OFFICIAL STATEMENT DATED APRIL 27, 2023

IN THE OPINION OF BOND COUNSEL, UNDER EXISTING LAW, INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES AND INTEREST ON THE BONDS IS NOT SUBJECT TO THE ALTERNATIVE MINIMUM TAX ON INDIVIDUALS; HOWEVER, SUCH INTEREST IS TAKEN INTO ACCOUNT IN DETERMINING THE ANNUAL ADJUSTED FINANCIAL STATEMENT INCOME OF APPLICABLE CORPORATIONS FOR THE PURPOSE OF DETERMINING THE ALTERNATIVE MINIMUM TAX IMPOSED ON CORPORATIONS. SEE "TAX MATTERS" FOR A DISCUSSION OF THE OPINION OF BOND COUNSEL.

The Bonds are not "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Not Qualified Tax-Exempt Obligations."

NEW ISSUE – Book Entry Only

S&P Global Ratings (AGM Insured) .... "AA"
Moody's Investors Service, Inc. (AGM Insured) .... "A1"
Moody's Investors Service, Inc. (Underlying) .... "Baa2"

$13,280,000

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

(A Political Subdivision of the State of Texas, located within Fort Bend County)

UNLIMITED TAX BONDS

SERIES 2023

Dated Date: May 1, 2023

Due: September 1, as shown on inside cover.

The $13,280,000 Unlimited Tax Bonds, Series 2023 (the "Bonds"), are obligations of Fort Bend County Municipal Utility District No. 5 (the "District") and are not obligations of the State of Texas; Fort Bend County, Texas; the Village of Pleak, Texas; or any entity other than the District. Neither the full faith and credit nor the taxing power of the State of Texas; Fort Bend County, Texas; the Village of Pleak, Texas; nor any entity other than the District is pledged to the payment of the principal of or the interest on the Bonds.

Interest accrues from the initial date of delivery (on or about May 26, 2023) (the "Delivery Date"), and is payable on September 1, 2023, and on each March 1 and September 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or redemption, to the person in whose name the Bonds are registered as of the 15th day of the calendar month next preceding each Interest Payment Date (the "Record Date") and will be calculated on the basis of a 360-day year composed of twelve 30-day months.

The Bonds will be issued in fully registered form only, without coupons, in denominations of $5,000 or any integral multiple thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York, acting as securities depository for the Bonds until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co., as the nominee of DTC, is the registered owner of the Bonds, principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to DTC, which will be solely responsible for making such payment to the beneficial owners of the Bonds. The initial Paying Agent/Registrar for the Bonds is Regions Bank, an Alabama banking corporation, Houston, Texas (the "Paying Agent/Registrar").

See "MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL REOFFERING YIELDS AND CUSIPS" on the inside cover.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY MUNICIPAL CORP. ("AGM").**

ASSURED GUARANTY MUNICIPAL

The Bonds constitute the eleventh series of unlimited tax bonds issued by the District for the purpose of constructing water, sanitary sewer and drainage facilities to serve the District. The Bonds, when issued, will constitute valid and legally binding obligations of the District and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District. See "THE BONDS – Source of Payment."

The Bonds are subject to special investment considerations described herein. Bond purchasers are encouraged to read this entire Official Statement, including particularly the section titled "INVESTMENT CONSIDERATIONS," prior to making an investment decision. See "INVESTMENT CONSIDERATIONS."

The Bonds are offered when, as and if issued by the District and accepted by the Underwriter, subject, among other things, to the approval of the Attorney General of Texas and the approval of certain legal matters by Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel. Delivery of the Bonds in book-entry form through the facilities of DTC is expected on or about May 26, 2023.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL REOFFERING YIELDS AND CUSIPS

$13,280,000 Unlimited Tax Bonds, Series 2023

$7,590,000 Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP No. 346793 (b)	Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP No. 346793(b)
2024	$310,000	5.750%	3.400%	ME9	2033 (c)	$470,000	3.500%	3.650%	MP4
2025	325,000	5.750%	3.300%	MF6	2034 (c)	490,000	3.500%	3.750%	MQ2
2026	340,000	5.750%	3.300%	MG4	2035 (c)	515,000	4.000%	3.850%	MR0
2027	355,000	5.750%	3.300%	MH2	***	***	***	***	***
2028	370,000	5.500%	3.300%	MJ8	2038 (c)	590,000	4.000%	4.050%	MU3
2029 (c)	390,000	5.250%	3.300%	MK5	2039 (c)	620,000	4.000%	4.090%	MV1
2030 (c)	405,000	5.000%	3.300%	ML3	2040 (c)	645,000	4.000%	4.110%	MW9
2031 (c)	425,000	3.250%	3.450%	MM1	***	***	***	***	***
2032 (c)	445,000	3.250%	3.550%	MN9	2047 (c)	895,000	4.125%	4.250%	ND0

$5,690,000 Term Bonds

$1,105,000 Term Bond Due September 1, 2037 (c)(d), Interest Rate: 4.000% (Price: $100.000) (a), CUSIP No. 346793 MT6 (b)

$1,390,000 Term Bond Due September 1, 2042 (c)(d), Interest Rate: 4.000% (Price: $98.018) (a), CUSIP No. 346793 MY5 (b)

$1,525,000 Term Bond Due September 1, 2044 (c)(d), Interest Rate: 4.000% (Price: $97.337) (a), CUSIP No. 346793 NA6 (b)

$1,670,000 Term Bond Due September 1, 2046 (c)(d), Interest Rate: 4.000% (Price: $96.610) (a), CUSIP No. 346793 NC2 (b)

(a) The initial reoffering yields indicated represent the lower of the yields resulting when priced to maturity or the first call date. The initial yields at which the Bonds will be priced will be established by and will be the sole responsibility of the Underwriter. The yields may be changed at any time at the discretion of the Underwriter.

(b) CUSIP numbers have been assigned to the Bonds by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association and are included solely for the convenience of the owners of the Bonds.

(c) The District reserves the right to redeem, prior to maturity, in integral multiples of $5,000, those Bonds maturing on and after September 1, 2029, in whole or from time to time in part, on May 1, 2028, and on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption. See "THE BONDS – Redemption Provisions – *Optional Redemption*."

(d) Subject to mandatory redemption as provided under "THE BONDS – Redemption Provisions – *Mandatory Redemption*."

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 or the Underwriter.

All of the summaries of the statutes, resolutions, orders, contracts, audited financial statements, 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.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in the Official Statement in accordance with, and as part of, its responsibility to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

This Official Statement is not to be used in connection with 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.

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 as to the likelihood that they will be realized. 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. 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 such information actually comes to its attention, the other matters described in this Official Statement, until delivery of the Bonds to the Underwriter and thereafter only as specified in "OFFICIAL STATEMENT – Updating the Official Statement."

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM 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 AGM supplied by AGM and presented under the headings "MUNICIPAL BOND INSURANCE" and "APPENDIX B."

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 of the SEC.

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SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the bid resulting in the lowest net effective interest rate to the District, which was tendered by SAMCO Capital Markets, Inc. (the "Underwriter") to purchase the Bonds bearing the interest rates shown on the inside cover page of this Official Statement at a price of 97.008271% of par value thereof resulting in a net effective interest rate to the District of 4.237092%, as calculated pursuant to Chapter 1204, Texas Government Code, as amended.

Prices and Marketability

Subject to certain restrictions described in the Official Notice of Sale, 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.

Subject to certain restrictions described in the Official Notice of Sale, the prices and other terms with respect to 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 prices, including sales to dealers who may sell the Bonds into investment accounts.

IN CONNECTION WITH THIS OFFERING, 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 acts of any other jurisdictions. 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 should not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

MUNICIPAL BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, AGM 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 "APPENDIX B."

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

Assured Guaranty Municipal Corp

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM 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 relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On October 21, 2022, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On July 8, 2022, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On March 18, 2022, Moody's announced it had upgraded AGM's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Capitalization of AGM

At December 31, 2022:

- The policyholders' surplus of AGM was approximately $2,747 million.
- The contingency reserve of AGM was approximately $855 million.
- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately $2,134 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and net deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed with the Securities and Exchange Commission (the "SEC") on March 1, 2023 that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "MUNICIPAL BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM 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 AGM supplied by AGM and presented under the heading "MUNICIPAL BOND INSURANCE."

The above information pertaining to AGM has been provided by AGM for inclusion in this Official Statement. Although the District believes the source of such information to be reliable, it takes no responsibility for the accuracy or completeness of such information.

RATINGS

The Bonds have received an insured rating of "AA" from S&P solely in reliance upon the issuance and delivery of the Policy by AGM at the time of delivery of the Bonds. An explanation of the ratings of S&P may only be obtained from S&P. S&P is located at 55 Water Street, New York, New York 10041, telephone number (212) 208-8000 and has engaged in providing ratings for corporate bonds since 1923 and municipal bonds since 1940. Long-term debt ratings assigned by S&P reflect its analysis of the overall level of credit risk involved in financings. At present, S&P assigns long-term debt ratings with symbols "AAA" (the highest rating) through "D" (the lowest rating). The ratings express only the view of S&P 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 such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in its judgment, circumstances so warrant.

The Bonds have received an insured rating of "A1" from Moody's solely in reliance upon the issuance and delivery of the Policy by AGM at the time of delivery of the Bonds. Moody's has assigned an underlying rating of "Baa2" with stable outlook to the Bonds. An explanation of the ratings may be obtained from Moody's, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. Furthermore, a security rating is not a recommendation to buy, sell or hold securities. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by Moody's, if in their judgment, circumstances so warrant. Any such revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

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

OFFICIAL STATEMENT SUMMARY

The following information is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

THE BONDS

The District	Fort Bend County Municipal Utility District No. 5 (the "District"), a political subdivision of the State of Texas, is located in Fort Bend County, Texas. See "THE DISTRICT."
The Bonds	The District's $13,280,000 Unlimited Tax Bonds, Series 2023 (the "Bonds") are dated May 1, 2023. Interest accrues from the initial date of delivery (on or about May 26, 2023) (the "Delivery Date"), at the rates per annum set forth on the inside cover page hereof and is payable on September 1, 2023, and on each March 1 and September 1 thereafter until maturity or earlier redemption. The Bonds mature on September 1 in the years and amounts set forth on the inside cover page hereof. The Bonds are offered in fully registered form in integral multiples of $5,000 for any one maturity. See "THE BONDS – General."
Redemption	The Bonds maturing on or after September 1, 2029, are subject to redemption, in whole or from time to time in part, on May 1, 2028, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See "THE BONDS – Redemption Provisions – *Optional Redemption*." The Bonds maturing September 1 in the years 2024 through 2035, both inclusive, 2038 through 2040, both inclusive, and 2047 are serial bonds. The Bonds maturing September 1 in the years 2037, 2042, 2044, and 2046 are term bonds (the "Term Bonds") which have mandatory sinking fund redemption provisions set out herein under "THE BONDS – Redemption Provisions – *Mandatory Redemption."*
Source of Payment	Principal and interest on the Bonds are payable from the proceeds of an annual ad valorem tax levied upon all taxable property within the District without legal limitation as to rate or amount. The Bonds are obligations solely of the District and are not obligations of the State of Texas; Fort Bend County, Texas; the Village of Pleak, Texas; or any other political subdivision or entity other than the District. See "THE BONDS – Source of Payment."
Payment Record	The District has never defaulted on the timely payment of principal or interest on its bonded indebtedness. See "THE BONDS – Payment Record."
Authority for Issuance	At an election held within the District on November 7, 2006, voters of the District authorized the District's issuance of a total of $87,000,000 principal amount of unlimited tax bonds for the purpose of financing water, sanitary sewer, and drainage facilities to serve the District. The Bonds represent the District's eleventh series of bonds to be issued from such voter authorization. The Bonds are issued pursuant to (i) the above-referenced election; (ii) an order of the Texas Commission on Environmental Quality (the "TCEQ") dated February 22, 2023; (iii) the resolution authorizing the issuance of

the Bonds (the "Bond Resolution"); (iv) Article XVI Section 59 of the Texas Constitution; and (v) the general laws of the State of Texas, including particularly Chapters 49 and 54, Texas Water Code, as amended. See "THE BONDS – Authority for Issuance."

Outstanding Bonds	The District has previously issued ten (10) series of unlimited tax bonds for the purpose of constructing water, sanitary sewer and drainage facilities (the "System") to serve the District and two (2) series of unlimited tax refunding bonds for System purposes. Of such series of bonds, $31,645,000 of principal amount remains outstanding as March 1, 2023 (the "Outstanding Bonds").
Short-Term Debt	In connection with the Bonds, the District issued its $6,975,000 Bond Anticipation Note, Series 2022, dated October 12, 2022 (the "BAN"). The BAN matures on October 11, 2023. Proceeds from the sale of the Bonds will be used to redeem the BAN as described below. See "THE BONDS – Short-Term Debt."
Use of Proceeds	A portion of the proceeds of the sale of the Bonds will be used to redeem the BAN, the proceeds of which were used to reimburse the Developer (hereinafter defined) for a portion of the costs associated with construction of the facilities shown herein under "USE AND DISTRIBUTION OF BOND PROCEEDS." Proceeds from the Bonds will also be used to reimburse the Developer for its project expenditures that were not reimbursed by the BAN, to pay developer interest and BAN interest and to pay costs of issuance of the BAN and the Bonds.
Municipal Bond Insurance	Assured Guaranty Municipal Corp. ("AGM"). See "MUNICIPAL BOND INSURANCE."
Ratings	S&P Global Ratings (AGM Insured): "AA." Moody's Investors Service, Inc. ("Moody's") (AGM Insured): "A1." Moody's (Underlying): "Baa2." See "RATINGS."
Not Qualified Tax-Exempt Obligations	The Bonds are not "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Not Qualified Tax-Exempt Obligations."
General & Bond Counsel	Allen Boone Humphries Robinson LLP, Houston, Texas.
Disclosure Counsel	McCall, Parkhurst & Horton L.L.P., Houston, Texas.
Financial Advisor	Robert W. Baird & Co. Incorporated, Houston, Texas.
District Engineer	R.G. Miller Engineers, Inc., Houston, Texas.

THE DISTRICT

Description	The District, a political subdivision of the State of Texas, is located wholly within Fort Bend County, Texas, approximately 40 miles southwest of Houston's central business district. The District lies at the intersection of Ustinik Road and Texas State Highway 36. The District consists of approximately 820 total acres. Approximately 748 acres of the land within the District is within the exclusive extraterritorial jurisdiction of the Village of Pleak and approximately 72 acres of land within the District lies within the corporate limits of the Village of Pleak. See "THE DISTRICT."
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, including particularly Chapters 49 and

	54 of the Texas Water Code, as amended. See "THE DISTRICT – General."
Developer	The current developer of land located within the District is Woodmere Development Company Ltd., a Texas limited partnership (the "Developer" or "Woodmere"). BGM Land Investments, Ltd, a Texas limited partnership ("BGM"), is a sister company of Woodmere that purchases and holds the land to be developed by Woodmere. Long Lake, Ltd., a Texas limited partnership ("Long Lake"), also a sister company of Woodmere, oversees the construction and sales of homes within the District. Woodmere, BGM, and Long Lake have common management and ownership. See "THE DEVELOPER."
Development within the District	To date, land within the District has been developed as the single-family subdivisions of Fairpark Village, Sections 1–11, and Briarwood Crossing, Sections 1–11 and 14-16 (aggregating approximately 379 acres and 1,522 single-family lots). As of March 1, 2023, single-family residential development within the District consisted of 1,346 completed homes (1,315 occupied and 31 unoccupied), 15 homes under construction, and 161 vacant developed lots. Additionally, approximately 4 acres within the District have been developed as a Shell gas station and a Papa Rays Pizza restaurant, and approximately 14 acres have been developed as an elementary school. Approximately 1.5 acres have been developed as a fire station. The remainder of land within the District includes approximately 324 undeveloped but developable acres, and approximately 98 undevelopable acres. See "STATUS OF DEVELOPMENT."
Homebuilders	Long Lake is actively building homes in the District under the names of Lake Ridge Builders, Briarwood Homes, Foxwood Builders, and Postwood Homes. Homes in the District range in price from approximately $270,000 to $500,000 and in square footage from approximately 1,600 to 4,000. See "THE DEVELOPER" and "STATUS OF DEVELOPMENT – Homebuilders within the District."

INVESTMENT CONSIDERATIONS

THE BONDS ARE SUBJECT TO CERTAIN INVESTMENT CONSIDERATIONS. PROSPECTIVE PURCHASERS SHOULD REVIEW THIS ENTIRE OFFICIAL STATEMENT, INCLUDING PARTICULARLY THE SECTION OF THIS OFFICIAL STATEMENT ENTITLED "INVESTMENT CONSIDERATIONS," BEFORE MAKING AN INVESTMENT DECISION.

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SELECTED FINANCIAL INFORMATION

(UNAUDITED)

2022 Taxable Assessed Valuation	$ 328,712,471	(a)
Estimate of Value as of March 1, 2023	$ 413,846,437	(b)
Direct Debt:		
The Outstanding Bonds (as of March 1, 2023)	$ 31,645,000	
The Bonds	$ 13,280,000	
Total	$ 44,925,000	
Estimated Overlapping Debt	$ 32,053,387	(c)
Total Direct and Estimated Overlapping Debt	$ 76,978,387	
Direct Debt Ratios:		
As a percentage of 2022 Taxable Assessed Valuation	13.67	%
As a percentage of the Estimate of Value as of March 1, 2023	10.86	%
Direct and Estimated Overlapping Debt Ratios:		
As a percentage of 2022 Taxable Assessed Valuation	23.42	%
As a percentage of the Estimate of Value as of March 1, 2023	18.60	%
Debt Service Fund Balance (as of March 23, 2023)	$ 3,084,429	(d)
Construction Fund Balance (as of March 23, 2023)	$ 21,786	
Operating Fund Balance (as of March 23, 2023)	$ 3,082,111	
2022 Tax Rate:		
Debt Service	$0.925	
Maintenance & Operation	$0.405	
Total	$1.330	
Average Annual Debt Service Requirement (2024-2047)	$ 2,634,069	(e)
Maximum Annual Debt Service Requirement (2034)	$ 3,041,213	(e)
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay Average Annual Debt Service Requirement on the Outstanding Bonds and the Bonds (2024-2047)		
Based on 2022 Taxable Assessed Valuation at 95% Tax Collections	$0.85	
Based on Estimate of Value as of March 1, 2023 at 95% Tax Collections	$0.67	
Debt Service Tax Rate per $100 of Taxable Assessed Valuation Required to Pay Maximum Annual Debt Service Requirement on the Outstanding Bonds and the Bonds (2034)		
Based on 2022 Taxable Assessed Valuation at 95% Tax Collections	$0.98	
Based on Estimate of Value as of March 1, 2023 at 95% Tax Collections	$0.78	
Single-Family Homes as of March 1, 2023 (includes 4 homes under construction)	1,361	

(a) Represents the assessed valuation of all taxable property in the District as of January 1, 2022, provided by the Fort Bend Central Appraisal District (the "Appraisal District"). See "TAX DATA" and "TAXING PROCEDURES."

(b) Provided by the Appraisal District, such value represents the Appraisal District's estimation of certified valuation of all taxable property within the District as of March 1, 2023. No taxes will be levied against this amount. See "TAXING PROCEDURES" and "TAX DATA."

(c) See "DISTRICT DEBT – Estimated Overlapping Debt Statement."

(d) Neither Texas law nor the Bond Resolution requires that the District maintain any particular sum in the Debt Service Fund.

(e) Requirement of debt service on the Outstanding Bonds and the Bonds. See "DISTRICT DEBT – Debt Service Requirements."

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 5
\$13,280,000
UNLIMITED TAX BONDS
SERIES 2023

INTRODUCTION

This Official Statement provides certain information in connection with the issuance by Fort Bend County Municipal Utility District No. 5 (the "District") of its \$13,280,000 Unlimited Tax Bonds, Series 2023 (the "Bonds").

The Bonds are issued pursuant to (i) the bond resolution adopted by the Board of Directors of the District (the "Board") on the date of the sale of the Bonds (the "Bond Resolution"), (ii) Article XVI, Section 59 of the Texas Constitution, (iii) the general laws of the State of Texas, including particularly Chapters 49 and 54, Texas Water Code, as amended, (iv) an election held within the District on November 7, 2006, and (v) an order issued by the Texas Commission on Environmental Quality ("TCEQ").

Unless otherwise indicated, capitalized terms used in this Official Statement have the same meaning assigned to such terms in the Bond Resolution.

Included in this Official Statement are descriptions of the Bonds and certain information about the District and its development and finances and Woodmere Development Company, Ltd. (the "Developer") and its affiliates. ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT. Copies of such documents may be obtained from the District at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027 or during the offering period from the District's Financial Advisor, Robert W. Baird & Co. Incorporated, Attn: David Smalling, 1331 Lamar Street, Suite 1360, Houston, Texas 77010 upon payment of reasonable copying, mailing, and handling charges.

THE BONDS

General

The following is a description of certain terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Resolution of the Board. A copy of the Bond Resolution may be obtained from the District upon request to Bond Counsel. The Bond Resolution authorizes the issuance and sale of the Bonds and prescribes the terms, conditions and provisions for the payment of the principal of and interest on the Bonds by the District.

The Bonds will be dated May 1, 2023. Interest on the Bonds accrues from the initial date of delivery (on or about May 26, 2023) (the "Delivery Date") and will mature on September 1 in each of the years and in the principal amounts, and bear interest at the rates per annum, set forth on the inside cover page hereof. Interest on the Bonds will be paid on September 1, 2023, and semiannually on each March 1 and September 1 thereafter (each an "Interest Payment Date") until maturity or earlier redemption and will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued in fully registered form only, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York, acting as securities depository for the Bonds until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co., as the nominee of DTC, is the registered owner of the Bonds, principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to DTC, which will be solely responsible for making such payment to the beneficial owners of the Bonds. The initial Paying Agent/Registrar for the Bonds is Regions Bank, an Alabama banking corporation, Houston, Texas (the "Paying Agent/Registrar").

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee's 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 believes the source of such information to be reliable, but takes no 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 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 required by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such issue, 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 3.6 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 rating from S&P Global Ratings 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 purchase 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 the 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 Paying Agent/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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issue as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend 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 Agent, 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, Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Paying Agent, 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 District 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-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in the section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

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 form, 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 system, and (ii) except as described above, notices that are to be given to registered owners under the Bond Resolution will be given only to DTC.

Redemption Provisions

Optional Redemption

The Bonds maturing on and after September 1, 2029, are subject to redemption prior to maturity at the option of the District, in whole or from time to time in part, on May 1, 2028, and on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest from the most recent payment date to the date fixed for redemption.

The Paying Agent/Registrar shall give written notice of redemption, by registered mail, overnight delivery, or other comparably secure means, not less than thirty (30) days prior to the redemption date, to each registered securities depository (and to each national information service that disseminates redemption notices) known to the Paying Agent/Registrar, but neither the failure to give such notice nor any defect therein shall affect the sufficiency of notice given to the Registered Owner as hereinabove stated. The Paying Agent/Registrar may provide written notice of redemption to DTC by facsimile.

The Bonds of a denomination larger than $5,000 may be redeemed in part ($5,000 or any multiple thereof). Any Bond to be partially redeemed must be surrendered in exchange for one or more new Bonds of the same maturity for the unredeemed portion of the principal of the Bonds so surrendered. In the event of redemption of less than all of the Bonds, the particular Bonds to be redeemed shall be selected by the District, if less than all of the Bonds of a particular maturity are to be redeemed; the Paying Agent/Registrar is required to select the Bonds of such maturity to be redeemed by lot.

Mandatory Redemption

The Bonds maturing on September 1 in the years 2037, 2042, 2044, and 2046 (the "Term Bonds") are also subject to mandatory sinking fund redemption by the District by lot or other customary method of random selection prior to scheduled maturity, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption ("Mandatory Redemption Date"), and in the principal amount set forth in the following schedule:

$1,105,000 Term Bonds Maturing on September 1, 2037

Mandatory Redemption Date	Principal Amount
September 1, 2036	$ 540,000
September 1, 2037 (Maturity)	$ 565,000

$1,390,000 Term Bonds Maturing on September 1, 2042

Mandatory Redemption Date	Principal Amount
September 1, 2041	$ 680,000
September 1, 2042 (Maturity)	$ 710,000

$1,525,000 Term Bonds Maturing on September 1, 2044

Mandatory Redemption Date	Principal Amount
September 1, 2043	$ 745,000
September 1, 2044 (Maturity)	$ 780,000

$1,670,000 Term Bonds Maturing on September 1, 2046

Mandatory Redemption Date	Principal Amount
September 1, 2045	$ 815,000
September 1, 2046 (Maturity)	$ 855,000

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 random method, the Term Bonds or portions of the 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 Resolution. The principal amount of the Term Bonds to be mandatorily redeemed on 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 Paying Agent/Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction this sentence.

Registration, Transfer and Exchange

In the event the Book-Entry-Only System should be discontinued, the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar or its corporate trust office and such transfer or exchange shall be without expenses or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange 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 Paying Agent/Registrar. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the principal payment office of the Paying Agent/Registrar, or sent by the United States mail, first class, postage prepaid, to the new registered owner or his designee. 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 registered owner in not more than three business days after the receipt of the Bonds to be cancelled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be in any integral multiple of $5,000 for any one maturity and for a like aggregate principal amount as the Bond or Bonds surrendered for exchange or transfer. See "Book-Entry-Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds.

Mutilated, Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System should be discontinued, the District has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds, on receipt of satisfactory evidence of such destruction, loss or theft, and receipt by the District and Paying Agent/Registrar of security or indemnity to hold them harmless. Upon the issuance of a new bond the District may require payment of taxes, governmental charges and other expenses (including the fees and expenses of the Paying Agent/Registrar), bond printing and legal fees in connection with any such replacement.

Replacement of Paying Agent/Registrar

Provision is made in the Bond Resolution for replacement of the Paying Agent/Registrar by the District. If the Paying Agent/Registrar is replaced by the District the new Paying Agent/Registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any Paying Agent/Registrar selected by the District shall be a national or state banking institution, a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority, to act as Paying Agent/Registrar for the Bonds.

Source of Payment

The Bonds are payable from the proceeds of an annual ad valorem tax levied without legal limitation as to rate or amount against all taxable property located within the District. In the Bond Resolution, the District covenants to levy a sufficient tax to pay the principal of and interest on the Bonds, with full allowance being made for delinquencies and costs of collection. Collected taxes will be placed in the District's Debt Service Fund and used to pay principal of and interest on the Outstanding Bonds (as defined herein), the Bonds, and any additional bonds payable from taxes which may hereafter be issued by the District.

Authority for Issuance

The Bonds constitute the eleventh series of unlimited tax bonds issued by the District for the purpose of purchasing, constructing or otherwise acquiring water, sanitary sewer and drainage facilities (the "System") to serve the District. The bonds authorized by the resident electors of the District, the amount of bonds issued, and the remaining authorized but unissued bonds are as follows:

Election Date	Purpose	Amount Authorized	Amount Issued	Amount Remaining
November 7, 2006	Water, Sanitary Sewer & Drainage	$ 87,000,000	$ 48,570,000 (a)	$38,430,000
November 7, 2006	Parks & Recreation	3,000,000	0	3,000,000
November 7, 2006	Refunding	60,000,000	310,000	59,690,000
November 3, 2009	Road & Refunding	10,000,000	0	10,000,000

(a) Includes the Bonds.

The Bonds are issued by the District pursuant to (i) the Bond Resolution; (ii) Article XVI, Section 59 of the Constitution of the State of Texas; (iii) the general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended; (iv) an election held within the District on November 7, 2006; and (v) an order of the TCEQ.

Before the Bonds can be issued, the Attorney General of Texas must initially pass upon the legality of certain related matters. The Attorney General of Texas does not guarantee or pass upon the safety of the Bonds as an investment or upon the adequacy of the information contained in this Official Statement.

Outstanding Bonds

The District has previously issued ten (10) series of unlimited tax bonds for System purposes and two (2) series of unlimited tax refunding bonds. Of such previous series of bonds issued by the District, $31,645,000 principal amount is outstanding as of March 1, 2023 (the "Outstanding Bonds").

Payment Record

The District has never defaulted on the timely payment of principal or interest on its outstanding indebtedness.

Short-Term Debt

In connection with the Bonds, the District issued its $6,975,000 Bond Anticipation Note, Series 2022, dated October 12, 2022 (the "BAN"), which matures on October 11, 2023. Proceeds from the sale of the BAN were used to reimburse the Developer for a portion of the costs associated with the projects shown under "USE AND DISTRIBUTION OF BOND PROCEEDS." A portion of the proceeds of the Bonds will be used to redeem the BAN.

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 system 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, but the District currently has no plans to do so.

Annexation

Under existing Texas law, since the District lies partially within the extraterritorial jurisdiction of the Village of Pleak ("Pleak"), the District must conform to Pleak's Code of Ordinance. However, Pleak may not annex the District unless (i) such annexation has been approved by a majority of those voting in an election held for that purpose within the area to be annexed, and (ii) if the registered voters in the area to be annexed do not own more than 50 percent of the land in the area, a petition has been signed by more than 50 percent of the landowners consenting to the annexation. Notwithstanding the preceding sentence, the described election and petition process does not apply during the term of a strategic partnership agreement between Pleak and the District specifying the procedures for full purpose annexation of all or a portion of the District. See "Strategic

Partnership Agreement with the Village of Pleak," below, for a description of the terms of the Strategic Partnership Agreement between Pleak and the District.

If the District is annexed, Pleak will assume the District's assets and obligations (including the Bonds) and dissolve the District. Annexation of territory by Pleak is a policy-making matter within the discretion of the Mayor and City Council of Pleak, and therefore, the District makes no representation that Pleak will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of Pleak to make debt service payments should annexation occur.

Strategic Partnership Agreement with the Village of Pleak

The District has entered into a Strategic Partnership Agreement ("SPA") with Pleak whereby the tracts of land encompassing 47.85 acres to be developed for commercial development were annexed into Pleak for the limited purpose of applying Pleak's Code of Ordinances to the commercial businesses. Pleak imposes a sales and use tax within the annexed tracts on the receipts from the sale and use at retail of taxable items at the rate of one percent or such other rate as may be imposed by Pleak from time to time. Under the SPA, all of the sales-tax revenue generated by the commercial business will be paid to Pleak.

Neither the District nor any owners of taxable property in the District are liable for any present or future debts of Pleak and current and future ad valorem taxes levied by Pleak will not be levied on taxable property in the District that lies within the boundaries of Pleak. Under the SPA, Pleak agrees that it will not annex all or part of the District for full purposes until water, sanitary sewer and drainage facilities have been extended to all the land in the District and the Developer has been fully reimbursed.

The Bonds are not obligations of Pleak, and the SPA does not obligate Pleak, either directly or indirectly, to pay the principal of and interest on the Bonds.

Defeasance

The Bond Resolution 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 either (i) 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 (ii) 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, 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 noncallable obligations of 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) noncallable 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, and which 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.

Upon such 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.

No Arbitrage

The District will certify, on the date of delivery of the Bonds, that based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the District reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds, or any portion of the Bonds, to be "arbitrage bonds" under the Internal Revenue Code of 1986 (the "Code"), and the regulations prescribed thereunder. Furthermore, all officers, employees, and agents of the District have been authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the District as of the date the Bonds are delivered and paid for. In particular, all or any officers of the District are authorized to certify to the facts and circumstances and reasonable expectations of the District on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the District covenants that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds of the Bonds and take such other and further actions and follow such procedures, including, without limitation, calculating the yield on the Bonds, as may be required so that the Bonds shall not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

Issuance of Additional Debt

The District's voters have authorized the issuance of $87,000,000 principal amount of unlimited tax bonds for System facilities and could authorize additional amounts. After the issuance of the Bonds, the District will have $38,430,000 principal amount of unlimited tax bonds remaining authorized but unissued for such purpose. According to the District's Engineer, said remaining principal amount of bonds will be sufficient to fully develop the District's water, sanitary sewer, and drainage facilities required to serve all the land within the District.

A portion of the proceeds of the Bonds will be used to reimburse the Developer for a portion of the funds advanced to date. After such reimbursement, there will be approximately $16,163,781 in advanced funds or costs for System facilities and road improvements, which will need to be reimbursed by the District in the future. The issuance of additional bonds for System facilities is also subject to TCEQ authorization.

Additionally, the District's voters have authorized the issuance of (i) $3,000,000 unlimited tax bonds for parks and recreational purposes, all of which remains authorized and unissued; (ii) $10,000,000 unlimited tax bonds for road facilities and refunding bonds issued for road facilities; and (iii) $59,690,000 utility refunding bonds, which remains authorized and unissued, and could authorize additional amounts. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be issued by the District (if authorized by the District's voters and approved by the Board and, for utility and parks and recreational bonds, the TCEQ).

Additional tax bonds may be authorized by District's voters in the future. The Board is further empowered to borrow money for any lawful purpose and pledge the revenues of the waterworks and sewer system therefore and to issue bond anticipation notes and tax anticipation notes.

The District is authorized by statute to develop parks and recreational facilities, including the issuance of bonds payable from taxes for such purpose. The principal amount of park bonds sold by the District is limited to 1% of the District's taxable assessed valuation, however, if the District meets certain financial feasibility requirements under TCEQ rules, the outstanding principal amount of such bonds issued by the District may exceed an amount equal to 1% but not 3% of the value of the taxable property in the District. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) approval of the bonds by the TCEQ; and (b) approval of the bonds by the Attorney General of Texas.

Remedies in Event of Default

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically 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. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. 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. In the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by 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 to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or 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.

Legal Investment and Eligibility to Secure Public Funds in Texas

The following is an excerpt from Section 49.186 of the Texas Water Code, and is applicable to the District:

> "(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic."
>
> "(b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them."

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the District (including the Bonds) are eligible as collateral for public funds.

No representation is made that the Bonds will be suitable for or acceptable to financial or public entities for investment or collateral purposes. No representation is made concerning other laws, rules, regulations, or investment criteria which apply to or which might be utilized by any of such persons or entities to limit the acceptability or suitability of the Bonds for any of the foregoing purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the suitability or acceptability of the Bonds for investment or collateral purposes.

USE AND DISTRIBUTION OF BOND PROCEEDS

Proceeds of the Bonds will be used to redeem the BAN, the proceeds of which were used to reimburse the Developer for a portion of the construction costs set out below. Proceeds from the Bonds will also be used to reimburse the Developer for the remaining construction costs that were not reimbursed by the BAN, to pay developer interest, BAN interest, and to pay to costs of issuance associated with the BAN and the Bonds.

Construction Costs	Amount
A. Developer Contribution Items	
1. Briarwood Crossing Section 7 - W, WW, D	$ 506,680
2. Briarwood Crossing Section 9 - W, WW, D & BWC Drive and LTL Extension	1,539,606
3. Briarwood Crossing Section 11 - W, WW, D	96,706
4. Fairpark Village Section 5 - W, WW, D	598,203
5. Fairpark Village Section 8 - W, WW, D	1,305,845
6. Briarwood Crossing Section 9 - W, WW, D	628,441
7. Briarwood Crossing Commercial Utility Extension Phase 2	164,150
8. Briarwood Crossing Detention 4 Phase 1	934,558
9. Briarwood Crossing Clearing 4 Phase 1	496,570
10. Briarwood Crossing Clearing 4 Phase 2	175,700
11. Engineering (Nos. 1-3 and 5-10)	1,097,935
12. SWPPP (Items 1-3, 5, 6, and 8-10)	340,263
Total Developer Contribution Items	$ 7,884,657
B. District Items	
1. Water Plant Expansion No. 1	$ 392,200
2. Lift Station No. 3	558,598
3. Engineering (Item Nos. 2 and 3)	178,392
4. SWPPP (Item No. 2)	3,000
5. Interim WWTP Expansion No. 2 - Engineering	12,706
6. Land Acquisition	704,653
Total District Items	$ 1,849,549
Total Construction Costs (73.30% of Bond Issue Requirement)	$ 9,734,206
Non-Construction Costs	
A. Legal Fees	$ 305,600
B. Fiscal Agent Fees	265,600
C. Interest	
1. Developer Interest	2,043,684
2. BAN Interest	182,252
D. Bond Discount	397,302
E. Bond Issuance Expenses	37,504
F. BAN Issuance Expenses	161,056
G. Bond Application Report Costs	82,000
H. Attorney General Fee (0.10% or a maximum of $9,500)	9,500
I. TCEQ Bond Issuance Fee (0.25%)	33,200
J. Contingency (a)	28,096
Total Non-Construction Costs	$ 3,545,794
TOTAL BOND ISSUE REQUIREMENT	**$13,280,000**

(a) Represents the difference in estimated and actual amounts of Bond Discount and BAN Interest.

In the instance that approved estimated amounts exceed actual costs, the difference comprises a surplus which may be expended for uses approved by the TCEQ. In the instance that actual costs exceed previously approved estimated amounts and contingencies, additional TCEQ approval and the issuance of additional bonds may be required.

THE DISTRICT

General

The District is a limited-purpose political subdivision of the State of Texas operating as a municipal utility district pursuant to Article XVI, Section 59 of the Texas Constitution. The District was created by the Texas Water Rights Commission, now known as the Texas Commission on Environmental Quality, on August 5, 1974. The District is vested with all the rights, privileges, authority and functions conferred by the laws of the State of Texas applicable to municipal utility districts, including without limitation those conferred by Chapters 49 and 54, Texas Water Code, as amended. The District is empowered 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, among other things. The District may also provide solid waste collection and disposal service and operate and maintain recreational facilities. The District is authorized to construct and finance certain road facilities. The District may purchase and operate park and recreational facilities within the District. The District may operate and maintain a fire department, independently or with one or more other conservation and reclamation districts, if approved by the voters and the TCEQ. The District does not operate and/or maintain a fire department. The District is subject to the continuing supervision of the TCEQ and is located primarily within the extraterritorial jurisdiction of the Pleak.

Description

The District is located wholly within Fort Bend County, Texas, approximately 40 miles southwest of the City of Houston's central business district. The District lies at the intersection of Ustinik Road and Texas State Highway 36. The District consists of approximately 820 acres. Approximately 748 acres of the land within the District is within the exclusive extraterritorial jurisdiction (the "ETJ") of the Village of Pleak and approximately 72 acres of land within the District lies within the corporate limits of the Village of Pleak.

Management of the District

The District is governed by a board of five directors which has control and management supervision over all affairs of the District. None of the directors reside, but all of the directors own property, in the District. Directors are elected in even-numbered years for staggered, four-year terms. The present members and officers of the Board and their positions are listed below:

Name	Position	Term Expires May
Margaret F. Greenwood	President	2024
Gary P. Smith	Vice President	2024
Bobby J. Adams	Secretary	2026
Nancy E. Hedrick	Assistant Vice President	2026
John Metzger	Assistant Secretary	2026

The District engages the following companies and individuals for certain services as follows:

Tax Assessor/Collector: The District's Tax Assessor/Collector is Tax Tech Inc. The Tax Assessor/Collector applies the District's tax levy to tax rolls prepared by the Fort Bend Central Appraisal District and bills and collects such levy.

Bookkeeper: The District contracts with McLennan and Associates, L.P. for bookkeeping services.

Utility System Operator: The District's operator is Municipal Operations & Consulting, Inc.

Engineer: The consulting engineer retained by the District in connection with the design and construction of the District's facilities is R.G. Miller Engineers, Inc. (the "Engineer").

Auditor: The financial statements of the District as of July 31, 2022, and for the year then ended, included in this Official Statement, have been audited by FORVIS, LLP, independent auditors, as stated in their report appearing herein. See "APPENDIX A" for the District's audited financial statements.

Financial Advisor: The District has engaged Robert W. Baird & Co. Incorporated, Houston, Texas (the "Financial Advisor"), as Financial Advisor to the District. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

Legal Counsel: The District has engaged Allen Boone Humphries Robinson LLP, Houston, Texas, as Bond Counsel in connection with the issuance of the District's Bonds. The fees of Bond Counsel are contingent upon the sale of and delivery of the Bonds. Allen Boone Humphries Robinson LLP, Houston, Texas, also serves as the District's general counsel.

Disclosure Counsel: The District has engaged McCall, Parkhurst & Horton L.L.P, Houston, Texas, as Disclosure Counsel in connection with the issuance of the Bonds. The fees of Disclosure Counsel are contingent upon the sale of and delivery of the Bonds.

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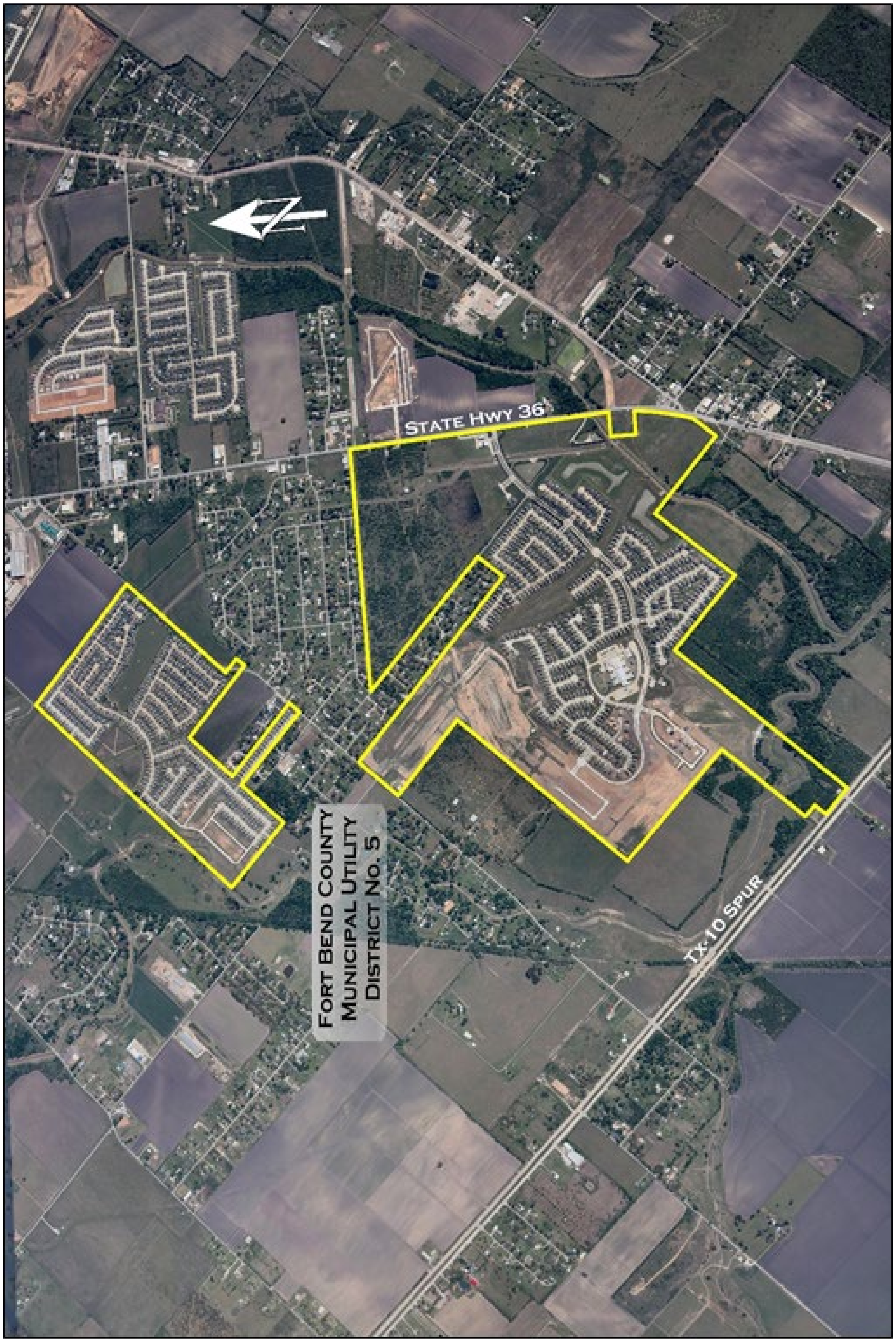
PHOTOGRAPHS TAKEN WITHIN THE DISTRICT

(MARCH 19, 2023)

AERIAL OF THE DISTRICT

(MARCH 8, 2023)



THE DEVELOPER

The Role of a Developer

In general, the activities of a developer in a municipal utility district such as the District include purchasing the land within the District, designing the subdivision, designing the utilities and streets to be constructed in the subdivision, designing any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, wastewater, and drainage facilities pursuant to the rules of the TCEQ, as well as gas, telephone and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. In certain instances, the developer will be required to pay up to thirty percent of the cost of constructing certain of the water, wastewater and drainage facilities in a municipal utility district pursuant to the rules of the TCEQ. The relative success or failure of a developer to perform such activities in development of the property within a municipal utility district may have a profound effect on the security of the unlimited tax bonds issued by a district. A developer is generally under no obligation to a district to develop the property which it owns in a district. Furthermore, there is no restriction on a developer's right to sell any or all of the land which it owns within a district. In addition, a developer is ordinarily a major taxpayer within a municipal utility district during the development phase of the property.

Description of the Developer

The current developer of land located within the District is Woodmere Development Company Ltd., a Texas limited partnership whose general partner is Woodmere GP, LLC (the "Developer" or "Woodmere"). BGM Land Investments, Ltd, a Texas limited partnership whose general partner is G.P. Landvest, LLC ("BGM"), is a sister company of Woodmere that purchases and holds the land to be developed by Woodmere. Long Lake, Ltd., a Texas limited partnership ("Long Lake"), also a sister company of Woodmere, oversees the sales and construction of homes within the District. Woodmere, BGM, and Long Lake (collectively, the "Developing Entities") are all under common management and ownership. Approximately 324 acres of undeveloped land located in the District is currently owned by the Developing Entities. See "STATUS OF DEVELOPMENT" and "TAX DATA – Principal Taxpayers."

Developer Financing

Woodmere currently has no development loans outstanding.

BGM has purchased its land in the District with a combination of seller financing, and loans from Prosperity Bank, Patriot Bank and Westbound Bank. According to representatives of BGM, as of the date hereof, BGM is in compliance with all material terms of each loan agreement.

Proceeds from the sale of the Bonds will be used to reimburse Woodmere and are not pledged to any lender.

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STATUS OF DEVELOPMENT

Status of Development within the District

To date, land within the District has been developed as the single-family subdivisions of Fairpark Village, Sections 1–11, and Briarwood Crossing, Sections 1–11 and 14-16 (aggregating approximately 379 acres and 1,522 single-family lots). As of March 1, 2023, single-family residential development within the District consisted of 1,346 completed homes (1,315 occupied and 31 unoccupied), 15 homes under construction, and 161 vacant developed lots. Additionally, approximately 4 acres within the District have been developed as a Shell gas station and a Papa Rays Pizza restaurant, approximately 14 acres have been developed as an elementary school, and approximately 1.5 acres has been developed as a fire station. The remainder of lands within the District includes approximately 324 undeveloped but developable acres, and approximately 98 undevelopable acres.

Section	Type of Development	Acreage	No. of Lots	Homes Complete	Under Construction	Vacant Lots
Fairpark Village-Section 1	Single Family	17.04	73	73	0	0
Fairpark Village -Section 2	Single Family	16.45	75	75	0	0
Fairpark Village-Section 3	Single Family	17.42	81	81	0	0
Fairpark Village-Section 4	Single Family	21.67	100	100	0	0
Fairpark Village-Section 5	Single Family	16.46	76	76	0	0
Fairpark Village -Section 6	Single Family	11.16	51	51	0	0
Fairpark Village -Section 7	Single Family	12.27	47	47	0	0
Fairpark Village-Section 8	Single Family	14.09	55	55	0	0
Fairpark Village-Section 9	Single Family	13.48	54	54	0	0
Fairpark Village-Section 10	Single Family	10.88	53	40	7	6
Fairpark Village-Section 11	Single Family	13.14	53	0	0	53
Briarwood Crossing -Section 1	Single Family	40.78	162	162	0	0
Briarwood Crossing-Section 2	Single Family	13.25	53	53	0	0
Briarwood Crossing-Section 3	Single Family	20.54	65	65	0	0
Briarwood Crossing-Section 4	Single Family	18.39	62	62	0	0
Briarwood Crossing-Section 5	Single Family	3.39	10	2	0	8
Briarwood Crossing-Section 6	Single Family	13.97	48	48	0	0
Briarwood Crossing-Section 7	Single Family	13.52	49	49	0	0
Briarwood Crossing-Section 8	Single Family	10.70	45	45	0	0
Briarwood Crossing-Section 9	Single Family	13.96	54	54	0	0
Briarwood Crossing-Section 10	Single Family	14.75	60	32	2	26
Briarwood Crossing-Section 11	Single Family	13.14	50	50	0	0
Briarwood Crossing-Section 14	Single Family	12.26	50	50	0	0
Briarwood Crossing-Section 15	Single Family	12.56	51	22	6	23
Briarwood Crossing-Section 16	Single Family	13.26	45	0	0	45
Total		378.53	1,522	1,346	15	161
Commercial Acreage		3.9				
School		14				
Fire		1.5				
Undevelopable		98.44				
Remaining Developable		323.64				
Total District Acreage		820				

Homebuilders within the District

Long Lake is actively building homes in the District under the names of Lake Ridge Builders, Briarwood Homes, Foxwood Builders, and Postwood Homes. Homes in the District range in price from approximately $270,000 to $500,000 and in square footage from approximately 1,600 to 4,000. See "THE DEVELOPER."

DISTRICT DEBT

General

The following tables and calculations relate to the Bonds. 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 raised by taxation against all or a portion of the property within the District.

2022 Taxable Assessed Valuation	$ 328,712,471	(a)
Estimate of Value as of March 1, 2023	$ 413,846,437	(b)
Direct Debt:		
The Outstanding Bonds (as of March 1, 2023)	$ 31,645,000	
The Bonds	$ 13,280,000	
Total	$ 44,925,000	
Estimated Overlapping Debt	$ 32,053,387	(c)
Total Direct and Estimated Overlapping Debt	$ 76,978,387	
Direct Debt Ratios:		
As a percentage of 2022 Taxable Assessed Valuation	13.67	%
As a percentage of the Estimate of Value as of March 1, 2023	10.86	%
Direct and Estimated Overlapping Debt Ratios:		
As a percentage of 2022 Taxable Assessed Valuation	23.42	%
As a percentage of the Estimate of Value as of March 1, 2023	18.60	%

(a) Certified taxable assessed value of the District as of January 1, 2022, as provided by the Fort Bend Central Appraisal District (the "Appraisal District"). See "TAX DATA" and "TAXING PROCEDURES."

(b) Provided by the Appraisal District, such value represents the Appraisal District's estimation of certified valuation of all taxable property within the District as of March 1, 2023. No taxes will be levied against this amount. See "TAXING PROCEDURES" and "TAX DATA."

(c) See "Estimated Overlapping Debt Statement" below.

Estimated Overlapping Debt Statement

Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed, from several sources, including information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. 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 of the entities listed below may have issued additional bonds since the dates stated in this table, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance and/or general revenue purposes in addition to taxes of debt service and the tax burden for operation, maintenance and/or general purposes is not included in these figures.

Taxing Jurisdiction	Outstanding Debt March 2, 2023	Percent	Overlapping Amount
Fort Bend County	$820,682,050	0.33%	$ 2,724,644
Fort Bend County Drainage District	23,615,000	0.17%	40,153
Lamar Consolidated Independent School District	2,312,735,000	1.27%	29,288,590
Total Estimated Overlapping Debt			$ 32,053,387
Direct Debt (a)			$ 44,925,000
Total Direct and Estimated Overlapping Debt (a)			$ 76,978,387

(a) Includes the Bonds.

Debt Ratios

	2022 Taxable Assessed Valuation	Estimate of Value as of March 1, 2023
Direct Debt (a)	13.67%	10.86%
Total Direct and Estimated Overlapping Debt (a)	23.42%	18.60%

(a) Includes the Bonds.

Debt Service Requirements

The following schedule sets forth the annual debt service requirements of the Outstanding Bonds as well as the principal and interest requirements of the Bonds. Totals may not sum due to rounding.

Calendar Year	Outstanding Debt Service	Plus: The Bonds Principal	Plus: The Bonds Interest	Plus: The Bonds Debt Service	Total Debt Service
2023	$1,623,928 (a)	$ –	$ 147,446	$ 147,446	$1,771,374
2024	2,120,136	310,000	558,744	868,744	2,988,880
2025	2,122,811	325,000	540,919	865,919	2,988,730
2026	2,126,775	340,000	522,231	862,231	2,989,006
2027	2,127,244	355,000	502,681	857,681	2,984,925
2028	2,135,556	370,000	482,269	852,269	2,987,825
2029	2,141,615	390,000	461,919	851,919	2,993,534
2030	2,147,885	405,000	441,444	846,444	2,994,329
2031	2,156,763	425,000	421,194	846,194	3,002,956
2032	2,153,331	445,000	407,381	852,381	3,005,713
2033	2,167,738	470,000	392,919	862,919	3,030,656
2034	2,174,744	490,000	376,469	866,469	3,041,213
2035	2,099,131	515,000	359,319	874,319	2,973,450
2036	1,933,650	540,000	338,719	878,719	2,812,369
2037	1,936,444	565,000	317,119	882,119	2,818,563
2038	1,947,294	590,000	294,519	884,519	2,831,813
2039	1,846,194	620,000	270,919	890,919	2,737,113
2040	1,853,575	645,000	246,119	891,119	2,744,694
2041	1,668,125	680,000	220,319	900,319	2,568,444
2042	1,372,731	710,000	193,119	903,119	2,275,850
2043	1,367,763	745,000	164,719	909,719	2,277,481
2044	1,186,588	780,000	134,919	914,919	2,101,506
2045	795,638	815,000	103,719	918,719	1,714,356
2046	496,225	855,000	71,119	926,119	1,422,344
2047	—	895,000	36,919	931,919	931,919
Total	$43,701,881	$13,280,000	$8,007,159	$21,287,159	$64,989,040

(a) Excludes the March 1, 2023 debt service requirement in the amount of $513,928.

Average Annual Debt Service Requirement (2024-2047) $2,634,069

Maximum Annual Debt Service Requirement (2034) $3,041,213

TAX DATA

General

Taxable property within the District is subject to the assessment, levy and collection by the District of a continuing direct, annual ad valorem tax, without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Outstanding Bonds, the Bonds, and any future tax-supported bonds that the District may issue from time to time as authorized. Taxes are levied by the District each year against the District's assessed valuation as of January 1 of that year. Taxes become due October 1 of such year, or when billed, and generally become delinquent after January 31 of the following year. The Board covenants in the Bond Resolution 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. The actual rate of such tax will be determined from year to year as a function of the District's tax base, its debt service requirements, and available funds. In addition, the District has the power and authority to assess, levy and collect ad valorem taxes for operation and maintenance purposes in an amount not to exceed $1.50 per $100 of assessed valuation as authorized by the District's voters. The Board levied a 2022 Tax Rate of $1.330 of assessed valuation comprised of $0.405 per $100 of assessed valuation for operation and maintenance purposes and a debt service tax rate of $0.925 per $100 of assessed valuation.

Tax Rate Limit

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

Debt Service Tax

The Board covenants in the Bond Resolution to levy and assess, for each year that all of any part of the Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds.

In the Bond Resolution, the Debt Service Fund is confirmed, and the proceeds from all taxes levied, appraised and collected for payment of the Bonds authorized by the Bond Resolution shall be deposited, as collected.

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 7, 2006, the Board was authorized to levy such a maintenance tax in an amount not to exceed $1.50 per $100 of assessed valuation. The District levied a maintenance tax for 2022 at the rate of $0.405 per $100 assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal and interest on the District's bonds.

Tax Exemption

As discussed in the section entitled "TAXING PROCEDURES" herein, certain property in the District may be exempt from taxation by the District. The District does not exempt any percentage of the market value of any residential homesteads from taxation. However, for the 2023 tax year, the District has granted exemptions of $10,000 for persons who qualify as 65 years of age and older and disabled.

Additional Penalties

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 June 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 Property Tax Code (hereinafter defined).

Historical Tax Collections

The following table illustrates the collection history of the District for the 2018–2022 tax years:

Tax Year	Taxable Assessed Valuation	Tax Rate (a)	Adjusted Levy	Collections Current Year	Current Year Ended 9/30	Collections 2/28/2023
2018	$ 153,321,401	1.43	$ 2,192,496	99.73%	2019	100.00%
2019	185,611,124	1.41	2,617,117	99.40%	2020	99.91%
2020	220,488,524	1.41	3,108,888	99.55%	2021	99.81%
2021	246,784,633	1.41	3,479,663	98.03%	2022	98.77%
2022	328,712,471	1.33	4,371,876	97.02%	2023	97.02%

(a) Includes a tax for maintenance and operation purposes. See "Tax Rate Distribution" below.

Tax Rate Distribution

	2022	2021	2020	2019	2018
Debt Service	$0.925	$0.810	$0.790	$0.760	$0.670
Maintenance	0.405	0.600	0.620	0.650	0.760
	$1.330	$1.410	$1.410	$1.410	$1.430

Analysis of Tax Base

The following table illustrates the District's total taxable assessed value for the 2018-2022 tax years by type of property.

Property Type	2022 Taxable Assessed Valuation	2021 Taxable Assessed Valuation	2020 Taxable Assessed Valuation	2019 Taxable Assessed Valuation	2018 Taxable Assessed Valuation
Land	$58,526,270	$52,733,890	$47,697,120	$44,728,130	$39,341,150
Improvements	333,110,696	217,254,411	196,878,201	145,186,265	116,419,885
Personal	1,618,527	1,427,690	1,254,920	873,430	783,350
Exemption	(64,543,022)	(24,631,358)	(25,341,717)	(5,176,701)	(3,222,984)
Total	$328,712,471	$246,784,633	$220,488,524	$185,611,124	$153,321,401

Principal Taxpayers

The following represents the principal taxpayers, type of property, and assessed values as of January 1, 2022:

Taxpayer	Type of Property	2022 Taxable Assessed Valuation Tax Roll
BGM Land Investments LTD (a)	Land & Improvements	$ 3,098,580
Woodmere Development Co Ltd. (a)	Land	2,892,210
ARB Group 36 LLC	Land, Improvements & Personal Property	1,678,540
CenterPoint Energy Electric	Personal Property	1,096,990
Long Lake Ltd (a)	Land, Improvements & Personal Property	764,240
Homeowner	Land & Improvements	498,700
Homeowner	Land & Improvements	484,450
Homeowner	Land & Improvements	483,190
Homeowner	Land & Improvements	481,490
Homeowner	Land & Improvements	480,760
Total		$11,959,150
Percentage of District's 2022 Taxable Assessed Valuation		3.64%

(a) See "THE DEVELOPER."

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of taxable assessed valuation that would be required to meet certain debt service requirements if no growth in the District occurs beyond the District's taxable assessed valuation as of January 1, 2022 ($328,712,471) or the Estimate of Value as of March 1, 2023 ($413,846,437). The following further assumes collection of 95% of taxes levied, no application of funds on hand, and the sale of no additional bonds:

Average Annual Debt Service Requirement (2024-2047)	$2,634,069
Tax Rate of $0.85 on the 2022 Taxable Assessed Valuation produces	$2,654,353
Tax Rate of $0.67 on the Estimate of Value as of March 1, 2023 produces	$2,634,133
Maximum Annual Debt Service Requirement (2034)	$3,041,213
Tax Rate of $0.98 on the 2022 Taxable Assessed Valuation produces	$3,060,313
Tax Rate of $0.78 on the Estimate of Value as of March 1, 2023 produces	$3,066,602

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 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 a compilation of all 2022 taxes levied by such jurisdictions per $100 of assessed valuation. Such levies do not include local assessments for community associations, fire department contributions, charges for solid waste disposal, or any other dues or charges made by entities other than political subdivisions.

Taxing Jurisdiction	2022 Tax Rate Per $100 of A.V.
The District	$1.330000
Lamar Consolidated Independent School District	$1.242000
Fort Bend County	$0.438300
Fort Bend County Emergency Services District No. 6	$0.100000
Fort Bend Drainage District	$0.012900
Estimated Total Tax Rate	$3.123200

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 sufficient amount to pay the principal of and interest on the Bonds, the Outstanding 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 Resolution 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."

Property Tax Code and County-Wide Appraisal Districts

Title I of Texas Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized herein. The Property 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"). The appraisal roll, as approved by the Appraisal Review Board for the Appraisal District, will be used by the District in establishing its tax rolls and tax rate.

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; certain 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 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 exemptions if a majority of voters approve same at an election. The District would be required to call an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. 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 the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces, if requested, but only to the maximum extent of between $5,000 and $12,000 depending upon the disability rating of the veteran claiming the exemption. A veteran who receives a disability rating of 100% is entitled to an exemption for the full value of the veteran's residence homestead. Furthermore, qualifying surviving spouses of persons 65 years of age and older are entitled to receive a resident homestead exemption equal to the exemption received by the deceased spouse. Additionally, 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 veteran's disability rating if the residence homestead was donated by a charitable organization. This exemption will also apply to a residence homestead that was donated by a charitable organization at some cost to such veterans. Also, the surviving spouse of a member of the armed forces who was killed in action is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the service member's death and said property was the service member's residence homestead at the time of death. Such exemption may be transferred to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received. For the 2023 tax year, the District has granted exemptions of $10,000 for persons who qualify as 65 years of age and older and disabled.

The surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the first responder's death, and said property was the first responder's residence homestead at the time of death. Such exemption would be transferred to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State 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 payment of 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 before July 1.

Freeport Goods and Goods-in-Transit 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 2013 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 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 all prior and subsequent years.

Tax Abatement

Fort Bend County may designate all or part of the area within the District as a reinvestment zone. Thereafter, the 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. As of September 1, 1999, each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions. To date, Fort Bend County has not designated any part of the area within the District as a reinvestment zone.

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. Nevertheless, certain land may be appraised at less than market value, as such is defined in the Property Tax Code. The Texas Constitution limits increases in the appraised value of residence homesteads to 10 percent annually regardless of the market value of the property.

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 fair 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. A claimant may waive the special valuation as to taxation by one political subdivision 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 years for agricultural use, 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 property in the Appraisal District at least once every three 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.

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

District and Taxpayer Remedies

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

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Tax Code also 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.

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. For those taxes billed at a later date and that become delinquent on or after June 1, they will also incur an additional penalty for collection costs of an amount established by the

District and a delinquent tax attorney. 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, may be rejected. 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 in writing 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 equal 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 continues to accrue during the period of deferral.

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 than 1.08 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 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts

Developed Districts that adopt a total tax rate that would impose more than 1.035 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 Property 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 1.035 times the previous year's operation and maintenance tax rate 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 1.08 times the previous year's operation and maintenance tax rate.

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 on an annual basis. The Board has designated the District as a "Developing District" for the 2022 tax year. 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.

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 in 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 and each 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. 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 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 or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within two years for residential and agricultural property and six months for commercial property and all other types of property after the purchaser's deed at the foreclosure sale is filed in the county records. The District's ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended.

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THE SYSTEM

Regulation

According to the Engineer, the System has been designed in accordance with accepted engineering practices and the requirements of all governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, among others, the TCEQ, the Village of Pleak, and Fort Bend County. According to the District's Engineer, the design of all such facilities has been approved by all required governmental agencies and inspected by the TCEQ.

Operation of the District's waterworks and sewer treatment facilities is subject to regulation by, among others, the Environmental Protection Agency and the TCEQ. In many cases, regulations promulgated by these agencies have become effective only recently and are subject to further development and revisions.

Description of the System

– Water Supply and Distribution –

The District owns and operates a 1,500 gallons per minute ("gpm") water well ("Water Well No. 1"). Water Well No. 1 has permitted annual withdrawal of 45 million gallons. The District water supply system also consists of: two (2) 15,000 gallon pressure tanks, one (1) 287,000 gallon ground storage tank, one (1) 317,000 gallon ground storage tank, four (4) booster pumps totaling 4,250 gpm, and one (1) 600kW diesel generator. The total capacity of the District's existing water supply system is 2,317 equivalent single family connections ("ESFCs"). The District has an emergency water line interconnect agreement with the City of Rosenberg. The interconnect is for emergency use only and is normally closed.

– Wastewater –

Wastewater treatment is provided by an interim 500,000 gallon per day package plant wastewater treatment plant ("WWTP") that is currently capable of serving 1,667 ESFCs. The District currently leases the interim WWTP from the AUC Group with an option to purchase.

– Drainage –

The northern portion of the District naturally drains towards Coon Creek to the west and Fort Bend County Drainage Ditch IIB4a to the east. This ditch bisects the southern portion of the District, eventually flowing into Seabourne Creek, just west of the WWTP. The western portion naturally drains towards Big Creek which is not located within the District. The drainage system improvements consist of storm sewer systems and detention basins to serve the District's storm water runoff. Approximately 65 acres within the District lie within the 100-year floodplain; although none of the developed lots lie within the 100-year floodplain.

100-Year Flood Plain

"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 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. According to the Engineer, approximately 65 acres within the District lie within the 100-year floodplain. None of the developed lots lie within the 100-year floodplain.

In 2018, the National Weather Service 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.

Subsidence and Conversion to Surface Water Supply

The District is within the boundaries of the Fort Bend Subsidence District (the "FBSD"), which regulates groundwater withdrawal. The District's authority to pump groundwater is subject to an annual permit issued by the FBSD. The FBSD has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in certain areas within the FBSD's jurisdiction, including the area within the District. The District is located within the Richmond/Rosenberg Sub Area of the FBSD's jurisdiction. The Cities of Rosenberg and Richmond formed the Rosenberg-Richmond Local Government Corporation to plan and implement a regional surface water utility system.

Requirements to Convert from Groundwater to Surface Water:

The District is located in Regulatory Area A as designated by the FBSD. Following are the guidelines established in the FBSD Regulatory Plan adopted September 24, 2003.

1. Following adoption of the FBSD Regulatory Plan, FBSD will require that unconverted permittees begin a planning process to define acceptable methods necessary to meet the groundwater compliance requirements established within this Regulatory Plan.

2. Two or more permittees may enter into contractual agreements to share costs or cooperate in ways that achieve orderly reductions in total groundwater use and conversions to alternative water supplies. Permittees may join with or form new regional entities for the purpose of reducing groundwater withdrawal. Individual permittees will be waived from separate compliance with groundwater reduction requirements when they form a group that achieves collective compliance with the regulatory area requirements.

3. Since January, 2008, a permittee (or group of permittees operating under a single permit) is required to submit a Groundwater Reduction Plan (GRP) to the FBSD for certification.

4. Beginning in January, 2013, a permittee (or group of permittees operating under a single permit) shall be required to reduce and maintain their groundwater withdrawals to comprise no more than 70% of the permittee's total water demand, except that permittees whose wells are located within the Richmond/Rosenberg Sub-Area shall be required to meet the reduction requirements beginning in January 2015.

5. Beginning in January, 2025 and continuing thereafter, a permittee (or group of permittees operating under a single permit) shall be required to reduce and maintain their groundwater withdrawals to comprise no more than 40% of the permittee's total water demand.

6. A disincentive fee shall be applied to any groundwater withdrawals that constitute greater than 40% of a permittee's (or group of permittee's operating under a single permit, within the same regulatory area) total water demand if a permittee has not developed and received certification of a GRP by the permit beginning in 2008 (Item 3 of this section) or if a permittee is not in compliance with the reduction schedule found in Items 4 and 5 of this section or with the elements identified in their certified GRP.

The District is located in the Richmond/Rosenberg Sub-Area of Regulatory Area A. The City of Rosenberg has agreed to include the District within the City of Rosenberg's GRP and take the District's wells into consideration when implementing the City of Rosenberg's GRP plan.

Historical Operations of the System

The following is a summary of the District's Operating Fund for the last five years. The figures for the fiscal years ended July 31, 2018, through July 31, 2022, were obtained from the District's audited financial statements, reference to which is hereby made. See "APPENDIX A." The figures for the 8 months ended March 31, 2023 are unaudited and provided by the District's bookkeeper. The District is required by statute to have a certified public accountant audit its financial statements annually, which audited financial statements are required to be filed with the TCEQ.

		For Year Ended July 31,				
Revenues	2023 (a)	2022	2021	2020	2019	2018
Property Taxes	$1,302,224	$1,482,326	$1,365,963	$1,204,233	$1,165,096	$ 952,648
Water Service	136,736	224,144	178,152	155,116	135,035	121,199
Sewer Service	337,411	551,752	493,005	427,305	380,775	322,038
Regional Water Fee	202,920	342,708	291,157	269,467	195,899	195,189
Penalty & Interest	12,439	16,697	12,686	14,992	13,776	11,507
Tap Connection and Inspection	14,807	96,251	100,347	78,015	143,502	89,361
Investment Income	58,198	10,191	1,779	22,242	29,036	9,567
Other Income	8,422	13,784	11,877	8,748	9,682	95,034
Total	$2,073,158	$2,737,853	$2,454,966	$2,180,118	$2,072,801	$1,796,543
Expenditures						
Service Operations:						
Regional Water Fee	$ 133,083	$ 375,988	$ 291,429	$ 279,581	$ 205,938	$ 184,870
Professional Fees	217,081	115,834	126,587	123,198	176,281	117,352
Contracted Services	50,464	427,784	359,534	310,833	295,251	257,996
Utilities	36,675	103,906	101,991	87,104	90,024	91,343
Repairs & Maintenance	233,800	672,022	551,143	483,851	416,244	531,238
Other Expenditures	296,299	77,981	93,165	95,254	90,073	81,134
Tap Connections	88,377	69,334	64,675	55,625	103,325	53,450
Capital Outlay	12,321	529,964	55,810	27,556	19,060	144,531
Debt Service:						
Lease Payments	72,000	183,000	180,300	117,600	117,600	117,600
Total	$ 1,205,453	$2,555,813	$1,824,634	$1,580,602	$1,513,796	$1,579,514
Revenues Over Expenditures	$ 867,705	$ 182,040	$ 630,332	$ 599,516	$ 559,005	$ 217,029
Other Financing Sources (Uses)	$ 0	$ 0	$ 0	$ (116,000) (c)	$ 47,230 (b)	$ (52,000) (b)
Net Revenues	$ 867,705	$ 182,040	$ 630,332	$ 483,516	$ 606,235	$ 165,029

(a) Unaudited. Totals may not sum due to rounding.
(b) Interfund transfers in (out).
(c) Repayment of developer advances.

INVESTMENT CONSIDERATIONS

General

The Bonds are obligations of the District and are not obligations of the State of Texas; Fort Bend County, Texas; Pleak; or any political subdivision other than the District. The Bonds are secured by a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property located within the District. See "THE BONDS – Source of Payment." 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 within the District is directly related to the vitality of the single-family housing industry in the Houston metropolitan area. New single-family construction can be significantly affected by factors such as interest rates, construction costs, and consumer demand. Decreased levels of such construction activity would restrict the growth of property values in the District. The District cannot predict the pace or magnitude of any future development in the District. See "STATUS OF DEVELOPMENT – Status of Development within the District."

Location and Access: The District is located in an outlying area of the Houston metropolitan area, approximately 40 miles southwest from the central business district of the City of Houston, Texas, approximately 17 miles southwest from the central business district of the City of Sugar Land, Texas, and approximately 5 miles south from the central business district of the City of Rosenberg, Texas. Many of the single-family developments with which the District competes have been significantly developed and levy lower tax rates. As a result, particularly during times of increased competition, the Developer and homebuilders within the District may be at a competitive disadvantage to the developers and homebuilders in other single-family projects located closer to major urban centers or more mature developments. See "THE DISTRICT" and "STATUS OF DEVELOPMENT."

Principal Landowners' Obligations to the District: The District's tax base is concentrated in a small number of taxpayers. As reflected in this Official Statement under the caption "TAX DATA – Principal Taxpayers," the District's ten principal taxpayers in 2022 owned property located in the District, the aggregate assessed valuation of which comprised approximately 3.64% of the District's total assessed valuation. The District cannot represent that its tax base will in the future be (i) distributed among a significantly larger number of taxpayers or (ii) less concentrated in property owned by a relatively small number of property owners, than it is currently. Failure by one or more of the District's principal property owners to make full and timely payments of taxes due may have an adverse effect on the investment quality or security of the Bonds. If any one or more of the principal District taxpayers did not pay taxes due, the District might need to levy additional taxes or use other debt service funds available to meets its debt service requirements.

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 proposed District tax rate or to justify continued payment of taxes by property owners. The District levied a debt service tax rate of $0.925 per $100 of assessed valuation and a maintenance tax rate of $0.405 per $100 of assessed valuation for the 2022 tax year.

Competition: The demand for and construction of taxable improvements in the District could be affected by competition from other developments near the District. In addition to competition for new single-family home sales from other developments, there are numerous previously owned single-family homes in more established neighborhoods closer to the cities of Houston, Sugar Land, or

Rosenberg that are for sale. Such existing developments could represent additional competition for new development and homebuilding proposed to be constructed within the District.

The competitive position of the Developer in the sale of land and the sale of residences is affected by most of the factors discussed in this section. Such a competitive position is directly related to the growth and maintenance of taxable values in the District and tax revenues to be received by the District. The District can give no assurance that building and marketing programs in the District by the Developer will be implemented or, if implemented, will be successful.

Developer Under No Obligation to the District: The Developer has informed the District of its current plans to continue to develop land in the District for residential purposes and commercial purposes. The Developer has no current plans to sell its land within the District to other developers. However, the Developer is not obligated to implement such plan on any particular schedule or continue to implement such plan at all. Thus, the furnishing of information related to the proposed development by the Developer should not be interpreted as such a commitment. The District makes no representation about the probability of development continuing in a timely manner or about the ability of the Developer, or any other subsequent landowners to whom a party may sell all or a portion of their holdings within the District, to implement any plan of development. Furthermore, there is no restriction on the Developer's right to sell its land. The District can make no prediction as to the effects that current or future economic or governmental circumstances may have on any plans of the Developer. Failure to construct taxable improvements on developed lots and tracts and failure of the Developer to develop its land would restrict the rate of growth of taxable value in the District. The District is also dependent upon the Developer (see "TAX DATA – Principal Taxpayers") for the timely payment of ad valorem taxes, and the District cannot predict what the future financial condition of the Developer will be or what effect, if any, such conditions may have on its ability to pay taxes. See "THE DEVELOPER" and "STATUS OF DEVELOPMENT."

Vacant Developed Lots: As of March 1, 2023, approximately 161 developed lots within the District remained available for construction. Future increases in value will result primarily from the construction of homes by builders. The District makes no representation that the lot sales and building program will be successful.

Impact on District Tax Rates: Assuming no further development or construction of taxable improvements, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of property owners within the District to pay their taxes. The 2022 Taxable Assessed Valuation of the District is $328,712,471 (see "TAX DATA") and the Estimate of Value as of March 1, 2023 is $413,846,437. After issuance of the Bonds, the maximum annual debt service requirement on the Outstanding Bonds and the Bonds is $3,041,213 (2034) and the average annual debt service requirement on the Outstanding Bonds and the Bonds is $2,634,069 (2024–2047). Assuming no increase or decrease from the 2022 Taxable Assessed Valuation and no use of funds on hand, tax rates of $0.98 and $0.85 per $100 assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirement, respectively. Assuming no increase or decrease from the Estimate of Value as of March 1, 2023 and no use of funds on hand, tax rates of $0.78 and $0.67 per $100 assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirement, respectively. See "DISTRICT DEBT – Debt Service Requirements" and "TAX DATA – Tax Rate Calculations."

Extreme Weather

The Greater Houston area sustained widespread damage as a result of Hurricane Harvey's landfall along the Texas Gulf Coast on August 25, 2017, and historic levels of rainfall during the succeeding four days. According to the Engineer, Hurricane Harvey caused no damage to the System and there was no interruption to water and sewer service in the District. Further, although streets in the District experienced widespread flooding, the District is not aware of any homes in the District that experienced structural flooding or other material damage as a result of Hurricane Harvey. The District cannot predict the effect that additional extreme weather events may have upon the District and the Gulf Coast. Additional extreme weather events have the potential to cause damage within the District and along the Gulf Coast generally that could have a negative effect on taxable assessed valuations in the District and the economy of the District and the region.

Potential Impact of Natural Disaster

The District is located near the Texas Gulf Coast and, as it has in the past, could be impacted by high winds and flooding caused by hurricane, tornado, tropical storm, or other adverse weather event. In the event that a natural disaster should damage or destroy improvements and personal property in the District, the assessed value of such taxable properties could be substantially reduced, resulting in a decrease in the taxable assessed value of the District or an increase in the District's tax rates.

Potential Effects of Oil Price Fluctuations on the Houston Area

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. The District cannot predict the impact that negative conditions in the oil industry could have on property values in the District.

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 state and local 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 six months for commercial property and two years for residential and all other property after the purchaser's deed issued at the foreclosure sale is filed in the county records. 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. Attorney's fees and other costs of collecting any such taxpayer's delinquencies could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid.

Registered Owners' Remedies and Bankruptcy Limitations

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 Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no provision for 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. Although 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 further 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. In this regard, should the District file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the District to seek judicial foreclosure of its tax lien would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See "THE BONDS - Bankruptcy Limitation to Registered Owners' Rights."

Environmental Regulation

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 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 non-stormwater 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 TCEQ issued the General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit") on January 24, 2019. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. While the District is currently not subject to the MS4 Permit, if the District's inclusion were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary 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 in order to comply with the MS4 Permit.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the "waters of the

United States." The District must obtain a permit from the United States Army Corps of Engineers ("USACE") if operations of the District require that wetlands be filled, dredged, or otherwise altered.

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. 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 itself became the subject of litigation in multiple jurisdictions.

On January 23, 2020, the EPA and USACE released the Navigable Waters Protection Rule ("NWPR"), which contained a new definition of "waters of the United States." The NWPR became effective June 22, 2020, and is the subject of ongoing litigation.

On June 9, 2021, the EPA and USACE announced plans to further revise the definition of "waters of the United States." On August 30, 2021, the United States District Court for the District of Arizona issued an order vacating the NWPR while the EPA and USACE made plans to replace it. On November 18, 2021, the EPA and USACE issued a Notice of Proposed Rulemaking to put back into place the pre-2015 definition of "waters of the United States," and on December 7, 2021, the proposed rule was published in the Federal Register, with the public comment period closing on February 7, 2022. On December 30, 2022, the EPA and USACE finalized the proposed rule, effective as of March 20, 2023, which vacates and remands the NWPR released in 2020 and interprets "waters of the United States" consistent with the pre-2015 regulatory regime. The adoption of the new rule is the subject of litigation, including a suit filed in the United States District Court for the Southern District of Texas. Due to this existing and possible future litigation and regulatory action, 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.

Subsidence District

The District is within the FBSD which regulates the withdrawal of ground water within its jurisdiction. The District's authority to pump ground water from its wells is subject to annual permits issued by the FBSD. The FBSD has ordered certain areas of Fort Bend County to convert a portion of their water supply to surface water under various schedules. The issuance of additional bonds by the District at some time in the future in an undetermined amount may be necessary to meet these requirements. The District has a Groundwater Reduction Plan Participation Agreement with the City of Rosenberg. See "THE SYSTEM – Subsidence and Conversion to Surface Water Supply."

Future Debt

Following the issuance of the Bonds, the District will have $38,430,000 principal amount remaining in authorized but unissued unlimited tax bonds for System purposes, $3,000,000 in authorized but unissued unlimited tax bonds for the purpose of purchasing or constructing parks and recreational facilities, $59,690,000 in authorized but unissued unlimited tax refunding bonds for System purposes, and $10,000,000 in authorized but unissued unlimited tax bonds for road facilities and refunding of the same. The District reserves in the Bond Resolution the right to issue the remaining authorized but unissued bonds plus such additional bonds as may hereafter be authorized by voters in the District. In addition, the District has the right to issue obligations, other than the Bonds, including tax anticipation notes and bond anticipation notes, and to borrow money for any valid public purpose. The issuance of additional obligations may increase the District's tax rate and adversely affect the security for and the investment quality and value of the Bonds. A portion of the proceeds of the Bonds will be used to reimburse the Developer for a portion of the funds advanced to date. After such reimbursement, there will be approximately $16,163,781 in advanced funds or costs for System facilities and road improvements, which will need to be reimbursed by the District in the future. The issuance of additional bonds for System facilities is also subject to authorization by the TCEQ. See "THE BONDS – Issuance of Additional Debt."

Additional tax bonds may be authorized by District's voters in the future. The Board is further empowered to borrow money for any lawful purpose and pledge the revenues of the waterworks and sewer system therefor and to issue bond anticipation notes and tax anticipation notes.

The Bond Resolution imposes no limitation on the amount of additional bonds which may be issued by the District. Any additional bonds issued by the district may be on a parity with the Bonds.

Marketability of the Bonds

The District has no understanding (other than the initial reoffering yields) with 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."

2023 Legislative Session

The 88th Regular Legislative Session convened on January 10, 2023 and will conclude on May 29, 2023. The Texas Legislature could enact laws that materially change current laws affecting ad valorem tax matters, election measures, and other matters which could adversely affect the marketability or market value of the Bonds. The District can make no representation regarding any actions the Texas Legislature may take or the effect of any such actions.

Continuing Compliance with Certain Covenants

Failure of the District to comply with certain covenants contained in the Bond Resolution on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Approval of the Bonds

The Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas does not pass upon or guarantee the security of the Bonds as an investment, nor has or will the Attorney General of Texas pass upon the adequacy or accuracy of the information contained in this Official Statement.

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.

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 applicable Bond Insurance Policy (the "Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the issuer which is recovered by the issuer from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond 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 Bond 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 Bond Insurer and its claim paying ability. The Bond 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 Bond Insurer and of the ratings on the Bonds insured by the Bond 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 "MUNICIPAL BOND INSURANCE."

The obligations of the Bond Insurer are contractual obligations and in an event of default by the Bond 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 have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond 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 Bond Insurer, particularly over the life of the investment. See "MUNICIPAL BOND INSURANCE" herein for further information provided by the Bond Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Bond Insurer.

LEGAL MATTERS

Legal Opinions

Delivery of the Bonds will be accompanied by the approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas payable from the proceeds of an annual ad valorem tax levied, without legal limit as to rate or amount, upon all taxable property within the District and based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds; the approving legal opinion of Bond Counsel, to a like effect, and to the effect that, under existing law, interest on the Bonds is excludable from gross income for federal tax purposes and interest on the Bonds is not subject to the alternative minimum tax on individuals, however such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations for the purpose of determining the alternative minimum tax on corporations.

Bond Counsel has reviewed the information appearing in this Official Statement under the caption "THE BONDS," "THE DISTRICT – General," "TAXING PROCEDURES," "LEGAL MATTERS – Legal Opinions," "TAX MATTERS," and "CONTINUING DISCLOSURE OF INFORMATION" solely to determine whether such information fairly summarizes matters of law and the provisions of the documents referred to therein. Bond Counsel has not, however, independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the District or the Developer for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon Bond Counsel's 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 information contained herein.

Allen Boone Humphries Robinson LLP also serves as general counsel to the District on matters other than the issuance of bonds. The legal fees paid to 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 and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

No-Litigation Certificate

The District will furnish the Underwriter a certificate, dated of the date of delivery of the Bonds, executed by both the President or Vice President and Secretary or Assistant Secretary of the Board, to the effect that no litigation of any nature has been filed or is to their knowledge then pending or threatened, either in state or federal courts, contesting or attaching 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 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 condition (financial or otherwise) of the District subsequent to the date of sale from that set forth or contemplated in the Preliminary Official Statement, as it may have been supplemented or amended through the date of sale.

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TAX MATTERS

In the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and interest on the Bonds is not subject to the alternative minimum tax on individuals, however such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code") for the purpose of determining the alternative minimum tax on corporations..

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of proceeds and the source of repayment, limitations on the investment proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Bond Resolution that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Bond Resolution pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on representations by the District, the District's Financial Advisor, and the Underwriter, with respect to matters solely within the knowledge of the District, the District's Financial Advisor, and the Underwriter, respectively, which Bond Counsel has not independently verified. If the District should fail to comply with the covenants in the Bond Resolution or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become taxable from the date of delivery of the Bonds, regardless of the date on which the event causing such taxability occurs.

Under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Bonds, received or accrued during the year. Payments of interest on tax-exempt obligations such as the Bonds are in many cases required to be reported to the IRS. Additionally, backup withholding may apply to any such payments to any owner who is not an "exempt recipient" and who fails to provide certain identifying information. Individuals generally are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership, or disposition of, the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, individuals owning an interest in a FASIT that holds tax-exempt obligations, and taxpayers otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Bonds. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences.

Bond Counsel's opinions are based on existing law which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer and the Owners may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit regardless of the ultimate outcome of the audit.

Tax Accounting Treatment of Original Issue Discount Bonds

The issue price of certain of the Bonds (the "Original Issue Discount Bonds") is less than the stated redemption price at maturity. In such case, under existing law and based upon assumptions hereinafter stated, (a) the difference between (i) the stated amount payable at the maturity of each Original Issue Discount Bond, and (ii) the issue price of such Original Issue Discount Bond constitutes original issue discount with respect to such Original Issue Discount Bond in the hands of an owner who has purchased such Original Issue Discount Bond in the initial public offering of the Bonds; and (b) such initial owner 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 period that such Original Issue Discount Bond continues to be owned by such owner.

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. (Because original issue discount is treated as interest for federal income tax purposes, the discussion regarding interest on the Bonds under the caption "TAX MATTERS" generally applies, except as otherwise provided below, to original issue discount on an Original Issue Discount Bond held by an owner who purchased such Bond at the initial offering price in the initial public offering of the Bonds, and should be considered in connection with the discussion in this portion of the Official Statement.)

The foregoing discussion assumes, in reliance upon certain representations of the Underwriter, that (a) the Underwriter has purchased the Bonds for contemporaneous sale to the public and (b) all of the Original Issue Discount Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the inside cover page of this Official Statement. Neither the District nor Bond Counsel warrants that the Original Issue Discount Bonds will be offered and sold in accordance with such assumptions. Certain of the representations of the Underwriter will be based upon records or facts the Underwriter had no reason to believe were not correct.

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 Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of Original Issue Discount Bonds that 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.

Not Qualified Tax-Exempt Obligations

The Bonds are not "qualified tax exempt obligations" for financial institutions.

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Resolution, 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 material events, to certain information vendors. This information will be available to securities broker and others who purchase the information from the Municipal Securities Rulemaking Board ("MSRB"), through its Electronic Municipal Market Access ("EMMA") system.

Annual Reports

The District will provide certain updated financial information and operating data to the MSRB through EMMA annually.

The information to be updated with respect to the District includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement included under the headings "DISTRICT DEBT" (except under the subheading "Estimated Overlapping Debt Statement"), "TAX DATA," and "APPENDIX A." The District will update and provide this information within six months after the end of each of its fiscal years ending in or after 2023. The District will provide the updated information to EMMA.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by Rule 15c2-12 of the United States Securities and Exchange Commission ("SEC"). 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 EMMA 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 Resolution 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 July 31. Accordingly, it must provide updated information by January 31, in each year, unless it changes its fiscal year. If the District changes its fiscal year, it will notify EMMA.

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 determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt 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 obligations” when used in this paragraph shall have the meanings ascribed to them under SEC Rule 15c2-12 (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 Resolution 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 information, data, or financial statements in accordance with its agreement described above under "Annual Reports.”

Availability of Information from MSRB

The District has agreed to provide the foregoing information only to the MSRB. The information will be available to holders of Bonds at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of certain 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 and 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 to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or operations of the District, but only if the agreement, as amended, would have permitted an Underwriter to purchase or sell Bonds in the offering described herein in compliance with SEC Rule 15c2-12, taking into account any amendments and interpretations of the SEC Rule 15c2-12 to the date of such amendment, as well as changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent 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 beneficial owners of the Bonds. The District may also amend or repeal the agreement if the SEC amends or repeals the applicable provisions of such rule or a court of final jurisdiction determines that such provisions are invalid, but in either case only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Bonds in the offering described herein. 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 past five years, the District has been in material compliance with its prior continuing disclosure agreement in accordance with SEC Rule15c2-12.

OFFICIAL STATEMENT

General

The information contained in this Official Statement has been obtained primarily from the District’s records, the Developer, the Engineer, the Tax Assessor/Collector, the Appraisal District and other sources believed to be reliable; however, no representation is made as to the accuracy or completeness of the information contained herein, except as described below. The summaries of the statutes, 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 financial statements of the District as of July 31, 2022, and for the year then ended, included in this Official Statement, have been audited by FORVIS, LLP, independent auditors, as stated in their report appearing herein. See “APPENDIX A” for the District’s audited financial statements.

Experts

The information contained in this Official Statement relating to assessed valuations of property generally and, in particular, that information concerning valuations, analysis of the tax base and percentages of tax collections contained in the section captioned "TAX DATA" has been provided by the Fort Bend Central Appraisal District and the District's Tax Assessor/Collector, and has been included herein in reliance upon the authority of such parties as experts in the field of tax assessing and collecting.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Underwriter, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriter elects 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 when the District delivers the Bonds to the Underwriter, unless the Underwriter notifies the District in writing on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the District delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

Certification as to Official Statement

The District, acting by and through its Board of Directors in its official capacity, 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, description and statements concerning entities other than the District, including particularly other governmental entities, have been obtained from 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.

Concluding Statement

The information set forth herein has been obtained from the District's records, audited financial statements and other sources which are considered to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will ever be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such summarized documents for further information. Reference is made to official documents in all respects.

This Official Statement was approved by the Board of Directors of Fort Bend County Municipal Utility No. 5, as of the date shown on the first page hereof.

/s/ Margaret F. Greenwood
President, Board of Directors
Fort Bend County Municipal Utility District No. 5

ATTEST:

/s/ Bobby J. Adams
Secretary, Board of Directors
Fort Bend County Municipal Utility District No. 5

APPENDIX A

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

Fort Bend County Municipal Utility District No. 5

Fort Bend County, Texas

Independent Auditor's Report and Financial Statements

July 31, 2022

Fort Bend County Municipal Utility District No. 5
July 31, 2022

Contents

FORVIS

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Independent Auditor's Report

Board of Directors
Fort Bend County Municipal Utility District No. 5
Fort Bend County, Texas

Opinions

We have audited the financial statements of the governmental activities and each major fund of Fort Bend County Municipal Utility District No. 5 (the District), as of and for the year ended July 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of July 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 12 to the financial statements, in 2022, the District adopted the new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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

Management is responsible for the other information included in the basic financial statements. The other information comprises schedules required by the Texas Commission on Environmental Quality as listed in the table of contents. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

FORVIS, LLP

Houston, Texas
December 20, 2022

Overview of the Financial Statements

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

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

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

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

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

Notes to Financial Statements

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

Financial Analysis of the District as a Whole

Effective August 1, 2021, the District adopted new accounting and financial reporting guidance, Governmental Accounting Standards Board Statement No. 87 (Statement No. 87), *Leases*.

Statement No. 87 creates one model for recognizing leases for both lessees and lessors. Substantially all leases are recognized on the lessee's statement of net position. In the activity statement, lessees no longer report lease expense for the previously classified operating leases but instead report interest expense on the liability and amortization expense related to the asset. The District's 2021 summarized financial information presented below has not been restated to reflect the adoption of Statement No. 87 because single year presentation is included in the basic financial statements.

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

Summary of Net Position

	2022	2021
Current and other assets	$ 5,575,167	$ 5,508,263
Capital and lease assets	35,988,503	34,188,172
Total assets	41,563,670	39,696,435
Deferred outflows of resources	110,895	117,221
Total assets and deferred outflows of resources	$ 41,674,565	$ 39,813,656
Long-term liabilities	$ 42,887,802	$ 41,648,141
Other liabilities	801,129	671,585
Total liabilities	43,688,931	42,319,726
Net position:		
Net investment in capital assets	(6,828,459)	(6,847,765)
Restricted	1,743,909	1,465,390
Unrestricted	3,070,184	2,876,305
Total net position	$ (2,014,366)	$ (2,506,070)

The total net position of the District increased by $491,704, or about 20 percent. The majority of the increase in net position is related to tax revenues intended to pay principal on the District's bonded indebtedness, which is shown as long-term liabilities in the government-wide financial statements. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	2022	2021
Revenues:		
Property taxes	$ 3,487,247	$ 3,108,520
Charges for services	1,118,604	962,314
Other revenues	159,291	142,521
Total revenues	4,765,142	4,213,355
Expenses:		
Services	1,988,854	1,883,488
Depreciation and amortization	911,806	736,623
Debt service	1,372,778	1,263,785
Total expenses	4,273,438	3,883,896
Change in net position	491,704	329,459
Net position, beginning of year	(2,506,070)	(2,835,529)
Net position, end of year	$ (2,014,366)	$ (2,506,070)

Financial Analysis of the District's Funds

The District's combined fund balances as of the end of the fiscal year ended July 31, 2022, were $5,167,669, an increase of $17,777 from the prior year.

The general fund's fund balance increased by $182,040. This increase was primarily related to property taxes and service revenues in excess of service operation, capital outlay and lease payment expenditures.

The debt service fund's fund balance increased by $291,661 because property tax revenues were greater than bond principal and interest requirements.

The capital project fund's fund balance decreased by $455,924, primarily due to capital outlay expenditures, debt issuance costs, and the repayment of a bond anticipation note exceeding proceeds from the sales of bonds and a bond anticipation note.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property tax, sewer service, and tap connection and inspection fees revenues and regional water fee, repairs and maintenance, and tap connection expenditures being greater than anticipated and capital outlay expenditures being less than anticipated. The fund balance as of July 31, 2022, was expected to be $2,761,135 and the actual end-of-year fund balance was $3,042,637.

Capital and Lease Assets and Related Debt

Capital and Lease Assets

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

Capital and Lease Assets (Net of Accumulated Depreciation and Amortization)

	2022	2021
Land and improvements	$ 7,254,205	$ 7,011,385
Construction in progress	524,990	40,000
Water facilities	6,698,204	6,275,663
Wastewater facilities	9,535,257	9,599,229
Drainage facilities	11,254,093	11,261,895
Lease assets	721,754	-
Total capital and lease assets	$ 35,988,503	$ 34,188,172

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

Construction of water, sewer and drainage facilities to serve Briarwood Crossing, Sections 3, 4 and 8	$ 494,800
Construction of water, sewer and drainage facilities to serve Fairpark Village, Section 5	104,038
Water plant No. 1, expansion No. 1	467,479
Construction in progress related to water plant No. 1, expansion No. 2	484,990
Fairfield Village detention basin No. 2, Phase 2, and mitigation	242,820
Briarwood commercial utility extension, Phase 1	24,895
Water well motor, soft start equipment and surge protection	27,010
Total additions to capital and lease assets	$ 1,846,032

The developer of the District has constructed water, sewer and drainage facilities on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues subject to the approval of the Commission. At July 31, 2022, a liability for developer-constructed capital assets of $10,438,459 was recorded in the government-wide financial statements.

Debt

The changes in the debt position of the District during the fiscal year ended July 31, 2022, are summarized as follows:

Long-term debt payable, beginning of year	$ 42,498,746
Increases in long-term debt	8,127,270
Decreases in long-term debt	(7,738,214)
Long-term debt payable, end of year	$ 42,887,802

At July 31, 2022, the District had $51,710,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems, $10,000,000 authorized, but unissued, for road facilities and refunding, and $3,000,000 authorized, but unissued, for recreational facilities within the District.

The District's bonds carry an underlying rating of "Baa3" from Moody's Investors Service (Moody's). The Series 2018, 2021 refunding, 2021 and 2022 bonds carry a "AA" rating from Standard & Poor's by virtue of bond insurance issued by Build America Mutual Assurance Co. The Series 2019, 2019 refunding and 2020 bonds carry a "AA" rating from Standard & Poor's and an "A1" rating from Moody's by virtue of bond insurance issued by Assured Guaranty Municipal Corp.

Other Relevant Factors

Relationship to the Village of Pleak

Under existing Texas law, since the District lies within the extraterritorial jurisdiction of the Village of Pleak (the Village), the District must conform to the Village ordinance consenting to the creation of the District.

Contingencies

The developer of the District is constructing water, sewer and drainage facilities within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds of future bond sales, to the extent approved by the Commission. The District's engineer has stated that current construction contract amounts are approximately $7,260,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

Subsequent Event

Subsequent to year-end, the District issued its Series 2022 Bond Anticipation Note in the amount of $6,975,000, bearing interest at a rate of 4.22 percent. The note was issued to repay the District's developer for facilities constructed within the District.

Fort Bend County Municipal Utility District No. 5

Statement of Net Position and Governmental Funds Balance Sheet

July 31, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	$ 219,599	$ 27,600	$ 945	$ 248,144	$ -	$ 248,144
Short-term investments	2,961,791	2,098,061	7,998	5,067,850	-	5,067,850
Receivables:						
Property taxes	13,286	17,554	-	30,840	-	30,840
Service accounts	217,359	-	-	217,359	-	217,359
Accrued penalty and interest	-	-	-	-	6,174	6,174
Interfund receivables	12,903	-	4,833	17,736	(17,736)	-
Due from others	4,800	-	-	4,800	-	4,800
Prepaid expenditures	36,100	-	-	36,100	(36,100)	-
Capital and lease assets (net of accumulated depreciation and amortization):						
Land and improvements	-	-	-	-	7,254,205	7,254,205
Construction in progress	-	-	-	-	524,990	524,990
Infrastructure	-	-	-	-	27,487,554	27,487,554
Lease assets	-	-	-	-	721,754	721,754
Total assets	3,465,838	2,143,215	13,776	5,622,829	35,940,841	41,563,670
Deferred Outflows of Resources						
Deferred amount on debt refundings	0	0	0	0	110,895	110,895
Total assets and deferred outflows of resources	$ 3,465,838	$ 2,143,215	$ 13,776	$ 5,622,829	$ 36,051,736	$ 41,674,565

Fort Bend County Municipal Utility District No. 5
Statement of Net Position and Governmental Funds Balance Sheet (Continued)
July 31, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Liabilities						
Accounts payable	$ 215,040	$ 1,502	$ -	$ 216,542	$ -	$ 216,542
Accrued interest payable	-	-	-	-	394,545	394,545
Retainage payable	50,361	-	-	50,361	-	50,361
Customer deposits	137,550	-	-	137,550	-	137,550
Due to others	2,131	-	-	2,131	-	2,131
Interfund payables	4,833	12,903	-	17,736	(17,736)	-
Long-term liabilities:						
Due within one year	-	-	-	-	1,057,872	1,057,872
Due after one year	-	-	-	-	41,829,930	41,829,930
Total liabilities	409,915	14,405	0	424,320	43,264,611	43,688,931
Deferred Inflows of Resources						
Deferred property tax revenues	13,286	17,554	0	30,840	(30,840)	0
Fund Balances/Net Position						
Fund balances:						
Nonspendable, prepaid expenditures	36,100	-	-	36,100	(36,100)	-
Restricted:						
Unlimited tax bonds	-	2,111,256	-	2,111,256	(2,111,256)	-
Water, sewer and drainage	-	-	13,776	13,776	(13,776)	-
Unassigned	3,006,537	-	-	3,006,537	(3,006,537)	-
Total fund balances	3,042,637	2,111,256	13,776	5,167,669	(5,167,669)	0
Total liabilities, deferred inflows of resources and fund balances	$ 3,465,838	$ 2,143,215	$ 13,776	$ 5,622,829		
Net position:						
Net investment in capital assets					(6,828,459)	(6,828,459)
Restricted for debt service					1,740,439	1,740,439
Restricted for capital assets					3,470	3,470
Unrestricted					3,070,184	3,070,184
Total net position					$ (2,014,366)	$ (2,014,366)

Fort Bend County Municipal Utility District No. 5

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances

Year Ended July 31, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Property taxes	$ 1,482,326	$ 2,000,597	$ -	$ 3,482,923	$ 4,324	$ 3,487,247
Water service	224,144	-	-	224,144	-	224,144
Sewer service	551,752	-	-	551,752	-	551,752
Regional water fee	342,708	-	-	342,708	-	342,708
Penalty and interest	16,697	13,879	-	30,576	1,658	32,234
Tap connection and inspection fees	96,251	-	-	96,251	-	96,251
Investment income	10,191	6,747	84	17,022	-	17,022
Other income	13,784	-	-	13,784	-	13,784
Total revenues	2,737,853	2,021,223	84	4,759,160	5,982	4,765,142
Expenditures/Expenses						
Service operations:						
Regional water fee	375,988	-	-	375,988	-	375,988
Professional fees	115,834	4,373	-	120,207	81,487	201,694
Contracted services	427,784	50,532	-	478,316	-	478,316
Utilities	103,906	-	-	103,906	-	103,906
Repairs and maintenance	672,022	-	-	672,022	-	672,022
Other expenditures	77,981	8,932	681	87,594	-	87,594
Tap connections	69,334	-	-	69,334	-	69,334
Capital outlay	529,964	-	4,983,433	5,513,397	(5,513,397)	-
Depreciation and amortization	-	-	-	-	911,806	911,806
Debt service:						
Principal retirement	-	810,000	2,750,000	3,560,000	(3,560,000)	-
Interest and fees	-	855,725	16,120	871,845	135,368	1,007,213
Lease payments	183,000	-	-	183,000	(183,000)	-
Debt issuance costs	-	-	365,565	365,565	-	365,565
Total expenditures/expenses	2,555,813	1,729,562	8,115,799	12,401,174	(8,127,736)	4,273,438
Excess (Deficiency) of Revenues Over Expenditures	182,040	291,661	(8,115,715)	(7,642,014)	8,133,718	

Fort Bend County Municipal Utility District No. 5

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances (Continued)

Year Ended July 31, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Other Financing Sources (Uses)						
General obligation bonds issued	$ -	$ -	$ 5,060,000	$ 5,060,000	$ (5,060,000)	
Discount on debt issued	-	-	(150,209)	(150,209)	150,209	
Bond anticipation note issued	-	-	2,750,000	2,750,000	(2,750,000)	
Total other financing sources	0	0	7,659,791	7,659,791	(7,659,791)	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	182,040	291,661	(455,924)	17,777	(17,777)	
Change in Net Position					491,704	$ 491,704
Fund Balances/Net Position						
Beginning of year	2,860,597	1,819,595	469,700	5,149,892	-	(2,506,070)
End of year	$ 3,042,637	$ 2,111,256	$ 13,776	$ 5,167,669	$ 0	$ (2,014,366)

Fort Bend County Municipal Utility District No. 5

Notes to Financial Statements

July 31, 2022

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

Fort Bend County Municipal Utility District No. 5 (the District) was created by an order of the Texas Water Rights Commission, now known as the Texas Commission on Environmental Quality (the Commission), effective August 5, 1974, in accordance with the Texas Water Code, Chapter 54. The District began active operations at an organization meeting of the Board of Directors (the Board) on May 23, 2006 (inception). The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own and operate waterworks, wastewater and drainage facilities, road facilities, and parks and recreational facilities and to provide such facilities and services to the customers of the District.

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

Reporting Entity

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

Government-wide and Fund Financial Statements

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

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

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

The District presents the following major governmental funds:

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

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

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

Fund Balances – Governmental Funds

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

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

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

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

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

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

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

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Deferred Outflows and Inflows of Resources

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

Interfund Transactions

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

Pension Costs

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

Use of Estimates

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

Investments and Investment Income

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

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

Property Taxes

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

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended July 31, 2022, include collections during the current period or within 60 days of year-end related to the 2021 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended July 31, 2022, the 2021 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

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

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

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

	Years
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45
Drainage facilities	10-45

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Deferred Amount on Debt Refundings

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

Debt Issuance Costs

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

Long-term Obligations

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

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

Net Position/Fund Balances

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

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

Reconciliation of Government-wide and Fund Financial Statements

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

Capital and lease assets used in governmental activities are not financial resources and are not reported in the funds.	$	35,988,503
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.		30,840
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the funds.		6,174
Deferred amount on debt refundings for governmental activities are not financial resources and are not reported in the funds.		110,895

Fort Bend County Municipal Utility District No. 5
Notes to Financial Statements
July 31, 2022

Prepaid lease expenses are not reported as assets in the statement of net position.	$	(36,100)
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.		(394,545)
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.		(42,887,802)
Adjustment to fund balances to arrive at net position.	$	(7,182,035)

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

Change in fund balances.	$	17,777
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay expenditures exceeded depreciation expense and noncapitalized costs in the current year.		4,520,104
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		150,209
Governmental funds report proceeds from sales of bonds and bond anticipation notes because they provide current financial resources to governmental funds. Principal payments on debt are recorded as expenditures. None of these transactions, however, have any affect on net position.		(4,067,000)
Revenues that do not provide current financial resources are not reported as revenues for the funds, but are reported as revenues in the statement of activities.		5,982
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(135,368)
Change in net position of governmental activities.	$	491,704

Note 2: Deposits, Investments and Investment Income

Deposits

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

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

At July 31, 2022, none of the District's bank balances were exposed to custodial credit risk.

Investments

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

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

The District invests in TexPool, an external investment pool that is not registered with the Securities and Exchange Commission. The State Comptroller of Public Accounts of the State of Texas has oversight of TexPool.

At July 31, 2022, the District had the following investments and maturities:

		Maturities in Years			
Type	**Amortized Cost**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
TexPool	$ 5,067,850	$ 5,067,850	$ 0	$ 0	$ 0

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

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At July 31, 2022, the District's investments in TexPool were rated "AAAm" by Standard & Poor's.

Summary of Carrying Values

The carrying values of deposits and investments shown previously are included in the balance sheet and statement of net position at July 31, 2022, as follows:

Carrying value:		
Deposits	$	248,144
Investments		5,067,850
Total	$	5,315,994

Investment Income

Investment income of $17,022 for the year ended July 31, 2022, consisted of interest income.

Note 3: Capital and Lease Assets

A summary of changes in capital and lease assets for the year ended July 31, 2022, is presented below:

Governmental Activities	Balances, Beginning of Year, Restated	Additions	Balances, End of Year
Capital assets, non-depreciable:			
Land and improvements	$ 7,011,385	$ 242,820	$ 7,254,205
Construction in progress	40,000	484,990	524,990
Total capital assets, non-depreciable	7,051,385	727,810	7,779,195

Governmental Activities (Continued)	Beginning of Year, Restated	Additions	Balances, End of Year
Capital and lease assets, depreciable:			
Water production and distribution facilities	$ 7,839,632	$ 618,427	$ 8,458,059
Wastewater collection and treatment facilities	11,828,760	214,725	12,043,485
Drainage facilities	12,767,511	285,070	13,052,581
Lease assets - equipment	866,105	-	866,105
Total capital and lease assets, depreciable/amortizable	33,302,008	1,118,222	34,420,230
Less accumulated depreciation and amortization:			
Water production and distribution facilities	(1,563,969)	(195,886)	(1,759,855)
Wastewater collection and treatment facilities	(2,229,531)	(278,697)	(2,508,228)
Drainage facilities	(1,505,616)	(292,872)	(1,798,488)
Lease assets - equipment	-	(144,351)	(144,351)
Total accumulated depreciation and amortization	(5,299,116)	(911,806)	(6,210,922)
Total governmental activities, net	$ 35,054,277	$ 934,226	$ 35,988,503

Note 4: Long-term Liabilities

Changes in long-term liabilities for the year ended July 31, 2022, were as shown below:

Governmental Activities	Balances, Beginning of Year, Restated	Increases	Decreases	Balances, End of Year	Amounts Due in One Year
Bonds payable:					
General obligation bonds	$ 28,320,000	$ 5,060,000	$ 810,000	$ 32,570,000	$ 925,000
Add premium on bonds	7,532	-	361	7,171	-
Less discounts on bonds	703,728	150,209	25,287	828,650	-
	27,623,804	4,909,791	785,074	31,748,521	925,000
Lease liability	850,605	-	149,783	700,822	132,872
Bond anticipation note	-	2,750,000	2,750,000	-	-
Due to developer	14,024,337	467,479	4,053,357	10,438,459	-
Total governmental activities long-term liabilities	$ 42,498,746	$ 8,127,270	$ 7,738,214	$ 42,887,802	$ 1,057,872

General Obligation Bonds

	Series 2015	Series 2016
Amounts outstanding, July 31, 2022	$2,390,000	$4,100,000
Interest rates	1.75% to 4.00%	2.000% to 4.125%
Maturity dates, serially beginning/ending	September 1, 2022/2040	September 1, 2022/2041
Interest payment dates	September 1/ March 1	September 1/ March 1
Callable dates*	September 1, 2023	September 1, 2024

	Series 2018	Series 2019
Amounts outstanding, July 31, 2022	$2,800,000	$6,130,000
Interest rates	3.00% to 4.50%	2.125% to 4.625%
Maturity dates, serially beginning/ending	September 1, 2022/2043	September 1, 2022/2044
Interest payment dates	September 1/ March 1	September 1/ March 1
Callable dates*	September 1, 2023	September 1, 2024

	Refunding Series 2019	Series 2020
Amounts outstanding, July 31, 2022	$2,700,000	$4,910,000
Interest rates	2.00% to 3.00%	2.25% to 4.75%
Maturity dates, serially beginning/ending	September 1, 2022/2035	September 1, 2022/2045
Interest payment dates	September 1/ March 1	September 1/ March 1
Callable dates*	September 1, 2025	September 1, 2025

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

	Refunding Series 2021	Series 2021
Amounts outstanding, July 31, 2022	$1,420,000	$3,060,000
Interest rates	2.00% to 3.00%	2.00% to 3.00%
Maturity dates, serially beginning/ending	September 1, 2022/2038	September 1, 2022/2046
Interest payment dates	September 1/ March 1	September 1/ March 1
Callable dates*	September 1, 2025	September 1, 2026

	Series 2022
Amount outstanding, July 31, 2022	$5,060,000
Interest rates	3.00% to 5.50%
Maturity dates, serially beginning/ending	September 1, 2023/2046
Interest payment dates	September 1/ March 1
Callable date*	May 1, 2027

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

Annual Debt Service Requirements

The following schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at July 31, 2022:

Year	Principal	Interest	Total
2023	$ 925,000	$ 997,468	$ 1,922,468
2024	1,110,000	1,006,495	2,116,495
2025	1,135,000	963,972	2,098,972
2026	1,180,000	922,292	2,102,292
2027	1,225,000	882,008	2,107,008
2028-2032	6,790,000	3,817,106	10,607,106
2033-2037	7,715,000	2,692,654	10,407,654
2038-2042	7,680,000	1,442,275	9,122,275
2043-2047	4,810,000	330,078	5,140,078
Total	$ 32,570,000	$ 13,054,348	$ 45,624,348

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

Utility bonds voted	$ 87,000,000
Utility bonds sold	35,290,000
Refunding bonds voted	60,000,000
Refunding bonds authorization used	310,000
Park bonds voted	3,000,000
Road bonds voted	10,000,000

Lease Liability

The following schedule shows the annual lease requirements to pay principal and interest on the lease liability outstanding at July 31, 2022:

Year	Principal	Interest	Total
2023	$ 132,872	$ 49,528	$ 182,400
2024	143,171	39,229	182,400
2025	154,269	28,131	182,400
2026	141,258	16,942	158,200
2027	129,252	6,148	135,400
Total	$ 700,822	$ 139,978	$ 840,800

Due to Developer

The developer of the District has constructed underground utilities on behalf of the District. The District has agreed to reimburse the developer for these construction costs, and interest, to the extent approved by the Commission from the proceeds of future bond sales. The District's engineer estimates reimbursable costs for completed projects are $10,438,459. These amounts have been recorded in the financial statements as long-term liabilities.

Bond Anticipation Note

On November 4, 2021, the District issued its Series 2021 Bond Anticipation Note in the amount of $2,750,000. The note is dated November 4, 2021, bears interest at the rate of 1.00 percent and matures November 3, 2022, unless called for early redemption. The note is a special limited obligation of the District and is payable solely from proceeds from the sale of bonds and was redeemed with proceeds from the Series 2022 bonds prior to year-end.

Note 5: Significant Bond Resolution and Commission Requirements

A. The Bond Resolutions require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended July 31, 2022, the District levied an ad valorem debt service tax rate of $0.8100 per $100 of assessed valuation, which resulted in a tax levy of $2,003,784 on the taxable valuation of $247,380,737 for the 2021 tax year. The interest and principal requirements to be paid from the tax revenues and available resources are $1,851,703, of which $443,163 has been paid and $1,408,540 is due September 1, 2022.

B. In accordance with the Series 2021 Bond Order, a portion of the bond proceeds was deposited into the debt service fund and reserved for the payment of bond interest during the construction period. During the year ended July 31, 2022, the bond interest reserve of 33,350 was fully utilized.

Note 6: Maintenance Taxes

At an election held on November 7, 2006, voters authorized a maintenance tax not to exceed $1.50 per $100 of assessed valuation on all property within the District subject to taxation. During the year ended July 31, 2022, the District levied an ad valorem maintenance tax at the rate of $0.6000 per $100 of assessed valuation, which resulted in a tax levy of $1,484,284 on the taxable valuation of $247,380,737 for the 2021 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

Note 7: Wastewater Treatment Plant Leases

On February 7, 2007, the District entered into a lease of a 175,000 gallons-per-day (gpd) wastewater treatment plant. The original lease term was for 60 months and, during a prior year, was extended on a month-to-month basis. Payments were $5,000 per month during the current year. During the current year, the District incurred expenditures of $60,000 related to this lease.

In June 2015, the District entered into a lease of an additional 175,000 gpd wastewater treatment plant. The lease term is for 60 months with monthly payments of $4,800 upon substantial completion of the installation, which occurred in October 2016. After the initial term, which concluded during the current year, the lease continues on a month-to-month basis with monthly payments of $4,500. During the current year, the District incurred expenditures of $54,600 related to this lease.

In March 2020, the District entered into a lease of additional equipment for use with the existing wastewater treatment plant expansions. The lease term is for 60 months with monthly payments of $5,700 upon substantial completion of the installation, which occurred in August 2020. After the initial term, the lease continues on a month-to-month basis with monthly payments of $3,500. During the current year, the District incurred expenditures of $68,400 related to this lease.

Note 8: Groundwater Reduction Plan Agreement

The District is within the boundaries of the Fort Bend Subsidence District (the Subsidence District), which regulates groundwater withdrawal. The District's authority to pump groundwater from its well is subject to an annual permit issued by the Subsidence District. The Subsidence District has adopted regulations required for reduction of groundwater withdrawals through conversion to alternate source water (*e.g.*, surface water) in certain areas within the Subsidence District's jurisdiction, including the area within the District. The District has entered into a Groundwater Reduction Plan Participation Agreement (GRPPA) with the City of Rosenberg (the City) in order to meet the Subsidence District's requirements. As a participant in the GRPPA, the District has complied with all Subsidence District requirements for surface water conversion, but is obligated to pay to the City a groundwater withdrawal fee for all groundwater produced and used by the District and a water purchase fee for any water actually purchased from the City in the future. For the year ended July 31, 2022, the District incurred fees totaling $375,988 for groundwater withdrawal.

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. To provide coverage for itself, the District participates, along with other Texas municipalities, in the Texas Municipal League's Intergovernmental Risk Pool (the Pool). Under the fund agreement, the District pays regular insurance premium payments, based on estimated claims, into a joint risk pool. All claims and expenses for all members of the fund are paid from a joint risk pool. The District has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums.

Note 10: Contingencies

The developer of the District is constructing water, sewer and drainage facilities within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds of future bond sales, to the extent approved by the Commission. The District's engineer has stated that current construction contract amounts are approximately $7,260,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

Note 11: Subsequent Event

Subsequent to year-end, the District issued its Series 2022 Bond Anticipation Note in the amount of $6,975,000, bearing interest at a rate of 4.22 percent. The note was issued to repay the District's developer for facilities constructed within the District.

Note 12: Adoption of New Accounting Standard

Effective August 1, 2021, the District adopted new accounting and financial reporting guidance, Governmental Accounting Standards Board Statement No. 87 (Statement No. 87), *Leases*.

Statement No. 87 creates one model for recognizing leases for both lessees and lessors. Substantially all leases are recognized on the lessee's statement of net position. In the activity statement, lessees no longer report lease expense for the previously classified operating leases but instead report interest expense on the liability and amortization expense related to the asset. As a result of the adoption of Statement No. 87, the District increased beginning capital and lease assets by $866,105, decreased beginning prepaid expenses by $15,500 and increased beginning long-term liabilities by $850,605 as of August 1, 2021.

There was no effect on beginning net position as a result of the adoption of Statement No. 87.

Required Supplementary Information

Fort Bend County Municipal Utility District No. 5

Budgetary Comparison Schedule – General Fund

Year Ended July 31, 2022

	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	$ 1,339,688	$ 1,482,326	$ 142,638
Water service	175,200	224,144	48,944
Sewer service	483,000	551,752	68,752
Surface water conversion	294,000	342,708	48,708
Penalty and interest	14,400	16,697	2,297
Tap connection and inspection fees	37,200	96,251	59,051
Investment income	240	10,191	9,951
Other income	10,440	13,784	3,344
Total revenues	2,354,168	2,737,853	383,685
Expenditures			
Service operations:			
Regional water fee	288,000	375,988	(87,988)
Professional fees	137,000	115,834	21,166
Contracted services	394,794	427,784	(32,990)
Utilities	104,400	103,906	494
Repairs and maintenance	593,020	672,022	(79,002)
Other expenditures	117,816	77,981	39,835
Tap connections	12,600	69,334	(56,734)
Capital outlay	620,000	529,964	90,036
Debt service, lease payments	186,000	183,000	3,000
Total expenditures	2,453,630	2,555,813	(102,183)
Excess (Deficiency) of Revenues Over Expenditures	(99,462)	182,040	281,502
Fund Balance, Beginning of Year	2,860,597	2,860,597	-
Fund Balance, End of Year	$ 2,761,135	$ 3,042,637	$ 281,502

Fort Bend County Municipal Utility District No. 5
Notes to Required Supplementary Information
July 31, 2022

Budgets and Budgetary Accounting

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during fiscal 2022.

The District prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedule - General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Other Information

Fort Bend County Municipal Utility District No. 5
Other Schedules Included Within This Report
July 31, 2022

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

[X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 15-30

[X] Schedule of Services and Rates

[X] Schedule of General Fund Expenditures

[X] Schedule of Temporary Investments

[X] Analysis of Taxes Levied and Receivable

[X] Schedule of Long-term Debt Service Requirements by Years

[X] Changes in Long-term Bonded Debt

[X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund – Five Years

[X] Board Members, Key Personnel and Consultants

Fort Bend County Municipal Utility District No. 5

Schedule of Services and Rates

Year Ended July 31, 2022

1. Services provided by the District:

X Retail Water	___ Wholesale Water	X Drainage
X Retail Wastewater	___ Wholesale Wastewater	___ Irrigation
X Parks/Recreation	___ Fire Protection	___ Security
X Solid Waste/Garbage	___ Flood Control	X Roads

___ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

___ Other ____________

2. Retail service providers

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

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate Per 1,000 Gallons Over Minimum	Usage Levels		
Water:	$ 9.50	6,000	N	$ 1.25	6,001	to	10,000
				$ 1.50	10,001	to	15,000
				$ 1.75	15,001	to	20,000
				$ 2.00	20,001	to	No Limit
Wastewater:	$ 36.00	1	Y				
City of Rosenberg GRP fee:	$ 2.86	1	N	$ 2.86	1	to	No Limit

Does the District employ winter averaging for wastewater usage? Yes ___ No X

Total charges per 10,000 gallons usage (including fees): Water $ 43.10 Wastewater $ 36.00

b. Water and wastewater retail connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC*
Unmetered	-	-	x1.0	-
≤ 3/4"	1,324	1,313	x1.0	1,313
1"	13	13	x2.5	33
1 1/2"	4	4	x5.0	20
2"	24	24	x8.0	192
3"	-	-	x15.0	-
4"	1	1	x25.0	25
6"	-	-	x50.0	-
8"	-	-	x80.0	-
10"	-	-	x115.0	-
Total water	1,366	1,355		1,583
Total wastewater	1,334	1,323	x1.0	1,323

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

Gallons pumped into the system:	136,731
Gallons billed to customers:	130,880
Water accountability ratio (gallons billed/gallons pumped):	95.72%

*"ESFC" means equivalent single-family connections

Fort Bend County Municipal Utility District No. 5
Schedule of General Fund Expenditures
Year Ended July 31, 2022

Personnel (including benefits)		$ -
Professional Fees		
Auditing	$ 18,900	
Legal	54,892	
Engineering	42,042	
Financial advisor	-	115,834
Purchased Services for Resale		
Bulk water and wastewater service purchases		-
Regional Water Fee		375,988
Contracted Services		
Bookkeeping	19,955	
General manager	-	
Appraisal district	-	
Tax collector	-	
Security	-	
Other contracted services	152,124	172,079
Utilities		103,906
Repairs and Maintenance		672,022
Administrative Expenditures		
Directors' fees	6,450	
Office supplies	5,293	
Insurance	26,475	
Other administrative expenditures	39,763	77,981
Capital Outlay		
Capitalized assets	512,000	
Expenditures not capitalized	17,964	529,964
Tap Connection Expenditures		69,334
Solid Waste Disposal		255,705
Fire Fighting		-
Parks and Recreation		-
Lease Payments		183,000
Total expenditures		$ 2,555,813

Fort Bend County Municipal Utility District No. 5

Schedule of Temporary Investments

July 31, 2022

	Interest Rate	Maturity Date	Face Amount	Accrued Interest Receivable
General Fund				
TexPool	2.12%	Demand	$ 2,961,791	$ -
Debt Service Fund				
TexPool	2.12%	Demand	2,098,061	-
Capital Projects Fund				
TexPool	2.12%	Demand	7,998	-
Totals			$ 5,067,850	$ 0

Fort Bend County Municipal Utility District No. 5

Analysis of Taxes Levied and Receivable

Year Ended July 31, 2022

	Maintenance Taxes	Debt Service Taxes
Receivable, Beginning of Year	$ 11,708	$ 14,808
Additions and corrections to prior years' taxes	(380)	(441)
Adjusted receivable, beginning of year	11,328	14,367
2021 Original Tax Levy	1,483,908	2,003,276
Additions and corrections	376	508
Adjusted tax levy	1,484,284	2,003,784
Total to be accounted for	1,495,612	2,018,151
Tax collections: Current year	(1,474,587)	(1,990,693)
Prior years	(7,739)	(9,904)
Receivable, end of year	$ 13,286	$ 17,554
Receivable, by Year		
2021	$ 9,697	$ 13,091
2020	2,540	3,236
2019	1,049	1,227
Receivable, end of year	$ 13,286	$ 17,554

Fort Bend County Municipal Utility District No. 5

Analysis of Taxes Levied and Receivable (Continued)

Year Ended July 31, 2022

	2021	2020	2019	2018
Property Valuations				
Land	$ 53,417,870	$ 47,697,120	$ 44,728,130	$ 39,341,150
Improvements	217,001,191	196,878,201	145,187,275	116,419,875
Personal property	1,427,690	1,254,920	873,430	783,350
Exemptions	(24,466,014)	(25,341,717)	(5,159,201)	(3,193,484)
Total property valuations	$ 247,380,737	$ 220,488,524	$ 185,629,634	$ 153,350,891
Tax Rates per $100 Valuation				
Debt service tax rates	$ 0.8100	$ 0.7900	$ 0.7600	$ 0.6700
Maintenance tax rates*	0.6000	0.6200	0.6500	0.7600
Total tax rates per $100 valuation	$ 1.4100	$ 1.4100	$ 1.4100	$ 1.4300
Tax Levy	$ 3,488,068	$ 3,108,888	$ 2,617,377	$ 2,192,918
Percent of Taxes Collected to Taxes Levied**	99%	99%	99%	100%

*Maximum tax rate approved by voters: $1.50 on November 7, 2006

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

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years

July 31, 2022

	Series 2015		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ 85,000	$ 88,277	$ 173,277
2024	90,000	85,780	175,780
2025	90,000	83,080	173,080
2026	95,000	80,234	175,234
2027	100,000	77,112	177,112
2028	105,000	73,650	178,650
2029	110,000	69,833	179,833
2030	115,000	65,725	180,725
2031	115,000	61,499	176,499
2032	120,000	57,000	177,000
2033	125,000	52,100	177,100
2034	135,000	46,900	181,900
2035	140,000	41,400	181,400
2036	145,000	35,700	180,700
2037	150,000	29,800	179,800
2038	155,000	23,700	178,700
2039	165,000	17,300	182,300
2040	170,000	10,600	180,600
2041	180,000	3,600	183,600
Totals	$ 2,390,000	$ 1,003,290	$ 3,393,290

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Series 2016		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ 140,000	$ 149,794	$ 289,794
2024	145,000	145,519	290,519
2025	150,000	141,093	291,093
2026	160,000	136,443	296,443
2027	165,000	131,362	296,362
2028	170,000	125,812	295,812
2029	175,000	119,881	294,881
2030	185,000	113,581	298,581
2031	190,000	106,900	296,900
2032	195,000	99,922	294,922
2033	205,000	92,544	297,544
2034	210,000	84,763	294,763
2035	220,000	76,563	296,563
2036	230,000	67,700	297,700
2037	235,000	58,400	293,400
2038	245,000	48,800	293,800
2039	255,000	38,800	293,800
2040	265,000	28,400	293,400
2041	275,000	17,428	292,428
2042	285,000	5,878	290,878
Totals	$ 4,100,000	$ 1,789,583	$ 5,889,583

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

Due During Fiscal Years Ending July 31	Series 2018 Principal Due September 1	Series 2018 Interest Due September 1, March 1	Series 2018 Total
2023	$ 85,000	$ 97,119	$ 182,119
2024	90,000	93,181	183,181
2025	90,000	89,356	179,356
2026	95,000	85,656	180,656
2027	100,000	82,256	182,256
2028	100,000	79,256	179,256
2029	105,000	76,116	181,116
2030	110,000	72,756	182,756
2031	115,000	69,169	184,169
2032	120,000	65,350	185,350
2033	120,000	61,375	181,375
2034	125,000	57,241	182,241
2035	130,000	52,856	182,856
2036	135,000	48,219	183,219
2037	140,000	43,406	183,406
2038	145,000	38,419	183,419
2039	150,000	33,256	183,256
2040	155,000	27,822	182,822
2041	165,000	22,022	187,022
2042	170,000	15,950	185,950
2043	175,000	9,697	184,697
2044	180,000	3,263	183,263
Totals	$ 2,800,000	$ 1,223,741	$ 4,023,741

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Series 2019		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ 180,000	$ 186,444	$ 366,444
2024	185,000	178,003	363,003
2025	190,000	169,330	359,330
2026	195,000	162,865	357,865
2027	205,000	158,615	363,615
2028	210,000	154,075	364,075
2029	220,000	149,237	369,237
2030	225,000	143,387	368,387
2031	235,000	136,487	371,487
2032	240,000	129,363	369,363
2033	250,000	122,013	372,013
2034	260,000	114,363	374,363
2035	270,000	106,413	376,413
2036	280,000	98,163	378,163
2037	290,000	89,613	379,613
2038	295,000	80,838	375,838
2039	310,000	71,763	381,763
2040	320,000	62,113	382,113
2041	330,000	51,956	381,956
2042	340,000	41,275	381,275
2043	355,000	29,981	384,981
2044	365,000	18,281	383,281
2045	380,000	6,175	386,175
Totals	$ 6,130,000	$ 2,460,753	$ 8,590,753

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Refunding Series 2019		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ 160,000	$ 71,688	$ 231,688
2024	170,000	66,737	236,737
2025	175,000	62,438	237,438
2026	180,000	57,987	237,987
2027	180,000	53,488	233,488
2028	190,000	49,787	239,787
2029	195,000	45,694	240,694
2030	195,000	40,575	235,575
2031	205,000	34,575	239,575
2032	215,000	28,275	243,275
2033	220,000	21,750	241,750
2034	230,000	15,000	245,000
2035	230,000	8,100	238,100
2036	155,000	2,325	157,325
Totals	$ 2,700,000	$ 558,419	$ 3,258,419

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

Due During Fiscal Years Ending July 31	Series 2020 Principal Due September 1	Series 2020 Interest Due September 1, March 1	Series 2020 Total
2023	$ 140,000	$ 157,975	$ 297,975
2024	145,000	151,206	296,206
2025	145,000	144,319	289,319
2026	150,000	137,313	287,313
2027	155,000	130,069	285,069
2028	160,000	122,588	282,588
2029	165,000	114,869	279,869
2030	175,000	106,794	281,794
2031	180,000	100,613	280,613
2032	185,000	96,507	281,507
2033	190,000	92,169	282,169
2034	195,000	87,475	282,475
2035	205,000	82,219	287,219
2036	210,000	76,512	286,512
2037	215,000	70,668	285,668
2038	225,000	64,618	289,618
2039	230,000	58,362	288,362
2040	240,000	51,600	291,600
2041	245,000	44,325	289,325
2042	255,000	36,825	291,825
2043	260,000	29,100	289,100
2044	270,000	21,150	291,150
2045	280,000	12,900	292,900
2046	290,000	4,350	294,350
Totals	$ 4,910,000	$ 1,994,526	$ 6,904,526

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Refunding Series 2021		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ 65,000	$ 30,075	$ 95,075
2024	65,000	28,125	93,125
2025	65,000	26,175	91,175
2026	70,000	24,150	94,150
2027	75,000	22,350	97,350
2028	75,000	20,850	95,850
2029	80,000	19,300	99,300
2030	80,000	17,700	97,700
2031	85,000	16,050	101,050
2032	90,000	14,300	104,300
2033	85,000	12,550	97,550
2034	90,000	10,800	100,800
2035	95,000	8,950	103,950
2036	100,000	7,000	107,000
2037	95,000	5,050	100,050
2038	100,000	3,100	103,100
2039	105,000	1,050	106,050
Totals	$ 1,420,000	$ 267,575	$ 1,687,575

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Series 2021		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ 70,000	$ 66,000	$ 136,000
2024	85,000	64,450	149,450
2025	90,000	62,250	152,250
2026	90,000	59,550	149,550
2027	95,000	56,775	151,775
2028	100,000	54,350	154,350
2029	100,000	52,350	152,350
2030	105,000	50,300	155,300
2031	105,000	48,200	153,200
2032	110,000	46,050	156,050
2033	115,000	43,800	158,800
2034	115,000	41,500	156,500
2035	120,000	39,150	159,150
2036	125,000	36,700	161,700
2037	130,000	34,150	164,150
2038	130,000	31,550	161,550
2039	135,000	28,900	163,900
2040	140,000	26,150	166,150
2041	145,000	23,119	168,119
2042	150,000	19,800	169,800
2043	155,000	16,369	171,369
2044	155,000	12,881	167,881
2045	160,000	9,337	169,337
2046	165,000	5,681	170,681
2047	170,000	1,913	171,913
Totals	$ 3,060,000	$ 931,275	$ 3,991,275

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Series 2022		
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1, March 1	Total
2023	$ -	$ 150,096	$ 150,096
2024	135,000	193,494	328,494
2025	140,000	185,931	325,931
2026	145,000	178,094	323,094
2027	150,000	169,981	319,981
2028	155,000	163,531	318,531
2029	160,000	158,806	318,806
2030	165,000	153,931	318,931
2031	175,000	148,831	323,831
2032	180,000	143,281	323,281
2033	185,000	137,235	322,235
2034	195,000	130,700	325,700
2035	200,000	123,788	323,788
2036	205,000	116,572	321,572
2037	215,000	108,959	323,959
2038	225,000	100,844	325,844
2039	230,000	92,312	322,312
2040	240,000	83,200	323,200
2041	250,000	73,400	323,400
2042	260,000	63,200	323,200
2043	270,000	52,600	322,600
2044	280,000	41,600	321,600
2045	290,000	30,200	320,200
2046	300,000	18,400	318,400
2047	310,000	6,200	316,200
Totals	$ 5,060,000	$ 2,825,186	$ 7,885,186

Fort Bend County Municipal Utility District No. 5

Schedule of Long-term Debt Service Requirements by Years (Continued)

July 31, 2022

	Annual Requirements for All Series		
Due During Fiscal Years Ending July 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2023	$ 925,000	$ 997,468	$ 1,922,468
2024	1,110,000	1,006,495	2,116,495
2025	1,135,000	963,972	2,098,972
2026	1,180,000	922,292	2,102,292
2027	1,225,000	882,008	2,107,008
2028	1,265,000	843,899	2,108,899
2029	1,310,000	806,086	2,116,086
2030	1,355,000	764,749	2,119,749
2031	1,405,000	722,324	2,127,324
2032	1,455,000	680,048	2,135,048
2033	1,495,000	635,536	2,130,536
2034	1,555,000	588,742	2,143,742
2035	1,610,000	539,439	2,149,439
2036	1,585,000	488,891	2,073,891
2037	1,470,000	440,046	1,910,046
2038	1,520,000	391,869	1,911,869
2039	1,580,000	341,743	1,921,743
2040	1,530,000	289,885	1,819,885
2041	1,590,000	235,850	1,825,850
2042	1,460,000	182,928	1,642,928
2043	1,215,000	137,747	1,352,747
2044	1,250,000	97,175	1,347,175
2045	1,110,000	58,612	1,168,612
2046	755,000	28,431	783,431
2047	480,000	8,113	488,113
Totals	$ 32,570,000	$ 13,054,348	$ 45,624,348

Fort Bend County Municipal Utility District No. 5

Changes in Long-term Bonded Debt

Year Ended July 31, 2022

	Bond			
	Series 2011A	Series 2013	Series 2015	Series 2016
Interest rates	4.10%	2.75%	1.75% to 4.00%	2.000% to 4.125%
Dates interest payable	September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1
Maturity dates			September 1, 2022/2040	September 1, 2022/2041
Bonds outstanding, beginning of current year	$ 85,000	$ 50,000	$ 2,470,000	$ 4,235,000
Bonds sold during current year	-	-	-	-
Retirements, principal	85,000	50,000	80,000	135,000
Bonds outstanding, end of current year	$ 0	$ 0	$ 2,390,000	$ 4,100,000
Interest paid during current year	$ 1,743	$ 687	$ 90,425	$ 153,919

Paying agent's name and address:

Series 2011A - The Bank of New York Mellon Trust Company, N.A., Dallas, Texas
Series 2013 - Regions Bank, Houston, Texas
Series 2015 - Regions Bank, Houston, Texas
Series 2016 - Regions Bank, Houston, Texas
Series 2018 - Regions Bank, Houston, Texas
Series 2019 - Regions Bank, Houston, Texas
Series 2019R - Regions Bank, Houston, Texas
Series 2020 - Regions Bank, Houston, Texas
Series 2021R - Regions Bank, Houston, Texas

Bond authority:

	Utility Bonds	Park Bonds	Road Bonds	Refunding Bonds
Amount authorized by voters	$ 87,000,000	$ 3,000,000	$ 10,000,000	$ 60,000,000
Amount issued	$ 35,290,000	$ -	$ -	$ 310,000
Remaining to be issued	$ 51,710,000	$ 3,000,000	$ 10,000,000	$ 59,690,000

Debt service fund cash and temporary investment balances as of July 31, 2022:	$ 2,125,661
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 1,824,974

Issues

Series 2018	Series 2019	Refunding Series 2019	Series 2020	Refunding Series 2021
3.00% to 4.50%	2.125% to 4.625%	2.00% to 3.00%	2.25% to 4.75%	2.00% to 3.00%
September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1
September 1, 2022/2043	September 1, 2022/2044	September 1, 2022/2035	September 1, 2022/2045	September 1, 2022/2038
$ 2,880,000	$ 6,300,000	$ 2,770,000	$ 5,045,000	$ 1,425,000
-	-	-	-	-
80,000	170,000	70,000	135,000	5,000
$ 2,800,000	$ 6,130,000	$ 2,700,000	$ 4,910,000	$ 1,420,000
$ 100,831	$ 194,538	$ 75,137	$ 164,506	$ 31,125

Fort Bend County Municipal Utility District No. 5
Changes in Long-term Bonded Debt (Continued)
Year Ended July 31, 2022

	Bond Issues		
	Series 2021	Series 2022	Totals
Interest rates	2.00% to 3.00%	3.00% to 5.50%	
Dates interest payable	September 1/ March 1	September 1/ March 1	
Maturity dates	September 1, 2022/2046	September 1, 2023/2046	
Bonds outstanding, beginning of current year	$ 3,060,000	$ -	$ 28,320,000
Bonds sold during current year	-	5,060,000	5,060,000
Retirements, principal	-	-	810,000
Bonds outstanding, end of current year	$ 3,060,000	$ 5,060,000	$ 32,570,000
Interest paid during current year	$ 44,467	$ 0	$ 857,378

Paying agent's name and address:

Series 2021 - Regions Bank, Houston, Texas
Series 2022 - Regions Bank, Houston, Texas

Fort Bend County Municipal Utility District No. 5

Comparative Schedule of Revenues and Expenditures – General Fund

Five Years Ended July 31,

	Amounts				
	2022	2021	2020	2019	2018
General Fund					
Revenues					
Property taxes	$ 1,482,326	$ 1,365,963	$ 1,204,233	$ 1,165,096	$ 952,648
Water service	224,144	178,152	155,116	135,035	121,199
Sewer service	551,752	493,005	427,305	380,775	322,038
Regional water fee	342,708	291,157	269,467	195,899	195,189
Penalty and interest	16,697	12,686	14,992	13,776	11,507
Tap connection and inspection fees	96,251	100,347	78,015	143,502	89,361
Investment income	10,191	1,779	22,242	29,036	9,567
Other income	13,784	11,877	8,748	9,682	95,034
Total revenues	2,737,853	2,454,966	2,180,118	2,072,801	1,796,543
Expenditures					
Service operations:					
Regional water fee	375,988	291,429	279,581	205,938	184,870
Professional fees	115,834	126,587	123,198	176,281	117,352
Contracted services	427,784	359,534	310,833	295,251	257,996
Utilities	103,906	101,991	87,104	90,024	91,343
Repairs and maintenance	672,022	551,143	483,851	416,244	531,238
Other expenditures	77,981	93,165	95,254	90,073	81,134
Tap connections	69,334	64,675	55,625	103,325	53,450
Capital outlay	529,964	55,810	27,556	19,060	144,531
Debt service, lease payments	183,000	180,300	117,600	117,600	117,600
Total expenditures	2,555,813	1,824,634	1,580,602	1,513,796	1,579,514
Excess of Revenues Over Expenditures	182,040	630,332	599,516	559,005	217,029
Other Financing Sources (Uses)					
Interfund transfers in (out)	-	-	-	47,230	(52,000)
Repayment of developer advances	-	-	(116,000)	-	-
Total other financing sources (uses)	0	0	(116,000)	47,230	(52,000)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	182,040	630,332	483,516	606,235	165,029
Fund Balance, Beginning of Year	2,860,597	2,230,265	1,746,749	1,140,514	975,485
Fund Balance, End of Year	$ 3,042,637	$ 2,860,597	$ 2,230,265	$ 1,746,749	$ 1,140,514
Total Active Retail Water Connections	1,355	1,243	1,097	1,002	883
Total Active Retail Wastewater Connections	1,323	1,218	1,074	981	870

Percent of Fund Total Revenues				
2022	2021	2020	2019	2018
54.1 %	55.6 %	55.2 %	56.2 %	53.0 %
8.2	7.2	7.1	6.5	6.8
20.2	20.1	19.6	18.4	17.9
12.5	11.9	12.4	9.5	10.9
0.6	0.5	0.7	0.6	0.6
3.5	4.1	3.6	6.9	5.0
0.4	0.1	1.0	1.4	0.5
0.5	0.5	0.4	0.5	5.3
100.0	100.0	100.0	100.0	100.0
13.7	11.9	12.8	9.9	10.3
4.2	5.2	5.4	8.4	7.5
15.6	14.6	14.3	14.2	14.3
3.8	4.2	4.0	4.3	5.1
24.5	22.4	22.2	20.1	29.6
2.9	3.8	4.6	5.2	4.7
2.5	2.6	2.5	5.0	3.0
19.4	2.3	1.3	0.2	6.9
6.7	7.3	5.4	5.7	6.5
93.3	74.3	72.5	73.0	87.9
6.7 %	25.7 %	27.5 %	27.0 %	12.1 %

Fort Bend County Municipal Utility District No. 5

Comparative Schedule of Revenues and Expenditures – Debt Service Fund

Five Years Ended July 31,

	Amounts				
	2022	2021	2020	2019	2018
Debt Service Fund					
Revenues					
Property taxes	$ 2,000,597	$ 1,738,890	$ 1,406,212	$ 1,027,981	$ 978,155
Penalty and interest	13,879	14,352	10,289	10,407	7,737
Investment income	6,747	906	10,433	22,862	11,760
Total revenues	2,021,223	1,754,148	1,426,934	1,061,250	997,652
Expenditures					
Current:					
Professional fees	4,373	4,334	2,603	4,231	2,669
Contracted services	50,532	41,418	34,419	37,716	29,232
Other expenditures	8,932	6,658	3,364	3,072	2,326
Debt service:					
Principal retirement	810,000	645,000	460,000	340,000	370,000
Interest and fees	855,725	825,169	643,442	520,635	474,542
Debt issuance costs	-	128,818	-	147,519	-
Debt defeasance	-	-	-	20,000	-
Total expenditures	1,729,562	1,651,397	1,143,828	1,073,173	878,769
Excess (Deficiency) of Revenues Over Expenditures	291,661	102,751	283,106	(11,923)	118,883
Other Financing Sources (Uses)					
General obligation bonds issued	-	1,458,350	-	2,830,000	-
Premium on debt issued	-	7,188	-	384	-
Deposit with escrow agent	-	(1,303,898)	-	(2,682,018)	-
Total other financing sources	0	161,640	0	148,366	0
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	291,661	264,391	283,106	136,443	118,883
Fund Balance, Beginning of Year	1,819,595	1,555,204	1,272,098	1,135,655	1,016,772
Fund Balance, End of Year	$ 2,111,256	$ 1,819,595	$ 1,555,204	$ 1,272,098	$ 1,135,655

Percent of Fund Total Revenues				
2022	**2021**	**2020**	**2019**	**2018**
99.0 %	99.1 %	98.6 %	96.9 %	98.0 %
0.7	0.8	0.7	0.9	0.8
0.3	0.1	0.7	2.2	1.2
100.0	100.0	100.0	100.0	100.0
0.2	0.2	0.2	0.4	0.3
2.5	2.4	2.4	3.5	2.9
0.5	0.4	0.2	0.3	0.2
40.1	36.8	32.2	32.0	37.1
42.3	47.0	45.1	49.1	47.6
-	7.3	-	13.9	-
-	-	-	1.9	-
85.6	94.1	80.1	101.1	88.1
14.4 %	5.9 %	19.9 %	(1.1) %	11.9 %

Fort Bend County Municipal Utility District No. 5

Board Members, Key Personnel and Consultants

Year Ended July 31, 2022

Complete District mailing address:	Fort Bend County Municipal Utility District No. 5 c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	
District business telephone number:	713.860.6400	
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):		May 23, 2022
Limit on fees of office that a director may receive during a fiscal year:		$ 7,200

Board Members	Term of Office Elected & Expires	Fees*	Expense Reimbursements	Title at Year-end
Margaret F. Greenwood	Elected 05/20-05/24	$ 750	$ 174	President
Gary P. Smith	Elected 05/20-05/24	1,350	416	Vice President
Bobby J. Adams	Elected 05/22-05/26	1,800	2,022	Secretary
Nancy E. Hedrick	Elected 05/22-05/26	1,350	314	Assistant Vice President
John Metzger	Elected 05/22-05/26	1,200	335	Assistant Secretary

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

Fort Bend County Municipal Utility District No. 5

Board Members, Key Personnel and Consultants (Continued)

Year Ended July 31, 2022

Consultants	Date Hired	Fees and Expense Reimbursements	Title
Allen Boone Humphries Robinson LLP	05/23/06	$ 94,080 141,641	Attorney Bond Counsel
Fort Bend Central Appraisal District	Legislative Action	26,592	Appraiser
FORVIS, LLP	07/29/08	39,700	Auditor
McLennan & Associates, LP	06/16/06	28,550	Bookkeeper
Municipal Operations & Consulting, Inc.	09/22/11	638,719	Operator
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	01/19/07	4,373	Delinquent Tax Attorney
R.G. Miller Engineers, Inc.	05/23/06	97,042	Engineer
Robert W. Baird and Company, Inc.	02/26/15	131,769	Financial Advisor
Tax Tech, Inc.	06/16/06	31,098	Tax Assessor/ Collector

Investment Officer			
Jorge Diaz	01/30/17	N/A	Bookkeeper

APPENDIX B

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

ASSURED GUARANTY
MUNICIPAL

MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No: -N

BONDS: $ in aggregate principal amount of

Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, 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 Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the 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 AGM. 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 AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

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 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 AGM 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 of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount 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 or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

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

To the fullest extent permitted by applicable law, AGM 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 AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, 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, (a) 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 and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ________________________________
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100