




# **Harris County Municipal Utility District No. 200, of Harris County, Texas**

**Independent Auditor's Report, Financial Statements,  
and Supplementary Information**

May 31, 2025



**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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**May 31, 2025**

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## Independent Auditor's Report

Board of Directors  
Harris County Municipal Utility District No. 200,  
of Harris County, Texas

### ***Opinions***

We have audited the financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 200, of Harris County, Texas (District), as of and for the year ended May 31, 2025, 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 May 31, 2025, 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.

### ***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 schedules, as listed in the table of contents, be presented to supplement the basic financial schedules. 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 GAAS, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules required by the Texas Commission on Environmental Quality listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

***Forvis Mazars, LLP***

**Houston, Texas  
October 13, 2025**

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Management's Discussion and Analysis  
Year Ended May 31, 2025**

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***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 by the District's state oversight agency, the Texas Commission on Environmental Quality (Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities that 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.

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
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**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**

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**

	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 18,759,393	\$ 14,136,839
Capital assets	17,294,701	15,817,846
Total assets	<u>36,054,094</u>	<u>29,954,685</u>
Deferred outflows of resources	<u>119,167</u>	<u>142,171</u>
Total assets and deferred outflows of resources	<u>\$ 36,173,261</u>	<u>\$ 30,096,856</u>
Long-term liabilities	\$ 18,208,425	\$ 13,551,762
Other liabilities	<u>1,455,336</u>	<u>1,103,826</u>
Total liabilities	<u>19,663,761</u>	<u>14,655,588</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Management’s Discussion and Analysis  
Year Ended May 31, 2025**

**Summary of Net Position (Continued)**

	<u>2025</u>	<u>2024</u>
Net position		
Net investment in capital assets	\$ 4,048,110	\$ 4,322,962
Restricted	2,273,216	1,703,620
Unrestricted	<u>10,188,174</u>	<u>9,414,686</u>
Total net position	<u>\$ 16,509,500</u>	<u>\$ 15,441,268</u>

The total net position of the District increased by \$1,068,232, or about 7%. 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, as well as maintenance tax and service revenues exceeding service operations expenses. 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.

**Summary of Changes in Net Position**

	<u>2025</u>	<u>2024</u>
Revenues		
Property taxes	\$ 2,999,535	\$ 2,877,181
Sales tax rebates	106,426	101,453
Charges for services	4,155,058	3,621,072
Other revenues	<u>887,290</u>	<u>1,275,195</u>
Total revenues	<u>8,148,309</u>	<u>7,874,901</u>
Expenses		
Services	5,454,306	5,582,459
Depreciation	795,868	773,682
Debt service	<u>829,903</u>	<u>417,316</u>
Total expenses	<u>7,080,077</u>	<u>6,773,457</u>
Change in net position	1,068,232	1,101,444
Net position, beginning of year	<u>15,441,268</u>	<u>14,339,824</u>
Net position, end of year	<u>\$ 16,509,500</u>	<u>\$ 15,441,268</u>

***Financial Analysis of the District’s Funds***

The District’s combined fund balances as of the end of the fiscal year ended May 31, 2025 were \$17,195,524, an increase of \$4,243,076 from the prior year.

The general fund’s fund balance increased by \$755,757 primarily due to an interfund transfer from the capital projects fund.

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Management’s Discussion and Analysis  
Year Ended May 31, 2025**

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The special revenue fund’s fund balance increased by \$90,445 due to an increase in the District’s share of operating reserve.

The debt service fund’s fund balance increased by \$324,271 primarily due to property tax revenues exceeding bond principal and interest requirements.

The capital projects fund’s fund balance increased by \$3,072,603 primarily due to proceeds received from the sale of bonds exceeding capital outlay expenditures, debt issuance costs, and a transfer to the general fund.

**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 water service revenues and purchased services expenditures being greater than anticipated and property taxes, water and sewer service to others and tap connection inspection fees revenues, as well as capital outlay expenditures being less than anticipated. In addition, interfund transfers received and regional water fee expenditures incurred were not included in the budget. The fund balance as of May 31, 2025 was expected to be \$12,012,303, and the actual end-of-year fund balance was \$9,884,468.

**Capital Assets and Related Debt**

**Capital Assets**

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

**Capital Assets (Net of Accumulated Depreciation)**

	<u>2025</u>	<u>2024</u>
Land and improvements	\$ 1,458,710	\$ 1,458,710
Construction in progress	2,231,378	508,676
Water facilities	8,812,179	8,684,349
Wastewater facilities	4,598,400	4,963,441
Buildings and improvements	<u>194,034</u>	<u>202,670</u>
 Total capital assets	 <u>\$ 17,294,701</u>	 <u>\$ 15,817,846</u>

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

Construction in progress related to wastewater treatment plant replacement and hydropneumatic tank Nos. 1 and 2 replacement at water plant, No. 1	\$ 1,970,527
Emergency water well No. 3 rework	<u>302,196</u>
 Total additions to capital assets	 <u>\$ 2,272,723</u>

**Debt**

The changes in the debt position of the District during the fiscal year ended May 31, 2025 are summarized as follows.

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Management’s Discussion and Analysis  
Year Ended May 31, 2025**

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Long-term debt payable, beginning of year	\$ 13,551,762
Increases in long-term debt	5,320,450
Decreases in long-term debt	<u>(663,787)</u>
Long-term debt payable, end of year	<u>\$ 18,208,425</u>

At May 31, 2025, the District had \$67,885,000 of unlimited tax bonds authorized, but unissued, for the purpose of acquiring, constructing, and improving the water, sanitary sewer, and drainage systems within the District.

The District’s bonds carry an underlying rating of “A” from Standard & Poor’s. The Refunding Series 2016, Series 2017, and Series 2025 bonds carry a “AA” rating from Standard & Poor’s by virtue of bond insurance issued by Build America Mutual Assurance Co. The Refunding Series 2020 and Series 2020A bonds carry a “AA” rating from Standard & Poor’s by virtue of bond insurance issued by Assured Guaranty, Inc.

***Other Relevant Factors***

***Relationship to the City of Houston***

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

***Strategic Partnership Agreement***

Effective November 18, 2003, the District entered into a Strategic Partnership Agreement (SPA) with the City. Pursuant to the terms of the SPA, the City annexed certain portions of the District for limited purposes. The SPA provides for the levy of City sales tax on qualifying retail sales in the annexed portions of the District. The District will continue to provide water, sewer, and drainage services to all properties within its boundaries until full annexation occurs. During the year ended May 31, 2025, the District recorded revenue of \$106,426 under the SPA.

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**May 31, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>Assets</b>							
Cash	\$ 450,217	\$ 756,493	\$ 231,113	\$ 400	\$ 1,438,223	\$ -	\$ 1,438,223
Certificates of deposit	1,410,000	-	470,000	-	1,880,000	-	1,880,000
Short-term investments	8,141,016	-	875,936	5,701,337	14,718,289	-	14,718,289
Receivables							
Property taxes	111,096	-	84,652	-	195,748	-	195,748
Service accounts	308,096	-	-	-	308,096	-	308,096
Sales tax rebates	13,658	-	-	-	13,658	12,000	25,658
Accrued penalty and interest	-	-	-	-	-	38,871	38,871
Accrued interest	24,026	-	4,347	-	28,373	-	28,373
Interfund receivables	325,566	200,262	-	-	525,828	(525,828)	-
Due from others	61,044	-	-	-	61,044	-	61,044
Prepaid expenditures	57,538	-	-	-	57,538	-	57,538
Due from other districts	-	7,553	-	-	7,553	-	7,553
Capital assets (net of accumulated depreciation)							
Land and improvements	-	-	-	-	-	1,458,710	1,458,710
Construction in progress	-	-	-	-	-	2,231,378	2,231,378
Infrastructure	-	-	-	-	-	13,410,579	13,410,579
Buildings and improvements	-	-	-	-	-	194,034	194,034
<b>Total Assets</b>	<u>10,902,257</u>	<u>964,308</u>	<u>1,666,048</u>	<u>5,701,737</u>	<u>19,234,350</u>	<u>16,819,744</u>	<u>36,054,094</u>
<b>Deferred Outflows of Resources</b>							
Deferred amount on debt refundings	-	-	-	-	-	119,167	119,167
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 10,902,257</u>	<u>\$ 964,308</u>	<u>\$ 1,666,048</u>	<u>\$ 5,701,737</u>	<u>\$ 19,234,350</u>	<u>\$ 16,938,911</u>	<u>\$ 36,173,261</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**May 31, 2025**

**(Continued)**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
<b>Liabilities</b>							
Accounts payable	\$ 334,037	\$ 240,236	\$ 74,685	\$ -	\$ 648,958	\$ -	\$ 648,958
Accrued interest payable	-	-	-	-	-	138,086	138,086
Customer deposits	351,843	-	-	-	351,843	-	351,843
Due to participants	-	295,898	-	-	295,898	-	295,898
Due to others	40	-	-	-	40	-	40
Retainage payable	20,511	-	-	-	20,511	-	20,511
Interfund payables	200,262	-	30,648	294,918	525,828	(525,828)	-
Long-term liabilities							
Due within one year	-	-	-	-	-	650,000	650,000
Due after one year	-	-	-	-	-	17,558,425	17,558,425
<b>Total Liabilities</b>	<b>906,693</b>	<b>536,134</b>	<b>105,333</b>	<b>294,918</b>	<b>1,843,078</b>	<b>17,820,683</b>	<b>19,663,761</b>
<b>Deferred Inflows of Resources</b>							
Deferred property tax revenues	111,096	-	84,652	-	195,748	(195,748)	-
<b>Fund Balances/Net Position</b>							
Fund balances							
Nonspendable, prepaid expenditures	57,538	-	-	-	57,538	(57,538)	-
Restricted							
Unlimited tax bonds	-	-	1,476,063	-	1,476,063	(1,476,063)	-
Water, sewer, and drainage	-	-	-	5,406,819	5,406,819	(5,406,819)	-
Committed, wastewater collection and treatment	-	428,174	-	-	428,174	(428,174)	-
Unassigned	9,826,930	-	-	-	9,826,930	(9,826,930)	-
<b>Total Fund Balances</b>	<b>9,884,468</b>	<b>428,174</b>	<b>1,476,063</b>	<b>5,406,819</b>	<b>17,195,524</b>	<b>(17,195,524)</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 10,902,257</b>	<b>\$ 964,308</b>	<b>\$ 1,666,048</b>	<b>\$ 5,701,737</b>	<b>\$ 19,234,350</b>		
Net position							
Net investment in capital assets						4,048,110	4,048,110
Restricted for plant operations						428,174	428,174
Restricted for debt service						1,461,500	1,461,500
Restricted for capital projects						383,542	383,542
Unrestricted						10,188,174	10,188,174
<b>Total net position</b>						<b>\$ 16,509,500</b>	<b>\$ 16,509,500</b>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Statement of Activities and Governmental Funds Revenues,**  
**Expenditures, and Changes in Fund Balances**  
**Year Ended May 31, 2025**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
<b>Revenues</b>							
Property taxes	\$ 1,605,379	\$ -	\$ 1,310,947	\$ -	\$ 2,916,326	\$ 83,209	\$ 2,999,535
Sales tax rebates	100,642	-	-	-	100,642	5,784	106,426
Sewer surcharge	24,422	-	-	-	24,422	-	24,422
Water service	977,378	-	-	-	977,378	-	977,378
Sewer service	661,455	-	-	-	661,455	-	661,455
Garbage service	206,207	-	-	-	206,207	-	206,207
Regional water fee	1,871,941	-	-	-	1,871,941	-	1,871,941
Water and sewer service to others	282,631	2,860,689	-	-	3,143,320	(2,729,665)	413,655
Penalty and interest	104,996	-	49,135	-	154,131	15,413	169,544
Tap connection and inspection fees	29,205	-	-	-	29,205	-	29,205
Investment income	439,465	5,349	57,826	174,680	677,320	-	677,320
Other income	807	-	-	-	807	10,414	11,221
<b>Total Revenues</b>	<b>6,304,528</b>	<b>2,866,038</b>	<b>1,417,908</b>	<b>174,680</b>	<b>10,763,154</b>	<b>(2,614,845)</b>	<b>8,148,309</b>
<b>Expenditures/Expenses</b>							
Service operations							
Purchased services	4,029,259	-	-	-	4,029,259	(2,729,665)	1,299,594
Regional water fee	606,975	-	-	-	606,975	-	606,975
Professional fees	237,213	6,445	10,942	-	254,600	11,621	266,221
Contracted services	1,095,235	156,427	55,004	-	1,306,666	1,531	1,308,197
Utilities	105,438	90,247	-	-	195,685	-	195,685
Repairs and maintenance	813,443	627,230	-	-	1,440,673	21,793	1,462,466
Other expenditures	228,045	68,401	18,663	59	315,168	-	315,168
Capital outlay	93,931	1,917,288	-	296,449	2,307,668	(2,307,668)	-
Depreciation	-	-	-	-	-	795,868	795,868
Debt service							
Principal retirement	-	-	635,000	-	635,000	(635,000)	-
Interest and fees	-	-	374,028	-	374,028	70,655	444,683
Debt issuance costs	47,500	-	-	337,720	385,220	-	385,220
<b>Total Expenditures/Expenses</b>	<b>7,257,039</b>	<b>2,866,038</b>	<b>1,093,637</b>	<b>634,228</b>	<b>11,850,942</b>	<b>(4,770,865)</b>	<b>7,080,077</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(952,511)</b>	<b>-</b>	<b>324,271</b>	<b>(459,548)</b>	<b>(1,087,788)</b>	<b>2,156,020</b>	
<b>Other Financing Sources (Uses)</b>							
Interfund transfers in (out)	1,697,854	90,445	-	(1,788,299)	-	-	-
General obligation bonds issued	-	-	-	5,485,000	5,485,000	(5,485,000)	-
Discount on debt issued	-	-	-	(164,550)	(164,550)	164,550	-
Insurance proceeds	10,414	-	-	-	10,414	(10,414)	-
<b>Total Other Financing Sources</b>	<b>1,708,268</b>	<b>90,445</b>	<b>-</b>	<b>3,532,151</b>	<b>5,330,864</b>	<b>(5,330,864)</b>	
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<b>755,757</b>	<b>90,445</b>	<b>324,271</b>	<b>3,072,603</b>	<b>4,243,076</b>	<b>(4,243,076)</b>	
<b>Change in Net Position</b>						<b>1,068,232</b>	<b>1,068,232</b>
<b>Fund Balances/Net Position</b>							
Beginning of year	9,128,711	337,729	1,151,792	2,334,216	12,952,448	-	15,441,268
End of year	\$ 9,884,468	\$ 428,174	\$ 1,476,063	\$ 5,406,819	\$ 17,195,524	\$ -	\$ 16,509,500

**Note 1. Nature of Operations and Summary of Significant Accounting Policies**

Harris County Municipal Utility District No. 200, of Harris County, Texas (District) was created by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality (Commission), effective October 8, 1980, in accordance with the Texas Water Code, Chapter 54. 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 and to provide such facilities and services to the customers of the District.

The District is governed by a Board of Directors (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.

The District is a participant in a joint wastewater treatment plant (Plant), which was formed to maintain and operate wastewater treatment facilities on behalf of all participants, as further described in Note 9. The Board has the responsibility of approving budgets, setting rates, and determining the day-to-day operations. The District retains an ongoing financial interest and responsibility. All financial transactions of the Plant are included in the special revenue fund. No separate financial statements are issued for the Plant. Additional financial information regarding the Plant may be obtained from Schwartz, Page & Harding, L.L.P., 1300 Post Oak Boulevard, Suite 2400, Houston, Texas 77056.

***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 that 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.

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Notes to Financial Statements**  
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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.

*Special Revenue Fund* – Accounts for revenues and expenditures involving specific revenue sources that are legally restricted to expenditures for specified purposes. The primary source of revenue is participant fees.

*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 are 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. Donations are recognized as revenues, net of estimated uncollectible

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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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. 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.

***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. 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, 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.

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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***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 and 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 May 31, 2025 include collections during the current period or within 60 days of year-end related to the 2024 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 May 31, 2025, the 2024 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 is not capitalized.

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

Water production and distribution facilities	10–45 years
Wastewater collection and treatment facilities	10–45 years
Buildings and improvements	10–40 years

***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.

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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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, it is generally 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 assets used in governmental activities are not financial resources and are not reported in the funds.	\$ 17,294,701
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	195,748
Certain sales tax rebate receivables are not receivable in the current period and are not reported in the funds.	12,000
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the funds.	38,871
Deferred amount on debt refundings for governmental activities are not financial resources and are not reported in the funds.	119,167
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.	(138,086)
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.	<u>(18,208,425)</u>
Adjustment to fund balances to arrive at net position.	<u><u>\$ (686,024)</u></u>

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 of the items on the following page.

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Change in fund balances. \$ 4,243,076

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 expense. This is the amount by which capital outlay expenditures exceeded depreciation expense and noncapitalized costs in the current period. 1,476,855

Governmental funds report proceeds from the sales of bonds because they provide current financial resources to governmental funds. Principal payments on debt are reported as expenditures. None of these transactions, however, have an effect on net position. (4,850,000)

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. 164,550

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. 104,406

Some expenses previously reported in the statement of activities are reported as expenditures in governmental funds. (70,655)

Change in net position of governmental activities. \$ 1,068,232

**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 May 31, 2025, 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

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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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 Texas CLASS, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Trustees, elected by the participants, has oversight of Texas CLASS. The District’s investments may be redeemed at any time. Texas CLASS attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques and limits its investments in any issuer to the top two ratings issued by nationally recognized statistical rating organizations. The District’s investments in Texas CLASS are reported at net asset value.

At May 31, 2025, the District had the following investments and maturities:

<u>Type</u>	<u>Fair Value</u>	<u>Maturities in Years</u>			
		<u>Less Than 1</u>	<u>1–5</u>	<u>6–10</u>	<u>More Than 10</u>
Texas CLASS	<u>\$ 14,718,289</u>	<u>\$ 14,718,289</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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 May 31, 2025, the District’s investments in Texas CLASS 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 at May 31, 2025 as follows:

Carrying value	
Deposits	\$ 3,318,223
Investments	<u>14,718,289</u>
Total	<u>\$ 18,036,512</u>

Included in the following statement of net position captions:

Cash	\$ 1,438,223
Certificates of deposit	1,880,000
Short-term investments	<u>14,718,289</u>
Total	<u>\$ 18,036,512</u>

***Investment Income***

Investment income of \$677,320 for the year ended May 31, 2025 consisted of interest income.

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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**Fair Value Measurements**

The District has the following recurring fair value measurements as of May 31, 2025:

- Pooled investments of \$14,718,289 are valued at fair value per share of the pool’s underlying portfolio.

**Note 3. Capital Assets**

A summary of changes in capital assets for the year ended May 31, 2025 is presented below:

<u>Governmental Activities</u>	<u>Balances, Beginning of Year</u>	<u>Additions</u>	<u>Reclassifi- cations</u>	<u>Balances, End of Year</u>
Capital assets, non-depreciable				
Land and improvements	\$ 1,458,710	\$ -	\$ -	\$ 1,458,710
Construction in progress	508,676	1,970,527	(247,825)	2,231,378
Total capital assets, non-depreciable	<u>1,967,386</u>	<u>1,970,527</u>	<u>(247,825)</u>	<u>3,690,088</u>
Capital assets, depreciable				
Water production and distribution facilities	15,297,697	302,196	247,825	15,847,718
Wastewater collection and treatment facilities	10,580,051	-	-	10,580,051
Buildings and improvements	324,280	-	-	324,280
Total capital assets, depreciable	<u>26,202,028</u>	<u>302,196</u>	<u>247,825</u>	<u>26,752,049</u>
Less accumulated depreciation				
Water production and distribution facilities	(6,613,348)	(422,191)	-	(7,035,539)
Wastewater collection and treatment facilities	(5,616,610)	(365,041)	-	(5,981,651)
Buildings and improvements	(121,610)	(8,636)	-	(130,246)
Total accumulated depreciation	<u>(12,351,568)</u>	<u>(795,868)</u>	<u>-</u>	<u>(13,147,436)</u>
Total governmental activities, net	<u>\$ 15,817,846</u>	<u>\$ 1,476,855</u>	<u>\$ -</u>	<u>\$ 17,294,701</u>

**Note 4. Long-Term Liabilities**

Changes in long-term liabilities for the year ended May 31, 2025 were as follows:

<u>Governmental Activities</u>	<u>Balances, Beginning of Year</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balances, End of Year</u>	<u>Amounts Due in One Year</u>
Bonds payable					
General obligation bonds	\$ 13,500,000	\$ 5,485,000	\$ 635,000	\$ 18,350,000	\$ 650,000
Add premiums on bonds	187,704	-	35,444	152,260	-
Less discounts on bonds	135,942	164,550	6,657	293,835	-
Total governmental activities long-term liabilities	<u>\$ 13,551,762</u>	<u>\$ 5,320,450</u>	<u>\$ 663,787</u>	<u>\$ 18,208,425</u>	<u>\$ 650,000</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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**May 31, 2025**

**General Obligation Bonds**

	<u>Refunding Series 2016</u>	<u>Series 2017</u>
Amounts outstanding, May 31, 2025	\$2,110,000	\$1,795,000
Interest rates	4.00%	3.00% to 3.50%
Maturity dates, serially beginning/ending	April 1, 2026/2029	April 1, 2026/2040
Interest payment dates	October 1/April 1	October 1/April 1
Callable dates*	April 1, 2023	April 1, 2024
	<u>Refunding Series 2020</u>	<u>Series 2020A</u>
Amounts outstanding, May 31, 2025	\$1,755,000	\$7,205,000
Interest rates	2.00% to 2.50%	2.00% to 2.50%
Maturity dates, serially beginning/ending	April 1, 2026/2033	April 1, 2030/2042
Interest payment dates	October 1/April 1	October 1/April 1
Callable dates*	April 1, 2025	April 1, 2026
		<u>Series 2025</u>
Amount outstanding, May 31, 2025		\$5,485,000
Interest rates		4.00% to 6.50%
Maturity dates, serially beginning/ending		April 1, 2030/2049
Interest payment dates		October 1/April 1
Callable date*		April 1, 2031

\*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 May 31, 2025.

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 650,000	\$ 618,237	\$ 1,268,237
2027	680,000	551,313	1,231,313
2028	705,000	526,413	1,231,413
2029	735,000	500,512	1,235,512
2030	760,000	473,413	1,233,413
2031–2035	4,005,000	2,068,484	6,073,484
2036–2040	4,620,000	1,520,640	6,140,640
2041–2045	3,520,000	906,498	4,426,498
2046–2049	2,675,000	281,944	2,956,944
Total	<u>\$ 18,350,000</u>	<u>\$ 7,447,454</u>	<u>\$ 25,797,454</u>

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.

Bonds voted	\$ 107,700,000
Bonds sold	39,815,000
Refunding bonds voted	29,000,000
Refunding bond authorization used	140,000

**Note 5. Significant Bond Order and Commission Requirements**

The Bond Orders 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 May 31, 2025, the District levied an ad valorem debt service tax at the rate of \$0.2800 per \$100 of assessed valuation, which resulted in a tax levy of \$1,417,994 on the taxable valuation of \$506,427,736 for the 2024 tax year. The interest and principal requirements to be paid from the tax revenues and available resources are \$1,150,674, of which \$819,944 has been paid and \$330,730 is due October 1, 2025.

**Note 6. Maintenance Taxes**

At an election held November 3, 2015, voters authorized a maintenance tax not to exceed \$0.75 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended May 31, 2025, the District levied an ad valorem maintenance tax at the rate of \$0.3464 per \$100 of assessed valuation, which resulted in a tax levy of \$1,754,262 on the taxable valuation of \$506,427,736 for the 2024 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

**Note 7. Strategic Partnership Agreement**

The District entered into a Strategic Partnership Agreement (SPA) with the City of Houston (City) effective November 18, 2003. Pursuant to the terms of the SPA, the City annexed certain portions of the District for limited purposes. The SPA provides for the levy of City sales tax on qualifying retail sales in the annexed portions of the

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
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District. The District will continue to provide water, sewer, and drainage services to all properties within its boundaries unless and until full annexation of the District occurs. During the current year, the District recorded \$106,426 in revenues related to the SPA.

**Note 8. Regional Water Authority**

The District is a member of the Central Harris County Regional Water Authority (Authority), which was created by the Texas Legislature effective September 1, 2005. The Authority has contracted with the City to provide surface water to collectively (i) reduce groundwater withdrawals, (ii) facilitate compliance with certain regulatory requirements of the Harris-Galveston Subsidence District, and (iii) coordinate the provision of services, facilities, and systems in connection therewith. As of May 31, 2025, the Authority was billing the District \$3.86 per 1,000 gallons of water pumped from its wells and \$4.20 for surface water purchased from the Authority. The fees will be used to pay costs of operating the Authority and are subject to future increases.

**Note 9. Contracts With Other Districts**

***Water Supply Contracts***

On March 19, 1985, the District entered into an interim water supply contract with Harris County Municipal Utility District No. 205 (District No. 205). The contract was amended and restated September 21, 1993. Effective January 10, 2002, the interim contract was superseded by a permanent water supply agreement between the parties. The agreement was amended August 17, 2004 and again May 18, 2010. Under the permanent water supply agreement, the District agrees to provide water to District No. 205 in the maximum amount of 714,000 gallons per day (gpd) with a minimum monthly payment of \$1,000. The water supply rate charged is to be recalculated and revised annually, beginning December 1, 2003. As of May 31, 2025, the District was charging District No. 205 a rate of \$6.85 per 1,000 gallons of water supplied. During the current year, the District billed \$109,088 to District No. 205 for water.

The District entered into a water supply contract with Harris County Municipal Utility District No. 399 (District No. 399). Under the water supply agreement, the District agrees to provide water to District No. 399 at a rate to be recalculated and revised annually during the term of the agreement. As of May 31, 2025, the District was charging District No. 399 a rate of \$6.85 per 1,000 gallons of water supplied. During the current year, the District billed \$173,543 to District No. 399 for water.

***Wastewater Treatment Plant***

On January 26, 1982, and as amended October 21, 1986, December 1, 1989, August 31, 2009, and April 25, 2016, the District and Harris County Municipal Utility District No. 215 (District No. 215) entered into an agreement to expand the District's existing 750,000 gpd wastewater treatment plant by 1,100,000 gpd. The expansion was completed in a prior year, with the District owning 1,425,000 gpd capacity and District No. 215 owning 425,000 gpd capacity. The District is to operate and maintain the facility.

The 1989 amendment describes certain plant modifications and, upon completion of the modifications, revised the plant capacity to 1,440,000 gpd. The District's capacity in the facility has been reduced on a proportionate basis.

The District's share of fixed operating costs is based upon the proportionate ownership interest of each district. The District's share of variable operating costs is based on the District's percentage of sewage flow to the treatment facility. Transactions for the current year included in the special revenue fund are summarized as shown on the following page.

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	<u>The District</u>	<u>District No. 215</u>	<u>Total</u>
Receivable, beginning of year	\$ 59,679	\$ 28,279	\$ 87,958
Billings to participants	2,729,665	131,024	2,860,689
Payments by and credits to participants	<u>(2,589,082)</u>	<u>(151,750)</u>	<u>(2,740,832)</u>
Receivable, end of year	<u>\$ 200,262</u>	<u>\$ 7,553</u>	<u>\$ 207,815</u>

The District deposited \$428,174 and District No. 215 deposited \$37,253 in the special revenue fund to ensure that monthly expenditures would be paid on a timely basis.

**Note 10. Risk Management**

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

***Required Supplementary Information***

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Budgetary Comparison Schedule – General Fund**  
**Year Ended May 31, 2025**

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Property taxes	\$ 1,828,100	\$ 1,605,379	\$ (222,721)
Sales tax rebates	98,200	100,642	2,442
Sewer surcharge	29,700	24,422	(5,278)
Water service	841,600	977,378	135,778
Sewer service	639,500	661,455	21,955
Garbage service	203,200	206,207	3,007
Regional water fee	1,901,200	1,871,941	(29,259)
Water and sewer service to others	-	282,631	282,631
Penalty and interest	109,800	104,996	(4,804)
Tap connection and inspection fees	2,622,800	29,205	(2,593,595)
Investment income	462,400	439,465	(22,935)
Other income	900	807	(93)
<b>Total Revenues</b>	<u>8,737,400</u>	<u>6,304,528</u>	<u>(2,432,872)</u>
<b>Expenditures</b>			
Service operations			
Purchased services	2,849,608	4,029,259	(1,179,651)
Regional water fee	-	606,975	(606,975)
Professional fees	273,400	237,213	36,187
Contracted services	1,135,750	1,095,235	40,515
Utilities	123,200	105,438	17,762
Repairs and maintenance	795,400	813,443	(18,043)
Other expenditures	252,050	228,045	24,005
Tap connections	60,000	-	60,000
Capital outlay	784,100	93,931	690,169
Debt service, debt issuance costs	-	47,500	(47,500)
<b>Total Expenditures</b>	<u>6,273,508</u>	<u>7,257,039</u>	<u>(983,531)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>2,463,892</u>	<u>(952,511)</u>	<u>(3,416,403)</u>
<b>Other Financing Sources</b>			
Interfund transfers in	-	1,697,854	1,697,854
Insurance proceeds	-	10,414	10,414
<b>Total Other Financing Sources</b>	<u>-</u>	<u>1,708,268</u>	<u>1,708,268</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>2,463,892</u>	<u>755,757</u>	<u>(1,708,135)</u>
<b>Fund Balance, Beginning of Year</b>	<u>9,128,711</u>	<u>9,128,711</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 11,592,603</u>	<u>\$ 9,884,468</u>	<u>\$ (1,708,135)</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Budgetary Comparison Schedule – Special Revenue Fund**  
**Year Ended May 31, 2025**

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Sewer service	\$ 1,136,520	\$ 2,860,689	\$ 1,724,169
Investment income	-	5,349	5,349
Other income	400	-	(400)
	<u>1,136,920</u>	<u>2,866,038</u>	<u>1,729,118</u>
<b>Total Revenues</b>	<u>1,136,920</u>	<u>2,866,038</u>	<u>1,729,118</u>
<b>Expenditures</b>			
Service operations			
Professional fees	24,400	6,445	17,955
Contracted services	169,100	156,427	12,673
Utilities	108,600	90,247	18,353
Repairs and maintenance	724,700	627,230	97,470
Other expenditures	65,120	68,401	(3,281)
Capital outlay	45,000	1,917,288	(1,872,288)
	<u>1,136,920</u>	<u>2,866,038</u>	<u>(1,729,118)</u>
<b>Total Expenditures</b>	<u>1,136,920</u>	<u>2,866,038</u>	<u>(1,729,118)</u>
<b>Excess of Revenues Over Expenditures</b>	-	-	-
<b>Other Financing Sources</b>			
Interfund transfers in	-	90,445	90,445
	<u>-</u>	<u>90,445</u>	<u>90,445</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	-	90,445	90,445
<b>Fund Balance, Beginning of Year</b>	<u>337,729</u>	<u>337,729</u>	-
<b>Fund Balance, End of Year</b>	<u>\$ 337,729</u>	<u>\$ 428,174</u>	<u>\$ 90,445</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Notes to Required Supplementary Information**  
**May 31, 2025**

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***Budgets and Budgetary Accounting***

Annual operating budgets are prepared for the general and special revenue funds by the District's consultants. The budgets reflect resources expected to be received during the current year and expenditures expected to be incurred. The Board is required to adopt the budgets prior to the start of its fiscal year. The budgets are not a spending limitation (a legally restricted appropriation). The original budgets of the general fund and the special revenue fund were not amended during fiscal 2025.

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

***Supplementary Information***

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Other Schedules Included Within This Report**  
**May 31, 2025**

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(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 11–22
- [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 Schedules of Revenues and Expenditures – General Fund and Debt Service Fund –  
Five Years
- [X] Board Members, Key Personnel, and Consultants

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Services and Rates**  
**Year Ended May 31, 2025**

1. Services provided by the District

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> Retail Water   | <input checked="" type="checkbox"/> Wholesale Water | <input checked="" type="checkbox"/> Drainage |
| <input checked="" type="checkbox"/> Retail Wastewater  | <input type="checkbox"/> Wholesale Wastewater       | <input type="checkbox"/> Irrigation          |
| <input type="checkbox"/> Parks/Recreation  | <input type="checkbox"/> Fire Protection            | <input checked="" type="checkbox"/> Security |
| <input checked="" type="checkbox"/> Solid Waste/Garbage  | <input type="checkbox"/> Flood Control              | <input type="checkbox"/> Roads               |
| <input checked="" type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) |   |  |
| <input type="checkbox"/> Other _____   |   |  |

2. Retail service providers

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

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water:	\$ 9.89	10,000	N	\$ 0.90 \$ 1.10 \$ 1.50	10,001 to 20,000 20,001 to 30,000 30,001 to No Limit
Wastewater:	\$ 29.42	-	Y		
Regional water fee:	\$ 4.29	1,000	N	\$ 4.29	1,001 to No Limit

Does the District employ winter averaging for wastewater usage?

Yes  No

Total charges per 10,000 gallons usage (including fees):

Water \$ 52.79

Wastewater \$ 29.42

b. Water and wastewater retail connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC*</u>
Unmetered	-	-	x1.0	-
≤ 3/4"	1,118	1,107	x1.0	1,107
1"	12	8	x2.5	20
1 1/2"	13	13	x5.0	65
2"	44	39	x8.0	312
3"	2	2	x15.0	30
4"	12	12	x25.0	300
6"	4	4	x50.0	200
8"	1	1	x80.0	80
10"	-	-	x115.0	-
Total water	1,206	1,186		2,114
Total wastewater	1,171	1,162	x1.0	1,162

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

Gallons pumped into the system:

486,360

Gallons billed to customers:

479,755

Water accountability ratio (gallons billed/gallons pumped):

98.64%

\*"ESFC" means equivalent single-family connections

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of General Fund Expenditures**  
**Year Ended May 31, 2025**

<b>Personnel (including benefits)</b>		\$	-
<b>Professional Fees</b>			
Auditing	\$	25,700	
Legal		87,772	
Engineering		123,741	
Financial advisor		-	237,213
		<u>          </u>	
<b>Purchased Services for Resale</b>			
Bulk water and wastewater service purchases			4,029,259
<b>Regional Water Fee</b>			606,975
<b>Contracted Services</b>			
Bookkeeping		76,963	
General manager		-	
Appraisal district		-	
Tax collector		-	
Security		646,560	
Other contracted services		149,508	873,031
		<u>          </u>	
<b>Utilities</b>			105,438
<b>Repairs and Maintenance</b>			813,443
<b>Administrative Expenditures</b>			
Directors' fees		23,205	
Office supplies		17,369	
Insurance		61,907	
Other administrative expenditures		125,564	228,045
		<u>          </u>	
<b>Capital Outlay</b>			
Capitalized assets		72,138	
Expenditures not capitalized		21,793	93,931
		<u>          </u>	
<b>Tap Connection Expenditures</b>			-
<b>Solid Waste Disposal</b>			222,204
<b>Fire Fighting</b>			-
<b>Parks and Recreation</b>			-
<b>Other Expenditures</b>			47,500
			<u>          </u>
<b>Total Expenditures</b>		<u>\$</u>	<u>7,257,039</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Temporary Investments**  
**May 31, 2025**

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Face Amount</u>	<u>Accrued Interest Receivable</u>
<b>General Fund</b>				
Certificates of Deposit				
No. 2000000550	4.14%	12/05/25	\$ 235,000	\$ 2,186
No. 440068464	4.56%	09/15/25	235,000	2,143
No. 108679	4.10%	09/06/25	235,000	2,165
No. 6000028586	4.50%	07/05/25	235,000	4,172
No. 9009005965	5.01%	06/12/25	235,000	8,290
No. 6550134811	4.50%	06/06/25	235,000	5,070
Texas CLASS	4.42%	Demand	8,141,016	-
			<u>9,551,016</u>	<u>24,026</u>
<b>Debt Service Fund</b>				
Certificates of Deposit				
No. 440068340	4.56%	09/13/25	235,000	2,261
No. 6550150884	4.32%	09/17/25	235,000	2,086
Texas CLASS	4.42%	Demand	875,936	-
			<u>1,345,936</u>	<u>4,347</u>
<b>Capital Projects</b>				
Texas CLASS	4.42%	Demand	4,766,249	-
Texas CLASS	4.42%	Demand	935,088	-
			<u>5,701,337</u>	<u>-</u>
<b>Total</b>			<u>\$ 16,598,289</u>	<u>\$ 28,373</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Analysis of Taxes Levied and Receivable**  
**Year Ended May 31, 2025**

	<u>Maintenance Taxes</u>	<u>Debt Service Taxes</u>
<b>Receivable, Beginning of Year</b>	\$ 69,171	\$ 43,368
Additions and corrections to prior years' taxes	<u>(106,958)</u>	<u>(65,763)</u>
<b>Adjusted Receivable, Beginning of Year</b>	<u>(37,787)</u>	<u>(22,395)</u>
<b>2024 Original Tax Levy</b>	1,629,614	1,317,240
Additions and corrections	<u>124,648</u>	<u>100,754</u>
Adjusted tax levy	<u>1,754,262</u>	<u>1,417,994</u>
<b>Total to Be Accounted For</b>	1,716,475	1,395,599
Tax (collections) repayments: Current year	(1,673,524)	(1,352,733)
Prior years	<u>68,145</u>	<u>41,786</u>
<b>Receivable, End of Year</b>	<u>\$ 111,096</u>	<u>\$ 84,652</u>
<b>Receivable, by Years</b>		
2024	\$ 80,738	\$ 65,261
2023	17,754	10,753
2022	7,939	4,599
2021	1,237	867
2020	940	731
2019	869	733
2018	502	424
2017	485	502
2016	313	324
2015	242	258
2014	<u>77</u>	<u>200</u>
<b>Receivable, End of Year</b>	<u>\$ 111,096</u>	<u>\$ 84,652</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Analysis of Taxes Levied and Receivable**  
**Year Ended May 31, 2025**

**(Continued)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Property Valuations</b>				
Land	\$ 145,703,454	\$ 146,307,262	\$ 95,104,243	\$ 94,771,939
Improvements	423,514,071	447,515,325	421,950,801	363,145,978
Personal property	22,821,581	21,189,216	33,443,192	25,995,616
Exemptions	<u>(85,611,370)</u>	<u>(80,807,956)</u>	<u>(73,283,831)</u>	<u>(58,594,293)</u>
<b>Total Property Valuations</b>	<u>\$ 506,427,736</u>	<u>\$ 534,203,847</u>	<u>\$ 477,214,405</u>	<u>\$ 425,319,240</u>
<b>Tax Rates Per \$100 Valuation</b>				
Debt service tax rates	\$ 0.2800	\$ 0.2100	\$ 0.2100	\$ 0.2400
Maintenance tax rates*	<u>0.3464</u>	<u>0.3467</u>	<u>0.3625</u>	<u>0.3425</u>
<b>Total Tax Rates Per \$100 Valuation</b>	<u>\$ 0.6264</u>	<u>\$ 0.5567</u>	<u>\$ 0.5725</u>	<u>\$ 0.5825</u>
<b>Tax Levy</b>	<u>\$ 3,172,256</u>	<u>\$ 2,973,905</u>	<u>\$ 2,732,046</u>	<u>\$ 2,477,478</u>
<b>Percent of Taxes Collected to Taxes Levied**</b>	<u>95%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

\*Maximum tax rate approved by voters: \$0.75 on November 3, 2015

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

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2025**

<u>Due During Fiscal Years Ending May 31</u>	<u>Refunding Series 2016</u>		
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	<u>Total</u>
2026	\$ 485,000	\$ 84,400	\$ 569,400
2027	515,000	65,000	580,000
2028	540,000	44,400	584,400
2029	570,000	22,800	592,800
Totals	<u>\$ 2,110,000</u>	<u>\$ 216,600</u>	<u>\$ 2,326,600</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2025**

**(Continued)**

<u>Due During Fiscal Years Ending May 31</u>	<u>Series 2017</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ 100,000	\$ 57,688	\$ 157,688
2027	100,000	54,688	154,688
2028	100,000	51,687	151,687
2029	100,000	48,687	148,687
2030	105,000	45,687	150,687
2031	105,000	42,537	147,537
2032	105,000	39,387	144,387
2033	105,000	36,237	141,237
2034	135,000	33,087	168,087
2035	140,000	28,700	168,700
2036	140,000	24,150	164,150
2037	140,000	19,425	159,425
2038	140,000	14,700	154,700
2039	140,000	9,800	149,800
2040	140,000	4,900	144,900
Totals	<u>\$ 1,795,000</u>	<u>\$ 511,360</u>	<u>\$ 2,306,360</u>

Harris County Municipal Utility District No. 200, of Harris County, Texas  
 Schedule of Long-Term Debt Service Requirements by Years  
 May 31, 2025

(Continued)

Due During Fiscal Years Ending May 31	Refunding Series 2020		Total
	Principal Due April 1	Interest Due October 1, April 1	
2026	\$ 65,000	\$ 40,318	\$ 105,318
2027	65,000	39,018	104,018
2028	65,000	37,718	102,718
2029	65,000	36,418	101,418
2030	355,000	35,118	390,118
2031	370,000	27,575	397,575
2032	380,000	19,250	399,250
2033	390,000	9,750	399,750
Totals	\$ 1,755,000	\$ 245,165	\$ 2,000,165

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2025**

**(Continued)**

<u>Due During Fiscal Years Ending May 31</u>	<u>Series 2020A</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ -	\$ 163,783	\$ 163,783
2027	-	163,782	163,782
2028	-	163,783	163,783
2029	-	163,782	163,782
2030	250,000	163,783	413,783
2031	250,000	158,782	408,782
2032	250,000	153,783	403,783
2033	250,000	148,782	398,782
2034	575,000	143,658	718,658
2035	600,000	131,582	731,582
2036	620,000	118,683	738,683
2037	650,000	105,042	755,042
2038	685,000	90,418	775,418
2039	715,000	74,662	789,662
2040	750,000	57,860	807,860
2041	780,000	39,860	819,860
2042	830,000	20,750	850,750
Totals	<u>\$ 7,205,000</u>	<u>\$ 2,062,775</u>	<u>\$ 9,267,775</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2025**

**(Continued)**

<u>Due During Fiscal Years Ending May 31</u>	<u>Series 2025</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ -	\$ 272,048	\$ 272,048
2027	-	228,825	228,825
2028	-	228,825	228,825
2029	-	228,825	228,825
2030	50,000	228,825	278,825
2031	50,000	225,574	275,574
2032	50,000	222,325	272,325
2033	50,000	219,075	269,075
2034	100,000	216,200	316,200
2035	100,000	212,200	312,200
2036	100,000	208,200	308,200
2037	100,000	204,200	304,200
2038	100,000	200,200	300,200
2039	100,000	196,200	296,200
2040	100,000	192,200	292,200
2041	100,000	188,200	288,200
2042	100,000	184,200	284,200
2043	545,000	180,200	725,200
2044	570,000	158,400	728,400
2045	595,000	134,888	729,888
2046	625,000	110,344	735,344
2047	655,000	84,562	739,562
2048	680,000	57,544	737,544
2049	715,000	29,494	744,494
Totals	<u>\$ 5,485,000</u>	<u>\$ 4,411,554</u>	<u>\$ 9,896,554</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2025**

**(Continued)**

<u>Due During Fiscal Years Ending May 31</u>	<u>Annual Requirements For All Series</u>		
	<u>Total Principal Due</u>	<u>Total Interest Due</u>	<u>Total Principal and Interest Due</u>
2026	\$ 650,000	\$ 618,237	\$ 1,268,237
2027	680,000	551,313	1,231,313
2028	705,000	526,413	1,231,413
2029	735,000	500,512	1,235,512
2030	760,000	473,413	1,233,413
2031	775,000	454,468	1,229,468
2032	785,000	434,745	1,219,745
2033	795,000	413,844	1,208,844
2034	810,000	392,945	1,202,945
2035	840,000	372,482	1,212,482
2036	860,000	351,033	1,211,033
2037	890,000	328,667	1,218,667
2038	925,000	305,318	1,230,318
2039	955,000	280,662	1,235,662
2040	990,000	254,960	1,244,960
2041	880,000	228,060	1,108,060
2042	930,000	204,950	1,134,950
2043	545,000	180,200	725,200
2044	570,000	158,400	728,400
2045	595,000	134,888	729,888
2046	625,000	110,344	735,344
2047	655,000	84,562	739,562
2048	680,000	57,544	737,544
2049	715,000	29,494	744,494
Totals	<u>\$ 18,350,000</u>	<u>\$ 7,447,454</u>	<u>\$ 25,797,454</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas**  
**Changes in Long-Term Bonded Debt**  
**Year Ended May 31, 2025**

	<b>Bond</b>		
	<u>Refunding Series 2016</u>	<u>Series 2017</u>	<u>Refunding Series 2020</u>
Interest rates	4.00%	3.00% to 3.50%	2.00% to 2.50%
Dates interest payable	October 1/ April 1	October 1/ April 1	October 1/ April 1
Maturity dates	April 1, 2026/2029	April 1, 2026/2040	April 1, 2026/2033
Bonds outstanding, beginning of current year	\$ 2,575,000	\$ 1,895,000	\$ 1,825,000
Bonds sold during the current year	-	-	-
Retirements, principal	<u>465,000</u>	<u>100,000</u>	<u>70,000</u>
Bonds outstanding, end of current year	<u>\$ 2,110,000</u>	<u>\$ 1,795,000</u>	<u>\$ 1,755,000</u>
Interest paid during current year	<u>\$ 103,000</u>	<u>\$ 60,688</u>	<u>\$ 42,419</u>
Paying agent's name and address			
<b>Series 2016</b>	– Regions Bank, N.A., Houston, Texas		
<b>Series 2017</b>	– Regions Bank, N.A., Houston, Texas		
<b>Series 2020</b>	– Regions Bank, N.A., Houston, Texas		
<b>Series 2020A</b>	– Regions Bank, N.A., Houston, Texas		
<b>Series 2025</b>	– Regions Bank, N.A., Houston, Texas		
Bond authority			
	<u>Tax Bonds</u>	<u>Other Bonds</u>	<u>Refunding Bonds</u>
Amount authorized by voters	<u>\$ 107,700,000</u>	<u>\$ -</u>	<u>\$ 29,000,000</u>
Amount issued	<u>\$ 39,815,000</u>	<u>\$ -</u>	<u>\$ 140,000</u>
Remaining to be issued	<u>\$ 67,885,000</u>	<u>\$ -</u>	<u>\$ 28,860,000</u>
Debt service fund cash and temporary investment balances as of May 31, 2025:			<u>\$ 1,577,049</u>
Average annual debt service payment (principal and interest) for remaining term of all debt:			<u>\$ 1,074,894</u>

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**Issues**

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<u>Series 2020A</u>	<u>Series 2025</u>	<u>Totals</u>
2.00% to 2.50%	4.00% to 6.50%	
October 1/ April 1	October 1/ April 1	
April 1, 2030/2042	April 1, 2030/2049	
\$ 7,205,000	\$ -	\$ 13,500,000
-	5,485,000	5,485,000
-	-	635,000
<u>\$ 7,205,000</u>	<u>\$ 5,485,000</u>	<u>\$ 18,350,000</u>
<u>\$ 163,783</u>	<u>\$ -</u>	<u>\$ 369,890</u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Comparative Schedule of Revenues and Expenditures – General Fund  
Five Years Ended May 31,**

	Amounts				
	2025	2024	2023	2022	2021
<b>General Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 1,605,379	\$ 1,778,542	\$ 1,679,323	\$ 1,490,389	\$ 1,227,865
Sales tax rebates	100,642	100,146	85,637	81,636	82,225
Sewer surcharge	24,422	27,818	21,335	21,411	21,703
Water service	977,378	805,432	947,260	969,587	917,530
Sewer service	661,455	633,410	626,974	624,488	620,028
Garbage service	206,207	200,980	201,562	193,582	188,229
Regional water fee	1,871,941	1,805,114	1,709,586	1,590,247	1,554,552
Water and sewer service to others	282,631	-	-	-	-
Penalty and interest	104,996	104,469	89,346	78,239	37,414
Tap connection and inspection fees	29,205	37,270	221,145	35,535	61,190
Investment income	439,465	461,894	263,399	19,201	39,364
Other income	807	1,071	40,388	29,433	24,725
<b>Total Revenues</b>	<u>6,304,528</u>	<u>5,956,146</u>	<u>5,885,955</u>	<u>5,133,748</u>	<u>4,774,825</u>
<b>Expenditures</b>					
Service operations					
Purchased services	4,029,259	2,125,775	1,772,678	2,292,527	1,553,619
Regional water fee	606,975	668,187	819,279	379,574	623,380
Professional fees	237,213	264,358	304,862	226,537	204,596
Contracted services	1,095,235	1,046,451	967,476	909,856	887,642
Utilities	105,438	116,476	121,280	98,250	108,327
Repairs and maintenance	813,443	721,222	488,582	447,818	507,279
Other expenditures	228,045	294,819	193,719	212,162	155,802
Tap connections	-	13,835	116,287	-	19,396
Debt service, debt issuance costs	47,500	35,250	-	-	-
Capital outlay	93,931	363,135	142,376	473,258	79,076
<b>Total Expenditures</b>	<u>7,257,039</u>	<u>5,649,508</u>	<u>4,926,539</u>	<u>5,039,982</u>	<u>4,139,117</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(952,511)</u>	<u>306,638</u>	<u>959,416</u>	<u>93,766</u>	<u>635,708</u>
<b>Other Financing Sources (Uses)</b>					
Interfund transfers in (out)	1,697,854	(26,905)	(48,847)	17,400	304,203
Insurance proceeds	10,414	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,708,268</u>	<u>(26,905)</u>	<u>(48,847)</u>	<u>17,400</u>	<u>304,203</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	755,757	279,733	910,569	111,166	939,911
<b>Fund Balance, Beginning of Year</b>	<u>7,901,357</u>	<u>7,621,624</u>	<u>6,711,055</u>	<u>6,599,889</u>	<u>5,659,978</u>
<b>Fund Balance, End of Year</b>	<u>\$ 8,657,114</u>	<u>\$ 7,901,357</u>	<u>\$ 7,621,624</u>	<u>\$ 6,711,055</u>	<u>\$ 6,599,889</u>
<b>Total Active Retail Water Connections</b>	<u>1,186</u>	<u>1,197</u>	<u>1,234</u>	<u>1,184</u>	<u>1,183</u>
<b>Total Active Retail Wastewater Connections</b>	<u>1,162</u>	<u>1,168</u>	<u>1,203</u>	<u>1,153</u>	<u>1,155</u>

**Percent of Fund Total Revenues**

<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
25.5 %	27.9 %	27.0 %	27.7 %	24.4 %
1.6	1.6	1.4	1.5	1.6
0.4	0.4	0.3	0.4	0.4
15.5	12.7	15.3	18.0	18.3
10.5	9.9	10.1	11.6	12.3
3.3	3.2	3.3	3.6	3.8
29.7	28.3	27.5	29.6	30.9
4.5	6.5	5.2	4.5	5.0
1.6	1.6	1.4	1.5	0.8
0.4	0.6	3.6	0.7	1.2
7.0	7.3	4.2	0.4	0.8
0.0	0.0	0.7	0.5	0.5
100.0	100.0	100.0	100.0	100.0
63.9	33.4	28.5	42.7	30.9
9.6	10.5	13.2	7.1	12.4
3.8	4.2	4.9	4.2	4.1
17.4	16.4	15.6	16.9	17.7
1.7	1.8	2.0	1.8	2.1
12.9	11.3	7.9	8.3	10.1
3.6	4.6	3.1	4.0	3.1
-	0.2	1.9	-	0.4
0.7	0.6	-	-	-
1.5	5.7	2.3	8.8	1.6
115.1	88.7	79.4	93.8	82.4
(15.1) %	11.3 %	20.6 %	6.2 %	17.6 %

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Comparative Schedule of Revenues and Expenditures – Debt Service Fund  
Five Years Ended May 31,**

	Amounts				
	2025	2024	2023	2022	2021
<b>Debt Service Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 1,310,947	\$ 1,078,903	\$ 965,236	\$ 1,051,984	\$ 954,455
Penalty and interest	49,135	80,092	40,648	45,930	12,667
Investment income	57,826	52,361	34,917	3,358	9,666
<b>Total Revenues</b>	<u>1,417,908</u>	<u>1,211,356</u>	<u>1,040,801</u>	<u>1,101,272</u>	<u>976,788</u>
<b>Expenditures</b>					
Current					
Professional fees	10,942	16,942	6,037	13,318	5,487
Contracted services	55,004	55,249	51,391	47,475	46,119
Other expenditures	18,663	18,512	13,385	9,315	12,846
Debt service					
Principal retirement	635,000	615,000	595,000	580,000	570,000
Interest and fees	374,028	390,758	409,220	419,908	397,783
Debt issuance costs	-	-	-	-	897
<b>Total Expenditures</b>	<u>1,093,637</u>	<u>1,096,461</u>	<u>1,075,033</u>	<u>1,070,016</u>	<u>1,033,132</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	324,271	114,895	(34,232)	31,256	(56,344)
<b>Fund Balance, Beginning of Year</b>	<u>1,151,792</u>	<u>1,036,897</u>	<u>1,071,129</u>	<u>1,039,873</u>	<u>1,096,217</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,476,063</u>	<u>\$ 1,151,792</u>	<u>\$ 1,036,897</u>	<u>\$ 1,071,129</u>	<u>\$ 1,039,873</u>

**Percent of Fund Total Revenues**

<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
92.4 %	89.1 %	92.7 %	95.5 %	97.7 %
3.5	6.6	3.9	4.2	1.3
<u>4.1</u>	<u>4.3</u>	<u>3.4</u>	<u>0.3</u>	<u>1.0</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
0.7	1.4	0.6	1.2	0.6
3.9	4.6	4.9	4.3	4.7
1.3	1.5	1.3	0.9	1.3
44.8	50.8	57.2	52.7	58.4
26.4	32.2	39.3	38.1	40.7
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.1</u>
<u>77.1</u>	<u>90.5</u>	<u>103.3</u>	<u>97.2</u>	<u>105.8</u>
<u><u>22.9 %</u></u>	<u><u>9.5 %</u></u>	<u><u>(3.3) %</u></u>	<u><u>2.8 %</u></u>	<u><u>(5.8) %</u></u>

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Board Members, Key Personnel, and Consultants  
Year Ended May 31, 2025**

Complete District mailing address:	Harris County Municipal Utility District No. 200, of Harris County, Texas c/o Schwartz, Page & Harding, L.L.P. 1300 Post Oak Boulevard, Suite 2400 Houston, TX 77056
District business telephone number:	713.623.4531
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	July 16, 2024
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

<u>Board Members</u>	<u>Term of Office Elected &amp; Expires</u>	<u>Fees*</u>	<u>Expense Reimbursements</u>	<u>Title at Year-End</u>
James Wright	Elected 05/22– 05/26	\$ 5,746	\$ 2,710	President
Tanya Wilson	Elected 05/24– 05/28	4,862	2,530	Vice President
George Robinson	Elected 05/22– 05/26	3,536	1,770	Secretary
Kenneth Marshall	Appointed 07/24– 05/26	4,420	1,172	Assistant Secretary
Margaret Sokolowksa	Elected 05/24– 05/28	4,641	1,651	Assistant Secretary

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

**Harris County Municipal Utility District No. 200, of Harris County, Texas  
Board Members, Key Personnel, and Consultants  
Year Ended May 31, 2025**

**(Continued)**

<b>Consultants</b>	<b>Date Hired</b>	<b>Fees and Expense Reimbursements</b>	<b>Title</b>
Forvis Mazars, LLP	04/10/86	\$ 32,400	Auditor
Harris Central Appraisal District	Legislative Action	22,751	Appraiser
Masterson Advisors LLC	05/15/18	116,484	Financial Advisor
Municipal Accounts & Consulting, L.P.	11/18/80	103,376	Bookkeeper
Municipal Operations & Consulting, Inc.	08/01/02	1,762,302	Operator
Quiddity Engineering LLC	10/14/80	2,581,357	Engineer
Schwartz, Page & Harding, L.L.P.	10/14/80	93,237 147,125	General Counsel Bond Counsel
Ted A. Cox, P.C.	04/16/96	1,894	Delinquent Tax Attorney
Wheeler & Associates, Inc.	01/22/81	44,981	Tax Assessor/ Collector
<b>Investment Officers</b>			
Mark M. Burton and Ghia Lewis	07/20/04	N/A	Bookkeepers