

MINUTES

FORT BEND COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

September 10, 2025

The Board of Directors (the "Board") of Fort Bend County Water Control and Improvement District No. 2 (the "District") met in special session, open to the public, on the 10th day of September 2025, at the District Office at 2331 South Main, Stafford, Texas 77477, a meeting place inside the boundaries of the District, and the roll was called of the members of the Board:

John Rose	President
Jody Court	Vice President
Harvey Koudelka	Secretary
Linda Burks	Assistant Secretary
Vacant	Assistant Secretary

and all were present, thus constituting a quorum.

Also present were Owen Matherne, Sandra Castro, Nick Gwin, Mark Woodward and Amanda Boyd, employees of the District; Drew Crow of Quiddity Engineering, LLC ("Quiddity"); Leslie Cook of RBC Capital Markets; Katie Carner and Carli Trojcak of Allen Boone Humphries Robinson LLP ("ABHR"); and Greg McGrath of McGrath and Co., PLLC ("McGrath").

CALL MEETING TO ORDER

Director Rose called the meeting to order.

PLEDGE OF ALLEGIANCE

The Board and members present at the meeting cited the pledge of allegiance to the flag of our country and state.

PUBLIC COMMENTS

Director Rose offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make a public comment, Director Rose moved to the next agenda item.

MINUTES

The Board considered approving the minutes from the regular meeting. After review and discussion, Director Court moved to approve the minutes of the August 20, 2025, regular meeting. Director Koudelka seconded the motion. The motion carried unanimously.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2015 UNLIMITED TAX BONDS

Ms. Carner reviewed an Arbitrage Rebate Report for the District's Arbitrage Rebate Report for the District's Series 2015 Unlimited Tax Bonds. She noted that the Reports reflect no payments are due to the Internal Revenue Services.

SERIES 2025 UNLIMITED TAX BONDS, INCLUDING:

Ms. Cook discussed the procedures and proposed schedule for the issuance of the District's Unlimited Tax Bonds, Series 2025 (the "Series 2025 Bonds"). The Board discussed scheduling the next meeting to hold the bond sales on October 8, 2025 at 6:30 p.m.

Ms. Cook reviewed a draft Preliminary Official Statement and Official Notice of Sale for the District's issuance and sale of its Series 2025 Bonds.

Ms. Cook recommended the Board engage with Standard & Poor's Rating Services (S&P) and Moody's Investor Service ("Moody's") to perform the credit rating analysis for the Series 2025 Bonds.

Ms. Cook recommended that the Board appoint The Bank of New York Mellon Trust Company ("Bank of New York Mellon"), as the paying agent/registrar for the District's Series 2025 Bonds.

The Board considered authorizing the District's financial advisor to advertise the sale of the District's Series 2025 Bonds.

Following review and discussion, Director Court moved to: (1) approve the Preliminary Official Statement and Official Notice of Sale, subject to final review; (2) engage S&P and Moody's to perform the credit rating analysis for the District's Series 2025 Bonds; (3) appoint Bank of New York Mellon as the paying agent/registrar for the District's Series 2025 Bonds; and (4) authorize the District's financial advisor to advertise the sale of the District's Series 2025 Bonds. Director Burks seconded the motion. All Directors voted in favor of the motion, which passed unanimously.

DISCUSS 2025 TAX RATE FOR THE DISTRICT AND DEFINED AREA NO. 1, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's and Defined Area No.1 ("Defined Area") 2025 tax rates. Ms. Cook distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2025 debt service tax rate of \$ 0.2125 per \$100 of assessed valuation. She next recommended the Defined Area levy a 2025 debt service tax rate of \$ 0.5150 per assessed valuation. A copy of the debt service tax rate analysis is attached. Ms. Cook discussed the two-step process for setting the District's and Defined Area's tax rates.

Following review and discussion, Director Court moved to: (1) set the public hearing date for October 8, 2025; (2) authorize the tax assessor/collector to publish notice in the Fort Bend Independent of the District's meeting on October 8, 2025; and (3) set the proposed District's 2025 debt service tax rate of \$ 0.2125 per \$ 100 of assessed valuation, and to set the proposed Defined Area's 2025 debt service tax rate of \$ 0.5150 per assessed valuation. Director Koudelka seconded the motion, which passed unanimously.

ANNUAL REPORT TO BOND REVIEW BOARD

Ms. Carner presented a memorandum regarding the required submission of an annual report to the Bond Review Board containing certain information about the

District's voter-approved but unissued bonds, a copy of which is attached, and stated that ABHR will work with the District's consultants to prepare and submit the annual report by the September 30th deadline.

STA-MO PARK DEVELOPMENT BY THE CITY OF MISSOURI CITY WITHIN THE 5TH STREET WATER SUPPLY CORPORATION

Mr. Matherne updated the Board regarding the Sta-Mo Park development by the City of Missouri City within the boundaries of the Fifth Street Water Supply Corporation ("5th Street WSC"). After review and discussion, Director Rose moved to approve the water capacity request for the Sta-Mo park by the City of Missouri City subject to review of the District's Agreement with 5th Street WSC, review of the system capacity by the District Engineer and staff, and approval of Fort Bend County. Director Court seconded the motion. The motion carried unanimously.

RENEWAL OF DISTRICT'S GENERAL LIABILITY INSURANCE POLICIES

Mr. Matherne presented an insurance proposal from Arthur J. Gallagher & Company ("AJG") for renewal of the District's general liability insurance policies, effective September 30, 2025. After review and discussion, Director Court moved to approve the insurance renewal proposal from AJG and directed that the proposal be filed appropriately and retained in the District's official records. Director Koudelka seconded the motion, and the motion passed unanimously.

REVIEW BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2026

Ms. Castro presented the draft budget for the fiscal year ending September 30, 2026. Ms. Carner discussed the taxpayer impact statement document that accompanied the agenda. Following discussion, Director Rose made a motion to schedule a special meeting on September 17, 2025, at 5:30 p.m. to discuss and review the budget for the fiscal year ending September 30, 2026. Director Koudelka seconded the motion, which passed unanimously.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2025

Mr. McGrath presented and reviewed an engagement letter from McGrath to conduct the District's audit for the fiscal year ending September 30, 2025, for a fee not to exceed \$53,000.00. After review and discussion, Director Court moved to engage McGrath to conduct the District's audit for the 2025 fiscal year end, and direct that the letter be filed appropriately and retained in the District's official records. Director Burks seconded the motion, which passed unanimously.

GENERAL MANAGER'S REPORT

Mr. Matherne presented the General Manager's Report for August 2025, a copy of which is attached.

DISTRICT OPERATIONS

Mr. Matherne updated the Board regarding the facilities at the Francis Water plant.

Mr. Matherne updated the Board regarding the District's website and forthcoming improvements.

Mr. Matherne updated the Board regarding the Revised Total Coliform Rule Level Two Assessment Report that is being prepared by staff in response to the total coliform-positive samples collected.

Mr. Matherne discussed authorizing another staff member to act as an additional signor for the District's operating accounts that are held at Frost Bank ("Frost"). Upon review and discussion, Director Rose made a motion to (1) remove Mr. Jason Kirby, the District Engineer, from the District's general operating fund, surface water fund, and tax account with Frost; and (2) add Mr. Mark Woodward, the District's Environmental Services Supervisor, as an additional signor to all Frost accounts, as detailed above. Director Court seconded the motion, which passed unanimously.

Director Rose discussed the retiring of Dr. Robert Bostic, the Superintendent of the Stafford Municipal School District.

Director Rose discussed the District's fire hydrants and possibly getting a list of hydrants out of service for the City of Stafford's fire department.

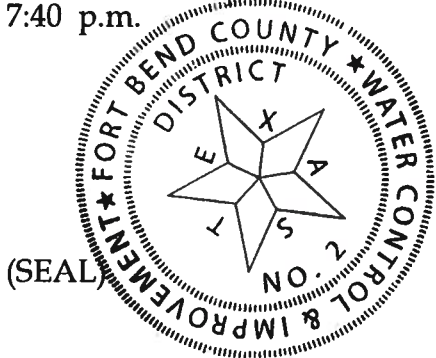
Ms. Carner updated the Board that the easement from Tau Central for the 8-inch Waterline Extension on Murphy Road was approved and executed by all parties and would be recorded. Mr. Crow stated the 8-inch Waterline Extension could now be completed and to do so would require a solicitation of three (3) bids to bring back to the Board for their consideration. The Directors agreed the previously approved project needed to be completed and approved by Quiddity to proceed with solicitation for bids.

Director Rose discussed the performance evaluation for the General Manager.

FUTURE AGENDA ITEMS


The Board concurred to hold their next meeting on September 17, 2025, at 5:30 p.m.

There being no further business to discuss, the meeting was adjourned at 7:40 p.m.





President, Board of Directors



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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TAXPAYER IMPACT STATEMENT

The Fort Bend County Water Control and Improvement District No. 2 does not levy an operations and maintenance tax to fund its operations and maintenance budget, and the proposed operations and maintenance budget will not impact the property tax bill of a homestead within the boundaries of the Fort Bend County Water Control and Improvement District No. 2.

	Current Budget Fiscal Year Ending September 2025	Proposed Budget Fiscal Year Ending September 2026	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$ 0	\$ 0	\$ 0

The Fort Bend County Water Control and Improvement District No. 2 Defined Area No. 1 does not levy an operations and maintenance tax to fund its operations and maintenance budget, and the proposed operations and maintenance budget will not impact the property tax bill of a homestead within the boundaries of the Fort Bend County Water Control and Improvement District No. 2 Defined Area No. 1.

DEFINED AREA NO. 1	Current Budget Fiscal Year Ending September 2025	Proposed Budget Fiscal Year Ending September 2026	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$ 0	\$ 0	\$ 0



Budget Book
Fiscal Year 2025-2026

DRAFT BUDGET

Proposed Budget
9/5/2025

REVENUE		Approved Budget	YTD EXP - 07/2025	Proposed Budget	BOD Recommendation
Account	Description	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
80 10-00 4201	WATER SERVICE REVENUE	\$ 7,000,000.00	\$ 5,593,000.24	\$ 7,000,000.00	\$ -
80 10-00 4205	GRP REVENUE				
80 10-00 4220	WTR-CONNECT & RE/CONNECT FEES	\$ 50,000.00	\$ 45,927.42	\$ 50,000.00	\$ -
80 10-00 4310	WATER SERVICE INSP FEE	\$ 9,000.00	\$ 11,450.00	\$ 9,000.00	\$ -
80 10-00 4710	WATER TAP CONNECTION FEES	\$ 750,000.00	\$ 522,669.63	\$ 500,000.00	\$ -
80 10-00 5195	INCOME FROM DISPOSED ASSETS	\$ -	\$ 1,651.00	\$ -	\$ -
TOTAL REVENUE		\$ 7,809,000.00	\$ 6,174,698.29	\$ 7,559,000.00	\$ -

EXPENDITURES					
80 10-00 6117	SALARIES-FIELD SERVICES	\$ 1,150,000.00	\$ 952,250.19	\$ 1,210,000.00	\$ -
80 10-00 6117	OVERTIME-FIELD SERVICES	\$ 125,000.00	\$ 63,054.84	\$ 100,000.00	\$ -
80 10-00 6120	FICA-EMPLOYERS PORTION	\$ 100,000.00	\$ 85,246.86	\$ 110,000.00	\$ -
80 10-00 6121	SUTA-STATE UNEMPLOYMENT TAX	\$ 13,000.00	\$ (3,503.03)	\$ 6,500.00	\$ -
80 10-00 6122	LONGEVITY	\$ 32,000.00	\$ 25,754.37	\$ 35,000.00	\$ -
80 10-00 6125	EMP/RETIREMENT EXP/FLD SRVCS	\$ 160,000.00	\$ 59,207.47	\$ 110,000.00	\$ -
80 10-00 6170	COST OF WATER CONNECTIONS	\$ 350,000.00	\$ 231,255.58	\$ 350,000.00	\$ -
80 10-00-6212	ADMINISTRATIVE EXPENSE /FLD SVC	\$ -	\$ 1,141.70	\$ 5,200.00	\$ -
80 10-00 6250	SMNARS & SCH EXP / FLD SERV	\$ 25,000.00	\$ 13,018.59	\$ 22,000.00	\$ -
80 10-00 6300	EMP/GRP MED,DNTL,SHRT TERM INS	\$ 350,000.00	\$ 189,423.97	\$ 350,000.00	\$ -
80 10-00 6304	WRKMN'S COMP INS/FIELD SERVCS	\$ 8,500.00	\$ 5,912.50	\$ 8,500.00	\$ -
80 10-00 6410	UTIL EXP/WTR SYSTEM PWR	\$ 570,000.00	\$ 394,482.88	\$ 570,000.00	\$ -
80 10-00 6430	COMMUNICATION EXP/WTR	\$ 65,000.00	\$ 59,944.32	\$ 65,000.00	\$ -
80 10-00 6510	O&M EXP/ FLD SERV	\$ 1,337,500.00	\$ 934,230.63	\$ 1,337,500.00	\$ -
80 10-00 6512	TRACTOR REPAIR & MTNCE-WTR	\$ 40,000.00	\$ 30,381.69	\$ 40,000.00	\$ -
80 10-00 6530	METER REPLACEMENT & REPAIR	\$ 600,000.00	\$ 488,501.72	\$ 600,000.00	\$ -
80 10-00 6540	CHEMICALS - WATER DEPT	\$ 90,000.00	\$ 85,564.50	\$ 94,500.00	\$ -
80 10-00 6610	WATER LABORATORY EXPENSE	\$ 70,000.00	\$ 37,366.51	\$ 73,500.00	\$ -
80 10-00 6618	GARBAGE PICK/UP EXPENSE	\$ 2,000.00	\$ 12,288.91	\$ 2,000.00	\$ -
80 10-00 6620	VEHICLE EXP / FIELD SERVICE	\$ 130,000.00	\$ 88,578.80	\$ 130,000.00	\$ -
80 10-00 6663	COMPUTER EXP-MAINT / FLD SERV	\$ 30,000.00	\$ 24,883.00	\$ 32,000.00	\$ -
80 10-00 6664	NEW EQUIPMENT - FLD SERVICE	\$ 125,000.00	\$ 122,309.64	\$ 95,000.00	\$ -
80 10-00 6676	UNIFORM EXP/FIELD SERVCS	\$ 15,000.00	\$ 6,087.92	\$ 15,000.00	\$ -
80 10-00 6677	OFFICE CLEANING EXP/FLD SERV	\$ 15,000.00	\$ 8,124.54	\$ 15,000.00	\$ -
80 10-00 6685	PERMIT FEES - WATER WORKS	\$ 110,000.00	\$ 36,103.00	\$ 90,000.00	\$ -
80 10-00 6687	SAFETY PROGRAM EXPENSE	\$ 12,500.00	\$ 7,030.76	\$ 21,000.00	\$ -
80 10-01 6510	O&M EXP/FLD SERV/ODOR CONTROL	\$ 35,000.00	\$ 10,170.00	\$ 25,000.00	\$ -
80 10-10 6510	O&M EXP/FLD SERV/SMALL TOOLS	\$ 5,000.00	\$ 526.37	\$ 5,000.00	\$ -
80 10-50 6510	O&M EXP/FLD SERV/SECURITY	\$ 75,000.00	\$ 57,385.25	\$ 75,000.00	\$ -
80 10-00 7100	CAPITAL OUTLAY & IMPROVEMENT	\$ 1,225,000.00	\$ 716,691.30	\$ 1,745,000.00	\$ -
80 10-00 7110	LAND, APPRAISAL, & ESMTS				
TOTAL EXPENSE		\$ 6,865,500.00	\$ 4,743,414.78	\$ 7,337,700.00	\$ -

REVENUE OVER(UNDER) EXPENDITURES	\$ 943,500.00	\$ 1,431,283.51	\$ 221,300.00	\$ -
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REVENUE		Approved Budget	YTD EXP - 07/2025	Proposed Budget	BOD Recommendation
Account	Description	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
80 20-00 4301	SEWER SERVICE REVENUE	\$ 5,375,000.00	\$ 4,492,970.07	\$ 5,375,000.00	\$ -
80 20-00 4305	INDUSTRIAL SURCHARGE	\$ 70,000.00	\$ 140,489.96	\$ 85,000.00	\$ -
80 20-00 4310	SWR SERV/GREASE TRAP INSP	\$ 45,000.00	\$ 37,800.00	\$ 45,000.00	\$ -
80 20-00-4730	SEWER LINE / CLEANING	\$ -	\$ 400.00	\$ -	\$ -
TOTAL REVENUE		\$ 5,490,000.00	\$ 4,671,660.03	\$ 5,505,000.00	\$ -

EXPENDITURES					
80 20-00 6117	SALARIES-WSTEWATER PLNT	\$ 410,000.00	\$ 370,963.37	\$ 475,000.00	\$ -
80 20-02 6117	SALARIES-WSTEWATER PLNT2	\$ 165,000.00	\$ 61,041.19	\$ 100,000.00	\$ -
80 20-00 6117	OVERTIME-WWTP 1	\$ 65,000.00	\$ 41,711.46	\$ 60,000.00	\$ -
80 20-02 6119	OVERTIME-WWTP 2	\$ 20,000.00	\$ 7,124.94	\$ 15,000.00	\$ -
80 20-00 6120	FICA - WWTP	\$ 40,000.00	\$ 32,818.08	\$ 45,000.00	\$ -
80 20-02 6120	FICA - WWTP 2	\$ 15,000.00	\$ 6,422.53	\$ 15,000.00	\$ -
80 20-00 6121	SUTA - WWTP	\$ 7,000.00	\$ (3,760.85)	\$ 3,000.00	\$ -
80 20-00 6122	LONGEVITY / WWTP 1	\$ 12,000.00	\$ 9,530.54	\$ 13,000.00	\$ -
80 20-02 6122	LONGEVITY / WWTP 2	\$ 5,200.00	\$ 1,776.94	\$ 4,000.00	\$ -
80 20-02 6123	SUTA - WWTP 2	\$ 3,000.00	\$ (3,768.92)	\$ 1,000.00	\$ -
80 20-00 6125	EMP RETIREMENT EXP/ WWTP 1	\$ 85,000.00	\$ 20,269.32	\$ 60,000.00	\$ -
80 20-02 6125	EMP RETIREMENT EXP/ WWTP 2	\$ 35,000.00	\$ 2,902.14	\$ 15,000.00	\$ -
80 20-00-6212	ADMINISTRATIVE EXPENSE / WTP	\$ -	\$ 570.84	\$ 2,600.00	\$ -
80 20-02-6212	ADMINISTRATIVE EXPENSE / WTP 2	\$ -	\$ 57.07	\$ 260.00	\$ -
80 20-00 6232	CONTRACTING SVCS	\$ 55,000.00	\$ 16,125.00	\$ 55,000.00	\$ -
80 20-00 6250	SMNARS & SCH EXP / WSTWTR PLNT	\$ 10,000.00	\$ 4,313.01	\$ 7,000.00	\$ -
80 20-02-6250	SEMINARS/MEMBERSHIP -WWTP 2	\$ -	\$ 854.49	\$ 3,000.00	\$ -
80 20-00 6300	EMP/GRP MED,DNTL,SHRT TERM,INS	\$ 80,000.00	\$ 46,789.00	\$ 80,000.00	\$ -
80 20-02 6300	EMP/GRP MED / WWTP 2	\$ 60,000.00	\$ 10,277.02	\$ 60,000.00	\$ -
80 20-00 6304	WRKMN'S COMP INS/WSTWTR PLANT	\$ 3,000.00	\$ 2,200.00	\$ 3,300.00	\$ -
80 20-00 6324	LABORATORY EXPENSE - WWTP 1	\$ 150,000.00	\$ 106,011.75	\$ 150,000.00	\$ -
80 20-02 6324	LABORATORY EXPENSE - WWTP 2	\$ 80,000.00	\$ 29,233.75	\$ 80,000.00	\$ -
80 20-00 6410	UTIL EXP/SWR SYSTEM PWR	\$ 300,000.00	\$ 211,041.20	\$ 300,000.00	\$ -
80 20-02 6410	UTIL EXP/SWR SYSTEM PWR/WWTP 2	\$ 275,000.00	\$ 87,665.44	\$ 235,000.00	\$ -
80 20-00 6420	UTIL EXP/NATURAL GAS	\$ 10,000.00	\$ 6,959.70	\$ 10,000.00	\$ -
80 20-02 6420	UTIL EXP/NATURAL GAS/WWTP 2	\$ 10,000.00	\$ 462.60	\$ 10,000.00	\$ -
80 20-00 6430	COMMUNICATION EXP /WWTP	\$ 16,000.00	\$ 8,649.96	\$ 14,000.00	\$ -
80 20-02 6430	COMMUNICATION EXP /WWTP 2	\$ 15,000.00	\$ 9,349.04	\$ 13,000.00	\$ -
80 20-00 6510	O&M EXP / WWTP	\$ 900,000.00	\$ 465,756.32	\$ 850,000.00	\$ -
80 20-02 6510	O&M EXP / WWTP 2	\$ 187,500.00	\$ 217,345.59	\$ 250,000.00	\$ -
80 20-00 6512	TRACTOR REPAIR & MTNCE-WWTP	\$ 10,000.00	\$ 5,493.47	\$ 10,000.00	\$ -
80 20-00 6540	CHEMICALS - WWTP 1	\$ 225,000.00	\$ 158,263.68	\$ 250,000.00	\$ -
80 20-02 6540	CHEMICALS - WWTP 2	\$ 90,000.00	\$ 75,100.69	\$ 100,000.00	\$ -
80 20-00 6618	GARBAGE PICK/UP WWTP	\$ 5,500.00	\$ 3,287.72	\$ 5,500.00	\$ -
80 20-02 6618	GARBAGE PICK/UP WWTP 2	\$ 5,500.00	\$ 3,337.50	\$ 5,500.00	\$ -
80 20-00 6620	VEHICLE EXP/WSTWTR PLNT	\$ 15,000.00	\$ 3,263.73	\$ 15,000.00	\$ -
80 20-02-6620	VEH EXP - WWTP 2	\$ -	\$ -	\$ -	\$ -
80 20-00 6625	SLUDGE DISPOSAL- WWTP 1	\$ 250,000.00	\$ 252,343.24	\$ 300,000.00	\$ -
80 20-02 6625	SLUDGE DISPOSAL- WWTP 2	\$ 120,000.00	\$ 104,602.69	\$ 125,000.00	\$ -
80 20-00 6663	COMPUTER EXP-MAINT / WWTP	\$ 10,000.00	\$ 15,079.27	\$ 10,000.00	\$ -
80 20-02 6663	COMPUTER EXP-MAINT / WWTP 2	\$ 10,000.00	\$ 5,295.26	\$ 10,000.00	\$ -
80 20-00 6664	NEW EQUIPMENT EXP / WWTP	\$ 25,000.00	\$ -	\$ 45,000.00	\$ -
80 20-02 6664	NEW EQUIPMENT EXP / WWTP 2	\$ 15,000.00	\$ -	\$ 5,000.00	\$ -
80 20-00 6676	UNIFORM EXP/WSTWTR PLANT	\$ 5,000.00	\$ 4,202.80	\$ 5,000.00	\$ -
80 20-02 6676	UNIFORM EXP/WSTWTR PLANT 2	\$ 2,500.00	\$ 1,104.92	\$ 2,500.00	\$ -
80 20-00 6677	OFFICE CLEANING EXPENSE WWTP	\$ 20,000.00	\$ 3,522.83	\$ 10,000.00	\$ -
80 20-00 6685	PERMIT FEES - WWTP 1	\$ 50,000.00	\$ 36,497.05	\$ 57,000.00	\$ -
80 20-02 6685	PERMIT FEES - WWTP 2	\$ 10,000.00	\$ 9,202.59	\$ 10,000.00	\$ -
80 20-00 6687	SAFETY PROGRAM EXPENSE	\$ 12,500.00	\$ 4,751.46	\$ 10,000.00	\$ -
80 20-01 6322	ENG FEES/COMPLIANCE MONITORING	\$ 165,000.00	\$ 149,845.00	\$ 270,000.00	\$ -
80 20-01 6510	O&M EXP/WWTP /ODOR CONTROL	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -
80 20-20 6510	O&M EXP/WTP/SMALL TOOLS	\$ 5,000.00	\$ 2,952.64	\$ 5,000.00	\$ -
80 20-50 6510	O&M EXP/WTP/SECURITY	\$ 30,000.00	\$ 13,176.75	\$ 30,000.00	\$ -
80 20-00 7100	CAP OTLY & IMPRV	\$ -	\$ -	\$ 70,000.00	\$ -
TOTAL EXPENSE		\$ 4,104,700.00	\$ 2,622,015.81	\$ 4,289,660.00	\$ -

REVENUE		Approved Budget	YTD EXP - 07/2025	Proposed Budget	BOD Recommendation
Account	Description	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
REVENUE OVER(UNDER) EXPENDITURES		\$ 1,385,300.00	\$ 2,049,644.22	\$ 1,215,340.00	\$ -

REVENUE		Approved Budget	YTD EXP - 07/2025	Proposed Budget	BOD Recommendation
Account	Description	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
80 30-00 4350	RETURN CHECK ACCT(HANDLING CHG	\$ 5,000.00	\$ 5,165.00	\$ 5,000.00	\$ -
80 30-00 4400	PENALTIES / LATE CHARGES	\$ 160,000.00	\$ 120,507.19	\$ 160,000.00	\$ -
80 30-00 4410	RATE ORDER VIOLATIONS-PENALTY	\$ 20,000.00	\$ 33,644.00	\$ 20,000.00	\$ -
80 30-00 4500	INTEREST INCOME	\$ 700,000.00	\$ 845,339.00	\$ 600,000.00	\$ -
80 30-00 4600	PLAN REVIEW FEE/LAND DEVELOPMT	\$ 7,500.00	\$ 4,650.00	\$ 7,500.00	\$ -
80 30-00 5120	GARBAGE - DISTRICT FEE	\$ 115,000.00	\$ 114,961.58	\$ 115,000.00	\$ -
80 30-00 5121	GARBAGE - CITY OF MISSOURI CITY	\$ 288,000.00	\$ 121,845.78	\$ -	\$ -
80 30-00 5122	GARBAGE - CITY OF STAFFORD	\$ 796,000.00	\$ 342,707.90	\$ -	\$ -
80 30-00 5123	GARBAGE - GFL ENVIRONMENTAL	\$ 164,000.00	\$ 71,179.24	\$ -	\$ -
80 30-00 5130	REVENUE / FEASIBILITY STUDIES	\$ -	\$ 3,000.00	\$ -	\$ -
80 30-00 5150	2% ADMN & INSP FEE	\$ -	\$ -	\$ -	\$ -
80 30-00 5190	MISC INCOME - REVENUE	\$ -	\$ 765.54	\$ -	\$ -
80 30-00 5191	DEVELOPER ADVANCE	\$ -	\$ (23,007.50)	\$ -	\$ -
80 30-00 5195	INCOME FROM DISPOSED ASSETS	\$ -	\$ 8,491.56	\$ -	\$ -
TOTAL REVENUE		\$ 2,255,500.00	\$ 1,649,249.29	\$ 907,500.00	\$ -

EXPENDITURES					
80 30-00 6117	SALARIES-OFFICE PERSONNEL	\$ 1,325,000.00	\$ 1,080,922.96	\$ 1,400,000.00	\$ -
80 30-00 6118	OVERTIME	\$ -	\$ 676.03	\$ 2,000.00	\$ -
80 30-00 6120	FICA-EMPLOYERS PORTION	\$ 105,000.00	\$ 85,109.60	\$ 112,000.00	\$ -
80 30-00 6121	SUTA-STATE UNEMPLOYMENT TAX	\$ 10,000.00	\$ (6,026.75)	\$ 7,500.00	\$ -
80 30-00 6122	LONGEVITY	\$ 33,000.00	\$ 24,221.66	\$ 33,000.00	\$ -
80 30-00 6125	EMP RETIREMENT EXP / ADMIN	\$ 160,000.00	\$ 37,264.80	\$ 150,000.00	\$ -
80 30-00 6126	HR SERVICES	\$ 55,000.00	\$ 44,470.89	\$ 60,000.00	\$ -
80 30-00 6201	BOARD OF DIRECTOR FEES	\$ 36,000.00	\$ 19,360.77	\$ 36,000.00	\$ -
80 30-00 6212	ADMINISTRATIVE EXPENSE	\$ 5,000.00	\$ 3,500.98	\$ 3,900.00	\$ -
80 30-00 6233	SALARIES / CONTRACT	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -
80 30-00 6250	SMNARS & SCH EXP / ADMIN OFC	\$ 30,000.00	\$ 7,367.07	\$ 30,000.00	\$ -
80 30-00 6260	HUMAN RESOURCES EXPENDITURES	\$ 5,000.00	\$ 2,788.80	\$ 5,000.00	\$ -
80 30-00 6300	EMP/GRP MED,DNTL,SHRT TERM INS	\$ 225,000.00	\$ 104,935.83	\$ 225,000.00	\$ -
80 30-00 6302	GENERAL LIABILITY-INSURANCE	\$ 235,000.00	\$ 179,266.70	\$ 235,000.00	\$ -
80 30-00 6304	WRKMN'S COMP INS/ADMIN OFC	\$ 7,500.00	\$ 5,637.50	\$ 7,500.00	\$ -
80 30-00 6320	LEGAL FEES	\$ 160,000.00	\$ 133,636.31	\$ 180,000.00	\$ -
80 30-00 6321	AUDIT FEES	\$ 58,000.00	\$ 50,000.00	\$ 58,000.00	\$ -
80 30-00 6322	ENGINEERING FEES	\$ 120,000.00	\$ 435,949.01	\$ 275,000.00	\$ -
80 30-00 6323	SOFTWARE SUBSCRIPTION	\$ -	\$ -	\$ 135,000.00	\$ -
80 30-00 6678	GARBAGE - DUE CITY OF MISSOURI CITY	\$ 288,000.00	\$ 121,845.78	\$ -	\$ -
80 30-00 6679	GARBAGE - DUE CITY OF STAFFORD	\$ 796,000.00	\$ 342,707.90	\$ -	\$ -
80 30-00 6682	GARBAGE - DUE GFL ENVIRONMENTAL	\$ 164,000.00	\$ 71,179.24	\$ -	\$ -
80 30-00 6410	UTIL EXP/OFC SYSTEM PWR & GAS	\$ 20,000.00	\$ 8,125.06	\$ 20,000.00	\$ -
80 30-00 6430	COMMUNICATION EXP/OFC	\$ 70,000.00	\$ 58,293.00	\$ 79,600.00	\$ -
80 30-00 6510	O&M EXP/ADMIN OFFICE	\$ 102,500.00	\$ 95,485.34	\$ 103,000.00	\$ -
80 30-00 6520	WATER CONSERVATION PROGRAM	\$ 12,000.00	\$ -	\$ 12,000.00	\$ -
80 30-00 6636	BILLING EXPENSE	\$ 105,000.00	\$ 91,204.92	\$ 105,000.00	\$ -
80 30-00 6639	BOARD MEETING EXPENSE	\$ 5,000.00	\$ 3,607.71	\$ 5,000.00	\$ -
80 30-00 6645	TELECHECK / BANK FEES	\$ 3,000.00	\$ 1,800.00	\$ 3,000.00	\$ -
80 30-00 6650	PSTGE EXP(WTR,SWR,OFC)	\$ 7,500.00	\$ 3,702.19	\$ 6,500.00	\$ -
80 30-00 6663	COMPUTER EXP-MAINT / ADMIN	\$ 115,000.00	\$ 82,914.33	\$ 115,000.00	\$ -
80 30-00 6676	UNIFORM EXP / ADMIN	\$ 3,000.00	\$ 345.79	\$ 3,000.00	\$ -
80 30-00 6677	OFFICE CLEANING EXPENSE	\$ 15,000.00	\$ 7,687.70	\$ 15,000.00	\$ -
80 30-00 6681	CREDIT CARD - CHARGE BACK	\$ 2,000.00	\$ 819.31	\$ 2,000.00	\$ -
80 30-00 6687	SAFETY PROGRAM EXPENSE	\$ 12,500.00	\$ 8,886.97	\$ 22,500.00	\$ -
80 30-00 7110	LAND, APPRAISAL, & EASEMENTS	\$ -	\$ 21,241.67	\$ 75,000.00	\$ -
80 30-00 9000	MISC - OTHER EXP	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
80 30-00 9100	DIST PERSONNEL RECOGNITION	\$ 25,000.00	\$ 24,661.29	\$ 35,000.00	\$ -
80 30-00 9130	LEGAL NOTICES	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
80 30-00 9140	PUBLICATIONS	\$ 10,000.00	\$ 995.00	\$ 10,000.00	\$ -
80 30-00 9142	BAD DEBT EXPENSE	\$ 1,500.00	\$ (1,505.85)	\$ 1,500.00	\$ -
80 30-00 9150	ELECTION EXPENSE	\$ -	\$ -	\$ 15,000.00	\$ -
80 30-00 9160	GEN OPERATING CONTINGENCIES	\$ 35,000.00	\$ -	\$ 35,000.00	\$ -
80 30-30 6510	O&M EXP/ADMIN OFC/FIXTURES	\$ 15,000.00	\$ -	\$ 15,000.00	\$ -
80 30-50 6510	O&M EXP/ADMIN OFC/SECURITY	\$ 20,000.00	\$ 25,651.85	\$ 30,000.00	\$ -
TOTAL EXPENSE		\$ 4,412,500.00	\$ 3,188,731.36	\$ 3,679,000.00	\$ -

REVENUE OVER(UNDER) EXPENDITURES \$ (2,157,000.00) \$ (1,539,482.07) \$ (2,771,500.00) \$ -

REVENUE		Approved Budget	YTD EXP - 07/2025	Proposed Budget	BOD Recommendation
Account	Description	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
80 70-10 4201	WATER SERVICE REVENUE	\$ 280,000.00	\$ 280,519.13	\$ 280,000.00	\$ -
80 70-10 4205	GRP FEES - FIFTH STREET	\$ -	\$ -	\$ -	\$ -
80 70-10 4220	WTR-CONNECT & RE/CONNECT FEES	\$ 3,500.00	\$ 2,490.48	\$ 3,000.00	\$ -
80 70-10 4310	WATER SERVICE INSP FEE	\$ 200.00	\$ 400.00	\$ 200.00	\$ -
80 70-10 4710	WATER TAP CONNECTION FEES	\$ -	\$ 37,634.30	\$ -	\$ -
80 70-20 4301	SEWER SERVICE REVENUE	\$ 255,000.00	\$ 251,710.46	\$ 255,000.00	\$ -
80 70-20 4310	SWR SERV/GREASE TRAP INSP	\$ 600.00	\$ 600.00	\$ 500.00	\$ -
80 70-30 4232	FIFTH ST MTNCE FUND	\$ 48,000.00	\$ 44,561.26	\$ 45,000.00	\$ -
80 70-30 4250	CPTL RECOVERY FEE/5TH ST	\$ -	\$ 1,450.00	\$ -	\$ -
80 70-30 4350	RETURN CHECK ACCT(HANDLING CHG	\$ 100.00	\$ 150.00	\$ 100.00	\$ -
80 70-30 4400	PENALTIES / LATE CHARGES	\$ 5,000.00	\$ 6,359.22	\$ 5,000.00	\$ -
TOTAL REVENUE		\$ 592,400.00	\$ 625,874.85	\$ 588,800.00	\$ -

EXPENDITURES					
80 70-10 6610	BACTERIOLOGICAL TESTING(5TH ST	\$ 2,500.00	\$ 853.00	\$ 2,500.00	\$ -
80 70-10 6685	PERMIT FEES - 5TH ST. AREA	\$ 2,000.00	\$ -	\$ 2,000.00	\$ -
80 70-20 6410	UTIL EXP/5TH ST AREA	\$ 10,000.00	\$ 5,443.43	\$ 9,000.00	\$ -
80 70-20 6430	COMMUNICATION EXP /5TH ST AREA	\$ 1,500.00	\$ 125.00	\$ 1,500.00	\$ -
80 70-30 6322	ENG FEES/ 5TH ST AREA	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
80 70-30 6324	LABORATORY EXP - 5TH ST AREA	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
80 70-30 6510	O&M EXP/FIFTH ST AREA	\$ 100,000.00	\$ 33,152.87	\$ 100,000.00	\$ -
80 70-30 6511	FIFTH ST AREA MAINTENANCE RESERVE	\$ 48,000.00	\$ -	\$ 48,000.00	\$ -
80 70-30 6636	BILLING EXP/5TH ST AREA	\$ 6,000.00	\$ 4,553.64	\$ 6,000.00	\$ -
80 70-30 9142	BAD DEBT EXPENSE	\$ -	\$ (4,015.85)	\$ -	\$ -
TOTAL EXPENSE		\$ 176,000.00	\$ 40,112.09	\$ 175,000.00	\$ -

REVENUE OVER(UNDER) EXPENDITURES		\$ 416,400.00	\$ 585,762.76	\$ 413,800.00	\$ -
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REVENUE		Approved Budget	YTD EXP - 07/2025	PROPOSED BUDGET	BOD Recommendation
Account	Description	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
85 00-00 4201	GRP REVENUE - MEADOWS PLACE	\$ 300,000.00	\$ 228,772.80	\$ 300,000.00	\$ -
85 00-00 4205	GRP REVENUE - DISTRICT	\$ 3,000,000.00	\$ 2,056,641.85	\$ 3,000,000.00	\$ -
85 00-00 4500	INTEREST INCOME / SWF	\$ 200,000.00	\$ 217,038.74	\$ 200,000.00	\$ -
TOTAL REVENUE		\$ 3,500,000.00	\$ 2,502,453.39	\$ 3,500,000.00	\$ -
			\$ 963,800.00		
EXPENDITURES			\$ 3,466,253.39		
85 00-00-6105	GROUNDWATER CREDIT				
85 00-00-6110	CAPITAL COST CREDIT- DISTRICT				
85 00-00 6117	SALARIES-SWTP PERSONNEL	\$ 480,000.00	\$ 316,865.21	\$ 480,000.00	\$ -
85 00-00 6118	OVERTIME-SWTP PERSONNEL	\$ 90,000.00	\$ 79,682.77	\$ 100,800.00	\$ -
85 00-00 6120	FICA-EMPLOYERS PORTION	\$ 45,000.00	\$ 32,182.63	\$ 45,000.00	\$ -
85 30-00 6121	SUTA-STATE UNEMPLOYMENT TAX	\$ 15,000.00	\$ 9,775.32	\$ 7,500.00	\$ -
85 00-00 6122	LONGEVITY	\$ 13,000.00	\$ 9,057.73	\$ 13,000.00	\$ -
85 30-00 6125	EMP RETIREMENT EXP / SWTP	\$ 85,000.00	\$ 27,950.81	\$ 60,000.00	\$ -
85-00-00-6212	ADMINISTRATIVE EXPENSE	\$ -	\$ -	\$ 1,040.00	\$ -
85 00-00 6250	SMNARS & SCH EXP / SWTP	\$ 5,000.00	\$ 840.10	\$ 5,000.00	\$ -
85 00-00 6300	EMP/GRP MED,DNTL,SHRT TERM INS	\$ 95,000.00	\$ 32,586.02	\$ 95,000.00	\$ -
85 00-00 6302	GEN LIABILITY INS - SWTP	\$ 55,000.00	\$ 35,000.00	\$ 55,000.00	\$ -
85 00-00 6304	WRKMN'S COMP INS/ SWTP	\$ 6,500.00	\$ 5,166.70	\$ 6,500.00	\$ -
85 00-00 6320	LEGAL FEES	\$ 5,000.00	\$ -	\$ -	\$ -
85 00-00 6322	ENGINEERING FEES/SWTP	\$ 50,000.00	\$ -	\$ 25,000.00	\$ -
85 00-00 6323	COST OF RAW WATER	\$ 2,165,000.00	\$ 1,925,317.02	\$ 1,250,000.00	\$ -
85 00-00 6324	LABORATORY EXPENSE - SWTP	\$ 130,000.00	\$ 95,792.73	\$ 130,000.00	\$ -
85 00-00 6410	UTIL EXP/SWTP SYSTEM PWR	\$ 115,000.00	\$ 85,641.86	\$ 115,000.00	\$ -
85 00-00 6430	COMMUNICATION EXP/ SWTP	\$ 15,000.00	\$ 5,919.82	\$ 15,000.00	\$ -
85 00-00 6510	O&M EXP / SWTP	\$ 487,500.00	\$ 234,572.19	\$ 400,000.00	\$ -
85 00-00 6512	TRACTOR REPAIR & MTNCE-SWTP	\$ 10,000.00	\$ 506.48	\$ 8,000.00	\$ -
85 00-00 6519	MEMBRANE MODULE REPLACEMENT				\$ -
85 00-00 6540	CHEMICALS - SWTP	\$ 750,000.00	\$ 539,362.14	\$ 775,000.00	\$ -
	GAC REPLACEMENT - SWTP				\$ -
85 00-00 6610	BACTERIOLOGICAL 1	\$ -	\$ 19.78	\$ -	\$ -
85 00-00 6618	GARBAGE PICK/UP EXENSE	\$ 2,000.00	\$ 795.24	\$ 2,000.00	\$ -
85 00-00 6620	VEHICLE EXP / SWTP	\$ 15,000.00	\$ 1,816.80	\$ 15,000.00	\$ -
85 00-00 6663	COMPUTER EXPENSE / MAINTENANCE	\$ 40,000.00	\$ 13,666.90	\$ 25,000.00	\$ -
85 00-00 6664	NEW EQUIPMENT EXP - SWTP				\$ -
85 00-00 6676	UNIFORM EXP/SWTP	\$ 4,000.00	\$ 2,050.64	\$ 4,000.00	\$ -
85 00-00 6677	OFFICE CLEANING EXPENSE	\$ 4,000.00	\$ 1,050.94	\$ 4,000.00	\$ -
85 00-00 6687	SAFETY PROGRAM EXPENSE	\$ 12,500.00	\$ -	\$ 8,000.00	\$ -
85 00-10 6510	O&M EXP/SMALL TOOLS & FIXTURES	\$ 2,000.00	\$ -	\$ 3,000.00	\$ -
85 00-50 6510	O&M EXP / SWTP SECURITY	\$ 12,000.00	\$ 3,350.00	\$ 12,000.00	\$ -
85 00-00 9000	MISC- OTHER EXPENSE				\$ -
TOTAL EXPENSES		\$ 4,708,500.00	\$ 3,458,969.83	\$ 3,659,840.00	\$ -
REVENUE OVER(UNDER) EXPENDITURES		\$ (1,208,500.00)	\$ (956,516.44)	\$ (159,840.00)	\$ -
			\$ 7,283.56		

SUMMARY	Approved Budget	YTD EXPENDITURES	PROPOSED BUDGET	AMENDED BUDET
	OCT2024-SEP2025	OCT2024-SEP2025	OCT2025-SEP2026	OCT2025-SEP2026
FIELD SERVICE	\$ 7,809,000.00	\$ 6,174,698.29	\$ 7,559,000.00	\$ -
WASTEWATER PLANT	\$ 5,490,000.00	\$ 4,671,660.03	\$ 5,505,000.00	\$ -
ADMINISTRATION	\$ 2,255,500.00	\$ 1,649,249.29	\$ 907,500.00	\$ -
FIFTH STREET AREA	\$ 592,400.00	\$ 625,874.85	\$ 588,800.00	\$ -
SURFACE WATER TREATMENT PLANT	\$ 3,500,000.00	\$ 2,502,453.39	\$ 3,500,000.00	\$ -
TOTAL REVENUE	\$ 19,646,900.00	\$ 15,623,935.85	\$ 18,060,300.00	\$ -
FIELD SERVICE	\$ 6,865,500.00	\$ 4,743,414.78	\$ 7,337,700.00	\$ -
WASTEWATER PLANT	\$ 4,104,700.00	\$ 2,622,015.81	\$ 4,289,660.00	\$ -
ADMINISTRATION	\$ 4,412,500.00	\$ 3,188,731.36	\$ 3,679,000.00	\$ -
FIFTH STREET AREA	\$ 176,000.00	\$ 40,112.09	\$ 175,000.00	\$ -
SURFACE WATER TREATMENT PLANT	\$ 4,708,500.00	\$ 3,458,969.83	\$ 3,659,840.00	\$ -
TOTAL EXPENSE	\$ 20,267,200.00	\$ 14,053,243.87	\$ 19,141,200.00	\$ -
REVENUE OVER(UNDER) EXPENDITURES	\$ (620,300.00)	\$ 1,570,691.98	\$ (1,080,900.00)	\$ -