonds as may hereafter be approved by both the Board and voters of the District. The District also has the right to issue certain other additional bonds, special project bonds, and other obligations described in the Bond Order. All of the remaining $60,450,000 for waterworks, sanitary sewer, and drainage facilities, $25,647,000 for refunding purposes, $7,355,000 for parks and recreational facilities, and $14,400,000 in unlimited tax bonds for roads, which have heretofore been authorized by the voters of the District may be issued by the District from time to time as needed. The issuance of such $60,450,000 in bonds for waterworks, wastewater and drainage facilities and $7,355,000 for parks and recreational facilities is also subject to TCEQ authorization.

The District's Engineer estimates that the aforementioned $60,450,000 authorized bonds which remain unissued will be adequate to finance the construction of all water, wastewater and drainage facilities to provide service to all of the currently undeveloped portions of the District. If additional bonds are issued in the future and property values have not increased proportionately, such issuance may increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds. In addition to the components of the System that the District has financed with the proceeds of the sale of the Prior Bonds and is financing with portions of the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System and roads and improvements in aid thereof with the proceeds of the sale of bonds, if any, to be issued by the District in the future. See “THE BONDS - Issuance of Additional Debt” and “THE SYSTEM.”

On April 20, 2021, the City consented to the petition of FDC and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.

Competitive Nature of Houston Residential Housing Market

The housing industry in the Houston metropolitan area, including the City of Rosenberg, is very competitive, and the District can give no assurance that the building programs which are planned by the Builders, or any future home builder(s) will be continued or completed. The respective competitive positions of the Developer and the Builders and any other developer(s) or home builder(s) which might attempt future development or home building projects in the District in the sale of developed lots or in the construction and sale of single-family residential units are affected by most of the factors discussed in this section, and such competitive positions are directly related to tax revenues received by the District and the growth and maintenance of taxable values in the District. See "DEVELOPMENT AND HOME CONSTRUCTION" and "DEVELOPER."

Continuing Compliance with Certain Covenants

The Bond Order contains covenants by the District intended to preserve the exclusion from gross income of interest on the Bonds. Failure of the District to comply with such covenants on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS - Opinion."

Environmental and Air Quality Regulations

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; or
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues. Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the Texas Commission on Environmental Quality (the "TCEQ") may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston-Galveston-Brazoria area ("HGB Area")—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty Counties—has been designated a nonattainment area under three separate federal ozone standards: the one-hour (124 parts per billion ("ppb")) and eight-hour (84 ppb) standards promulgated by the EPA in 1997 (the "1997 Ozone Standards"); the tighter, eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the "2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the "2015 Ozone Standard"). While the State of Texas has been able to demonstrate steady progress and improvements in air quality in the HGB Area, the HGB Area remains subject to CAA nonattainment requirements.

While the EPA has revoked the 1997 Ozone Standards, the EPA historically has not formally redesignated nonattainment areas for a revoked standard. As a result, the HGB Area remained subject to continuing severe nonattainment area "anti-backsliding" requirements, despite the fact that HGB Area air quality has been attaining the 1997 Ozone Standards since 2014. In late 2015, the EPA approved the TCEQ's "redesignation substitute" for the HGB Area under the revoked 1997 Ozone Standards, leaving the HGB Area subject only to the nonattainment area requirements under the 2008 Ozone Standard (and later, the 2015 Ozone Standard).

In February 2018, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion in *South Coast Air Quality Management District v. EPA,* 882 F.3d 1138 (D.C. Cir. 2018) vacating the EPA redesignation substitute rule that provided the basis for the EPA's decision to eliminate the anti-backsliding requirements that had applied in the HGB Area under the 1997 Ozone Standard. The court has not responded to the EPA's April 2018 request for rehearing of the case. To address the uncertainty created by the *South Coast* court's ruling, the TCEQ developed a formal request that the HGB Area be redesignated to attainment under the 1997 Ozone Standards. The TCEQ Commissioners adopted the request and maintenance plan for the 1997 one-hour and eight-hour standards on December 12, 2018. On May 16, 2019, the EPA proposed a determination that the HGB Area has met the redesignation criteria and continues to attain the 1997 one-hour and eight-hour standards, the termination of the anti-backsliding obligations, and approval of the proposed maintenance plan.

The HGB Area is currently designated as a "serious" nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2021. If the EPA ultimately determines that the HGB Area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels.

The HGB Area is currently designated as a "marginal" nonattainment area under the 2015 Ozone Standard, with an attainment deadline of August 3, 2021. For purposes of the 2015 Ozone Standard, the HGB Area consists of only six counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

In order to demonstrate progress toward attainment of the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") for the HGB Area setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the HGB Area. These SIP requirements can negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. It is possible that additional controls will be necessary to allow the HGB Area to reach attainment with the ozone standards by the EPA's attainment deadlines. These additional controls could have a negative impact on the HGB Area's economic growth and development.

Water Supply & Discharge Issues. Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the HGB Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system.

Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000), with an effective date of March 5, 2018, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain nonstormwater discharges into surface water in the state. It has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The District is subject to the TCEQ's General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit"), which was renewed by the TCEQ on December 11, 2013. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. The renewed MS4 Permit contains more stringent requirements than the standards contained in the previous MS4 Permit. The District has submitted all necessary documentation to the TCEQ for MS4 Permit compliance. In order to maintain its current compliance with the TCEQ under the MS4 Permit, the District continues to develop and implement the required plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff. Unknown future costs associated with these compliance activities may be significant in the future.

In 2015, the EPA and USACE promulgated a rule known as the Clean Water Rule ("CWR") aimed at redefining "waters of the United States" over which the EPA and USACE have jurisdiction under the CWA. The CWR significantly expanded the scope of the federal government's CWA jurisdiction over intrastate water bodies and wetlands. The CWR was challenged in numerous jurisdictions, including the Southern District of Texas, causing significant uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction.

On September 12, 2019, the EPA and USACE finalized a rule repealing the CWR, thus reinstating the regulatory text that existed prior to the adoption of the CWR. This repeal officially became final on December 23, 2019, but the repeal has itself become the subject of litigation in multiple jurisdictions.

On January 23, 2020, the EPA and USACE released the Navigable Waters Protection Rule ("NWPR"), which contains a new definition of "waters of the United States." The stated purpose of the NWPR is to restore and maintain the integrity of the nation's waters by maintaining federal authority over the waters Congress has determined should be regulated by the federal government, while preserving the states' primary authority over land and water resources. The new definition outlines four categories of waters that are considered "waters of the United States," and thus federally regulated under the CWA: (i) territorial seas and traditional navigable waters; (ii) perennial and intermittent tributaries to territorial seas and traditional navigable waters; (iii) certain lakes, ponds, and impoundments of jurisdictional waters; and (iv) wetlands adjacent to jurisdictional waters. The new rule also identifies certain specific categories that are not "waters of the United States," and therefore not federally regulated under the CWA: (a) groundwater; (b) ephemeral features that flow only in direct response to precipitation; (c) diffuse stormwater runoff and directional sheet flow over upland; (d) certain ditches; (e) prior converted cropland; (f) certain artificially irrigated areas; (g) certain artificial lakes and ponds; (h) certain water-filled depressions and certain pits; (i) certain stormwater control features; (j) certain groundwater recharge, water reuse, and wastewater recycling structures; and (k) waste treatment systems. The NWPR became effective June 22, 2020, and is currently the subject of ongoing litigation.

Due to existing and possible future litigation, there remains uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction. Depending on the final outcome of such proceedings, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed, pending or future legislation.

2021 Legislative Session

The 87th Regular Legislative Session convened on January 12, 2021, and will conclude on May 31, 2021. The Texas Legislature could enact laws that materially change current laws affecting ad valorem tax matters. The District can make no representation regarding any actions the Texas Legislature may take or the effect of any such actions.

Extreme Weather Events; Hurricane Harvey

The Houston area, including the District, is subject to occasional severe weather events, including tropical storms and hurricanes. If the District were to sustain damage to its facilities requiring substantial repair or replacement or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected.

The greater Houston area has experienced multiple storms exceeding a 0.2% probability (i.e. "500 year flood" events) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 26, 2017, and brought historic levels of rainfall during the successive four days. According to the District's Operator and Engineer, the District's System did not sustain any material damage from Hurricane Harvey and there was no interruption of water or sewer service. Further, according to the District's Operator, after investigation, although the District experienced street flooding, there was no apparent material wind or water damage to homes within the District.

If a future weather event significantly damaged all or part of the improvements within the District, the assessed value of property within the District could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase the District's tax rate. Further, there can be no assurance that a casualty loss to taxable property within the District will be covered by insurance (or that property owners will even carry flood or other casualty insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the District. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the District could be adversely affected.

Specific Flood Type Risks

Ponding, or pluvial, flooding occurs when heavy rainfall creates a flood event independent of an overflowing water body, typically in relatively flat areas. Intense rainfall can exceed the drainage capacity of a drainage system, which may result in water within the drainage system becoming trapped and diverted onto streets and nearby property until it is able to reach a natural outlet. Ponding can also occur in a flood pool upstream or behind a dam, levee or reservoir.

Infectious Disease Outbreak (COVID-19)

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services

Department declared a public health emergency for the United States in connection with the Pandemic. On March 13, 2020, the President of the United States (the "President") declared the Pandemic a national emergency and the Texas Governor (the "Governor") declared the Pandemic an imminent threat of disaster for all counties in Texas (collectively, the "disaster declarations"). On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State of Texas.

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster and issuing executive orders that have the force and effect of law. The Governor has issued a number of executive orders relating to the Pandemic preparedness and mitigation. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at https://gov.texas.gov/. Neither the information on (nor accessed through) such website of the Governor is incorporated by reference, either expressly or by implication, into this Official Statement.

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic conditions and financial markets worldwide and within Texas and the Houston area. Stock values and oil prices, in the U.S. and globally, have seen significant declines attributed in part to Pandemic concerns. Texas may be particularly at risk from any global slowdown, given the prevalence of international trade in the state and the risk of contraction in the oil and gas industry and spillover effects into other industries.

Such adverse economic conditions, if they continue, could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values construction activity within the District. The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

The District continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of the Pandemic upon the District. While the potential impact of the Pandemic on the District cannot be quantified at this time, the continued outbreak of the Pandemic could have an adverse effect on the District's operations and financial condition. The financial and operating data contained herein are the latest available, but are as of dates and for periods partially prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not necessarily indicative of the economic impact of the Pandemic on the District's financial condition.

Potential Effects of Oil Price Fluctuation on the Houston Area

The recent fluctuation in oil prices in the U.S. and globally, which at times have led to the lowest such prices in three decades, may lead to adverse conditions in the oil and gas industry, including but not limited to reduced revenues, declines in capital and operating expenditures, business failures, and layoffs of workers. The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. As previously stated, the Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

THE DISTRICT

Authority

Fort Bend County Municipal Utility District No. 152 was created by the Texas Water Commission, now the TCEQ, on July 15, 2005, and operates pursuant to Chapters 49 and 54 of the Texas Water Code.

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; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water.

Under certain limited circumstances the District also is authorized to construct, develop and maintain park and recreational facilities and to construct roads. In addition, the District is authorized to establish, operate and maintain a fire department, independently or with one or more other conservation and reclamation districts, and provide such facilities and services to the customers of the District.

The District is empowered to construct and convey to the State, County, or a municipality for operation and maintenance, roads or improvements in aid thereof.

The TCEQ exercises continuing supervisory jurisdiction over the District. In order to obtain the consent of the City of Rosenberg (the "City"), within whose extraterritorial jurisdiction the District partially lies (approximately 397 acres) and within whose corporate boundaries the District partially lies (approximately 60 acres), the District has agreed to observe certain City of Rosenberg requirements. These requirements limit the purposes for which the District may sell bonds to the acquisition and improvement of waterworks, wastewater, and drainage facilities, park and recreational facilities and roads; limit the net effective interest rate on such bonds and other terms of such bonds; and require approval by the City of the issuance of bonds by the District and the District's construction plans and specifications.

Description

The District contains approximately 456.7 acres of land. The District is located entirely within Fort Bend County, Texas. The District is located partially (approximately 397 acres) within the extraterritorial jurisdiction of the City, and partially (approximately 60 acres) within the corporate boundaries of the City. See - "Annexation and Abolishment" below. The District is located approximately 25 miles southwest of the central business district of the City of Houston. The District is located south of U.S. Highway 59 and F.M. 762 and east of F.M. 2977. The District lies wholly within the Lamar Consolidated Independent School District. See - "Authority" above, "AERIAL PHOTOGRAPH OF THE DISTRICT," and "APPENDIX A - LOCATION MAP."

On April 20, 2021, the City consented to the petition of FDC and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.

Annexation and Abolishment

Portions of the District are currently (i) located within the corporate boundaries of the City (approximately 60 acres) and (ii) located within the extraterritorial jurisdiction of the City (approximately 397 acres).

Under Texas law, the District must conform to a City Ordinance consenting to the creation of the District. Generally, the District may be annexed by the City without the District's consent, and the City cannot annex territory within the District unless it annexes the entire District. If the District is annexed, the City will assume the District's assets and obligations (including the Bonds) and dissolve the District. Annexation of territory by the City is a policy making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that the City will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City to make debt service payments should such annexation occur.

Under Texas law, since the District is located in the City, the District may be abolished by the City. If abolished, the City must assume all of the debts, liabilities, and obligations of the District, including bonds, and must perform all of the functions of the District, including the provision of services.

Under Texas law if the District is annexed or abolished, obligations of the District payable in whole or in part from ad valorem taxes become obligations of the City, and the City is thereafter required to levy and collect taxes on all taxable property in the City sufficient to pay the principal of and interest on the bonds as it becomes due and payable.

It is the policy of the City that a municipal utility district created within the City should not be abolished until such time as it has retired all of its outstanding bonded indebtedness. The City does reserve the right to abolish any municipal utility district, regardless of whether or not it has any outstanding debt, if it is deemed to be in the best interest of the City. No representation is made with respect to whether the City will ever abolish the District and assume its debt or with respect to the ability of the City to pay such debt service obligations if it were to abolish the District.

Contracts

Development Agreement with the City of Rosenberg

The Developer has entered into a Development Agreement with the City of Rosenberg, Texas dated July 6, 2005. This agreement provides long-term certainty in regulatory requirements and development standards of the City for the land located within the boundaries of the District. The agreement provides for the development of a master-planned mixed-use community within the extraterritorial jurisdiction of the City. This agreement is binding on both parties for a term of 25 years and may be extended at the Developer's request and with city council approval for successive one year periods.

Fire Protection Agreement

Pursuant to a Fire Protection Plan approved January 30, 2008, the District has entered into a fire protection agreement to receive fire protection services from the City of Rosenberg in exchange for a pro rata capital contribution for the construction of a fire station and an initial monthly fee of $11.00 per connection or per 2,000 square feet or part thereof for improved non-residential property. Effective January 1, 2014, each equivalent residential connection is charged $20.00 per month and each commercial connection is billed $20.00 per 2,000 square feet or part thereof of building floor area.

Wastewater Treatment Plant Agreement

The District is a party to the Construction Financing Agreement for Interim Wastewater Treatment Plant among the District, Fort Bend County Municipal Utility District No. 155 ("No. 155") and Fort Bend County Municipal Utility District No. 158 ("No. 158"), dated December 13, 2005, which established the terms and conditions by which the District's predecessor in interest agreed to finance the design and construction of a temporary wastewater treatment facility with the capacity to treat 240,000 gallons per day, and allocate treatment capacity in the facility ("First Phase"). The First Phase has been constructed and is currently in operation. The District owns 39.3% of the total capacity in the First Phase.

The District entered into the Construction Financing Agreement for Phase Two of Interim Wastewater Treatment Plant, dated August 9, 2006, which established the terms and conditions by which the District, No. 155 and No. 158 agreed to finance the 240,000 gallon per day expansion of the temporary wastewater treatment facilities, allocate treatment capacity in the expansion among the Districts and fund operations on the temporary wastewater treatment facilities ("Second Phase"). The Second Phase has been constructed and is in operation. The District owns 39.3% of the total capacity in the Second Phase.

The District entered into the First Supplement to Construction Financing Agreement for Phase Two of Interim Wastewater Treatment Plant, dated February 1, 2009, which established the terms and conditions by which the District, No. 155 and No. 158 would finance the design and regulatory approval of a 500,000 gallon per day expansion of the temporary wastewater treatment facilities.

The District entered into the Construction Financing Agreement for Phase Three of Interim Wastewater Treatment Plant, dated May 14, 2014, which established the terms and conditions by which the District, No. 155 and No. 158 will provide for the construction of a 500,000 gallon per day expansion of the temporary wastewater treatment facilities and revised the terms and conditions by which the District agreed to finance the design and regulatory approval of the expansion ("Third Phase"). The Third Phase has been constructed and is in operation. The District owns 36.4% of the total capacity in the Third Phase.

The District entered into the Construction Financing Agreement for Phase Four of Interim Wastewater Treatment Plant, dated April 6, 2016, which established the terms and conditions by which the District, No. 155 and No. 158 will provide for the construction of additional improvements to the temporary wastewater treatment facilities. Per the agreement the District shall be entitled to no less than 38.2% of the total capacity in the Fourth Phase. The Phase Four expansion construction is complete and in operation. Under the agreement each district is responsible for its respective pro rata share of the construction costs.

Wastewater Treatment Plant Site Agreement

The District entered into a Cost Sharing Agreement for Wastewater Treatment Plant Site Acquisition dated September 25, 2005. The agreement was entered into by Lennar Homes of Texas Land and Construction Ltd., Bonbrook Plantation L.P., Beazer Homes Texas L.P., and Ventana Development Ltd. for the purpose of acquiring a wastewater treatment site. The terms of the agreement required payment by the various developers of their respective pro-rata shares of the estimated cost of $680,000. Per the agreement, title to the property was held by No. 158 until receipt of sufficient funding, at which time the property was transferred to the City of Rosenberg for use as the wastewater treatment plant site.

Lift Station and Force Main Agreements

The District has entered into a Construction Finance Agreement dated September 5, 2006, for the South Master Lift Station and Force Main with No. 155 and No. 158. In the agreement the District agreed to design, construct, repair, own, operate, and maintain facilities in accordance with the terms of the agreement so as to adequately provide for the wastewater needs of all three districts. The District shall act on behalf of all three parties to the agreement and hold title to the facilities for the benefit of all three parties. The agreement provides for cost allocation based upon the projected number of equivalent single family residential connections within each district to be served.

The District has entered into a Construction Finance Agreement dated August 2, 2016, for the Second Lift Station and Force Main with No. 155, No. 158 and the City of Rosenberg. In the agreement the District agreed to design, construct, repair, own, operate, and maintain facilities in accordance with the terms of the agreement so as to adequately provide for the wastewater needs of all three districts. The District shall act on behalf of all three parties to the agreement and hold title to the facilities for the benefit of all three parties. The agreement provides for cost allocation based upon the projected number of equivalent single family residential connections within each district to be served. The Second Lift Station construction is complete and in operation.

Water Line Agreement

The District has entered into a Facilities Proration Agreement with Fort Bend County Municipal Utility District No. 66 to provide for the construction of an oversized water line required by the City of Rosenberg. The District has agreed to pay for the portion of the line from which only the District benefits, subject to the availability of bond funds, surplus funds, general funds, or developer advances. The District paid its pro-rata share of the cost of the water line which totaled $31,830.74, and the waterline has been constructed.

Water and Wastewater Agreement with the City of Rosenberg

The District has entered into a Water Supply and Wastewater Services Agreement with the City of Rosenberg dated February 22, 2005. This agreement provides up to 1,690 equivalent single family connections of Water Supply Services and Wastewater Services for the District. The City supplies up to 987 connections subject to the developer's completion of construction of necessary facilities required to connect to City water supply and distribution facilities and wastewater collection and treatment facilities. The agreement permits the District to obtain an adequate water supply for development within the District and satisfies the groundwater reduction requirements of the Fort Bend Subsidence District.

Management of the District

The District is governed by the Board of Directors (the "Board"), consisting of five directors, who have control over and management supervision of all affairs of the District. None of the Directors reside in the District. The Directors each own separate small parcels of land located within the District that are subject to separate non-recourse promissory notes and deeds of trust in favor of the Developer. The Directors serve four-year staggered terms. Elections are held in even numbered years in May.

The current members and officers of the Board, along with their respective terms of office, are listed below:

Name	Position	Term Expires May
R. F. Douds	President	2024
Lisa P. Rickert	Vice President	2022
Debra Greenwood-Sharp	Secretary	2024
Rizwan Ali	Director	2024
Priscilla Forkner	Assistant Secretary	2022

Although the District does not have a general manager or any other full-time employees, it has contracted for utility system operating, bookkeeping, tax assessing and collecting, auditing, engineering, financial advisory and legal services as follows:

Tax Assessor/Collector

The District has engaged Tax Tech, Inc. as the District's Tax Assessor/Collector. According to Tax Tech, Inc., it presently serves approximately 88 taxing units as tax assessor/collector. The Tax Assessor/Collector applies the District'stax levy to tax rolls prepared by the Fort Bend County Appraisal District and bills and collects such levy.

Bookkeeper

The District's bookkeeper is Myrtle Cruz, Inc. Such firm acts as bookkeeper for approximately 350 utility districts.

Auditor

As required by the Texas Water Code, the District retained McCall Gibson Swedlund Barfoot PLLC, Certified Public Accountants, to audit the District's financial statements annually. A copy of the District's audit for the fiscal year ended April 30, 2020, is included as "APPENDIX B" to this Official Statement.

Engineer

The consulting engineer for the District in connection with the design of the facilities being acquired with the proceeds of the sale of the Bonds is IDS Engineering Group (the "Engineer"), Houston, Texas. The Engineer has also been employed by the Developer in connection with certain planning activities and the design of certain streets and related improvements within the District.

Attorney

The District has engaged Smith, Murdaugh, Little & Bonham, L.L.P., Houston, Texas as general counsel to the District and as bond counsel ("Bond Counsel") in connection with the issuance of the Bonds. See "LEGAL MATTERS."

Disclosure Counsel

McCall, Parkhurst & Horton L.L.P., Houston, Texas, serves as Disclosure Counsel to the District. The fee to be paid Disclosure Counsel for services rendered in connection with the issuance of the Bonds is contingent on the issuance, sale and delivery of the Bonds.

Financial Advisor

The District has engaged Rathmann & Associates, L.P., as financial advisor (the "Financial Advisor") to the District. The fees paid the Financial Advisor for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued and sold. Therefore, the payment of such fees is contingent upon the sale and delivery of the Bonds. Rathmann & Associates, L.P. is an independent municipal advisor registered with the United States Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"). Rathmann & Associates, L.P.'s SEC registration number is 867-00217 and its MSRB registration number is K0161. Rathmann & Associates, L.P.'s SEC registration Forms MA and MA-1's, which constitute Rathmann & Associates, L.P.'s registration filings, may be accessed through http://www.sec.gov/edgar/searchedgar/company search.html.

DEVELOPMENT AND HOME CONSTRUCTION

As of March 1, 2021, the District contained 1,147 homes, including 56 homes under construction. See "BUILDERS" below. According to the District's Engineer, the development of Rosehaven, Sections 1 and 2 and Walnut Creek, Sections 3 through 25, consisting of a total of 1,205 single-family residential lots located within the District (an aggregate of approximately 324.0 acres) is complete with the provision of water distribution, wastewater collection, and storm drainage facilities and street paving. Approximately 24.3 acres of currently undeveloped, but developable, land located within the District that are designated for future commercial development are owned by Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership, doing business as Friendswood Development Company by U.S. Home Corporation, a Delaware corporation ("FDC" or the "Developer"). See "DEVELOPER" below. FDC has no obligation to the District to develop any of such currently undeveloped acres, and may sell any of such acres at any time at its sole discretion. Since there is no legal commitment on the part of FDC to the District to develop any of such acres available for future development according to any specific plan, timetable, or at all, the District cannot predict when, or whether, any of such currently undeveloped acres located within the District might be developed. FDC is marketing lots to Lennar Homes and Devon Street Homes that are constructing homes in the District as is described below under the caption "BUILDERS." Approximately 14.0 acres located within the District are owned by the Lamar Consolidated Independent School District. Approximately 94.5 acres of land located within the District are contained within drainage/detention easements, a District lift station site and a District wastewater treatment plant site, or are otherwise not available for future development.

On April 20, 2021, the City consented to the petition of FDC and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.

The following table reflects the status of the lot development and home construction within the District as of March 1, 2021:

	Lots				Homes				
	Fully Developed		Under Development		Under Construction		Completed		
Subdivision	Lots	Acres	Lots	Acres	Sold*	Unsold	Sold*	Unsold	Totals
Rosehaven									
Section 1	90	24.1			0	0	90	0	90
Section 2	109	25.5			0	0	109	0	109
Walnut Creek									
Section 3	40	9.1			0	0	40	0	40
Section 4	41	12.9			0	0	41	0	41
Section 5	34	8.1			0	0	34	0	34
Section 6	33	8.2			0	0	33	0	33
Section 7	31	9.6			0	0	31	0	31
Section 8	44	9.8			0	0	44	0	44
Section 9	38	8.7			0	0	38	0	38
Section 10	42	9.7			0	0	42	0	42
Section 11	27	8.8			0	0	27	0	27
Section 12	45	13.8			0	0	44	0	44
Section 13	53	14.0			0	0	53	0	53
Section 14	50	13.5			0	0	47	0	47
Section 15	58	22.3			0	0	58	0	58
Section 16	53	16.4			0	0	50	0	50
Section 17	49	15.2			0	0	47	0	47
Section 18	50	13.7			4	1	41	0	46
Section 19	57	16.2			18	6	20	2	46
Section 20	45	10.9			0	0	45	0	45
Section 21	36	9.5			0	0	36	0	36
Section 22	34	7.6			0	0	32	0	32
Section 23	50	13.9			8	0	42	0	50
Section 24	49	11.5			14	5	0	0	19
Section 25	47	11.0			0	0	45	0	45
Totals	1,205	324.0	0	0	44	12	1,089	2	1,147

* Includes homes sold and contracted for sale. Homes under contract for sale are, in some instances, subject toconditions of appraisal, loan application, approval and inspection. See “BUILDERS.”

DEVELOPER

The developer of the District is Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership, doing business as Friendswood Development Company by U.S. Home Corporation, a Delaware corporation ("FDC" or the "Developer").

FDC has developed and expects to develop its land located within the District as a primarily residential community. FDC has completed the development of the 1,205 single-family residential lots that have been subdivided as Rosehaven, Sections 1 and 2, and Walnut Creek, Sections 3 through 25 (an aggregate of approximately 324.0 acres). Approximately 24.3 acres of currently undeveloped, but developable, land located within the District that are designated for future commercial development are owned by FDC. FDC has no obligation to the District to develop any of such currently undeveloped acres, and may sell any of such acres at any time at its sole discretion. Since there is no legal commitment on the part of FDC to the District to develop such acres available for future development according to any specific plan, timetable, or at all, the District cannot predict when, or whether, any of such currently undeveloped acres located within the District might be developed. FDC is marketing lots to Lennar Homes and Devon Street Homes that are constructing homes in the District as is described below under the caption "BUILDERS."

On April 20, 2021, the City consented to the petition of FDC and M/I Homes of Houston, LLC, to annex approximately 184.4 acres of land into the District. The District cannot represent that the annexation will be consummated.

BUILDERS

Lennar Homes and Devon Street Homes (the "Builders") are constructing homes within the District as is enumerated in the chart that appears in this Official Statement under the caption "DEVELOPMENT AND HOME CONSTRUCTION." According to FDC, homes which Lennar Homes and Devon Street Homes are currently constructing in the District range in size from approximately 1,700 to 3,600 square feet of living area and in sales price from approximately $220,000 to $350,000.

Although FDC reports that the foregoing information respecting the building activity of the Builders is accurate as of the date hereof, the Builders may change the size(s) and the type(s) of homes which they elects to build, and the sales prices thereof, at their sole discretion.

FUTURE DEVELOPMENT

As of the date of this Official Statement, the development of 1,205 single-family residential lots on a total of approximately 324.0 acres located within the District has been completed. As is described above under the caption "DEVELOPER," approximately 24.3 acres of currently undeveloped, but developable, land located within the District that are designated for future commercial development are owned by FDC. FDC has no obligation to the District to develop any of such currently undeveloped acres, and may sell any of such acres at any time at its sole discretion. Since there is no legal commitment on the part of FDC to the District to develop such acres available for future development according to any specific plan, timetable, or at all, the District cannot predict when, or whether, any of such currently undeveloped acres located within the District might be developed. If any undeveloped portion of the District is eventually developed, additions to the District's water, sanitary sewer and drainage System required to service such undeveloped acreage, additional Connection Charges, and other facilities, may be financed by future issues of the District's bonds. The District's Engineer currently estimates that the $60,450,000 authorized bonds that will remain unissued after the issuance of the Bonds are adequate to finance the construction of such facilities to provide service to all of the undeveloped portions of the District and to finance Connection Charges as is described below under the caption "THE SYSTEM." In addition to the components of the System that the District has financed with the proceeds of the sale of the Prior Bonds and is financing with portions of the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System and arterial or collector roads and improvements in aid thereof with the proceeds of the sale of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt," "INVESTMENT CONSIDERATIONS - Future Debt" and "THE SYSTEM."

AERIAL PHOTOGRAPH OF THE DISTRICT
(taken April 2021)

PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(taken April 2021)

PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(taken April 2021)

DISTRICT DEBT

General

The following tables and calculations relate to the Bonds and the Outstanding Bonds. After issuance of the Bonds, the aggregate principal amount of the Outstanding Bonds, less the Refunded Bonds, will be $25,005,000 (the "Outstanding Bonds"), and the aggregate principal amount of the District's bonded indebtedness, including the Bonds, will be $30,655,000. The District is empowered to incur debt to be paid from revenues raised by taxation against all taxable property located within the District, and various other political subdivisions of government which overlap all or a portion of the District are empowered to incur debt to be paid from revenues raised or to be raised by taxation against all or a portion of the property within the District.

2020 Assessed Valuation	$	227,213,193	(a)
(As of January 1, 2020)			
See "TAX DATA" and "TAXING PROCEDURES"			
Estimated Valuation at March 1, 2021	$	259,535,250	(a)
(As of March 1, 2021)			
See "TAX DATA" and "TAXING PROCEDURES"			
Direct Debt:			
Outstanding Bonds	$	25,005,000	
The Bonds		5,650,000	
Total	$	30,655,000	(c)
Estimated Overlapping Debt	$	14,925,211	
Total Direct and Estimated Overlapping Debt	$	45,580,211	
Direct Debt Ratio			
: as a percentage of 2020 Assessed Valuation		13.49	%
: as a percentage of Estimated Valuation at March 1, 2021		11.81	%
Direct and Overlapping Debt Ratio			
: as a percentage of 2020 Assessed Valuation		20.06	%
: as a percentage of Estimated Valuation at March 1, 2021		17.56	%
Debt Service Fund Balance as of April 15, 2021	$	2,179,895	(d)
General Fund Balance as of April 15, 2021	$	2,689,417	
2020 Tax Rate per $100 of Assessed Valuation			
Debt Service Tax	$	0.85	
Maintenance Tax		0.43	
Total	$	1.28	(e)

(a) As of January 1, 2020, and comprises the District's 2020 tax roll. All property located in the District is valued on the tax rolls by the Fort Bend Central Appraisal District (the "Appraisal District") at 100% of assessed value as of January 1 of each year. The District's tax roll is certified by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board"). See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments" and "TAXING PROCEDURES."

(b) Provided by the Appraisal District for informational purposes only, this amount is an estimate of the value of all taxable property located within the District as of March 1, 2021, and includes an estimate of values resulting from the construction of taxable improvements from January 1, 2020, through February 28, 2021. The ultimate Assessed Valuation of any improvements added from January 1, 2020, through December 31, 2020, will not be included on the District's 2020 tax roll but will be placed on the District's 2021 tax roll, and may vary significantly from such estimate once the Appraisal Review Board certifies the value thereof in 2021. Moreover, the ultimate Assessed Valuation of any improvements added from January 1, 2021, through February 28, 2021, will not be included on the District's 2021 tax roll but will be placed on the District's 2022 tax roll, and may vary significantly from such estimate once the Appraisal Review Board certifies the value thereof in 2022.

(c) In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and is financing with portions of the proceeds of the sale of the Bonds, the District expects to finance the cost of acquiring or constructing additional components of the System and arterial or collector roads and improvements in aid thereof with the proceeds of the sale of bonds, if any, by the District in the future. See "INVESTMENT CONSIDERATIONS - Future Debt, "THE BONDS - Issuance of Additional Debt," and "THE SYSTEM." "

(d) Neither Texas law nor the Bond Order requires the District to maintain any particular sum in the Debt Service Fund. Such fund balance reflects the timely payment by the District of its debt service requirements on the Outstanding Bonds that were due on March 1, 2021. The District's remaining debt service payments for 2021, which are due on September 1, 2021, total $997,076. The District's initial debt service payment on the Bonds, consisting of a nine-month interest payment thereon, is due on March 1, 2022.

(e) The District levied a total tax rate of $1.28 per $100 of Assessed Valuation for 2020, consisting of debt service and maintenance taxes of $0.85 and $0.43 per $100 of Assessed Valuation, respectively. As is enumerated in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon the approximately 397 acres located in the District that lie within the extraterritorial jurisdiction of the City of Rosenberg, plus the District's total 2020 rate of $1.28 per $100 of Assessed Valuation, is $3.002307 per $100 of Assessed Valuation. Approximately 60 acres located within the boundaries of the District lie within the City of Rosenberg, and are subject to taxation by the City of Rosenberg. The City of Rosenberg levied a tax of $0.401775 per $100 of Assessed Valuation for 2020, and thus the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon such approximately 60 acres, including the City of Rosenberg, is $3.404082 per $100 of Assessed Valuation. Such aggregate levies are higher than the aggregate tax levies of many municipal utility districts in the Houston metropolitan area, including the area of the District, but are within the range of the aggregate levies of many municipal utility districts in the Houston metropolitan area and the area of the District which are in stages of development comparable with the District. See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments."

Estimated Direct and Overlapping Debt Statement

The following table indicates the direct and estimated overlapping debt of the District. The table includes the estimated amount of indebtedness of governmental entities overlapping the District, defined as outstanding bonds payable from ad valorem taxes, and the estimated percentages and amounts of such indebtedness attributable to property located within the District. This information is based upon data secured from the individual jurisdictions and/or the Texas Municipal Reports published by the Municipal Advisory Council of Texas. The calculations by which the statement was derived were made in part by comparing the reported assessed valuation of the property in the overlapping taxing jurisdictions with the Assessed Valuation of property within the District. No effect has been given to the tax burden levied by any applicable taxing jurisdiction for maintenance and operational or other purposes. Except for the amount relating to the District, the District has not independently verified the accuracy or completeness of such information and no person is entitled to rely upon such information as being accurate or complete. Furthermore, certain entities listed below may have issued additional bonds since the dates cited.

Taxing Jurisdiction	Debt as of February 1, 2021	Estimated Overlapping Percent	Estimated Overlapping Amount
Fort Bend County	$622,289,567	0.2957%	$1,840,366
Fort Bend County Drainage District	25,405,000	0.2981%	75,736
Lamar Consolidated Independent School District	1,112,480,000	1.1682%	12,995,796
City of Rosenberg	50,919,000	0.0261%	13,313
Total Estimated Overlapping Debt			$14,925,211
Total Direct Debt (the Bonds and the Outstanding Bonds)			30,655,000
Total Direct and Estimated Overlapping Debt			$45,580,211

Debt Ratios

	% of 2020 Assessed Valuation	% of Estimated Valuation at March 1, 2021
Direct Debt	13.49%	11.81%
Direct and Estimated Overlapping Debt	20.06%	17.56%

Debt Service Requirement Schedule

The following table sets forth the debt service requirements of the Outstanding Bonds principal and interest requirements of the Bonds.

Year	Outstanding Bonds	Plus: - The Bonds - Principal (Due 9/1)	Interest	Total Debt Service Requirements
2021	$1,532,164			$1,532,164
2022	1,615,431		$159,609	1,775,041
2023	1,616,616	$145,000	127,688	1,889,304
2024	1,621,391	150,000	121,888	1,893,279
2025	1,641,231	160,000	115,888	1,917,119
2026	1,640,541	165,000	109,488	1,915,029
2027	1,649,541	175,000	104,538	1,929,079
2028	1,661,984	180,000	101,038	1,943,022
2029	1,662,409	190,000	97,438	1,949,847
2030	1,676,274	200,000	93,638	1,969,912
2031	1,688,296	205,000	89,638	1,982,934
2032	1,703,045	215,000*	85,538	2,003,583
2033	1,715,986	225,000*	81,238	2,022,224
2034	1,736,277	235,000*	76,738	2,048,014
2035	1,764,409	245,000*	72,038	2,081,447
2036	1,777,762	260,000*	67,138	2,104,899
2037	1,793,374	270,000*	61,938	2,125,312
2038	1,810,850	280,000*	56,538	2,147,388
2039	1,825,439	295,000*	50,938	2,171,377
2040	1,207,762	305,000*	45,038	1,557,800
2041	1,015,225	320,000*	38,556	1,373,782
2042	782,850	335,000*	31,756	1,149,606
2043	787,350	350,000*	24,638	1,161,988
2044	410,306	365,000*	16,763	792,069
2045	0	380,000*	8,550	388,550
	$36,336,513	$5,650,000	$1,838,256	$43,824,769

Average Annual Requirements (2021-2039):	$	1,968,472
Maximum Annual Requirement (2039):	$	2,171,377

See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments - Maximum Impact on District Tax Rates" and "TAX DATA - Tax Rate Calculations" for a discussion of the District's projected tax rates and the effect of the Bonds thereon.

* Represents mandatory sinking fund payments on Term Bonds.

TAX DATA

Debt Service Tax

All taxable property within the District is subject to the assessment, levy and collection by the District of an annual ad valorem tax, without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Bonds and the Outstanding Bonds (see "TAXING PROCEDURES"). The Board of Directors of the District has in the Bond Order covenanted to assess and levy for each year that all or any part of the Bonds remain outstanding and unpaid a tax ample and sufficient to produce funds to pay the principal of and interest on the Bonds (see "THE BONDS" and "INVESTMENT CONSIDERATIONS"). The District levied a debt service tax in the amount of $0.85 per $100 of Assessed Valuation for 2020. See "Tax Rate Distribution" and "Tax Rate Calculations" below.

Maintenance Tax

The Board of Directors of the District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements if such maintenance tax is authorized by vote of the District's electors. On November 8, 2005, the Board was authorized by a vote of the District's electors to levy such maintenance tax in an amount not to exceed $1.50 per $100 of Assessed Valuation. Such tax, when levied, is in addition to taxes which the District is authorized to levy for paying principal of and interest on the Bonds, the Outstanding Bonds, and any parity bonds which may be issued in the future. The District levied a maintenance tax of $0.43 per $100 of Assessed Valuation for 2020. See "Tax Rate Distribution" below.

Tax Rate Limitation

Debt Service: Unlimited (no legal limit as to rate or amount).
Maintenance: $1.50 per $100 of Assessed Valuation.

Exemptions

The District has adopted a $10,000 over 65/disabled exemption for the 2021 tax year. See "TAXING PROCEDURES."

Additional Penalites

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District can establish an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Tax Code.

Historical Values and Tax Collection History

The following statement of tax collections sets forth in condensed form the historical Assessed Valuation and tax collections of the District. Such summary has been prepared for inclusion herein based upon information obtained from District records. Reference is made to such records, including the District's annual audited financial statements, for more complete information.

Tax Year	Assessed Valuation	Tax Rate(a)	Adjusted Levy	% Collections: Current & Prior Years(b)	% Collections: Year Ended 9/30
2010	$22,045,920	$1.45	$319,666	100.00	2011
2011	24,772,580	$1.45	359,202	100.00	2012
2012	29,587,240	$1.45	429,015	100.00	2013
2013	33,896,410	$1.45	491,498	100.00	2014
2014	42,001,766	$1.45	609,025	100.00	2015
2015	64,815,942	$1.37	887,978	100.00	2016
2016	95,177,675	$1.28	1,218,274	100.00	2017
2017	118,294,921	$1.28	1,514,175	100.00	2018
2018	137,179,711	$1.28	1,755,900	99.97	2019
2019	175,390,366	$1.28	2,244,996	100.00	2020
2020	227,213,193	$1.28	2,908,329	98.13(c)	2021

(a) Per $100 of Assessed Valuation.
(b) Such percentages reflect cumulative total collections for each year from the time each respective annual tax was levied through March 31, 2021. The amount of tax collected for each levy on a current basis (by September 30 of the year following each respective annual levy) is not reflected in this statement.
(c) As of March 31, 2021. In process of collection.

Tax Rate Distribution

	2020	2019	2018	2017	2016
Debt Service	$0.85	$0.72	$0.70	$0.60	$0.60
Maintenance	0.43	0.56	0.58	0.68	0.68
Total	$1.28	$1.28	$1.28	$1.28	$1.28

Analysis of Tax Base

The following table illustrates the composition of property located within the District for the last five years.

Type of Property	2020 Assessed Valuation	%	2019 Assessed Valuation	%	2018 Assessed Valuation	%
Land	$49,690,260	21.87%	$40,555,840	23.12%	$34,849,080	25.40%
Improvements	197,506,399	86.93%	153,297,570	87.40%	110,080,060	80.25%
Personal Property	842,540	0.37%	693,370	0.40%	558,830	0.41%
Auto/Other	272,020	0.12%	110,360	0.06%	172,490	0.13%
Exemptions	(21,098,026)	-9.29%	(19,266,774)	-10.99%	(8,480,749)	-6.18%
TOTAL	$227,213,193	100.00%	$175,390,366	100.00%	$137,179,711	100.00%

Type of Property	2017 Assessed Valuation	%	2016 Assessed Valuation	%
Land	$26,728,310	22.59%	$21,339,810	22.42%
Improvements	99,058,200	83.74%	81,284,620	85.40%
Personal Property	469,010	0.40%	458,000	0.48%
Ag Productivity	0	0.00%	1,500	0.00%
Auto/Other	84,300	0.07%	49,080	0.05%
Exemptions	(8,044,899)	-6.80%	(7,955,335)	-8.36%
TOTAL	$118,294,921	100.00%	$95,177,675	100.00%

Principal 2020 Taxpayers

Based upon information supplied by the District's Tax Assessor/Collector, the following table lists principal District taxpayers, type of property owned by such taxpayers, and the Assessed Valuation of such property as of January 1, 2020. The information reflects the composition of the Appraisal District's record of property ownership as of January 1, 2020.

Taxpayer	Type of Property	Assessed Valuation 2020 Tax Roll	% of 2020 Tax Roll
Friendswood Development Company*	Land and Improvements	$4,303,500	1.89%
Devon Street Homes, L.P.	Land, Improvements and Personal Property	2,901,700	1.28%
Po Sum Yeung	Land and Improvements	962,560	0.42%
Lennar Homes of Texas Land and Construction, Ltd.*	Land, Improvements and Personal Property	892,090	0.39%
Centerpoint Energy Electric	Personal Property	686,130	0.30%
Lorb Holdings LLC	Land and Improvements	606,000	0.27%
Regency Group LLC	Land and Improvements	466,490	0.21%
Brenda Chou et. al	Land and Improvements	430,000	0.19%
Jose Molina Helder	Land and Improvements	400,080	0.18%
Joshua O. Ruelas-Lee	Land and Improvements	392,790	0.17%
		$12,041,340	5.30%

* Related parties.

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of Assessed Valuation which would be required to meet certain debt service requirements if no growth in the District's tax base occurs beyond the 2020 Assessed Valuation or the Estimated Valuation at March 1, 2021. The calculations assume collection of 95% of taxes levied, no use of other legally available District funds on hand in addition to tax revenues and the sale of no additional bonds by the District except the Bonds and the Prior Bonds.

Average Annual Debt Service Requirements (2021-2039)	$1,968,472
Tax Rate of $0.92 on the 2020 Assessed Valuation ($227,213,193) produces	$1,985,843
Tax Rate of $0.80 on the Estimated Valuation at March 1, 2021 ($259,535,250) produces	$1,972,468
Maximum Annual Debt Service Requirement (2039)	$2,171,377
Tax Rate of $1.01 on the 2020 Assessed Valuation ($227,213,193) produces	$2,180,111
Tax Rate of $0.89 on the Estimated Valuation at March 1, 2021 ($259,535,250) produces	$2,194,371

The District has levied a debt service tax of $0.85 per $100 of Assessed Valuation and a maintenance tax of $0.43 per $100 of Assessed Valuation for 2020. As the above table indicates, a debt service tax of $0.85 is sufficient to pay the Average Annual but not the Maximum Annual Debt Service Requirements on the Bonds and the Outstanding Bonds, assuming taxable values in the District at the level of the Estimated Valuation at March 1, 2021, a tax collection rate of 95%, the issuance of no bonds by the District in addition to the Bonds and the Prior Bonds, and no use of District funds on hand other than tax receipts. However, as is illustrated in this Official Statement under the caption "TAX

DATA - Historical Values and Tax Collection History," the District had collected an average of 100.00% of its tax levies for the period 2010 through 2019, as of March 31, 2021, and its 2020 levy, which is in the process of collection, was 98.13% collected as of such date. Moreover, the District's Debt Service Fund balance was $2,179,895 as of April 15, 2021. Although neither Texas law nor the Bond Order requires that any specific amount be retained in the Debt Service Fund at any time, the District has in the past applied earnings from the investment of monies held in the Debt Service Fund to meet the debt service requirements of the Outstanding Bonds. See "APPENDIX B - ANNUAL FINANCIAL REPORT." The District anticipates that, given these factors, and future increases in taxable values which are expected to occur as a consequence of the construction of homes on the lots developed by the Developer (see "DEVELOPMENT AND HOME CONSTRUCTION" and "BUILDERS"), the District will be able to meet the debt service requirements on the Bonds and the Outstanding Bonds without increasing the debt service tax rate above the debt service tax rate which the District has levied for 2020 - $0.85 per $100 of Assessed Valuation. However, the District can make no representation that the taxable property values in the District will increase in the future or will maintain a value sufficient to support the aforementioned tax rate or to justify continued payment of taxes by property owners See "TAX DATA - Tax Rate Calculations." Increases in the District's total tax rate to higher levels than the total $1.28 per $100 of Assessed Valuation rate which the District levied for 2020 may have an adverse impact upon future development of the District, and the ability of the District to collect, and the willingness of owners of property located within the District to pay, ad valorem taxes levied by the District. In addition, the collection by the District of delinquent taxes owed to it and the enforcement by a Registered Owner of the District's obligations to collect sufficient taxes may be a costly and lengthy process. See "THE BONDS - Issuance of Additional Debt" and "INVESTMENT CONSIDERATIONS- Future Debt" below."

Estimated Overlapping Taxes

Property within the District is subject to taxation by several taxing authorities in addition to the District. Under Texas law, if ad valorem taxes levied by a taxing authority become delinquent, a lien is created upon the property which has been taxed. A tax lien on property in favor of the District is on a parity with tax liens of other taxing jurisdictions. In addition to ad valorem taxes required to make debt service payments on bonded debt of the District and of such other jurisdictions (see "DISTRICT DEBT - Estimated Direct and Overlapping Debt Statement"), certain taxing jurisdictions are authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administrative and/or general revenue purposes.

Set forth below is an estimation of all taxes per $100 of assessed valuation levied by all such jurisdictions in 2019. No recognition is given to local assessments for civic association dues, emergency medical service contributions, fire department contributions or any other charges made by entities other than political subdivisions.

Taxing Jurisdiction	2020 Tax Rate Per $100 of A.V.
Fort Bend County	$0.435876
Fort Bend County Drainage District	0.017331
Lamar Consolidated Independent School District	1.269100
The District (a)	1.280000(b)
Total Tax Rate	$3.002307

No prediction can be made of the tax rates that will be levied in future years by the respective taxing jurisdictions.

(a) Approximately 60 acres located within the boundaries of the District lie within the City of Rosenberg, and are subject to taxation by the City of Rosenberg. The City of Rosenberg levied a tax of $0.401775 per $100 of Assessed Valuation for 2020, and thus the aggregate of the 2020 tax levies of all overlapping taxing units which levy taxes upon such approximately 60 acres in the District is $3.404082 per $100 of Assessed Valuation.

(b) The District levied a total tax rate of $1.28 per $100 of Assessed Valuation for 2020, consisting of debt service and maintenance taxes of $0.85 and $0.43 per $100 of Assessed Valuation, respectively.

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Outstanding Bonds, the Bonds, and any additional bonds payable from taxes which the District may hereafter issue (see "INVESTMENT CONSIDERATIONS - Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Order to levy such a tax from year to year as described more fully above under "THE BONDS - Source of Payment." Under Texas law, the Board may also levy and collect annual ad valorem taxes for the operation and maintenance of the District and the System and for the payment of certain contractual obligations. See "TAX DATA - Maintenance Tax" and - "Tax Rate Distribution."

Property Tax Code and County-Wide Appraisal District

The Texas Property Tax Code (the "Tax Code") specifies the taxing procedures of all political subdivisions of the of Texas, including the District. Provisions of the Tax Code are complex and are not fully summarized here. The Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units within a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Fort Bend Central Appraisal District (the "Appraisal District") has the responsibility of appraising property for all taxing units within Fort Bend County, including the District. Such appraisal values will be subject to review and change by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies and personal effects; certain goods, wares, and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; and most individually-owned automobiles. In addition, the District may by its own action exempt travel trailers, residential homesteads of persons 65 years or older and certain disabled persons to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The District would be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. For 2021, the District has adopted a $15,000 residential homestead exemption for persons age 65 years or older or disabled persons. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans, or certain surviving dependents of disabled veterans, if requested, but only to the maximum extent of between $5,000 and $12,000 of taxable valuation depending on the disability rating of the veteran. A veteran who receives a disability rating of 100% is entitled to an exemption for the full amount of the veteran's residential homestead. Additionally, and subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veterans' disability rating if (i) the residence homestead was donated by a charitable organization at no cost to the disabled veteran or (ii) the residence was donated by a charitable organization at some cost to the disabled veteran if such cost is less than or equal to fifty percent (50%) of the total good faith estimate of the market value of the residence as of the date the donation is made.

Also, the surviving spouse of (i) a member of the armed forces or, effective January 1, 2018, (ii) a first responder as defined under Texas law, who was killed in action is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The District has adopted a $10,000 over 65/disabled exemption for the 2019 and2020 tax years. See "TAX DATA - Exemptions."

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised market value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the paymentof debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted by May 1.

Freeport Goods Exemption: A "Freeport Exemption" applies to goods, wares, ores, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating for less than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to the same categories of tangible personal property which are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in- transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in- transit personal property for the tax year 2012 and subsequent years.

Tax Abatement

Fort Bend County or the City of Rosenberg may designate all or part of the area within the District as a reinvestment zone. Thereafter, the City of Rosenberg, Fort Bend County, and the District, at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code.

The Property Tax Code permits land designated for agricultural use, open space or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price all of such property would bring if sold as a unit to a purchaser who would continue the business. Provisions of the Property Tax Code are complex and are not fully summarized here. Landowners wishing to avail themselves of the agricultural use, open space or timberland designation or residential real property inventory designation must apply for the designation and the appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. If a landowner of qualified open-space is a member of the U.S. armed forces, subject to certain conditions, the appraisal of the land as qualified open-space land does not change while the landowner is deployed or stationed outside Texas. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it for another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three (3) years for agricultural use and taxes for the previous five (5) years for open space land and timberland.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisals will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis. The District, however, at its expense, has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses to formally include such values on its appraisal roll.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units (such as the District) may appeal the orders of the Appraisal Review Board by filing a timely petition for review in State district court. In such event, the value of the property in question will be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Tax Code establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified as "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed can be classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units

Special Taxing Units that adopt a total tax rate that would impose more than1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the District in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the District in that year, subject to certain homestead exemptions.

Developed Districts

Developed Districts that adopt a total tax rate that would impose more than1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.035 times the amount of operation and maintenance tax rate imposed by the District in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the District in that year, subject to certain homestead exemptions, plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts

Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an election is called and passes, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.08 times amount of operation and maintenance tax imposed by the District in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the District in that year, subject to certain homestead exemptions.

The District

A determination as to a district’s status as a Special Taxing Unit, Developed District or Developing District will be made by the Board of Directors on an annual basis, beginning with the 2020 tax rate. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation. For the 2020 tax rate year, a determination was made by the District’s Board of Directors that the District is a Developing District.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before

February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, which may be rejected by taxing units. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) sixty-five (65) years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continue to accrue during the period of deferral.

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction such as the District if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having the power to tax the property. The District's tax lien is on a parity with the tax liens of other such taxing units (see “TAX DATA - Estimated Overlapping Taxes”). A tax lien on real property takes priority over the claims of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and all other types of property after the purchaser's deed issued at the foreclosure sale is filed in the county records) or by bankruptcy proceedings which restrict the collection of taxpayer debts. See “INVESTMENT CONSIDERATIONS - Tax Collection Limitations.”

THE SYSTEM

Regulation

According to the Engineer, the District's water, wastewater, and storm drainage facilities (collectively, the “System”) have been designed in accordance with accepted engineering practices and the requirements of various agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities. The construction and operation of the System must be accomplished in accordance with the standards and specifications of such entities and are subject to inspection by each such entity. The TCEQ exercises continuing supervisory authority over the District. Construction of drainage facilities is subject to the regulatory authority of the City of Rosenberg, the Fort Bend Drainage District, and, in some instances, the TCEQ and the U.S. Army Corps of Engineers. Fort Bend County and the City also exercise regulatory jurisdiction over the District's System. The total number of equivalent single-family connections (“ESFCs”) estimated at this time for the District upon the full development of its approximately 457 acres is 1205 with a total estimated population of 3,615 people. The following descriptions are based upon information supplied by the District's Engineer.

Description

The District has financed the District’s cost of a shared wastewater treatment plant, a shared lift station and force main, including land acquisition for such facilities and a storm water detention basin; a 16-inch offsite waterline, all phases of detention pond construction to serve the Walnut Creek Subdivision; water, wastewater and drainage facilities along Irby Cobb Boulevard, Benton Road, Rosehaven, Sections 1 and 2, and Walnut Creek Sections 3 through 17, 20 and 21; the District’s pro rata share of wastewater treatment plant phase I through IV. The District will finance the acquisition or construction of additional components of the System and arterial or collector roads and improvements in aid thereof with the proceeds of the sale of bonds, if any, to be issued by the District in the future. See “THE BONDS - Issuance of Additional Debt” and “INVESTMENT CONSIDERATIONS - Future Debt.”

Wastewater Treatment

The District’s wastewater treatment is currently provided by an existing 980,000 gallon-per-day leased interim wastewater treatment plant. The existing plant was constructed pursuant to the Construction Financing Agreement for Interim Wastewater Treatment Plant, dated December 31, 2005, the Construction Financing Agreement for Phase Two of Interim Wastewater Treatment Plant, dated August 9, 2006, the First Supplement to Construction Financing Agreement for Phase Two of Interim Wastewater Treatment Plant, dated February 1, 2009, the Construction Financing Agreement for Phase Three of Interim Wastewater Treatment Plant, dated May 14, 2014, and the Construction Financing Agreement for Phase Four of Interim Wastewater Treatment Plant, dated April 16, 2016. See “THE DISTRICT - Contracts.” According to the Construction Financing Agreement for Phase Four of Interim Wastewater Treatment Plant, dated April 16, 2016, the District’s share of the capacity at the wastewater treatment plant is sufficient to provide service to 1,498 ESFCs, including all 1,205 ESFCs that have been developed in the District to date.

Water Supply

The District receives its water supply from the City of Rosenberg (the “City”) pursuant to the Water Supply and Wastewater Service Agreement (the “Water Agreement”) between the City and Lennar of Texas Land and Construction, Ltd. dated February 22, 2005. See “THE DISTRICT - Contracts - Water and Wastewater Agreement with the City of Rosenberg.” The City’s water supply is from various groundwater sources obtained by the City. The City has agreed to supply the District with all of its requirements for potable water supply in consideration of the reservation of Connection Charges. The Water Agreement currently provides for service to up to 1,690 ESFCs, including the 1,205 ESFCs that have been developed within the District to date as is enumerated in this Official Statement under the caption “DEVELOPMENT AND HOME CONSTRUCTION.” The District has no emergency water line interconnection.

Outfall Drainage Channel

Storm water from within the District generally drains through underground lines to a detention basin, and outfalls into Dry Creek.

100-Year Flood Plain

According to the District's Engineer, none of the developable land located within the District is located within the current 100-year flood plain as shown on Flood Insurance Rate Maps for Fort Bend County, Texas, and Incorporated Areas (Firm Panels 48157C0245L and 48157C0265L) dated April 2, 2014.

"Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency (FEMA) has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100 year flood plain" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes must be built above the 100 year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. An engineering or regulatory determination that an area is above the 100 year flood plain is not an assurance that homes built in such area will not be flooded, and a number of neighborhoods in the greater Houston area that are above the 100-year flood plain have flooded multiple times in the last several years.

The National Weather Service recently completed a rainfall study known as NOAA Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States ("Atlas 14"). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in the application of more stringent floodplain regulations applying to a larger area and potentially leaving less developable property within the District. The application of such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain.

LEGAL MATTERS

Legal Opinions

The District will furnish the Underwriter a transcript of certain certified proceedings had incident to the authorization and issuance of the Bonds. Such transcript will include a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and binding obligations of the District. The District also will furnish the approving legal opinion of Smith, Murdaugh, Little & Bonham, L.L.P., Houston, Texas, Bond Counsel ("Bond Counsel"), to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the District under the Constitution and laws of the State of Texas. The legal opinion of Bond Counsel will further state that the Bonds, including principal of and interest thereon, are payable from ad valorem taxes, without legal limit as to rate or amount, upon all taxable property located within the District and that interest on the Bonds is excludable from gross income for federal income tax purposes under the statues, regulations, published rulings and court decisions existing on the date of such opinion, assuming compliance by the District with certain covenants relating to the use and investment of the proceeds of the Bonds as described under "TAX MATTERS" below. The opinion of Bond Counsel will be printed with the Bonds; however, errors or omissions in the printing of such legal opinion on the Bonds shall not affect the validity of the Bonds nor constitute cause for the failure or refusal by the Underwriter to accept delivery of and pay for the Bonds. Moreover, the statutes, regulations, rulings, and court decisions as to the excludability of interest on the Bonds from gross income on which such opinions are based are subject to change.

Legal Review

In its capacity as Bond Counsel, Smith, Murdaugh, Little & Bonham, L.L.P., has reviewed the information appearing in this Official Statement under the captions “THE BONDS” (except for “Book Entry Only System” and “Use and Distribution of Bond Proceeds”), “THE DISTRICT - Authority,” - “Annexation and Abolishment,” - “Contracts,” and - “Attorney,” “TAXING PROCEDURES,” “LEGAL MATTERS - Legal Opinions,” “TAX MATTERS” and “CONTINUING DISCLOSURE OF INFORMATION” to determine whether such information fairly summarizes the procedures, law and documents referred to therein. Bond Counsel has not, however, independently verified any of the other factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon such parties' limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to the accuracy or completeness of any of the information contained herein. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered. Bond Counsel acts as general counsel for the District on matters other than the issuance of bonds. Certain legal matters will be passed upon for the District by McCall, Parkhurst & Horton L.L.P., Houston, Texas, as Disclosure Counsel.

No-Litigation Certificate

The District will furnish to the Underwriter a certificate, dated as of the date of delivery of the Bonds, executed by both the President and Secretary of the Board, to the effect that no litigation of any nature has been filed or is then pending or, to the knowledge of the signatories, threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the issuance, execution or delivery of the Bonds; affecting the provisions made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution, or delivery of the Bonds; or affecting the validity of the Bonds.

No Material Adverse Change

The obligations of the Underwriter to take up and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the financial condition of the District subsequent to the date of sale from that set forth in the Preliminary Official Statement, as it may have been supplemented or amended through the date of sale. The rating of the Insurer’s creditworthiness by any rating agency does not and will not in any manner affect the District’s financial condition, and thus any change to such rating, including a downgrade thereof, at any time, does not and will not constitute a change, material or otherwise, in the District’s financial condition, and therefore cannot be a basis for termination by the Underwriter of its obligations to take up and pay for the Bonds.

TAX MATTERS

Opinion

On the date of initial delivery of the Bonds, Bond Counsel will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof (“Existing Law”), (1) interest on the Bonds for federal income tax purposes will be excludable from the “gross income” of the holders thereof, and (2) the Bonds will not be treated as “specified private activity bonds,” the interest on which would be included as an alternative minimum tax preference item under Section 57(a)(5) of the Internal Revenue Code of 1986 (the “Code”). Except as stated above, Bond Counsel will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Bonds.

In rendering its opinion, Bond Counsel will rely upon (a) certain information and representations of the District, including information and representations contained in the District's federal tax certificate and the verification report prepared by Robert Thomas CPA, LLC, and (b) covenants of the District contained in the Bond documents relating to certain matters, including arbitrage and the use of the proceeds of the Bonds and the property financed or refinanced therewith. Failure by the District to observe the aforementioned representations or covenants could cause the interest on the Bonds to become taxable retroactively to the date of issuance.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel is conditioned on compliance by the District with such requirements, and Bond Counsel has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel's opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel's opinion is not a guarantee of a result. Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the District with respect to the Bonds or the property financed or refinanced with proceeds of the Bonds or the Refunded Bonds. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the District as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount and Premium Bonds

The initial public offering price to be paid for one or more maturities of the Bonds is less than the principal amount thereof or one or more periods for the payment of interest on the bonds may not be equal to the accrual period or be in excess of one year (the “Original Issue Discount Bonds”). In such event, the difference between (i) the “stated redemption price at maturity” of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The “stated redemption price at maturity” means the sum of all payments to be made on the bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under Existing Law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. ALL OWNERS OF ORIGINAL ISSUE DISCOUNT BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE DETERMINATION FOR FEDERAL, STATE AND LOCAL INCOME TAX PURPOSES OF INTEREST ACCRUED UPON REDEMPTION, SALE OR OTHER DISPOSITION OF SUCH ORIGINAL ISSUE DISCOUNT BONDS AND WITH RESPECT TO THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP, REDEMPTION, SALE OR OTHER DISPOSITION OF SUCH ORIGINAL ISSUE DISCOUNT BONDS.

The initial public offering price to be paid for certain maturities of the Bonds is greater than the amount payable on such Bonds at maturity (the "Premium Bonds"). An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity. PURCHASERS OF THE PREMIUM BONDS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THE DETERMINATION OF AMORTIZABLE BOND PREMIUM WITH RESPECT TO THE PREMIUM BONDS FOR FEDERAL INCOME TAX PURPOSES AND WITH RESPECT TO THE STATE AND LOCAL TAX CONSEQUENCES OF OWNING PREMIUM BONDS.

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on existing statutes, regulations, published rulings and court decisions, all of which are subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with accumulated earnings and profits and excess passive investment income, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under Section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the “revised issue price” (i.e., the issue price plus accrued original issue discount). The “accrued market discount” is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under Section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of Non-U.S. Holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or State law and could affect the market price or marketability of the bonds. Any such proposal could limit the value of certain deduction and exclusions, including the exclusion of tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Qualified Tax-Exempt Obligations

Section 265(a) of the Internal Revenue Code of 1986, as amended (the “Code”) provides, in pertinent part, that interest paid or incurred by a taxpayer, including a “financial institution,” on indebtedness incurred or continued to purchase or carry tax-exempt obligations is not deductible in determining the taxpayer’s taxable income. Section 265(b) of the Code provides an exception to the disallowance of such deduction for any interest expense paid or incurred on indebtedness of a taxpayer that is a “financial institution” allocable to tax-exempt obligations, other than “private activity bonds,” that are designated by a “qualified small issuer” as “qualified tax-exempt obligations.” A “qualified small issuer” is any governmental issuer (together with any “on-behalf of” and “subordinate” issuers) who issues no more than $10,000,000 of tax-exempt obligations during the calendar year. Section 265(b)(5) of the Code defines the term “financial institution” as any “bank” described in Section 585(a)(2) of the Code, or any person accepting deposits from the public in the ordinary course of such person’s trade or business that is subject to federal or state supervision as a financial institution. Notwithstanding the exception to the disallowance of the deduction of interest on indebtedness related to “qualified tax-exempt obligations” provided by Section 265(b) of the Code, Section 291 of the Code provides that the allowable deduction to a “bank,” as defined in Section 585(1)(2) of the Code, for interest on indebtedness incurred or continued to purchase “qualified tax-exempt obligations” shall be reduced by twenty-percent (20%) as a “financial institution preference item.”

The District has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code. In furtherance of that designation, the District will covenant to take such action that would assure, or to refrain from such action that would adversely affect, the treatment of the Bonds as “qualified tax-exempt obligations.” **Potential purchasers should be aware that if the issue price to the public exceeds $10,000,000, there is a reasonable**

basis to conclude that the payment of a de minimis amount of premium in excess of $10,000,000 is disregarded; however, the Internal Revenue Service could take a contrary view. If the Internal Revenue Service takes the position that the amount of such premium is not disregarded, then such obligations might fail to satisfy the aforementioned dollar limitation and the Bonds would not be "qualified tax-exempt obligations."

OFFICIAL STATEMENT

General

The information contained in this Official Statement has been obtained primarily from the District's records, the Engineer, the Developer, the Tax Assessor/Collector and other sources believed to be reliable; however, no representation is made by the District as to the accuracy or completeness of the information contained herein, except as described below under "Certification as to Official Statement." The summaries of the statutes, resolutions, orders and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

The District's audited financial statements for the fiscal year ended April 30, 2020, were prepared by McCall Gibson Swedlund Barfoot PLLC, Certified Public Accountants, and have been included herein as "APPENDIX B." McCall Gibson Swedlund Barfoot PLLC has consented to the publication of such financial information in this Official Statement.

Experts

The information contained in the Official Statement relating to engineering and to the description of the System, and, in particular, that engineering information included in the sections entitled "THE BONDS - Use and Distribution of Bond Proceeds," "THE DISTRICT" and "THE SYSTEM" has been provided by IDS Engineering Group, and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

The information contained in the Official Statement relating to assessed valuations of property generally and, in particular, that information concerning collection rates and valuations contained in the sections captioned "TAX DATA" and "DISTRICT DEBT" was provided by Esther Flores and Tax Tech, Inc. and the Appraisal District. Such information has been included herein in reliance upon Esther Flores and Tax Tech, Inc.'s authority as an expert in the field of tax collection and the Appraisal District's authority as an expert in the field of tax appraisal.

Certification as to Official Statement

The District, acting by and through its Board of Directors in its official capacity and in reliance upon the experts listed above, hereby certifies, as of the date hereof, that to the best of its knowledge and belief, the information, statements and descriptions pertaining to the District and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information, descriptions and statements concerning entities other than the District, including particularly other governmental entities, have been obtained form sources believed to be reliable, but the District has made no independent investigation or verification of such matters and makes no representation as to the accuracy or completeness thereof.

Updating of Official Statement

If, subsequent to the date of the Official Statement, to and including the date the Underwriter are no longer required to provide an Official Statement to customers who request same pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), the District learns, or is notified by the Underwriter, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriter elect to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriter; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate upon the earlier of (i) 90 days after the "end of the underwriting period" as defined in SEC Rule 15c2-12 or (ii) the date the Official Statement is filed with the MSRB (hereinafter defined), but in no case less than 25 days after the "end of the underwriting period."

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Order, the District has made the following agreement for the benefit of the holders and Beneficial Owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board (the "MSRB") or any successor to its functions as a repository through its Electronic Municipal Market Access ("EMMA") system.

Annual Reports

The District will provide certain updated financial information and operating data to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement under the headings "DISTRICT DEBT," "TAX DATA" and in "APPENDIX B." The District will update and provide this information within six months after the end of each fiscal year ending in and after 2021.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements if it commissions an audit and the audit is completed by the required time. If the audit of such financial statements is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to the MSRB within such six-month period, and audited financial statements when the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in the Bond Order or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

The District's current fiscal year end is April 30. Accordingly, it must provide updated information by October 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Event Notices

The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds; (7) modifications to rights of Beneficial Owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person; (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person or the sale of all or substantially all of the assets of the District or other obligated person other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect Beneficial Owners of the Bonds, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties. The terms "obligated person" and "financial obligation" when used in this paragraph shall have the meanings ascribed to them under the Rule. The term “material” when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Order makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide financial information, operating data, or financial statements in accordance with its agreement described above under “Annual Reports.”

Availability of Information

The District has agreed to provide the foregoing information only to the MSRB. Investors will be able to access, without charge from the MSRB, continuing disclosure information filed with the MSRB through its EMMA system at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The District may amend or repeal the agreement in the Bond Order if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance With Prior Undertakings

During the last five years, the District has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

This Official Statement was approved by the Board of Directors of Fort Bend County Municipal Utility District No. 152 as of the date shown on the first page hereof.

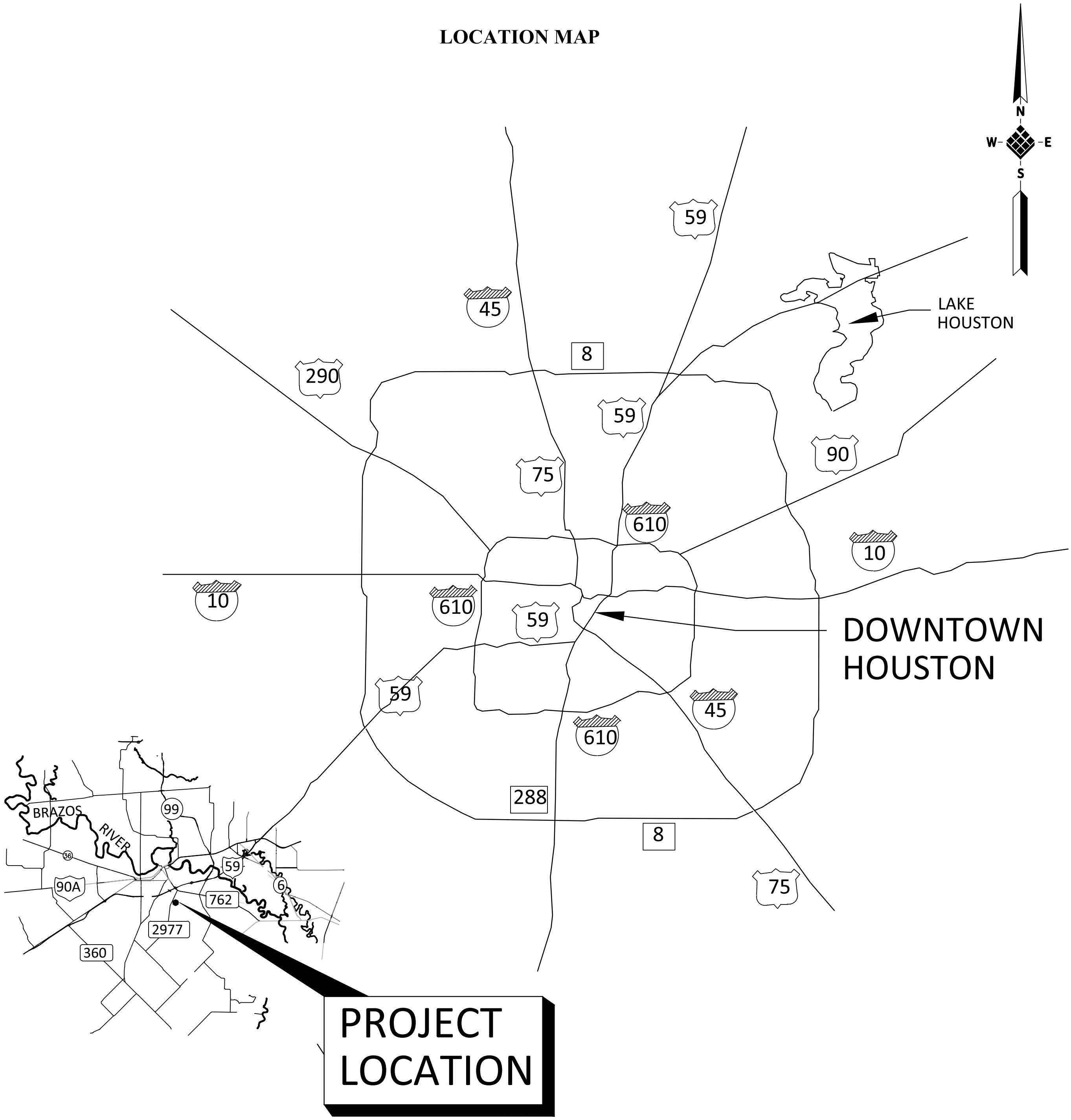
/s/ R. F. Douds
President, Board of Directors
Fort Bend County Municipal Utility District No. 152

ATTEST:

/s/ Debra Greenwood-Sharp
Secretary, Board of Directors
Fort Bend County Municipal Utility District No. 152

APPENDIX A

LOCATION MAP



IDS Engineering Group

13430 NW. Freeway
Suite 700
Houston, Tx. 77040
713.462.3178

TBPE F-002726
TBPLS 10110700

VICINITY MAP

Scale: N.T.S.
Date: July 19, 2017

\\HOUVFS3\Projects\0300\037113501 Walnut Creek GC\Exhibits\2017-07-19 Vic Map\VICINITY MAP.dwg [8½x11P] Plotted Jul 19, 2017 at 6:52am by taltman (Last Saved by: taltman)

APPENDIX B

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

APRIL 30, 2020

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

FORT BEND COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

APRIL 30, 2020

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

FORT BEND COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

APRIL 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Fort Bend County Municipal
Utility District No. 152
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. 152 (the "District"), as of and for the year ended April 30, 2020, 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 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 financial statements are free from 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 policies 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 and appropriate to provide a basis for our audit opinions.

Board of Directors
Fort Bend County Municipal
Utility District No. 152

Opinions

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 April 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund and each Special Revenue Fund 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 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 any 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

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

August 20, 2020

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2020

Management's discussion and analysis of Fort Bend County Municipal Utility District No. 152's (the "District") financial performance provides an overview of the District's financial activities for year ended April 30, 2020. Please read it in conjunction with the District's financial statements.

USING THIS FINANCIAL REPORT

This financial 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 Fund 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 like that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net includes all the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District 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 revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has four governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service revenues, costs and general expenditures. The Special Revenue Fund accounts for financial resources collected and administered by the District for the construction and operation of the joint wastewater treatment plant and lift station. 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.

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund financial 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 Fund Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI"). Budgetary comparison schedules are included as RSI for the General Fund and each Special Revenue Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, liabilities exceed assets and deferred outflows of resources by $924,360 as of April 30, 2020.

A portion of the District's net position reflects its net investment in capital assets (land, buildings and equipment as well as water, wastewater and drainage 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:

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2020	2019	Change Positive (Negative)
Current and Other Assets	$ 5,004,868	$ 3,604,547	$ 1,400,321
Capital Assets (Net of Accumulated Depreciation)	23,281,255	18,334,635	4,946,620
Total Assets	$ 28,286,123	$ 21,939,182	$ 6,346,941
Deferred Outflows of Resources	$ 62,120	$ - 0 -	$ 62,120
Due to Developer	$ 3,146,376	$ 4,126,589	$ 980,213
Long -Term Liabilities	25,009,736	16,429,497	(8,580,239)
Other Liabilities	1,116,491	940,445	(176,046)
Total Liabilities	$ 29,272,603	$ 21,496,531	$ (7,776,072)
Net Assets:			
Net Investment in Capital Assets	$ (4,073,650)	$ (1,853,793)	$ (2,219,857)
Restricted	1,497,213	1,190,790	306,423
Unrestricted	1,652,077	1,105,654	546,423
Total Net Position	$ (924,360)	$ 442,651	$ (1,367,011)

The following table provides a summary of the District's operations for the years ended April 30, 2020, and April 30, 2019.

	Summary of Changes in the Statement of Activities		
	2020	2019	Change Positive (Negative)
Revenues:			
Property Taxes	$ 2,246,362	$ 1,754,956	$ 491,406
Charges for Services	2,228,330	2,283,111	(54,781)
Other Revenues	67,723	64,239	3,484
Total Revenues	$ 4,542,415	$ 4,102,306	$ 440,109
Expenses for Services	5,909,426	4,313,495	(1,595,931)
Change in Net Position	$ (1,367,011)	$ (211,189)	$ (1,155,822)
Net Position, Beginning of Year	442,651	653,840	(211,189)
Net Position, End of Year	$ (924,360)	$ 442,651	$ (1,367,011)

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of April 30, 2020, were $4,341,532, an increase of $1,334,500 from the prior year.

The General Fund fund balance increased by $524,835, primarily due to service revenues exceeding operating expenditures.

The Special Revenue Fund is revenue neutral.

The Debt Service Fund fund balance increased by $323,236, primarily due to the structure of the District's debt service requirements and the sale of the Series 2019A Refunding Bonds.

The Capital Projects Fund fund balance increased by $486,429, due to the sale of Series 2019 and Series 2020 bonds, of which proceeds were still on hand at year-end.

GENERAL FUND AND SPECIAL REVENUE FUND BUDGETARY HIGHLIGHTS

The Board of Directors did not amend the General Fund budget during the current fiscal. Actual revenues were $176,803 more than budgeted revenues. Actual expenditures were $8,907 less than budgeted expenditures. The Board of Directors did not amend the Special Revenue Fund budgets during the current fiscal year.

CAPITAL ASSETS

Capital assets as of April 30, 2020, total $23,281,255 (net of accumulated depreciation) and include land, buildings and equipment as well as the water, wastewater and drainage systems. Capital asset events during the current fiscal year included reimbursing the developer for the costs associated with the construction of water, wastewater and drainage facilities to serve Irby Cobb Boulevard Street Dedication No. 2; Walnut Creek Subdivision, Sections 4, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 25; Walnut Creek, Phase I, Phase II and Phase III Detention; and land for Dry Creek expansion. Additional information on the District's capital assets can be found in Note 6 of this report.

CAPITAL ASSETS (Continued)

Capital Assets At Year-End, Net of Accumulated Depreciation

	2020	2019	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	$ 589,234	$ 589,234	$
Capital Assets, Net of Accumulated Depreciation:			
Water System	3,482,715	2,530,757	951,958
Wastewater System	8,731,593	7,553,851	1,177,742
Drainage System	10,477,713	7,660,793	2,816,920
Total Net Capital Assets	$ 23,281,255	$ 18,334,635	$ 4,946,620

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the District had total long-term debt payable of $25,420,000. The changes in the debt position of the District during the fiscal year ended April 30, 2020, are summarized as follows:

Bond Debt Payable, May 1, 2019	$ 14,020,000
Add: Bond Sales	13,565,000
Less: Bond Principal Paid/Refunded	2,165,000
Bond Debt Payable, April 30, 2020	$ 25,420,000

The District's Series 2017, Series 2018, Series 2019, Series 2019A Refunding, and Series 2020 bonds have an underlying rating of "Baa3." The Series 2017, Series 2019, and Series 2020 bonds have an insured rating of "AA" based on bond insurance issued by Build America Mutual Assurance Company. The Series 2018 bonds have an insured rating of "AA/A2" based on bond insurance issued by Assured Guaranty Municipal Corporation. The Series 2019A Refunding bonds have an insured rating of "AA" based on bond insurance issued by Municipal Assurance Corp. The above ratings are as of April 30, 2020 and reflect all ratings changes through that date.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Fort Bend County Municipal Utility District No. 152, c/o Smith, Murdaugh, Little & Bonham, LLP, 2727 Allen Parkway, Suite 1100, Houston, Texas 77019.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
APRIL 30, 2020

	General Fund	Special Revenue Funds: Wastewater Treatment Plant	Special Revenue Funds: Lift Station
ASSETS			
Cash	$ 288,167	$ 369,222	$ 19,727
Investments	1,936,251		
Receivables:			
Property Taxes	18,870		
Penalty and Interest on Delinquent Taxes			
Service Accounts	104,215		
Due from Other Funds	113,266		
Prepaid Costs		69,140	
Due from Other Governments		74,604	6,828
Advance for Regional Wastewater Treatment Plant Operations	60,000		
Land			
Capital Assets (Net of Accumulated Depreciation)			
TOTAL ASSETS	$ 2,520,769	$ 512,966	$ 26,555
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refunding Bonds	$ - 0 -	$ - 0 -	$ - 0 -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 2,520,769	$ 512,966	$ 26,555

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
$ 1,265,327	$ 482,455	$ 2,424,898	$	$ 2,424,898
321,834		2,258,085		2,258,085
24,129		42,999		42,999
			4,226	4,226
		104,215		104,215
7,374	680,132	800,772	(800,772)	
		69,140	19,873	89,013
		81,432		81,432
		60,000	(60,000)	
			589,234	589,234
			22,692,021	22,692,021
$ 1,618,664	$ 1,162,587	$ 5,841,541	$ 22,444,582	$ 28,286,123
$ - 0 -	$ - 0 -	$ - 0 -	$ 62,120	$ 62,120
$ 1,618,664	$ 1,162,587	$ 5,841,541	$ 22,506,702	$ 28,348,243

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

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
APRIL 30, 2020

		Special Revenue Funds	
	General Fund	Wastewater Treatment Plant	Lift Station
LIABILITIES			
Accounts Payable	$ 58,738	$ 98,266	$ 11,777
Accrued Interest Payable			
Due to Other Governments	61,020	137,619	8,716
Due to Developer			
Due to Other Funds	687,506	97,081	6,062
Security Deposits	81,301		
Accrued Bond Interest Received at Time of Sale			
Reserved for Wastewater Treatment Plant Operations		180,000	
Long-Term Liabilities:			
Due Within One Year			
Due After One Year			
TOTAL LIABILITIES	$ 888,565	$ 512,966	$ 26,555
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	$ 18,870	$ - 0 -	$ - 0 -
FUND BALANCES			
Nonspendable:			
Wastewater Treatment Plant Operations	$ 60,000	$	$
Restricted for Authorized Construction			
Restricted for Debt Service			
Unassigned	1,553,334		
TOTAL FUND BALANCES	$ 1,613,334	$ - 0 -	$ - 0 -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,520,769	$ 512,966	$ 26,555
NET POSITION			
Net Investment in Capital Assets			
Restricted for Debt Service			
Unrestricted			
TOTAL NET POSITION			

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
$	$ 8,500	$ 177,281	$	$ 177,281
			115,554	115,554
		207,355		207,355
			3,146,376	3,146,376
10,123		800,772	(800,772)	
		81,301		81,301
10,301		10,301	(10,301)	
		180,000	(60,000)	120,000
			415,000	415,000
			25,009,736	25,009,736
$ 20,424	$ 8,500	$ 1,457,010	$ 27,815,593	$ 29,272,603
$ 24,129	$ -0-	$ 42,999	$ (42,999)	$ - 0 -
$	$	$ 60,000	$ (60,000)	$
	1,154,087	1,154,087	(1,154,087)	
1,574,111		1,574,111	(1,574,111)	
		1,553,334	(1,553,334)	
$ 1,574,111	$ 1,154,087	$ 4,341,532	$ (4,341,532)	$ - 0 -
$ 1,618,664	$ 1,162,587	$ 5,841,541		
			$ (4,073,650)	$ (4,073,650)
			1,497,213	1,497,213
			1,652,077	1,652,077
			$ (924,360)	$ (924,360)

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

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
APRIL 30, 2020

Total Fund Balances - Governmental Funds		$ 4,341,532
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Bond insurance premiums paid at closing are amortized over the term of the refunding bonds.		19,873
Land, construction in progress and capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		23,281,255
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.		62,120
Deferred inflows of resources related to property tax revenues and penalty and interest receivable for the 2019 and prior tax levies became part of recognized revenues in the governmental activities of the District.		47,225
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:		
Due to Developer	$ (3,146,376)	
Accrued Interest Payable	(105,253)	
Bonds Payable Within One Year	(415,000)	
Bonds Payable After One Year	(25,009,736)	(28,676,365)
Total Net Position - Governmental Activities		$ (924,360)

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

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FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2020

	General Fund	Special Revenue Funds: Wastewater Treatment Plant	Special Revenue Funds: Lift Station
REVENUES			
Property Taxes	$ 981,185	$	$
Water Service	384,818		
Wastewater Service	363,997	1,103,763	91,549
Fire Service Fees	227,810		
Surface Water Fees	225,538		
Penalty and Interest	30,097		
Tap Connection and Inspection Fees	169,020		
Investment Revenues	23,443	928	117
Miscellaneous Revenues	30,895		
TOTAL REVENUES	$ 2,436,803	$ 1,104,691	$ 91,666
EXPENDITURES/EXPENSES			
Service Operations:			
Professional Fees	$ 155,675	$ 8,299	$ 3,000
Contracted Services	436,365	10,800	10,800
Purchased Water Service	499,544		
Purchased Wastewater Service	379,104		
Utilities	58,714	76,348	12,149
Repairs and Maintenance	222,528	167,375	33,997
Wastewater Treatment Plant Lease		643,680	
Depreciation			
Other	160,038	168,862	31,720
Developer Interest			
Capital Outlay		29,327	
Debt Service:			
BAN Issuance Costs			
Bond Issuance Costs			
Bond Principal			
Bond Interest			
TOTAL EXPENDITURES/EXPENSES	$ 1,911,968	$ 1,104,691	$ 91,666
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 524,835	$ - 0 -	$ - 0 -
OTHER FINANCING SOURCES (USES)			
Bond Premium	$	$	$
Bond Discount			
Transfer to Refunding Escrow Agent			
Long-Term Debt Issued			
TOTAL OTHER FINANCING SOURCES (USES)	$ -0-	$ - 0 -	$ - 0 -
NET CHANGE IN FUND BALANCES	$ 524,835	$ - 0 -	$ - 0 -
CHANGE IN NET POSITION			
FUND BALANCES/NET POSITION - MAY 1, 2019	1,088,499		
FUND BALANCES/NET POSITION - APRIL 30, 2020	$ 1,613,334	$ - 0 -	$ - 0 -

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
$ 1,259,994	$	$ 2,241,179	$ 5,183	$ 2,246,362
		384,818		384,818
		1,559,309	(379,104)	1,180,205
		227,810		227,810
		225,538		225,538
9,841		39,938	1,001	40,939
		169,020		169,020
11,776	564	36,828		36,828
		30,895		30,895
$ 1,281,611	$ 564	$ 4,915,335	$ (372,920)	$ 4,542,415
$ 3,369	$	$ 170,343	$	$ 170,343
40,566		498,531		498,531
		499,544		499,544
		379,104	(379,104)	
		147,211		147,211
		423,900		423,900
		643,680		643,680
			655,932	655,932
2,948	214	363,782		363,782
	453,261	453,261		453,261
	6,553,438	6,582,765	(6,582,765)	
	106,636	106,636		106,636
113,133	1,226,365	1,339,498	(21,148)	1,318,350
330,000	2,975,000	3,305,000	(3,305,000)	
589,423		589,423	38,833	628,256
$ 1,079,439	$ 11,314,914	$ 15,502,678	$ (9,593,252)	$ 5,909,426
$ 202,172	$ (11,314,350)	$ (10,587,343)	$ 9,220,332	$ (1,367,011)
$ 19,329	$ 275,585	$ 294,914	$ (294,914)	$
(9,982)	(69,806)	(79,788)	79,788	
(1,858,283)		(1,858,283)	1,858,283	
1,970,000	11,595,000	13,565,000	(13,565,000)	
$ 121,064	$ 11,800,779	$ 11,921,843	$ (11,921,843)	$ - 0 -
$ 323,236	$ 486,429	$ 1,334,500	$ (1,334,500)	$
			(1,367,011)	(1,367,011)
1,250,875	667,658	3,007,032	(2,564,381)	442,651
$ 1,574,111	$ 1,154,087	$ 4,341,532	$ (5,265,892)	$ (924,360)

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

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2020

Net Change in Fund Balances - Governmental Funds	$	1,334,500
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report tax revenues when collected. However, in the government-wide financial statements, revenues are recorded in the accounting period for which the taxes are levied.		5,183
Governmental funds report penalty and interest revenue on property taxes when collected. However, in the government-wide financial statements, revenues are recorded when the penalty and interest are assessed.		1,001
Governmental funds do not account for depreciation. However, in the government-wide financial statements, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.		(655,932)
Governmental funds record capital asset costs as expenditures in the period purchased. However, in the government-wide financial statements, capital assets are increased by new purchases that meet the District's threshold for capitalization, and are owned and maintained by the District. All other capital asset purchases are expensed in the Statement of Activities.		6,582,765
Governmental funds report bond insurance as an expenditure and bond premiums and discounts as other financing sources and uses in the year paid. However, in the government-wide financial statements, the bond insurance, premiums and discounts are amortized over the life of the bonds and the current year amortized portion is added to bond interest expense.		(193,978)
Governmental funds report principal payments on long-term debt as expenditures. However, in the government-wide financial statements, principal payments decrease long-term liabilities and Statement of Activities is not affected.		3,305,000
Governmental funds report interest payments on long-term debt as expenditures in the year paid. However, in the government-wide financial statements, interest is accrued on the debt through fiscal year-end.		(38,833)
Governmental funds report bond proceeds as other financing sources. Issued bonds increase long-term liabilities in the government-wide financial statements.		(13,565,000)
Governmental funds report the payment to the refunded bond escrow agent as an other financing use. However, the refunding of outstanding bonds decreases long-term liabilities in the Statement of Net Position.		1,858,283
Change in Net Position - Governmental Activities	$	(1,367,011)

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

NOTE 1. CREATION OF DISTRICT

Fort Bend County Municipal Utility District No. 152 (the "District") was created effective July 15, 2005, by an Order of the Texas Commission on Environmental Quality (the "Commission"). Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, roads, solid waste collection and disposal, including recycling, and to construct parks and recreational facilities for the residents of the District. The District is also empowered to contract for or employ its own peace officers with powers to make arrests and, subject to certain regulatory approvals, to establish, operate and maintain a fire department to perform all fire-fighting activities within the District. The Board of Directors held its first meeting on August 31, 2005.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statement as component units.

The District participates in a joint venture for the operation of an interim regional wastewater treatment plant and lift station. Since the District exercises oversight responsibility of the facilities, the operations are accounted for in the Special Revenue Fund of the District. See Notes 10 and 11. The District does not issue separate financial statements for the facilities.

<u>Financial Statement Presentation</u>

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting ("GASB Codification").

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

* Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

* Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

* Unrestricted Net Position – This component of net 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 revenues and expenses in the government-wide Statement of Activities.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Fund Financial Statements

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

Governmental Funds

The District has four governmental funds, which are considered to be major funds.

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

Special Revenue Fund-Wastewater Treatment Plant – To account for financial resources collected and administered by the District for the operation of the joint wastewater treatment plant which is a joint venture of the District with Fort Bend County Municipal Utility District No. 155 and Fort Bend County Municipal Utility District No. 158.

Special Revenue Fund-Lift Station – To account for financial resources collected and administered by the District for the operation of the joint lift station which is a joint venture of the District with Fort Bend County Municipal Utility District No. 155 and Fort Bend County Municipal Utility District No. 158.

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 collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in governmental funds to be available if they are collectable 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.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost of $5,000 or more and a useful life of two or more years following the date of acquisition. Depreciation is calculated on each class of depreciable property using no salvage value and the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Buildings	40
Water System	10-45
Wastewater System	10-45
Drainage System	10-45
All Other Equipment	3-20

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting

An annual unappropriated budget is adopted for the General Fund and Special Revenue Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund and Special Revenue Fund budgets for the current year were not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund and Special Revenue Funds present the original budget 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 fees of office received by Directors are wages subject to federal income tax withholding for 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 position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Governmental Funds Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

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.

NOTE 3. LONG-TERM DEBT

	Series 2010	Series 2014
Amount Outstanding – April 30, 2020	$ 80,000	$ 1,690,000
Interest Rates	4.00%	2.30% - 4.00%
Maturity Dates – Beginning/Ending	September 1, 2020	September 1, 2020/2038
Interest Payment Dates	September 1 / March 1	September 1 / March 1
Callable Dates	September 1, 2017*	September 1, 2021*

* Or any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption. Series 2014 term bonds maturing on September 1, 2036 and September 1, 2038 are subject to mandatory redemption beginning September 1, 2035, and September 1, 2037, respectively.

NOTE 3. LONG-TERM DEBT (Continued)

	Series 2016	Series 2017	Series 2018
Amount Outstanding – April 30, 2020	$ 4,245,000	$ 2,650,000	$ 3,220,000
Interest Rates	2.00% - 3.65%	2.20% - 4.00%	3.00% - 5.50%
Maturity Dates – Beginning/Ending	September 1, 2020/2039	September 1, 2020/2040	September 1, 2020/2041,
Interest Payment Dates	September 1 / March 1	September 1 / March 1	September 1 / March 1
Callable Dates	September 1, 2023*	September 1, 2024*	September 1, 2023*

* Or any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption. Series 2016 term bonds maturing on September 1, 2035 and September 1, 2039 are subject to mandatory redemption beginning September 1, 2033 and September 1, 2038, respectively. Series 2017 term bonds maturing on September 1, 2034, September 1, 2036 and September 1, 2040 are subject to mandatory redemption beginning September 1, 2033, September 1, 2035 and September 1, 2037, respectively. Series 2018 term bonds maturing September 1, 2033, September 1, 2035, September 1, 2037, September 1, 2039, and September 1, 2041 are subject to mandatory redemption beginning September 1, 2032, and September 1, 2034, September 1, 2036, September 1, 2038, and September 1, 204, respectively

NOTE 3. LONG-TERM DEBT (Continued)

	Series 2019	Refunding Series 2019A	Series 2020
Amount Outstanding – April 30, 2020	$ 5,365,000	$ 1,940,000	$ 6,230,000
Interest Rates	3.00% - 3.375%	2.00% - 3.00%	3.00% - 5.00%
Maturity Dates – Beginning/Ending	September 1, 2021/2043	September 1, 2020/2034	September 1, 2022/2044,
Interest Payment Dates	September 1 / March 1	September 1 / March 1	September 1 / March 1
Callable Dates	September 1, 2024*	September 1, 2024*	September 1, 2025*

* Series 2019 term bonds maturing September 1, 2035, September 1, 2037, September 1, 2039, September 1, 2041, and September 1, 2043 are subject to mandatory redemption beginning September 1, 2034, and September 1, 2036, September 1, 2038, September 1, 2040, and September 1, 2042, respectively. Series 2019A Refunding term bonds maturing September 1, 2028, September 1, 2030, September 1, 2032, and September 1, 2034 are subject to mandatory redemption beginning September 1, 2027, September 1, 2029, September 1, 2031, and September 1, 2033, respectively. Series 2020 Refunding term bonds maturing September 1, 2032, September 1, 2034, September 1, 2036, September 1, 2038, September 1, 2040, September 1, 2042, and September 1, 2044 are subject to mandatory redemption beginning September 1, 2031, September 1, 2033, September 1, 2035, and September 1, 2037, September 1, 2039, September 1, 2041, and September 1, 2043.

The following is a summary of transactions regarding long-term liabilities for the year ended April 30, 2020:

	May 1, 2019	Additions	Retirements	April 30, 2020
Bonds Payable	$ 14,020,000	$ 13,565,000	$ 2,165,000	$ 25,420,000
Bond Anticipation Note	2,975,000	2,800,000	5,775,000	
Unamortized Discounts	(325,996)	(79,788)	(61,872)	(343,912)
Unamortized Premiums	60,493	294,914	6,759	348,648
Bonds Payable, Net	$ 16,729,497	$ 16,580,126	$ 7,884,887	$ 25,424,736

Amount Due Within One Year	$ 415,000
Amount Due After One Year	25,009,736
Bonds Payable, Net	$ 25,424,736

NOTE 3. LONG-TERM DEBT (Continued)

As of April 30, 2020, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2021	$ 415,000	$ 840,545	$ 1,255,545
2022	565,000	854,791	1,419,791
2023	770,000	831,023	1,601,023
2024	800,000	801,503	1,601,503
2025	835,000	771,311	1,606,311
2026-2030	4,790,000	3,383,225	8,173,225
2031-2035	5,935,000	2,488,949	8,423,949
2036-2040	7,470,000	1,371,014	8,841,014
2041-2045	3,840,000	294,613	4,134,613
	$ 25,420,000	$ 11,636,974	$ 37,056,974

As of April 30, 2020, the District had authorized but unissued bonds in the amount of $66,100,000 for utility facilities, $25,647,000 for refunding bonds, $7,355,000 for park and recreational facilities, and $14,400,000 for road bonds.

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

During the year ended April 30, 2020, the District levied an ad valorem debt service tax rate of $0.72 per $100 of assessed valuation, which resulted in a tax levy of $1,263,651 on the adjusted taxable valuation of $175,507,087 for the 2019 tax year. The bond order requires 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

A. 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 with respect to the District to the Municipal Securities Rulemaking Board (the "MRSB") through its Electronic Municipal is Market Access system ("EMMA"). 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 respective bonds.

B. The bond orders state that the District should take all necessary steps to comply with the requirement that rebatable arbitrage earnings, if any, 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 frequency for determining the rebatable amount, if any, is on each five-year anniversary of the bond 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 $2,424,898 and the bank balance was $2,748,272.

The District was not exposed to custodial credit risk at year-end.

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 April 30, 2020, as listed below:

	CASH
GENERAL FUND	$ 288,167
SPECIAL REVENUE FUND - WASTEWATER TREATMENT PLANT	369,222
SPECIAL REVENUE FUND - LIFT STATION	19,727
DEBT SERVICE FUND	1,265,327
CAPITAL PROJECTS FUND	482,455
TOTAL DEPOSITS	$ 2,424,898

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District’s financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” No person may invest District funds without express written authority from the Board of Directors.

Texas 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 invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

As of April 30, 2020, the District had the following investment and maturities:

Fund and Investment Type	Fair Value	Maturities in Years: Less Than 1	1-5	6-10	More Than 10
GENERAL FUND					
TexPool	$ 1,936,251	$ 1,936,251	$	$	$
DEBT SERVICE FUND					
TexPool	321,834	321,834			
TOTAL INVESTMENTS	$ 2,258,085	$ 2,258,085	$ - 0 -	$ - 0 -	$ - 0 -

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At April 30, 2020, the District's investment in TexPool was rated AAAm by Standard and Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexPool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

Restrictions

All cash in the Special Revenue Funds are restricted for the construction and operation of the joint wastewater treatment plant and lift station.

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 and the maintenance and repair of capital assets.

NOTE 6. CAPITAL ASSETS

Capital asset activity for year ended April 30, 2020 is as follows:

	May 1, 2019	Increases	Decreases	April 30, 2020
Capital Assets Not Being Depreciated				
Land and Land Improvements	$ 589,234	$ - 0 -	$ - 0 -	$ 589,234
Capital Assets Subject to Depreciation				
Water System	$ 2,988,865	$ 1,051,900	$	$ 4,040,765
Wastewater System	8,911,356	1,446,770		10,358,126
Drainage System	8,918,677	3,103,882		12,022,559
Total Capital Assets Subject to Depreciation	$ 20,818,898	$ 5,602,552	$ - 0 -	$ 26,421,450
Less Accumulated Depreciation				
Water System	$ 458,108	$ 99,942	$	$ 558,050
Wastewater System	1,357,505	269,028		1,626,533
Drainage System	1,257,884	286,962		1,544,846
Total Accumulated Depreciation	$ 3,073,497	$ 655,932	$ - 0 -	$ 3,729,429
Total Depreciable Capital Assets, Net of Accumulated Depreciation	$ 17,745,401	$ 4,946,620	$ - 0 -	$ 22,692,021
Total Capital Assets, Net of Accumulated Depreciation	$ 18,334,635	$ 4,946,620	$ - 0 -	$ 23,281,255

NOTE 7. MAINTENANCE TAX

On November 8, 2005, the voters of the District approved the levy and collection of a maintenance tax of not more than $1.50 per $100 of assessed valuation of taxable property within the District. During the fiscal year ended April 30, 2020, the District levied an ad valorem maintenance tax rate of $0.56 per $100 of assessed valuation, which resulted in a tax levy of $982,840 on the adjusted taxable valuation of $175,507,087 for the 2019 tax year. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District's waterworks, sanitary sewer and drainage system.

NOTE 8. UNREIMBURSED COSTS

In accordance with the terms of the development financing agreement, the developer within the District has made expenditures on behalf of the District for various projects for which the District has not sold bonds. As of the Balance Sheet date, the District has recorded a liability of $3,146,376 to the developer for projects that have been completed and developer contributions. Any reimbursement will come from proceeds of future bond sales.

NOTE 9. RISK MANAGEMENT

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

NOTE 10. INTERIM WASTEWATER TREATMENT PLANT

On September 21, 2005, the District entered into an operating Lease Agreement with Option to Purchase for a 240,000 gallon per day interim sewage treatment plant. The initial lease term was 24 months, with an option to renew on a month-to-month basis for up to 12 months. In addition to rental, there are charges for installation and equipment retrieval at the end of the term. On April 18, 2011, the District amended the Lease Agreement and entered into a 36-month extension term commencing on May 1, 2011. The District agrees to pay $4,770 per month during the new extension term. After the 36-month term, the District agrees to pay a monthly fee of $4,500 until the termination of this agreement.

On April 18, 2011, the District amended the Lease Agreement for the expansion of the existing interim wastewater treatment plant from 0.24 MGD to 0.48 MGD. The District agrees to pay $9,645 per month. The term of this lease is 36 months commencing on the first day of the month following substantial completion of the installation of the leased property.

In December 2014, the District entered into an operating Lease Agreement for the expansion of the existing interim wastewater treatment plant from 0.50 MGD to 0.98 MGD. The District agrees to pay $31,900 per month. The term of this lease is 24 months commencing on the first day of the month following substantial completion of the installation of the leased property. The monthly payments will reduce to $24,000 per month for each month beyond the initial term.

On October 12, 2017, the District entered into an operating Lease Agreement for the modifications of the existing 0.98 MGD interim wastewater treatment plant. The District agrees to pay $15,500 per month. The term of this lease is 60 months commencing on the first day of the month following substantial completion of the installation of the leased property. The monthly payments will reduce to $12,700 per month for each month beyond the initial term.

The District recorded total lease payments of $643,680 for the current fiscal year.

On December 13, 2005, the developers for Fort Bend County Municipal Utility District Nos. 155, 158 and the District entered into a Construction Financing Agreement for Interim Wastewater Treatment Plant pursuant to which they agreed to share in the costs of the temporary wastewater treatment facility, including the lease payments.

NOTE 10. INTERIM WASTEWATER TREATMENT PLANT (Continued)

On August 9, 2006, District Nos. 155, 158 and the District entered into a Construction Financing Agreement for Phase Two of Interim Wastewater Treatment Plant. The agreement was supplemented on February 1, 2009, to establish the terms by which they will finance the design of Phase Three of the interim wastewater treatment plant. Each developer was awarded an undivided equitable interest in a *pro rata* share of the plant's capacity in exchange for agreeing to share in the costs of constructing and operating the plant in the following percentages:

	Capacity in Gallons Per Day	Percentage of Total Capacity
Lennar Homes of Texas Land and Construction, Ltd.- District No. 152	188,640	39.3%
Bonbrook Plantation, L.P. and Beazer Homes Texas, L.P.- District No. 155	193,920	40.4
Ventana Development, Ltd.- District No. 158	97,440	20.3
TOTAL	480,000	100.0%

On May 14, 2014, the District entered into a Construction Financing Agreement for Phase Three of the Interim Wastewater Treatment Plant to increase the capacity by 500,000 gpd to 980,000 gpd. Construction costs will be allocated amount the districts based upon the following percentages:

	Capacity in Gallons Per Day	Percentage of Total Capacity
District No. 152	169,885	33.8%
District No. 155	223,490	44.7
District No. 158	107,625	21.5
TOTAL	501,000	100.0%

On April 6, 2016, the District entered into a Construction Financing Agreement for Phase Four to construct additional improvements of the Interim Wastewater Treatment Plant. Construction costs will be allocated amount the districts based upon the following percentages:

	Capacity in Gallons Per Day	Percentage of Total Capacity
District No. 152	374,500	38.21%
District No. 155	420,500	42.91
District No. 158	185,000	18.88
TOTAL	980,000	100.00%

NOTE 10. INTERIM WASTEWATER TREATMENT PLANT (Continued)

The Wastewater Treatment Plant Fund established a reserve in the amount of $180,000 of which each district's share is $60,000.

Lennar and/or the District will be responsible for invoicing the pro rata share of construction and operating costs to each district. The agreement will terminate at such time as the interim plant is removed from operation and the site and all construction and operating costs have been fully paid. The interim wastewater treatment plant became operational in August of 2007.

NOTE 11. SOUTH MASTER LIFT STATION AND FORCE MAIN AGREEMENT

On September 5, 2006, the District entered into a Construction Financing Agreement for South Master Lift Station and Force Main (the "Facilities") with the City of Rosenberg and District Nos. 155 and 158. The districts agreed that the construction cost shall be allocated based on the number of equivalent single-family residential connections ("ESFC") within each district to be initially served by Phase One and Two of the Facilities in the following percentages:

	Phase 1		Phase 2	
	ESFC	Percentage of Total ESFC	ESFC	Percentage of Total ESFC
District No. 152	299	39.24%	351	46.06%
District No. 155	308	40.42	330	43.31
District No. 158	155	20.34	81	10.63
TOTAL	762	100.00%	762	100.00%

The Facilities shall be owned and operated by the District until the first phase of the permanent regional wastewater treatment plant is completed at which time the Facilities shall be conveyed to the City of Rosenberg for ownership and operation.

On August 2, 2016, the District has entered into a Construction Finance Agreement for the Second Lift Station and Force Main with District Nos. 155, No. 158 and the City of Rosenberg. In the agreement, the District agreed to design, construct, repair, own, operate, and maintain facilities in accordance with the terms of the agreement to adequately provide for the wastewater needs of all three districts. The District shall act on behalf of all three parties to the agreement and hold title to the facilities for the benefit of all three parties. Construction costs will be allocated amount the districts based upon the following percentages:

NOTE 11. SOUTH MASTER LIFT STATION AND FORCE MAIN AGREEMENT (Continued)

	ESFC	Gallons Per Day	Percentage of Total ESFC
District No. 152	679	169,750	33.96%
District No. 155	878	219,500	43.91
District No. 158	443	110,750	22.13
TOTAL	2,000	500,000	100.00%

NOTE 12. COST SHARING AGREEMENT FOR WASTEWATER TREATMENT PLANT SITE ACQUISITION

On September 20, 2005, various developers (to serve projects planned in Fort Bend County Municipal Utility District Nos. 152, 155, 158 and 162), the City of Rosenberg and Fort Bend County Municipal Utility District No. 158 entered into a Cost Sharing Agreement for Wastewater Treatment Plant Site Acquisition. The total cost for the site was funded by developers (to be recouped on a *pro rata* basis through a credit against connection fees). As part of the agreement, the site was conveyed to the City by District No. 158.

NOTE 13. WATER SUPPLY AND WASTEWATER SERVICE AGREEMENT

On February 22, 2005, the Developer entered into a Water Supply and Wastewater Services Agreement (the “Agreement”) with the City of Rosenberg, Texas, (the “City”). This Agreement was later assigned to the District on September 15, 2005. This Agreement was amended on May 17, 2011. The Agreement provides for the District to obtain water supply and wastewater treatment services from the City on a permanent basis. The City will provide an initial 987 equivalent single-family connections of service to the District subject to the completion of construction of all necessary water and wastewater facilities required to connect to the City’s system. Upon meeting certain conditions, the City will provide service for up to 1,690 equivalent single-family connections. The Agreement requires a one-time charge to the developer for each equivalent single-family connection to cover capital costs incurred by the City. The term of the Agreement is 25 years and automatically renews for consecutive one-year terms unless terminated. The City has ceased providing wastewater service to the District now that the interim wastewater treatment plant is operational.

NOTE 14. INTERFUND BALANCES

The Special Revenue Fund owes the General Fund $103,143 for advances in excess of operational and construction costs to date. The Debt Service Fund (Tax Account) owes the General Fund $10,123 for maintenance tax collections. The General Fund owes the Capital Projects Fund $680,132 for amounts paid with bond proceeds, and the General Fund owes the Debt Service Fund $7,374 for an over-transfer related to the Series 2019A Refunding bond costs.

NOTE 15. FIRE PROTECTION AGREEMENT

The District entered into a Fire Protection Agreement with the City of Rosenberg, Texas (the "City") which provides that the City will provide fire protection to persons, buildings and property located within the District within the City's extraterritorial jurisdiction. This agreement became effective after receipt of approval of the plan from the Commission and the Board of Directors declaring the favorable results of the voter election to approve the fire plan in November of 2008. The term of the agreement is 20 years and is automatically renewed for successive one-year terms. The agreement was restated and amended on September 12, 2012.

Under the terms of the agreement, the District makes monthly payments of (1) $11.00 for each residential unit in the District that is connected to the public water supply system; and (2) $11.00 per 2,000 square feet or part thereof of building floor area for every improved non-residential property. These monthly charges will remain in effect from December 1, 2008, until September 1, 2009, and thereafter are adjusted annually for 100% of the increase or decrease, if any, between the most recently published Consumer Price Index (CPI) and the CPI for the preceding calendar year. The District will also pay the City a cash contribution toward the capital cost of the new fire station. Once bids are received, the City will invoice the District for any unfunded portion of the cash contribution.

Effective January 1, 2014, each equivalent residential connection is charged $20.00 per month and each commercial connection is charged $20.00 per 2,000 square feet or part thereof of building floor area. During the current fiscal year, the District recorded fire protection service revenues in the amount of $227,810 and expenditures in the amount of $228,000.

NOTE 16. BOND ANTICIPATION NOTE

On September 26, 2019, the District closed on the sale of its $2,800,000 Series 2019 Bond Anticipation Note (BAN) at a net effective interest rate of 1.95% per annum. The District used proceeds of the BAN to reimburse the developer for 70% of certain costs associated with construction of facilities to serve Walnut Creek, Sections 14, 15, 16, 17, 20, and 21; Phase III detention (Phase 4 construction and Ultimate construction); erosion consultant and storm water permits; and pay certain BAN issuance costs. The note was paid in full with the issuance of the Series 2020 Bonds (See Note 17).

NOTE 17. BOND SALES

On May 9, 2019, the District closed on the sale of $5,365,000 Series 2019 Unlimited Tax Bonds. The District used proceeds of the bonds to reimburse the developer for the remaining costs associated with construction of facilities to serve Irby Cobb Blvd. Street Dedication No. 2 and Walnut Creek, Sections 7, 10, 11, 12, 13 and Phase 1 and Phase II detention; land acquisition costs for Dry Creek expansion; pay off the Series 2018 BAN; pay developer interest and BAN interest; and pay for the bond issuance costs.

On June 5, 2019, the District closed on the sale of its $1,970,000 Unlimited Tax Refunding Bonds, Series 2019A. Proceeds of the bonds were used to redeem the maturities of 2021 through 2034, with interest rates of 4.20% through 5.00% of the outstanding Series 2010 bonds in the amount of $1,835,000. The Series 2010 bonds have a callable date of September 1, 2017. The refunding resulted in gross debt service savings of $218,212 and net present value savings of $165,022.

On April 16, 2020, the District closed on the sale of $6,230,000 Series 2020 Unlimited Tax Bonds. The District used proceeds of the bonds to reimburse the developer for the remaining costs associated with construction of facilities to serve Walnut Creek, Sections 14, 15, 16, 17, 20, and 21; Phase III detention expansion; erosion consultant and storm water permits; pay off the Series 2019 BAN; pay developer interest and BAN interest; and pay for the bond issuance costs.

NOTE 18. BOND ELECTION

At an election held for the District on May 4, 2019, District voters approved the additional issuance of $49,375,000 in water, sanitary sewer, and drainage bonds, and $14,400,000 in road facilities bonds.

NOTE 19. UNCERTAINTIES

On March 11, 2020, the World Health Organization declared the COVID-19 virus a global pandemic. As a result, economic uncertainties have arisen which could have an impact on the operations of the District. The District is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty, as the potential financial impact of this pandemic is unknown at this time.

NOTE 20. PENDING ROAD APPLICATION

Subsequent to year end, on August 14, 2020, the District submitted bond application no. 8 to the Commission. As of the date of this report, the application is administratively complete.

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FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

REQUIRED SUPPLEMENTARY INFORMATION

APRIL 30, 2020

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Property Taxes	$ 990,000	$ 981,185	$ (8,815)
Water Service	430,000	384,818	(45,182)
Wastewater Service	325,000	363,997	38,997
Fire Service Fees	210,000	227,810	17,810
Surface Water Fees	190,000	225,538	35,538
Penalty and Interest	18,000	30,097	12,097
Tap Connection and Inspection Fees	75,000	169,020	94,020
Investment Revenues	22,000	23,443	1,443
Miscellaneous Revenues		30,895	30,895
TOTAL REVENUES	$ 2,260,000	$ 2,436,803	$ 176,803
EXPENDITURES			
Services Operations:			
Professional Fees	$ 200,500	$ 155,675	$ 44,825
Contracted Services	407,500	436,365	(28,865)
Purchased Water Service	475,000	499,544	(24,544)
Purchased Wastewater Service	350,000	379,104	(29,104)
Utilities	70,000	58,714	11,286
Repairs and Maintenance	265,000	222,528	42,472
Other	152,875	160,038	(7,163)
TOTAL EXPENDITURES	$ 1,920,875	$ 1,911,968	$ 8,907
NET CHANGE IN FUND BALANCE	$ 339,125	$ 524,835	$ 185,710
FUND BALANCE - MAY 1, 2019	1,088,499	1,088,499	
FUND BALANCE - APRIL 30, 2020	$ 1,427,624	$ 1,613,334	$ 185,710

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL SPECIAL REVENUE FUND – WASTEWATER TREATMENT PLANT FOR THE YEAR ENDED APRIL 30, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Wastewater Service	$ 1,170,680	$ 1,103,763	$ (66,917)
Investment Revenues		928	928
TOTAL REVENUES	$ 1,170,680	$ 1,104,691	$ (65,989)
EXPENDITURES			
Services Operations:			
Professional Fees	$ 6,700	$ 8,299	$ (1,599)
Contracted Services	11,000	10,800	200
Utilities	95,000	76,348	18,652
Repairs and Maintenance	275,500	167,375	108,125
Wastewater Treatment Plant Lease	643,680	643,680	
Other	138,800	168,862	(30,062)
Capital Outlay		29,327	(29,327)
TOTAL EXPENDITURES	$ 1,170,680	$ 1,104,691	$ 65,989
NET CHANGE IN FUND BALANCE	$ -0-	$ -0-	$ -0-
FUND BALANCE - MAY 1, 2019			
FUND BALANCE - APRIL 30, 2020	$ -0-	$ -0-	$ -0-

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – LIFT STATION
FOR THE YEAR ENDED APRIL 30, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Wastewater Service	$ 69,750	$ 91,549	$ 21,799
Investment Revenues		117	117
TOTAL REVENUES	$ 69,750	$ 91,666	$ 21,916
EXPENDITURES			
Services Operations:			
Professional Fees	$ 2,700	$ 3,000	$ (300)
Contracted Services	11,000	10,800	200
Utilities	12,500	12,149	351
Repairs and Maintenance	40,000	33,997	6,003
Other	3,550	31,720	(28,170)
TOTAL EXPENDITURES	$ 69,750	$ 91,666	$ (21,916)
NET CHANGE IN FUND BALANCE	$ -0-	$ -0-	$ -0-
FUND BALANCE - MAY 1, 2019			
FUND BALANCE - APRIL 30, 2020	$ -0-	$ -0-	$ -0-

See accompanying independent auditor's report.

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FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

SUPPLEMENTARY INFORMATION REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

APRIL 30, 2020

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
SERVICES AND RATES
FOR THE YEAR ENDED APRIL 30, 2020

1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:

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

2. RETAIL SERVICE PROVIDERS

a. RETAIL RATES FOR A ¾" METER (OR EQUIVALENT):

Based on the rate order effective April 12, 2017.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	$ 16.00	2,000	N	$ 2.55	2,001 to 10,000
				$ 2.94	10,001 and up
WASTEWATER:	$ 20.00*	2,000	N	$ 2.79	2,001 to 10,000
				$ 2.97	10,001 and up
SURCHARGE:					
Fire Protection Service Fee			Y	$20.00	
Surface Water Fee			N	$ 2.60	All

District employs winter averaging for wastewater usage? Yes: X No: ___

Total monthly charges per 10,000 gallons usage: Water: $36.40 Wastewater: $42.32 Surcharge: $46.00 Total: $124.72

* Includes garbage and recycling

See accompanying independent auditor's report.

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered			x 1.0	
≤¾"	999	994	x 1.0	994
1"	4	4	x 2.5	10
1½"	2	2	x 5.0	10
2"	12	12	x 8.0	96
3"			x 15.0	
4"	1	1	x 25.0	25
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water Connections	1,018	1,013		1,135
Total Wastewater Connections	999	994	x 1.0	994

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

Gallons billed to customers:	100,259,000	Water Accountability Ratio: 100% (Gallons billed/Gallons pumped)
Gallons pumped into system:	100,259,000	From: City of Rosenberg, Texas

See accompanying independent auditor's report.

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

Does the District have Debt Service standby fees? Yes __ No _X_

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

5. **LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes _X_ No ____

County or Counties in which District is located:

Fort Bend County, Texas

Is the District located within a city?

Entirely ____ Partly _X_ Not at all ____

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

Entirely ____ Partly _X_ Not at all ____

ETJ's in which District is located:

City of Rosenberg, Texas.

Are Board Members appointed by an office outside the District?

Yes ____ No _X_

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED APRIL 30, 2020

PROFESSIONAL FEES:		
Auditing	$	14,875
Engineering		50,585
Legal		90,215
TOTAL PROFESSIONAL FEES	$	155,675
PURCHASED SERVICES FOR RESALE:		
Purchased Water Service	$	499,544
Purchased Wastewater Service		379,104
TOTAL PURCHASED SERVICES FOR RESALE	$	878,648
CONTRACTED SERVICES:		
Bookkeeping	$	20,944
Operations and Billing		43,925
Solid Waste Disposal		143,496
Fire Fighting		228,000
TOTAL CONTRACTED SERVICES	$	436,365
UTILITIES - Street Lights	$	58,714
REPAIRS AND MAINTENANCE	$	222,528
ADMINISTRATIVE EXPENDITURES:		
Director Fees	$	9,600
Dues		675
Insurance		5,136
Legal Notices		1,705
Office Supplies and Postage		15,929
Payroll Taxes		831
Travel and Meetings		4,980
Other		377
TOTAL ADMINISTRATIVE EXPENDITURES	$	39,233

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED APRIL 30, 2020

TAP CONNECTIONS	$ 84,970
OTHER EXPENDITURES:	
Laboratory Fees	$ 1,352
Permit Fees	654
Inspection Fees	30,315
Regulatory Assessment	3,514
TOTAL OTHER EXPENDITURES	$ 35,835
TOTAL EXPENDITURES	$ 1,911,968

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
INVESTMENTS
MARCH 31, 2020

Fund	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
GENERAL FUND					
TexPool	XXXX0001	Varies	Daily	$ 1,936,251	$ - 0 -
DEBT SERVICE FUND					
TexPool	XXXX0002	Varies	Daily	$ 321,834	$ - 0 -
TOTAL - ALL FUNDS				$ 2,258,085	$ - 0 -

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED APRIL 30, 2020

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE -				
MAY 1, 2019	$ 17,155		$ 20,661	
Adjustments to Beginning Balance	60	$ 17,215	(189)	$ 20,472
Original 2019 Tax Levy	$ 981,368		$ 1,261,759	
Adjustment to 2019 Tax Levy	1,472	982,840	1,892	1,263,651
TOTAL TO BE ACCOUNTED FOR		$ 1,000,055		$ 1,284,123
TAX COLLECTIONS:				
Prior Years	$ 15,539		$ 18,449	
Current Year	965,646	981,185	1,241,545	1,259,994
TAXES RECEIVABLE - APRIL 30, 2020		$ 18,870		$ 24,129
TAXES RECEIVABLE BY YEAR:				
2019		$ 17,194		$ 22,106
2018		1,676		2,023
TOTAL		$ 18,870		$ 24,129

See accompanying independent auditor’s report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED APRIL 30, 2020

	2019	2018	2017	2016
PROPERTY VALUATIONS:				
Land	$ 40,555,840	$ 34,849,080	$ 26,728,310	$ 21,337,850
Improvements	153,297,570	110,080,060	99,058,200	81,295,110
Personal Property	826,630	731,320	553,310	507,080
Exemptions	(19,172,953)	(8,470,749)	(7,961,082)	(7,955,040)
TOTAL PROPERTY VALUATIONS	$ 175,507,087	$ 137,189,711	$ 118,378,738	$ 95,185,000
TAX RATES PER $100 VALUATION:				
Debt Service	$ 0.72	$ 0.70	$ 0.60	$ 0.60
Maintenance**	0.56	0.58	0.68	0.68
TOTAL TAX RATES PER $100 VALUATION	$ 1.28	$ 1.28	$ 1.28	$ 1.28
ADJUSTED TAX LEVY*	$ 2,246,491	$ 1,756,029	$ 1,515,247	$ 1,218,368
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	98.25 %	99.79 %	100.00 %	100.00 %

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

** Maintenance Tax – Maximum tax rate of $1.50 per $100 of assessed valuation approved by voters on November 8, 2005.

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	SERIES-2010		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$ 80,000	$ 1,600	$ 81,600
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
	$ 80,000	$ 1,600	$ 81,600

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	S E R I E S - 2 0 1 4		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$ 40,000	$ 62,940	$ 102,940
2022	40,000	61,980	101,980
2023	40,000	60,930	100,930
2024	45,000	59,705	104,705
2025	45,000	58,310	103,310
2026	40,000	56,920	96,920
2027	45,000	55,485	100,485
2028	45,000	53,955	98,955
2029	45,000	52,402	97,402
2030	45,000	50,828	95,828
2031	40,000	49,320	89,320
2032	40,000	47,860	87,860
2033	40,000	46,360	86,360
2034	40,000	44,800	84,800
2035	45,000	43,100	88,100
2036	245,000	37,300	282,300
2037	255,000	27,300	282,300
2038	270,000	16,800	286,800
2039	285,000	5,700	290,700
2040			
2041			
2042			
2043			
2044			
2045			
	$ 1,690,000	$ 891,995	$ 2,581,995

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	S E R I E S - 2 0 1 6		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$ 115,000	$ 136,110	$ 251,110
2022	120,000	133,700	253,700
2023	130,000	130,945	260,945
2024	130,000	127,825	257,825
2025	140,000	124,310	264,310
2026	150,000	120,320	270,320
2027	155,000	115,895	270,895
2028	165,000	111,095	276,095
2029	170,000	105,985	275,985
2030	180,000	100,470	280,470
2031	195,000	94,421	289,421
2032	205,000	87,870	292,870
2033	215,000	80,940	295,940
2034	230,000	73,425	303,425
2035	240,000	65,318	305,318
2036	255,000	56,779	311,779
2037	270,000	47,655	317,655
2038	280,000	37,890	317,890
2039	295,000	27,466	322,466
2040	605,000	11,041	616,041
2041			
2042			
2043			
2044			
2045			
	$ 4,245,000	$ 1,789,460	$ 6,034,460

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	SERIES - 2017		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$ 80,000	$ 82,555	$ 162,555
2022	80,000	79,355	159,355
2023	85,000	76,055	161,055
2024	90,000	72,555	162,555
2025	95,000	69,710	164,710
2026	100,000	67,515	167,515
2027	105,000	65,105	170,105
2028	105,000	62,506	167,506
2029	110,000	59,627	169,627
2030	115,000	56,362	171,362
2031	120,000	52,837	172,837
2032	125,000	49,101	174,101
2033	135,000	45,053	180,053
2034	140,000	40,757	180,757
2035	145,000	36,303	181,303
2036	150,000	31,601	181,601
2037	160,000	26,562	186,562
2038	165,000	21,178	186,178
2039	175,000	15,441	190,441
2040	180,000	9,450	189,450
2041	190,000	3,206	193,206
2042			
2043			
2044			
2045			
	$ 2,650,000	$ 1,022,834	$ 3,672,834

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	SERIES - 2018		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$ 85,000	$ 116,431	$ 201,431
2022	90,000	111,619	201,619
2023	95,000	106,531	201,531
2024	95,000	101,306	196,306
2025	100,000	95,944	195,944
2026	110,000	90,994	200,994
2027	115,000	87,069	202,069
2028	120,000	83,544	203,544
2029	125,000	79,869	204,869
2030	130,000	76,044	206,044
2031	135,000	72,069	207,069
2032	145,000	67,778	212,778
2033	150,000	63,075	213,075
2034	155,000	58,119	213,119
2035	165,000	52,816	217,816
2036	175,000	47,079	222,079
2037	180,000	40,976	220,976
2038	190,000	34,501	224,501
2039	200,000	27,550	227,550
2040	210,000	20,118	230,118
2041	220,000	12,325	232,325
2042	230,000	4,169	234,169
2043			
2044			
2045			
	$ 3,220,000	$ 1,449,926	$ 4,669,926

See accompanying independent auditor’s report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	SERIES-2019		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$	$ 166,681	$ 166,681
2022	135,000	164,656	299,656
2023	140,000	160,531	300,531
2024	150,000	156,181	306,181
2025	155,000	151,606	306,606
2026	165,000	146,806	311,806
2027	170,000	141,781	311,781
2028	180,000	136,531	316,531
2029	190,000	130,981	320,981
2030	195,000	125,206	320,206
2031	205,000	119,206	324,206
2032	215,000	112,906	327,906
2033	225,000	106,307	331,307
2034	235,000	99,407	334,407
2035	245,000	92,207	337,207
2036	255,000	84,707	339,707
2037	265,000	76,741	341,741
2038	280,000	68,225	348,225
2039	290,000	59,319	349,319
2040	305,000	50,022	355,022
2041	320,000	40,056	360,056
2042	330,000	29,494	359,494
2043	350,000	18,225	368,225
2044	365,000	6,159	371,159
2045			
	$ 5,365,000	$ 2,443,941	$ 7,808,941

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	SERIES-2019A REFUNDING		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$ 15,000	$ 57,900	$ 72,900
2022	100,000	56,250	156,250
2023	105,000	53,175	158,175
2024	110,000	49,950	159,950
2025	115,000	46,575	161,575
2026	125,000	42,975	167,975
2027	125,000	39,225	164,225
2028	130,000	35,400	165,400
2029	140,000	31,350	171,350
2030	145,000	27,075	172,075
2031	155,000	22,575	177,575
2032	160,000	17,850	177,850
2033	165,000	12,975	177,975
2034	170,000	7,950	177,950
2035	180,000	2,700	182,700
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
	$ 1,940,000	$ 503,925	$ 2,443,925

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

	SERIES-2020		
Due During Fiscal Years Ending April 30	Principal Due September 1	Interest Due March 1/ September 1	Total
2021	$	$ 216,328	$ 216,328
2022		247,231	247,231
2023	175,000	242,856	417,856
2024	180,000	233,981	413,981
2025	185,000	224,856	409,856
2026	195,000	215,356	410,356
2027	200,000	205,481	405,481
2028	210,000	195,231	405,231
2029	220,000	184,481	404,481
2030	225,000	173,356	398,356
2031	235,000	161,856	396,856
2032	245,000	152,306	397,306
2033	255,000	144,807	399,807
2034	265,000	136,675	401,675
2035	275,000	127,900	402,900
2036	285,000	118,622	403,622
2037	295,000	108,834	403,834
2038	305,000	98,519	403,519
2039	315,000	87,669	402,669
2040	330,000	75,969	405,969
2041	340,000	63,407	403,407
2042	355,000	50,375	405,375
2043	365,000	36,875	401,875
2044	380,000	22,669	402,669
2045	395,000	7,653	402,653
	$ 6,230,000	$ 3,533,293	$ 9,763,293

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
LONG-TERM DEBT SERVICE REQUIREMENTS
APRIL 30, 2020

Due During Fiscal Years Ending April 30	ANNUAL REQUIREMENTS FOR ALL SERIES Total Principal Due	Total Interest Due	Total Principal and Interest Due
2021	$ 415,000	$ 840,545	$ 1,255,545
2022	565,000	854,791	1,419,791
2023	770,000	831,023	1,601,023
2024	800,000	801,503	1,601,503
2025	835,000	771,311	1,606,311
2026	885,000	740,886	1,625,886
2027	915,000	710,041	1,625,041
2028	955,000	678,262	1,633,262
2029	1,000,000	644,695	1,644,695
2030	1,035,000	609,341	1,644,341
2031	1,085,000	572,284	1,657,284
2032	1,135,000	535,671	1,670,671
2033	1,185,000	499,517	1,684,517
2034	1,235,000	461,133	1,696,133
2035	1,295,000	420,344	1,715,344
2036	1,365,000	376,088	1,741,088
2037	1,425,000	328,068	1,753,068
2038	1,490,000	277,113	1,767,113
2039	1,560,000	223,145	1,783,145
2040	1,630,000	166,600	1,796,600
2041	1,070,000	118,994	1,188,994
2042	915,000	84,038	999,038
2043	715,000	55,100	770,100
2044	745,000	28,828	773,828
2045	395,000	7,653	402,653
	$ 25,420,000	$ 11,636,974	$ 37,056,974

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
CHANGE IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED APRIL 30, 2020

Description	Original Bonds Issued	Bonds Outstanding May 1, 2019
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2010	$ 2,380,000	$ 1,990,000
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2014	1,865,000	1,730,000
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2016	4,460,000	4,355,000
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2017	2,725,000	2,725,000
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2018	3,220,000	3,220,000
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2019	5,365,000	
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Refunding Bonds - Series 2019A	1,970,000	
Fort Bend County Municipal Utility District No. 152 Unlimited Tax Bonds - Series 2020	6,230,000	
TOTAL	$ 28,215,000	$ 14,020,000

See accompanying independent auditor's report.

Current Year Transactions				
	Retirements		Bonds Outstanding	
Bonds Sold	Principal	Interest	April 30, 2020	Paying Agent
$	$ 1,910,000	$ 4,606	$ 80,000	Wells Fargo Bank N.A. Houston, TX
	40,000	63,800	1,690,000	Wells Fargo Bank N.A. Houston, TX
	110,000	138,360	4,245,000	Wells Fargo Bank N.A. Houston, TX
	75,000	85,655	2,650,000	Wells Fargo Bank N.A. Houston, TX
		118,768	3,220,000	The Bank of New York Mellon Trust Company, N.A., Dallas, TX
5,365,000		135,197	5,365,000	The Bank of New York Mellon Trust Company, N.A., Dallas, TX
1,970,000	30,000	43,037	1,940,000	The Bank of New York Mellon Trust Company, N.A., Dallas, TX
6,230,000			6,230,000	The Bank of New York Mellon Trust Company, N.A., Dallas, TX
$ 13,565,000	$ 2,165,000	$ 589,423	$ 25,420,000	

See accompanying independent auditor’s report.

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FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
CHANGE IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED APRIL 30, 2020

Bond Authority:	Tax Bonds*	Refunding Bonds	Park and Recreational Bonds	Road Bonds
Amount Authorized by Voters	$ 92,345,000	$ 25,782,000	$ 7,355,000	$ 14,400,000
Amount Issued	26,245,000	135,000		
Remaining to be Issued	$ 66,100,000	$ 25,647,000	$ 7,355,000	$ 14,400,000

Debt Service Fund cash and investment balances as of April 30, 2020:	$ 1,587,161
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 1,482,279

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

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

See accompanying independent auditor’s report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND - FIVE YEARS

	Amount		
	2020	2019	2018
REVENUES			
Property Taxes	$ 981,185	$ 789,486	$ 805,117
Water Service	384,818	310,912	257,167
Wastewater Service	363,997	294,699	240,633
Fire Services Fees	227,810	193,027	159,031
Surface Water Fees	225,538	166,583	137,690
Penalty and Interest	30,097	30,682	20,434
Tap Connection and Inspection Fees	169,020	145,241	120,696
Investment Revenues	23,443	20,319	1,867
Miscellaneous Revenues	30,895	28,625	23,660
TOTAL REVENUES	$ 2,436,803	$ 1,979,574	$ 1,766,295
EXPENDITURES			
Professional Fees	$ 155,675	$ 165,950	$ 151,053
Contracted Services	436,365	366,078	297,634
Purchased Water Service	499,544	384,770	315,324
Purchased Wastewater Service	379,104	495,988	661,400
Utilities	58,714	54,548	53,493
Repairs and Maintenance	222,528	178,374	133,360
Other	160,038	150,782	117,659
Capital Outlay			31,381
Bond Issuance Costs			
TOTAL EXPENDITURES	$ 1,911,968	$ 1,796,490	$ 1,761,304
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 524,835	$ 183,084	$ 4,991
OTHER FINANCING SOURCES (USES)			
Transfers In(Out)	$	$	$ 156,965
Developer Contributions-Construction Advances			
TOTAL OTHER FINANCING SOURCES (USES)	$ - 0 -	$ - 0 -	$ 156,965
NET CHANGE IN FUND BALANCE	$ 524,835	$ 183,084	$ 161,956
BEGINNING FUND BALANCE	1,088,499	905,415	743,459
ENDING FUND BALANCE	$ 1,613,334	$ 1,088,499	$ 905,415

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2017	2016	2020	2019	2018	2017	2016
$ 645,541	$ 531,265	40.3 %	40.0 %	45.6 %	45.2 %	41.7 %
212,618	206,743	15.8	15.7	14.6	14.9	16.2
207,188	190,050	14.9	14.9	13.6	14.5	14.9
139,208	123,721	9.3	9.8	9.0	9.8	9.7
114,133	97,305	9.3	8.4	7.8	8.0	7.6
22,496	10,979	1.2	1.5	1.2	1.6	0.9
67,070	89,310	6.9	7.3	6.8	4.7	7.0
726	506	1.0	1.0	0.1	0.1	
17,819	25,704	1.3	1.4	1.3	1.2	2.0
$ 1,426,799	$ 1,275,583	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
$ 137,498	$ 180,633	6.4 %	8.4 %	8.6 %	9.6 %	14.2 %
262,195	228,878	17.9	18.5	16.9	18.4	17.9
264,223	240,989	20.5	19.4	17.9	18.5	18.9
211,210	442,522	15.6	25.1	37.4	14.8	34.7
43,721	21,159	2.4	2.8	3.0	3.1	1.7
160,288	259,565	9.1	9.0	7.6	11.2	20.3
82,465	98,521	6.6	7.6	6.7	5.8	7.7
				1.8		
34,603	29,410				2.4	2.3
$ 1,196,203	$ 1,501,677	78.5 %	90.8 %	99.9 %	83.8 %	117.7 %
$ 230,596	$ (226,094)	21.5 %	9.2 %	0.1 %	16.2 %	(17.7) %
$ 43,264	$					
	181,938					
$ 43,264	$ 181,938					
$ 273,860	$ (44,156)					
469,599	513,755					
$ 743,459	$ 469,599					

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND - FIVE YEARS

	Amount		
	2020	2019	2018
REVENUES			
Property Taxes	$ 1,259,994	$ 949,320	$ 710,100
Penalty and Interest	9,841	5,744	7,220
Investment Revenues	11,776	13,304	1,691
Miscellaneous Revenues			50
TOTAL REVENUES	$ 1,281,611	$ 968,368	$ 719,061
EXPENDITURES			
Tax Collection Expenditures	$ 154,016	$ 33,283	$ 26,399
Debt Service Principal	330,000	215,000	110,000
Debt Service Interest and Fees	595,423	485,838	353,492
TOTAL EXPENDITURES	$ 1,079,439	$ 734,121	$ 489,891
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 202,172	$ 234,247	$ 229,170
OTHER FINANCING SOURCES (USES)			
Bond Premium	$ 19,329	$	$
Bond Discount	(9,982)		
Transfer to Refunding Escrow Agent	(1,858,283)		
Long-Term Debt Issued	1,970,000		
TOTAL OTHER FINANCING SOURCES (USES)	$ 121,064	$ - 0 -	$ - 0 -
NET CHANGE IN FUND BALANCE	$ 323,236	$ 234,247	$ 229,170
BEGINNING FUND BALANCE	1,250,875	1,016,628	787,458
ENDING FUND BALANCE	$ 1,574,111	$ 1,250,875	$ 1,016,628
TOTAL ACTIVE RETAIL WATER CONNECTIONS	1,013	844	699
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	994	824	679

See accompanying independent auditor's report.

2017	2016	Percentage of Total Revenues 2020	2019	2018	2017	2016
$ 567,577	$ 345,442	98.3 %	98.0 %	98.8 %	99.2 %	99.0 %
3,435	2,719	0.8	0.6	1.0	0.6	0.8
984	713	0.9	1.4	0.2	0.2	0.2
$ 571,996	$ 348,874	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
$ 19,779	$ 18,125	12.0 %	3.4 %	3.7 %	3.5 %	5.2 %
105,000	55,000	25.7	22.2	15.3	18.4	15.8
269,026	191,854	46.5	50.2	49.2	47.0	55.0
$ 393,805	$ 264,979	84.2 %	75.8 %	68.2 %	68.9 %	76.0 %
$ 178,191	$ 83,895	15.8 %	24.2 %	31.8 %	31.1 %	24.0 %
$	$					
$ - 0 -	$ - 0 -					
$ 178,191	$ 83,895					
609,267	525,372					
$ 787,458	$ 609,267					
574	513					
560	500					

See accompanying independent auditor’s report.

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FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
APRIL 30, 2020

District Mailing Address - Fort Bend County Municipal Utility District No. 152
c/o Smith, Murdaugh, Little & Bonham, LLP
2727 Allen Parkway, Suite 1100
Houston, TX 77019

District Telephone Number - (713) 652-6500

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended April 30, 2020	Expense Reimbursements for the year ended April 30, 2020	Title
R. F. Douds	05/16 05/20 (Elected)	$ 1,500	$ -0-	President
Lisa P. Rickert	05/18 05/22 (Elected)	$ 2,550	$ 2,295	Vice President
Debra Greenwood-Sharp	05/16 05/20 (Elected)	$ 2,550	$ 706	Secretary
Shannon Hartman	05/16 05/20 (Elected)	$ 1,050	$ 16	Assistant Secretary
Priscilla Forkner	05/18 05/22 (Elected)	$ 1,950	$ 519	Assistant Secretary

Notes: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developers or with any of the District's consultants.

The submission date of the most recent District Registration Form was (TWC Sections 36.054 and 49.054): May 28, 2018.

The limit on Fees of Office that a Director may receive during a fiscal year is $7,200 as set by Board Resolution (TWC Section 49.060) on August 31, 2005. Fees of Office are the amounts paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 152
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
APRIL 30, 2020

Consultants:	Date Hired	District Fees for the year ended April 30, 2020
Smith, Murdaugh, Little & Bonham, LLP	09/10/08	$ 90,215
		$ 387,588
McCall Gibson Swedlund Barfoot PLLC	03/08/06	$ 14,875
		$ 27,000
Myrtle Cruz, Inc.	08/31/05	$ 24,430
		$ 7,000
Perdue Brandon Fielder Collins & Mott LLP	05/09/07	$ 3,369
IDS Engineering Group	08/31/05	$ 91,160
Rathmann & Associates	09/15/05	$ 289,025
Mary Jarmon	09/15/05	$ -0-
Si Environmental	05/30/12	$ 340,771
Tax Tech, Inc.	09/15/05	$ 27,778

See accompanying independent auditor's report.

Wastewater Treatment Facilities Fees for the year ended April 30, 2020	**Lift Station Facilities** Fees for the year ended April 30, 2020	Title
$ -0-	$ -0-	General Counsel
$ -0-	$ -0-	Bond Counsel
$ 3,500	$ 3,000	Auditor
$ -0-	$ -0-	Bond Related
$ 11,530	$ 11,167	Bookkeeper
$ -0-	$ -0-	Bond Related
$ -0-	$ -0-	Delinquent Tax Attorney
$ 6,350	$ -0-	Engineer
$ -0-	$ -0-	Financial Advisor
$ -0-	$ -0-	Investment Officer
$ 188,310	$ 33,067	Operator
$ -0-	$ -0-	Tax Assessor/ Collector

See accompanying independent auditor’s report.

APPENDIX C

SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY

BAM

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $_________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____

Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
1 World Financial Center, 27th floor
200 Liberty Street
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)