

EXHIBIT "A"

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY



ANNUAL REPORT February, 2024



EXECUTIVE SUMMARY

BACKGROUND

East Fort Bend County Development Authority (the “Authority”) was created by Fort Bend County on September 24, 2015, pursuant to Subchapter D of Chapter 431, Texas Transportation Code, and Article 1396-1.01 of the Texas Non-Profit Corporation Act. The Authority was organized to assist Fort Bend County (the “County”) with the development and diversification of the economy, the elimination of unemployment or underemployment, and development, expansion of commerce, and promoting economic development, including making grants, planning, designing, acquiring, financing, building, and improving land and infrastructure in the County.

The members of Authority Board of Directors are appointed by the County and the Authority implements the design, construction and financing of public and community benefit improvements necessary to promote the development of the mixed-use project known as the GRID.

The current Board and Officers of the Authority are:

Felecia Evans-Smith	Chair
Ernie Loeb	Vice Chair
Daniel Menendez	Secretary
Michael Latimer	Assistant Secretary
Rahim Tazeh	Assistant Secretary

The Authority is assisted by a consulting team consisting of the following:

Allen Boone Humphries Robinson LLP - Attorney
District Data Services – Bookkeeper
Hilltop Securities, Inc. – Co-Financial Advisor
Post Oak Municipal Advisors LLC – Co-Financial Advisor
RPS Group – District Engineer
Quiddity Engineering – Design Engineer
Whitley Penn, LLP - Auditor



GRID PROJECT DESCRIPTION

The GRID comprises the redevelopment of the former Texas Instruments site in Stafford, Texas consisting of approximately 192 acres. The development has brought many jobs to the area and will generate millions of new sales, hotel occupancy and property tax dollars to benefit the community. The GRID is an innovative mixed-use reinvention of a landmark Texas Instruments campus, connecting past and present by combining world-class planning and design with adaptive reuse of the site's iconic industrial architecture. The result is a one-of-a-kind experience for shoppers, residents, tenants, and guests, woven into the fabric of the surrounding community. Located at the gateway to Fort Bend County, this innovative project is designed to create a regional entertainment, working and living environment.

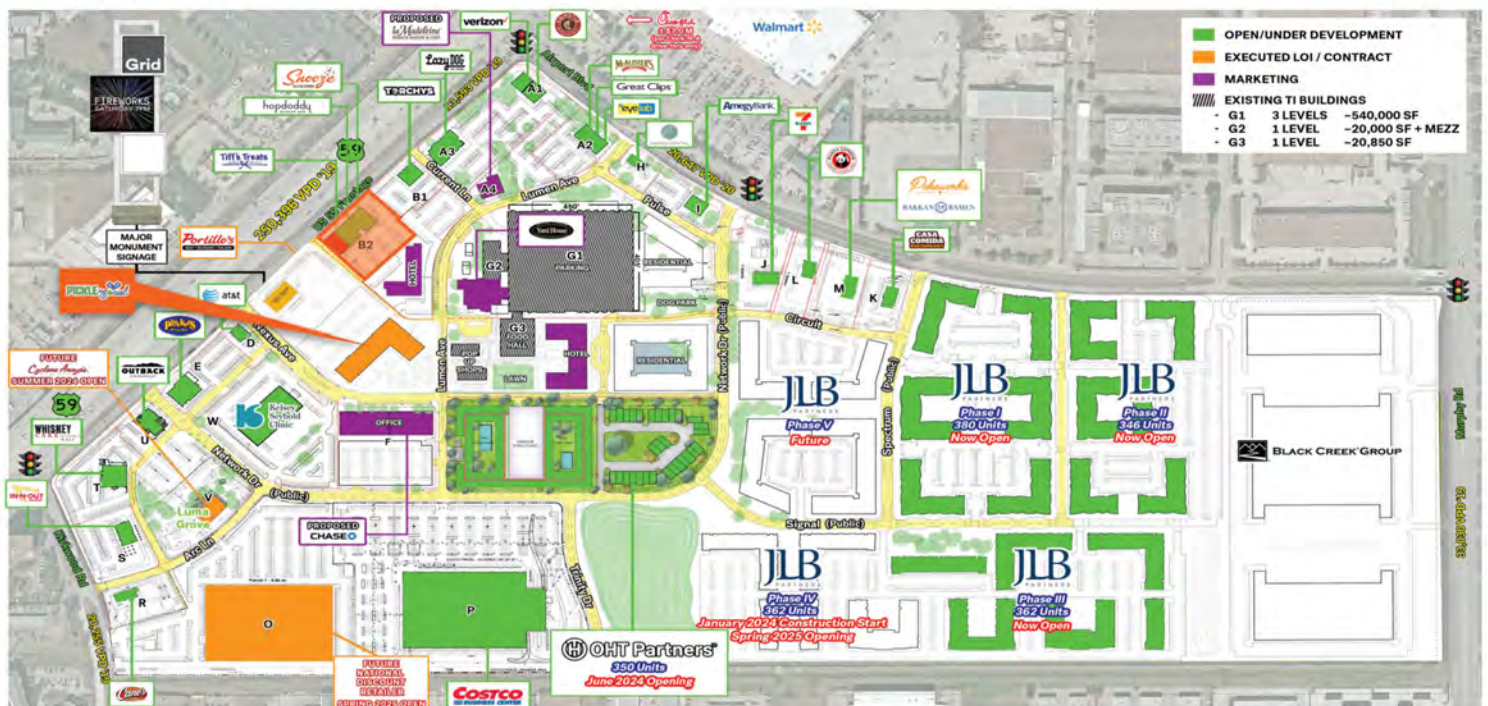


The GRID's walkable and diverse mix of uses give it a uniquely urban feel. Tree-lined streets work together with its robust dining, shopping and service offerings to create an environment where office workers and residents can leave their cars in the garage for an entire day or evening.



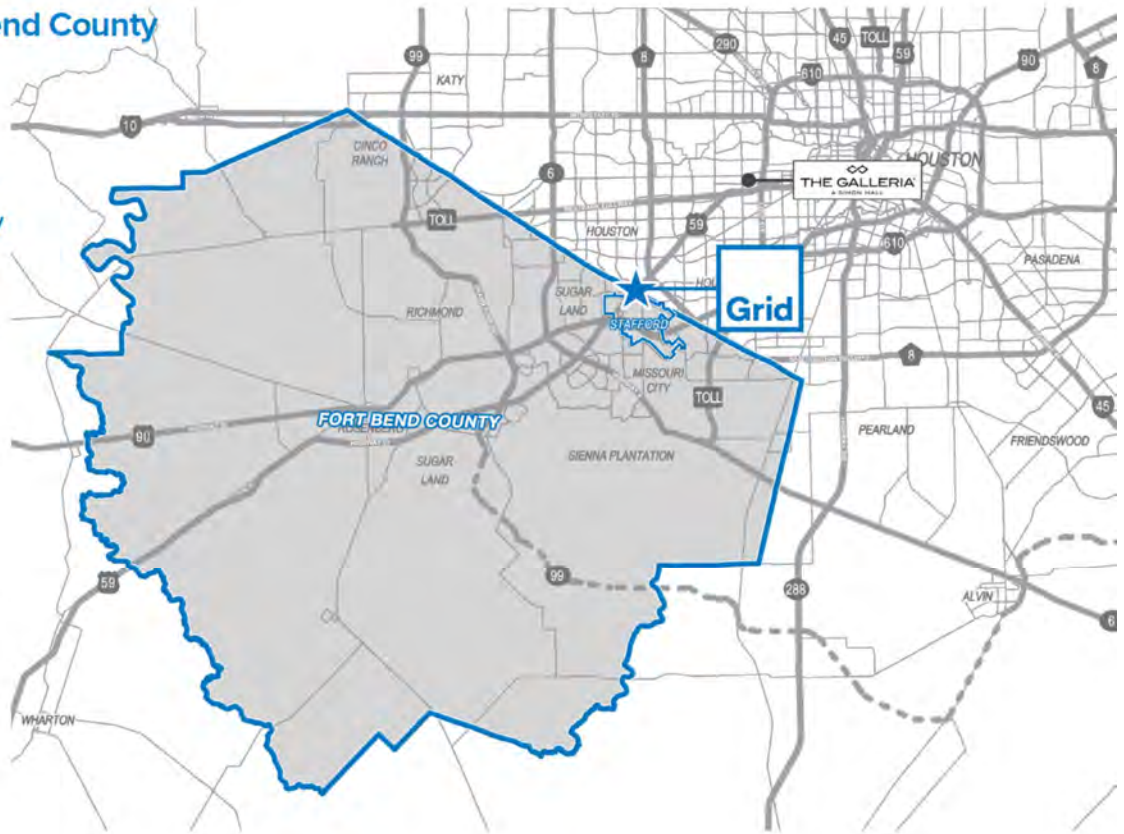
The Grid | Master Plan - 192 Acres

Gensler



Houston | Fort Bend County

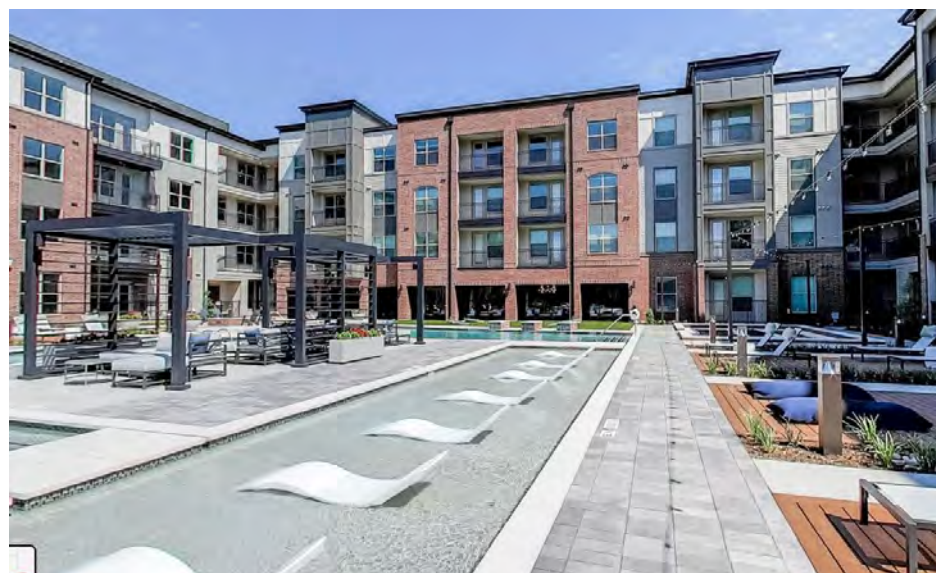
Most Educated
county in the U.S.







New residential, retail and restaurant projects and projects currently under construction in the GRID are shown below:





STATUS OF AUTHORITY PROJECTS

PUBLIC IMPROVEMENT COSTS

The chart on the following page lists the projects completed by the Authority as of the date of this report. All projects listed below have been funded by advances by 3 MEBS Property Company, LLC (the “Developer”) and certain amounts remain subject to future reimbursement. The Authority has entered into a Development Financing and Reimbursement Agreement with the Developer for advance funding and reimbursement of the projects listed on the following page:



Project Number	Project Name	Contractor	Notice to Proceed Date	Final Completion Letter Date	Final Dollar Amount	Grant Funding?	Accepted by	Publicly Bid?	Built to City Standards?
101.001	Demolition	American Environmental Specialties, Inc	3/29/2016	2/23/2018	\$1,369,241.80	Y	N/A	N	N/A
	Net expended (Public roadway funds)				\$ 2,589,470.53				
	Salvage (Public roadway funds)				\$ (1,220,228.73)				
101.002	West Airport LTL Crow	GW Phillips Construction,	1/13/2017	7/10/2018	\$378,968.65	N	Stafford City	Y	Y
	Public Roadway Funds				\$ 61,204.92				
	Public Drainage Funds				\$ 297,763.73				
101.003	East Detention Basin	GW Phillips Construction,	5/26/2016	10/12/2018	\$249,122.00	N	Stafford City	Y	Y
	Public Drainage Funds				\$ 249,122.00				
101.004	West Airport LTL Spectrum	RAC Industries LLC	10/6/2017	2/12/2018	\$280,822.91	N	Stafford City	Y	Y
	Public Roadway Funds				\$ 93,679.00				
	Public Drainage Funds				\$ 172,186.45				
	Public Sanitary Funds				\$ 14,957.46				
101.005	Signal Way and Spectrum	CNS Construction	10/16/2017	10/8/2018	\$1,084,094.20	N	Stafford City	Y	Y
	Public Roadway Funds				\$799,197.94				
	Public Drainage Funds				\$284,896.26				
101.006	Phase 1 Duct Bank	North Houston Pole Line	7/21/2016	10/4/2016	\$ 381,660.00	Y	Center Point	N	N/A
	Public Funds (not roadway/drainage)				\$ 381,660.00				
101.007	Central Detention Basin	SiteWork Contractors	7/19/2017	5/31/2019	\$359,187.58	N	Stafford City	Y	Y
	Public Drainage Funds				\$ 359,187.58				
101.008	Phase 1 Paving and Drainage	Rodriguez Construction Group, LLC	11/9/2017	11/30/2018	\$1,652,611.33	N	Stafford City/ Streetlevel	Y	Y
	Public Roadway Funds				\$ 343,982.42				
	Public Drainage Funds				\$ 479,378.13				
	Private Funds				\$ 829,270.78				
101.009	Phase 2 Infrastructure	Rodriguez Construction Group, LLC	8/24/2018	11/5/2019	\$ 5,362,388.35	N	Stafford City/WCID#2	Y	Y
	Public Roadway Funds				\$ 1,942,427.54				
	Public Drainage Funds				\$ 919,477.01				
	Private Funds				\$ 1,530,169.24				
	WCID #2				\$ 970,314.56				
101.011	Phase 1 Landscaping	Woodcreek Landscaping	8/10/2018	10/1/2019	\$ 138,260.95	N	Stafford City	Y	Y
	Public Funds (not roadway/drainage)				\$ 138,260.95				
101.013	Phase 2 Duct Bank	North Houston Pole Line	7/15/2018	5/15/2019	\$ 2,329,026.00	Y	Center Point	Y	N/A
	Public Funds (not roadway/drainage)				\$ 2,329,026.00				
101.014	Phase 1 Comm and Lights	North Houston Pole Line	7/15/2018	5/15/2019	\$ 485,000.00	Y	Stafford City	Y	Y
	Public Funds (not roadway/drainage)				\$ 485,000.00				
101.015	Public Landscaping Phase 2	Woodcreek Landscaping	12/4/2019	6/13/2020	\$ 257,547.00	N	Stafford City	Y	Y
	Public Funds (not roadway/drainage)				\$ 225,652.00				
	Private Funds				\$ 31,895.00				
101.016	Central Detention Pond Phase 2	Rodriguez Construction Group, LLC	7/22/2021	10/3/2022	\$ 262,366.25	N	Stafford City	Y	Y
	Public Drainage Funds				\$ 265,500.00				
101.017	Volt Ln	Rodriguez Construction Group, LLC	11/28/2022	4/26/2023	\$ 262,366.25	N	N/A	Y	Y
	Private Funds				\$ 262,366.25				
101.018	Nexus Ave Extension	Rodriguez Construction Group, LLC	12/15/2021	4/26/2023	\$ 621,657.00	N	N/A	Y	Y
	Private Funds				\$ 621,657.00				
					TOTAL=	\$15,474,320.27			
					TOTAL PUBLIC ROADWAY=	\$4,629,713.62			
					TOTAL PUBLIC DRAINAGE=	\$3,027,511.16			
					TOTAL PUBLIC OTHERS=	\$3,574,556.41			
					TOTAL PRIVATE=	\$3,275,368.27			
					TOTAL WCID#2=	\$970,314.56			
							\$ 15,477,454.02		
							\$15,477,454.02		

NOTE: T. GRANT F.= \$4,564,927.80

DEFINED AREA TAX AND 381 REVENUE INFORMATION

Defined Area Tax

The Authority maintains a separate account for the defined area tax fund ("DAT Revenue Fund") as required by the Defined Area Financing Agreement between the Authority and Fort Bend County Water Control & Improvement District No. 2 and for the 381 revenue fund (the "381 Revenue Fund") as required by the Agreement between Fort Bend County and the Authority. Attached is the Authority's most recent independent audit for the fiscal year ended September 30, 2023, prepared by Whitley Penn, LLP (see Exhibit "A").

The Authority currently has a fund balance as of January 22, 2024, of \$1,159,527.94 in the DAT Revenue Fund. On September 25, 2023, the Authority reimbursed the Developer \$750,000 from the DAT Revenue Fund, as shown on the Reimbursement Report prepared by Whitley Penn, LLP (see Exhibit "B").

The Authority sold its \$5,575,000 Contract Revenue Road Bonds, Series 2023, in May 2023. The Developer was reimbursed \$4,658,386.30 on June 26, 2023 from bond proceeds, as shown on the Reimbursement Report prepared by Whitley Penn (see Exhibit "C").

381 Revenue

The Authority currently has a fund balance as of January 22, 2024, of \$342,568.95 in the 381 Revenue Fund. Authority administrative expenses and engineering fees for the 2023-2024 fiscal year are paid from the 381 Revenue Fund. On September 25, 2023, the Authority reimbursed the Developer \$250,000 from the Chapter 381 Revenue Fund, as shown on the Reimbursement Report prepared by Whitley Penn (see Exhibit "B").



SELECTED FINANCIAL INFORMATION REGARDING THE AUTHORITY

2023-2024 OPERATING BUDGET

	3 Mo. Actual	3 Mo. Adopted	Adopted Budget	
	Oct - Dec 23	Oct - Dec 23	Over/(Under)	Oct 23 - Sept 24
Ordinary Income/Expense				
Income				
1.3952 · Transfer from 381 Revenue Fund	40,000.00	51,525.00	-11,525.00	247,200.00
1.5391 · Interest on Temp Investments	3.15	124.97	-121.82	500.00
Total Income	40,003.15	51,649.97	-11,646.82	247,700.00
Expense				
1.6236 · Detention Maintenance	3,350.84	4,225.03	-874.19	16,900.00
1.6310 · Director Fees	1,105.00	2,250.00	-1,145.00	14,000.00
1.6319 · Legal Fees - Construction	0.00	0.00	0.00	0.00
1.6320 · Legal Fees - General	5,770.64	15,000.00	-9,229.36	60,000.00
1.6321 · Audit Fees	12,000.00	14,200.00	-2,200.00	14,200.00
1.6322 · Engineering Fees- General	7,910.00	4,999.97	2,910.03	32,000.00
1.6323 · Engineering Fees - Construction	23,525.00	12,499.97	11,025.03	80,000.00
1.6333 · Bookkeeping Expense	3,797.07	3,499.97	297.10	14,000.00
1.6338 · Legal Notices	0.00	0.00	0.00	500.00
1.6339 · Dues (AWBD)	0.00	0.00	0.00	1,500.00
1.6340 · Printing & Office Supplies	0.00	450.00	-450.00	200.00
1.6353 · Insurance Expense	0.00	0.00	0.00	7,000.00
1.6354 · Travel & Expense	45.49	1,249.97	-1,204.48	1,000.00
1.6359 · Other Expense	10,042.82	1,249.97	8,792.85	5,000.00
1.6560 · Payroll Tax Expenses	84.56	175.03	-90.47	1,400.00
Total Expense	67,631.42	59,799.91	7,831.51	247,700.00
Net Income	-27,628.27	-8,149.94	-19,478.33	0.00



EXHIBIT "A"

**EAST FORT BEND COUNTY
DEVELOPMENT AUTHORITY**

**A COMPONENT UNIT OF
FORT BEND COUNTY, TEXAS**

ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2023

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
East Fort Bend County Development Authority
Fort Bend County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of East Fort Bend County Development Authority (the "Authority"), a component unit of Fort Bend County, Texas as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority, as of September 30, 2023, 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 Authority, 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of 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 Authority'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 Authority'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 the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Houston, Texas
February 8, 2024

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of East Fort Bend County Development Authority (the "Authority"), we offer readers of the Authority's financial statements this overview and analysis of the Authority's financial activities for the fiscal year ended September 30, 2023.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements.

Financial Highlights

The liabilities of the Authority exceeded assets at the close of the most recent fiscal year by (deficit) \$13.4 million primarily due to a new bond issuance.

- The Authority's total net position decreased by \$8.0 million during the current fiscal year.
- At the end of the current fiscal year, developer reimbursements totaled \$9.2 million or 86% of the total governmental funds expenditures.
- The Authority issued \$5.575 million in contract revenue bonds during the fiscal year.
- The Authority's governmental funds reported combined ending fund balances of \$3,070,087 as of September 30, 2023. Restricted fund balances include \$700,114 for debt service and \$2,465,625 for capital improvements. The remaining amount in unassigned fund balance is a deficit of \$95,652, is available for spending at the Authority's discretion.

Government-wide Financial Statements - The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the increases or decreases in net position and may serve as a useful indicator of whether the financial position of the Authority's net position changed during the fiscal year. 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 and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating an authority's near-term financing requirements.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 11 of this report.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Comparison in Government-wide Financial Statements

The following is a comparison of the Authority's net position as of September 30, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 3,128,801	\$ 5,763,380
Total Assets	3,128,801	5,809,415
Accounts payable and accrued expenses	124,079	15,364
Long-term liabilities	16,501,177	11,301,401
Total Liabilities	16,625,256	11,316,765
Net Position (Deficit):		
Restricted	3,146,409	5,748,477
Unrestricted	(16,642,864)	(11,255,827)
Total Net Position (Deficit)	\$ (13,496,455)	\$ (5,507,350)

The following is a comparison of the Authority's changes in net position for the years ended September 30, 2023 and 2022:

	2023	2022
Revenues		
Program revenue		
Operating grants	\$ 759,154	\$ 514,334
General revenues		
Defined area taxes	1,566,424	1,161,218
Unrestricted investment earnings	188,378	38,895
Total Revenues	2,513,956	1,714,447
Expenses		
General government	349,409	201,398
Capital outlay on behalf of other entities	9,243,908	963,705
Interest on long-term debt	909,744	626,576
Total Expenses	10,503,061	1,791,679
Increase (decrease) in net position	(7,989,105)	(77,232)
Net Position (Deficit) - Beginning	(5,507,350)	(5,430,118)
Net Position (Deficit) - Ending	(13,496,455)	\$ (5,507,350)

Debt

At year-end, the Authority had \$16,501,177 in bonds outstanding including the discount and premium on the bond issuances.

More detailed information about the Authority's long-term liabilities is presented in Note 4 to the financial statements.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors

The Authority receives annual payments from Fort Bend County Water Control and Improvement District No. 2 ("WCID2") and Fort Bend County ("the County"). Those payments are based upon property tax collections by WCID2 and the County. The payments received by the Authority result from the current market value of property used for commercial, retail, and industrial purposes. The market value of such properties is related to general economic conditions in the Fort Bend County area, the State of Texas and the nation and those conditions can affect the demand for such properties. Demand for property of this type and the construction of structures thereon can be significantly affected by factors such as interest rates, credit availability, construction costs and the prosperity and demographic characteristics of the urban center toward which the marketing of commercial property is directed. Decreased levels of construction activity would tend to restrict the growth of property values in the boundaries of the Authority or could adversely impact such values.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY**STATEMENT OF NET POSITION****September 30, 2023**

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 3,128,801
Total Assets	<u>3,128,801</u>
Liabilities	
Accounts payable and accrued expenses	58,714
Accrued interest	65,365
Noncurrent liabilities:	
Due within one year	490,000
Due in more than one year	<u>16,011,177</u>
Total Liabilities	<u>16,625,256</u>
Net Position (Deficit)	
Restricted:	
Improvements / debt service	3,146,409
Unrestricted	<u>(16,642,864)</u>
Total Net Position (Deficit)	<u>\$ (13,496,455)</u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY**STATEMENT OF ACTIVITIES***For the Year Ended September 30, 2023*

	Governmental Activities
Program Revenue:	
Operating grants and contributions	\$ 759,154
General Revenues:	
Defined area taxes	1,566,424
Unrestricted investment earnings	<u>188,378</u>
Total General Revenues	<u>2,513,956</u>
 Expenses:	
General government	349,409
Capital outlay on behalf of other entities	9,243,908
Interest on long-term debt	<u>909,744</u>
Total Expenses	<u>10,503,061</u>
 Change in net position	(7,989,105)
 Net Position (Deficit) - Beginning	<u>(5,507,350)</u>
Net Position (Deficit) - Ending	<u><u>\$ (13,496,455)</u></u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

BALANCE SHEET - GOVERNMENTAL FUNDS

September 30, 2023

	General Fund	Defined Area Revenue Fund	Debt Service Fund	Capital Projects Fund	381 Revenue Fund	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 3,516	\$ 1,154,170	\$ 700,864	\$ 732,328	\$ 537,923	\$ 3,128,801
Due from other funds	17,148	-	-	-	57,602	74,750
Total Assets	<u>\$ 20,664</u>	<u>\$ 1,154,170</u>	<u>\$ 700,864</u>	<u>\$ 732,328</u>	<u>\$ 595,525</u>	<u>\$ 3,203,551</u>
Liabilities						
Accounts payable	\$ 58,069	\$ -	\$ -	\$ -	\$ -	\$ 58,069
Due to other funds	57,602	6,398	750	-	10,000	74,750
Other payables	645	-	-	-	-	645
Total Liabilities	<u>116,316</u>	<u>6,398</u>	<u>750</u>	<u>-</u>	<u>10,000</u>	<u>133,464</u>
Fund balances:						
Restricted for:						
Debt service	-	-	700,114	-	-	700,114
Capital improvements	-	1,147,772	-	732,328	585,525	2,465,625
Unassigned	(95,652)	-	-	-	-	(95,652)
Total Fund Balances	<u>(95,652)</u>	<u>1,147,772</u>	<u>700,114</u>	<u>732,328</u>	<u>585,525</u>	<u>3,070,087</u>
Total Liabilities and Fund Balances	<u>\$ 20,664</u>	<u>\$ 1,154,170</u>	<u>\$ 700,864</u>	<u>\$ 732,328</u>	<u>\$ 595,525</u>	<u>\$ 3,203,551</u>

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balance, Governmental Funds \$ 3,070,087

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some liabilities are not due and payable in the current period and are not included in the fund financial statements, but are included in the Statement of Net Position. These are as follows:

Bonds payable	(16,480,000)
Discount and premium on bonds payable	(21,177)
Accrued interest	<u>(65,365)</u>

Net Position of Governmental Activities in the Statement of Net Position \$ (13,496,455)

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	General Fund	Defined Area Revenue Fund	Debt Service Fund	Capital Projects Fund	381 Revenue Fund	Total Governmental Funds
Revenues						
Defined area taxes	\$ -	\$ 1,566,424	\$ -	\$ -	\$ -	\$ 1,566,424
Intergovernmental	-	-	-	-	757,602	757,602
Investment earnings	167	66,174	55,170	45,538	21,329	188,378
Other Income	1,552	-	-	-	-	1,552
Total Revenues	<u>1,719</u>	<u>1,632,598</u>	<u>55,170</u>	<u>45,538</u>	<u>778,931</u>	<u>2,513,956</u>
Expenditures						
Current:						
General government	291,932	-	-	57,477	-	349,409
Capital outlay - payments to developer	-	1,500,000	-	7,243,908	500,000	9,243,908
Debt Service:						
Principal	-	-	315,000	-	-	315,000
Interest and other charges	-	-	345,000	-	-	345,000
Bond issuance costs and fees	-	-	117,023	421,396	-	538,419
Total Expenditures	<u>291,932</u>	<u>1,500,000</u>	<u>777,023</u>	<u>7,722,781</u>	<u>500,000</u>	<u>10,791,736</u>
Excess (deficiency) of Revenues over Expenditures	<u>(290,213)</u>	<u>132,598</u>	<u>(721,853)</u>	<u>(7,677,243)</u>	<u>278,931</u>	<u>(8,277,780)</u>
Other Financing Sources/(Uses):						
Issuance of long-term debt	-	-	459,219	5,115,781	-	5,575,000
Bond (discount) and premium	-	-	-	(21,184)	-	(21,184)
Transfers in	186,000	-	-	-	-	186,000
Transfers out	-	-	-	-	(186,000)	(186,000)
Total Other Financing Sources/(Uses)	<u>186,000</u>	<u>-</u>	<u>459,219</u>	<u>5,094,597</u>	<u>(186,000)</u>	<u>5,553,816</u>
Net change in Fund Balances	(104,213)	132,598	(262,634)	(2,582,646)	92,931	(2,723,964)
Fund Balances - Beginning of Year	<u>8,561</u>	<u>1,015,174</u>	<u>962,748</u>	<u>3,314,974</u>	<u>492,594</u>	<u>5,794,051</u>
Fund Balances - End of Year	<u>\$ (95,652)</u>	<u>\$ 1,147,772</u>	<u>\$ 700,114</u>	<u>\$ 732,328</u>	<u>\$ 585,525</u>	<u>\$ 3,070,087</u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Reconciliation to the Statement of Activities:

Net Change in Fund Balances - Total Governmental Funds:	\$ (2,723,964)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal uses current financial resources. However, at the government-wide level these transactions have the effect of increasing or decreasing long-term liabilities.

Principal payment of debt	315,000
Proceeds from issuance of debt	(5,575,000)
Discount and premiums are amortized over the life of the bond	21,184

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These are as follows:

Change in interest payable	<u>(26,325)</u>
Change in net position of governmental activities	<u><u>\$ (7,989,105)</u></u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1 - Creation and Nature of Activities

The Authority is a non-profit local government corporation acting on behalf of Fort Bend County, Texas (the "County"). The Authority was created by the County on August 25, 2015, pursuant to Subchapter D of Chapter 431, Texas Transportation Code, and Article 1396-1.01 of the Texas Non-Profit Corporation Act, to aid and assist the County in the administration, financing, and implementation of the development and construction of the Project (defined herein). On behalf of the County, and in accordance with the Defined Area Financing Agreement (defined below), the Authority is implementing on behalf of the County an economic development program pursuant to Article XVI, Section 52 of the Texas Constitution and is implementing on behalf of WCID 2 (defined below) projects within a defined area pursuant to Chapters 49 and 51 of the Texas Water Code, each in support of the "Project".

The "Project" consists of approximately 192 acres of land (the "Land") being developed as the GRID, a commercial, multi-family, and retail development on the site of the former campus of Texas Instruments. It is located approximately 15 miles southwest of the central business district of the City of Houston, east of State Highway 59 between Kirkwood Road and West Airport Boulevard. The "Project" lies wholly within the corporate limits of the City of Stafford, Texas (the "City") and the boundaries of Stafford Municipal School District.

The Texas Commission of Environmental Quality exercises continuing supervisory jurisdiction over the Fort Bend Water Control and Improvement District No.2 ("WCID 2") and the Authority, with regard to issuance of certain debt. The Authority is required to observe certain requirements of the County which limit the purposes for which the Authority may sell bonds for the acquisition, construction, and improvement of waterworks, wastewater, and drainage facilities, roads, parks and recreational facilities, and firefighting facilities and the refunding of outstanding debt obligations; limit the net effective interest rate on such bonds and other terms of such bonds; require approval by the County of Authority construction plans; and permit connections only to platted lots and reserves which have been approved by the Planning Commission of the City. Construction and operation of the Authority's system are subject to the regulatory jurisdiction of additional government agencies.

Chapter 381 Agreement Between the County and the Authority

The County and the Authority entered into an economic development agreement approved by the County on August 25, 2015, pursuant to Chapter 381 Texas Local Government Code (the "381 Agreement"). Pursuant to the 381 Agreement, the County established a program for the public purposes of promoting economic development and commercial activity within the Project. The Authority is implementing the economic development program on behalf of the County. The Authority is authorized to provide economic assistance from revenues paid to the Authority from County property taxes collected within the Project through tax year 2042. The annual payment to the Authority from the County equals 70% of the County's incremental increase in property taxes collected by the County within the boundaries of the "Project". The tax increment is an amount equal to the current year's property taxes collected by the County within the "Project", less the property taxes collected from the "Project" for tax year 2015.

The Defined Area Tax Revenue

WCID 2 is a conservation and reclamation district created under Article XVI, Section 59 of the Texas Constitution by Chapter 312, Acts of the 57th Legislature, Regular Session, 1961. The 84th Texas Legislature enacted House Bill 4174 (together with Chapter 312, Acts of the 57th Legislature, Regular Session, 1961, the "WCID 2 Enabling Act"), which created a defined area within WCID 2 consisting of approximately 192 acres (the "Defined Area"). The Defined Area was created for the purpose of financing water, sewer, and drainage facilities, road facilities, and recreational facilities that primarily benefit the Defined Area and do not generally benefit WCID 2 as a whole.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Creation and Nature of Activities (continued)

The Defined Area Tax Revenue (continued)

At an election held within WCID 2, voters (i) approved the Defined Area Financing Agreement and authorized WCID 2 to levy, assess, and collect unlimited ad valorem taxes on all taxable property within the Defined Area sufficient to make timely payment of all obligations to the Authority under the Defined Area Financing Agreement (the "Defined Area Tax") and (ii) authorized WCID 2 to levy and collect an operations and maintenance tax, not to exceed \$1.50 per \$100 assessed value, on all taxable property within the Defined Area. The Defined Area Tax is in addition to, and exclusive of, WCID 2's ad valorem debt service tax levied on all taxable property within WCID 2 (including the Defined Area). The Defined Area Tax may be levied for the purpose of financing public improvements consisting of certain water, sewer, and drainage facilities, road facilities, and recreational facilities to serve the Defined Area (the "Public Improvements"). WCID 2 has entered into an interlocal agreement with the County for the collection of the Defined Area Tax and remittance of same to the Authority.

The Defined Area Financing Agreement between the Authority and WCID 2

Under the Defined Area Financing Agreement, WCID 2 is required to remit to the Authority annually an amount equal to the property taxes actually collected and received by WCID 2 from the Defined Area Tax (the "Defined Area Tax Revenue" or the "Contract Payment"). The Defined Area Tax collection and the payment of the Defined Area Tax Revenue to the Authority will continue until such agreement terminates on December 31, 2043, unless otherwise terminated in accordance with the terms of the Defined Area Financing Agreement. The contract payment to the Authority is absolute and unconditional until such time as the Defined Area Financing Agreement has been terminated.

Pursuant to the Defined Area Financing Agreement, the Defined Area Tax is \$0.515 per \$100 of assessed valuation, which rate may be adjusted higher for the purposes set forth therein, including to prevent a default on the payment of bonds. The Defined Area Tax rate may not be decrease below \$0.515 per \$100 of assessed valuation unless a specific lower rate is approved by the Authority.

The Authority will deposit the contract payment into the Defined Area Revenue Fund, which must be accounted for independently from other funds of the Authority. The contract payment and the special revenue fund may only be used to fund certain eligible costs of the Public Improvements to serve the Defined Area (the "Public Improvement Costs"). Certain Public Improvements constructed by the Authority are not eligible to be financed by the Defined Area Tax and the Authority agrees that it will not pledge or apply WCID 2's annual payments for any such purpose. The estimated preliminary cost of the Public Improvement Costs, payable from WCID 2's payment and the Defined Area Revenue Fund, is \$31,289,281, exclusive of debt service, cost of issuance, and interest.

The Authority may issue bonds, secured by WCID 2's annual payment of the Defined Area Tax Revenue and the special revenue fund, and may pledge and assign all or part of the annual payment and the special revenue fund, pursuant to a developer financing agreement between Stafford 59 and Airport LP, successor to 3 MEBS Property Company, LLC (the "Developer") and the Authority.

Public Improvements to serve the Defined Area include public water and sanitary sewer improvements constructed by the Developer and generally accepted for ownership by WCID 2. WCID 2 will not accept any internal private water and sewer improvements (as determined by WCID 2). The Developer will convey the Public Improvements to WCID 2 and may be reimbursed by WCID 2 from the proceeds of a future development.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Creation and Nature of Activities (continued)

Dependence on Principal Taxpayers and the Developer

Properties whose taxable values total approximately \$270,145,452 or 86.40% of the 2022 Certified Taxable Assessed Valuation of the Defined Area are owned by ten taxpayers. The Developer represents \$37,301,292 or 11.93% of the 2022 Certified Taxable Assessed Valuation of the Defined Area. The ability of any principal taxpayer to make full and timely payments of taxes levied against its property by WCID 2 will directly affect WCID 2's ability to make Contract Payments to the Authority and hence for the Authority to meet its debt service obligations. If, for any reason, any one or more principal taxpayers do not pay taxes due or do not pay in a timely manner, WCID 2 may need to levy additional taxes for purposes of making Defined Area Tax payments. The Authority has not covenanted in any bond resolution, nor is it required by Texas law, to maintain any particular balance in its Debt Service Funds or any other funds to allow for any such delinquencies. Therefore, failure by one or more principal taxpayers to pay their taxes on a timely basis could have a material adverse effect upon the Authority's ability to pay debt service on the Bonds on a current basis.

The Developer has informed the Board that its current plan is to develop its remaining undeveloped land. However, neither the Developer nor any future developer is obligated to implement development plans on any particular schedule or at all. Thus, the furnishing of information related to any proposed development should not be interpreted as such a commitment. The Authority makes no representation about the probability of development continuing in a timely manner or about the ability of the Developer or any other landowner within the Defined Area to implement any plan of development. Furthermore, there is no restriction on any landowner's right to sell land. The Authority can make no prediction as to the effects that current or future economic or governmental circumstances may have on any plans of the Developer or any other landowner.

Dependence on Personal Property Tax Collections

Because a majority of the Defined Area's 2022 tax base is comprised of commercial and distribution/warehouse/office facilities, approximately \$45,497,470 or 14.55% of the 2022 Certified Taxable Assessed Valuation of the Defined Area is personal property.

Unlike real property, there is no certainty that personal property will remain in the Defined Area from year to year. Business inventories are portable and could be removed from the Defined Area at any time. Personal property removed from the Defined Area as of January 1 of any year is not subject to taxation by WCID 2 for that year.

If personal property is subject to a lien for unpaid Defined Area Taxes for any year, WCID 2's lien is lost if the property is sold in the ordinary course of business. A lien in the amount of the personal property taxes owed by a taxpayer attaches not only to personal property owned by the taxpayer as of January 1 with a tax situs in WCID 2, but to any personal property then or thereafter owned by the taxpayer. However, WCID 2 may not be able to foreclose on personal property located outside the State of Texas and locating and foreclosing on property held outside WCID 2 may be costly, inefficient and difficult.

The statute of limitations for collection of personal property taxes is four years from the date of delinquency, which is shorter than the 20-year statute of limitations for real property. Personal property may not be seized, and a suit may not be filed to collect delinquent personal property taxes if the tax has been delinquent for more than four years.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Creation and Nature of Activities (continued)

Utility Agreement with WCID 2

Pursuant to its agreement with WCID2 (the "Utility Agreement"), the Developer is responsible for acquiring and constructing the water distribution, wastewater collection, and drainage facilities and park and recreation facilities to serve development occurring within the Defined Area (the "Defined Area Facilities"), and WCID 2 agrees to provide water supply services and wastewater treatment services to the Authority in consideration of the Authority's financing, acquisition, and construction of the Defined Area Facilities. Under the terms of the Utility Agreement, the Authority is deemed to be the alter ego of WCID 2, and as such, the Authority agrees to act as the alter ego of WCID 2 for purposes of financing, constructing, and acquiring the Facilities, and WCID 2 agrees to perform the duties and functions necessary to provide services to the landowners and customers of the Authority.

The Defined Area Facilities: The Utility Agreement provides that the Facilities will be designed and constructed in accordance with WCID 2's requirements and criteria. WCID 2 agrees to provide the Authority with its ultimate requirements for water supply capacity and major offsite water distribution lines to the water source and wastewater treatment capacity and major offsite wastewater trunk collection line capacity to the wastewater treatment plant.

Authority to Issue Bonds: The Authority has the authority to issue, sell, and deliver bonds as permitted by law. Bonds issued by the Authority are obligations solely of the Authority and shall not be construed to be obligations or indebtedness of WCID 2.

Ownership, Operation, and Maintenance of the Facilities: Upon completion of construction of the Defined Area Facilities, the Authority agrees to convey the Defined Area Facilities (other than park and recreation facilities and storm water detention ponds and related appurtenances as discussed below) to WCID 2, reserving for itself a security interest in the Defined Area Facilities for the purpose of securing the performance of WCID 2 under the Utility Agreement. Pursuant to the terms of the Utility Agreement, storm water detention ponds and related appurtenances are to be operated and maintained by the Authority or the property owners' association(s) within the Authority, although the Authority retains title to same. When all bonds issued by the Authority to acquire and construct the Defined Area Facilities have been issued and subsequently paid or redeemed and discharged in full, the Authority agrees to execute a release of the security interest retained by the Authority, and WCID 2 shall own the Defined Area Facilities without encumbrance. As each phase of the Defined Area Facilities is completed, WCID 2 agrees to inspect the same, and upon approval, to accept the Defined Area Facilities for operation and maintenance. The Defined Area Facilities (other than park and recreation facilities and storm water detention ponds and related appurtenances) will be operated and maintained by WCID 2 at its sole cost and expense. If WCID 2 determines that the Defined Area Facilities or any portion thereof have not been constructed in accordance with approved plans and specifications, prior to accepting such Defined Area Facilities, WCID 2 agrees to notify the Authority, and the Authority shall immediately correct any deficiency noted by WCID 2.

Note 2 - Significant Accounting Policies

The accompanying basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board.

The Governmental Accounting Standards Board has established the criteria for determining whether or not a given entity is a component unit. The criteria are: (1) is the potential component unit a legally separate entity, (2) does the primary government appoint a voting majority of the potential component unit's board, (3) is the primary government able to impose its will on the potential component unit, (4) is there a financial benefit or burden relationship. The Authority does meet criteria for inclusion as a component of the County.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Significant Accounting Policies (continued)

Financial Statement Presentation

In accordance with Governmental Accounting Standards Board, the Authority presents the classification of net position into two components: Restricted and Unrestricted. These classifications are defined as follows:

- **Restricted Assets** – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – This component of net position consists of net position that do not meet the definition of one of the other classifications of net position.

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

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the Authority as a whole. These statements include activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when payment is due.

Defined area taxes, interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues in the current fiscal period, if applicable.

Governmental Funds

The Authority has 5 major governmental funds.

General Fund

The Authority uses the General Fund to record operating and other expenditures and activities not reported in other funds.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Significant Accounting Policies (continued)

Defined Area Revenue Fund

The fund is used to account for transactions and activities relating to Defined Area Financing Agreement.

Debt Service Fund

The fund is used primarily to account for the payment of interest and principal on the Authority's Contract Revenue Road Bonds.

Capital Projects Fund

The fund is used to account for the proceeds from Contract Revenue Road Bonds.

381 Revenue Fund

The fund is used to account for the revenues and expenditures related to the Chapter 381 Agreement.

Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Capital Assets

Normally, capital assets are reported as assets in the government-wide Statement of Net Position. Capital assets are recorded at historical cost and depreciated over their estimated useful lives unless they are inexhaustible, such as land. Depreciation is not recorded on items classified as construction in progress. Depreciation expense is reported in the government-wide Statement of Activities. As of September 30, 2023, the Authority has no capital assets, as capital assets are transferred to the County, the City or WCID 2.

Budgeting

The Authority's Board of Directors annually adopt a spending plan for the Authority's general fund and each individual fund. These spending plans are not considered to be appropriation style budgets.

Fund Balances

The Authority reports the fund balance of various funds in a hierarchy of classifications based on the constraints imposed on the uses of those resources. The fund balances for governmental funds consist of the following:

Restricted fund balance includes amounts that are restricted for specific purposes stipulated by external resource providers and creditors, constitutionally or through enabling legislation. Fund balance in the funds are restricted for debt service and for capital projects. Portions of the amounts restricted for the latter have been identified by the Authority for improvements and debt service.

Unassigned fund balances represent available balances for the Authority's future use.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Significant Accounting Policies (continued)

Implementation of New Standards

GASB Statement No. 96, *Subscription Based Information Technology Arrangements (SBITA)*, was issued in May 2020 and was effective for periods beginning after June 15, 2022. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Authority has evaluated the effects of this statement and has determined that it does not impact the financial statements.

Accounting Estimates

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

Note 3 - Deposits and Investments

Custodial credit risk is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas requires that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the Authority of securities eligible under the laws of Texas to secure the funds of the Authority, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At September 30, 2023, none of the Authority's bank balances were exposed to custodial credit risk.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the Authority to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the Authority to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the Authority to have independent auditors perform test procedures related to investment practices as provided by the Act. The Authority is in substantial compliance with the requirements of the Act and with local policies. Investments are recorded at fair market value. Fair market value is determined by the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

As of September, 2023, the Authority's investments consisted of balances held by Texas Local Government Investment Pool (TexPool).

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 3 - Deposits and Investments (continued)

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (the Trust Company) to provide a safe environment for the placement of local government funds. The portfolio consists of U.S. Treasury and government agency securities, repurchase agreements, certain mutual funds, collateralized repurchase and reverse repurchase agreements, no-load money market mutual funds regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized statistical rating organization, securities lending programs, and certificates of deposit. TexPool is overseen by the State Comptroller of Public Accounts and administered by Federated Investors, Inc. The State Street Bank is the custodial bank. TexPool follows chapter 2256 of the Texas Public Funds Investment Act. TexPool uses amortized cost rather than fair market value to report net position to compute share prices. The fair market value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the Authority's investments in TexPool are stated at amortized cost, which approximates fair market value.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Local government investment pools in Texas are required to be rated AAAm, or equivalent, by at least one nationally recognized rating agency. The Authority's policy further restricts investments to AAA-rated, "2a-7 like" (constant dollar) local government investment pools.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at September 30, 2023, as listed below:

	Amounts	Weighted Average Maturity (Days)	Credit Quality Rating
Cash in Checking Account	\$ 3,516	N/A	N/A
Local Government Investment Pool:			
TexPool	3,125,285	26	AAAm
Total Cash and Cash Equivalents	\$ 3,128,801		

Note 4 - Bonded Debt

In June 2023, The Authority's issued \$5,575,000 Contract Revenue Road Bonds, Series 2023 (the "Bonds"). The Bonds are being issued pursuant to the terms and conditions of a Bond Resolution approved by the Board of Directors of the Authority and under terms of a contract with the Fort Bend County Water Control and Improvement District No. 2 (WDIC 2), the Defined Area Finance Agreement. Under the Agreement, the Authority has agreed to finance the cost of certain public improvements to serve a 192 acre area within the boundaries of WCID 2, and WCID 2 has agreed to make annual payments of certain tax collections to the Authority.

The Authority is authorized by the Defined Area Financing Agreement to issue bonds for the purpose of paying for Public Improvements to serve the Defined Area, including water, sewer, drainage, park and recreational facilities, and road improvements, and to refund such bonds.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 4 - Bonded Debt (continued)

The following is a summary of long-term debt transactions for the Authority for the year ended September 30, 2023:

	Issued Amount	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Interest Accrual
Contract Revenue Road Bonds, Series 2020	\$4,620,000	2.423% - 3.100%	\$ 4,320,000	\$ -	\$ (135,000)	\$ 4,185,000	\$ 140,000	\$ 9,135
Contract Revenue Bonds, Series 2022	6,900,000	5.000%	6,900,000	-	(180,000)	6,720,000	215,000	26,769
Contract Revenue Road Bonds, Series 2023	5,575,000	4.238% - 4.500%	-	5,575,000	-	5,575,000	135,000	29,461
Bond Discount			(32,294)	(21,184)	-	(53,478)	-	-
Bond Premium			76,682	-	(2,027)	74,655	-	-
Total			<u>\$ 11,264,388</u>	<u>\$ 5,553,816</u>	<u>\$ (317,027)</u>	<u>\$ 16,501,177</u>	<u>\$ 490,000</u>	<u>\$ 65,365</u>

The debt service requirements on bonds outstanding at September 30, 2023 are as follows:

Year Ending September 30,	Principal	Interest	Total
2024	\$ 490,000	\$ 758,816	\$ 1,248,816
2025	550,000	677,060	1,227,060
2026	575,000	653,910	1,228,910
2027	600,000	629,660	1,229,660
2028	625,000	604,300	1,229,300
2029 - 2033	3,570,000	2,615,910	6,185,910
2034 - 2038	4,460,000	1,811,094	6,271,094
2039 - 2043	5,610,000	756,790	6,366,790
	<u>\$ 16,480,000</u>	<u>\$ 8,507,540</u>	<u>\$ 24,987,540</u>

Note 5 - Interfund Receivables, Payables and Transfers

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from accounts payable and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more governmental funds. Amounts due to/from other funds at September 30, 2023, consisted of the following:

	Interfund Receivables	Interfund Payables
Governmental Funds		
General fund	\$ 17,148	\$ 57,602
Defined area revenue fund	-	6,398
Debt service fund	-	750
381 revenue fund	<u>\$ 57,602</u>	<u>10,000</u>
Total Governmental Funds	<u>74,750</u>	<u>74,750</u>
Total - All Funds	<u>\$ 74,750</u>	<u>\$ 74,750</u>

During the year, the Authority made transfers from the 381 Revenue Fund of \$186,000 to the General Fund to cover operating expenditures.

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6 - Paid to Developers

Construction of the Authority's capital assets is financed through prefunding agreements with the Authority's developers. The Authority will reimburse its developers through the issuance of bonds or other resources. The Authority recognizes the liability associated with developer construction at such time as developer costs have been submitted for reimbursement and verified. As of September 30, 2023 there were no liabilities associated with developer construction.

During fiscal year 2023, the Authority reimbursed the developer \$9,243,908 including interest.

Note 7 - Project and Financing Plan

The Defined Area is being developed as the GRID, a commercial and multi-family residential development (the "Project") on the site of the former Texas Instruments campus located approximately 15 miles southwest of the central business district of the City of Houston, east of U.S. Highway 59 between Kirkwood Road and West Airport Boulevard. The Project lies wholly within the corporate limits of the City of Stafford, Texas and the boundaries of Stafford Municipal School District. The Authority and WCID 2 approved the Defined Area Financing Agreement, effective as of October 19, 2016 which sets forth the Public Improvements required to serve the Project within the Defined Area. The costs associated with the Public Improvements are expected to be financed through the issuance by the Authority of Contract Revenue Bonds.

REQUIRED SUPPLEMENTARY INFORMATION

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive/ Negative
Revenues				
Investment earnings	\$ -	\$ -	\$ 167	\$ 167
Miscellaneous	-	-	1,552	1,552
Total Revenues	-	-	1,719	1,719
Expenditures				
Current:				
General government				
Director fees	9,000	9,000	8,265	735
Legal fees - Construction	-	-	6,300	(6,300)
Legal fees - General	60,500	60,500	65,099	(4,599)
Auditing fees	16,000	16,000	17,475	(1,475)
Engineering fees - General	20,000	20,000	43,850	(23,850)
Engineering fees - Construction	50,000	50,000	76,497	(26,497)
Payroll tax expenses	700	700	1,496	(796)
Bookkeeping fees	14,000	14,000	12,446	1,554
Printing & Office supplies	1,800	1,800	82	1,718
Insurance	7,000	7,000	6,462	538
Travel & Expenses	5,000	5,000	1,085	3,915
Other office expenses	5,000	5,000	41,024	(36,024)
Dues	-	-	2,085	(2,085)
Detention pond maintenance	16,900	16,900	9,766	7,134
Total Expenditures	205,900	205,900	291,932	(86,032)
Excess (deficiency) of revenues over expenditures	(205,900)	(205,900)	(290,213)	(84,313)
Other Financing Sources (Uses)				
Transfers in	206,100	206,100	186,000	(20,100)
Total Other Financing Sources (Uses)	206,100	206,100	186,000	(20,100)
Net change in fund balance	200	200	(104,213)	(104,413)
Fund Balances - Beginning of Year	(26,512)	(26,512)	8,561	35,073
Fund Balances - End of Year	\$ (26,312)	\$ (26,312)	\$ (95,652)	\$ (69,340)

EXHIBIT "B"



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors of
East Fort Bend County Development Authority
Fort Bend County, Texas

We have performed the procedures enumerated below, which were agreed to by you, solely to assist the East Fort Bend County Development Authority (the "Authority") with the request for reimbursements for approved projects and other advances made by Stafford 59 & Airport LP (the "Developer") in the development commonly referred to as the Grid (the "Development") as more fully described in the following agreements (the "Agreements"):

- Agreement between Fort Bend County, Texas and East Fort Bend County Development Authority dated August 25, 2015,
- Defined Area Financing Agreement dated September 28, 2015, and
- Development Financing and Reimbursement Agreement dated September 28, 2015.

The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

1. We obtained a listing of invoices along with copies of invoices and cancelled checks supporting project costs incurred by the Developer and summarized the same in the attached exhibits.
2. We reviewed the invoices to ensure the costs submitted were related to the projects described in the Agreements listed above. The invoices were also reviewed to ensure charges were not duplicated and the period of services did not overlap. Substantiated costs to date for these projects have been included in the attached exhibits.
3. We computed interest due to the Developer in accordance with Agreements listed above and have included interest due to the Developer through September 25, 2023.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the amounts to be paid to the Developer. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors of the East Fort Bend County Development Authority and is not intended to be and should not be used by anyone other than this specified party.

Whitley Penn LLP

Houston, Texas
September 25, 2023

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
SUMMARY OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of September 25, 2023

Exhibit A

9/25/2023
5.5%

Net Effective Interest Rate

Category	Vendor	Source	Current Reimbursement	Interest	Total
101.001 - Demolition					
Construction	American Environmental Specialists, Inc.	381	\$ 225,225.22	\$ 24,774.78	\$ 250,000.00
Construction	American Environmental Specialists, Inc.	DAT	168,732.61	18,560.59	187,293.20
101.003 - East Detention Basin					
Engineering	Jones & Carter, Inc.	DAT	19,151.20	2,106.63	21,257.83
101.011 - Phase 1 Public Landscaping					
Construction	Woodcreek Landscape Company, Inc.	DAT	138,260.95	15,208.70	153,469.65
Architect	TBG Partners	DAT	40,551.91	4,460.71	45,012.62
101.015 - Phase 2 Public Landscaping					
Construction	Woodcreek Landscape Company, Inc.	DAT	257,547.00	28,330.17	285,877.17
Architect	TBG Partners	DAT	51,432.00	5,657.52	57,089.52
Total Reimbursement			\$ 900,900.89	\$ 99,099.11	\$ 1,000,000.00

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of September 25, 2023

Project 101.001 - Demolition

9/25/2023

Net Effective Interest Rate

5.5%

Vendor	Date Paid	Memo	Amount	Previously Reimbursed	Current Reimbursement	No. of Days (Max. of 730)	Interest
American Environmental Specialists, Inc.	5/25/2016	Invoice 05252016-001	\$ 130,000.00	\$ -	\$ -		\$ -
American Environmental Specialists, Inc.	5/31/2016	Invoice 05252016-001	20,000.00	-	-		-
American Environmental Specialists, Inc.	7/8/2016	Wired Payment	30,000.00	-	-		-
American Environmental Specialists, Inc.	7/1/2016	Wired Payment	40,000.00	-	-		-
American Environmental Specialists, Inc.	7/15/2016	Invoice 006222016-001	65,000.00	-	-		-
American Environmental Specialists, Inc.	7/20/2016	Pay Estimate No. 1	376,802.50	-	-		-
American Environmental Specialists, Inc.	9/2/2016	Pay Estimate No. 2	497,348.10	-	-		-
American Environmental Specialists, Inc.	10/24/2016	Pay Estimate No. 3	335,273.85	-	-		-
American Environmental Specialists, Inc.	11/14/2016	Pay Estimate No. 3	100,000.00	-	-		-
American Environmental Specialists, Inc.	11/16/2016	Pay Estimate No. 3	235,273.85	-	-		-
American Environmental Specialists, Inc.	12/29/2016	Pay Estimate No. 4	412,741.80	-	-		-
American Environmental Specialists, Inc.	1/23/2018	Pay Estimate No. 5	113,818.41	-	-		-
American Environmental Specialists, Inc.	2/7/2018	Sunbelt Rentals	117,673.59	-	-		-
American Environmental Specialists, Inc.	2/9/2018	Mustang Rentals	32,342.93	-	-		-
American Environmental Specialists, Inc.	3/29/2018	Pay Estimate No. 8	82,918.53	-	-		-
Proceeds from salvage			(1,219,182.53)	-	-		-
September 2020 - 381			-	292,012.00	-		-
September 2022 - Bonds			-	112,885.22	-		-
October 2022 - Bonds			-	13,566.38	-		-
November 2022 - Bonds			-	13,369.19	-		-
November 2022 - 381			-	226,689.34	-		-
June 2023 - Bonds			-	90,043.05	-		-
			\$ 1,370,011.03	\$ 748,565.18	\$ 225,225.22	730	\$ 24,774.78
					\$ 168,732.61	730	\$ 18,560.59

Project 101.003 - East Detention Basin

9/25/2023

Net Effective Interest Rate

5.5%

4

Project 101.011 - Phase 1 Public Landscaping

5.5%

5

Project 101.015 - Phase 2 Public Landscaping

5.5%

6

EXHIBIT "C"



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors of
East Fort Bend County Development Authority
Fort Bend County, Texas

We have performed the procedures enumerated below, which were agreed to by you, solely to assist the East Fort Bend County Development Authority (the "Authority") with the request for reimbursements for approved projects and other advances made by Stafford 59 & Airport LP (the "Developer") in the development commonly referred to as the Grid (the "Development") as more fully described in the following agreements (the "Agreements"):

- Agreement between Fort Bend County, Texas and East Fort Bend County Development Authority dated August 25, 2015,
- Defined Area Financing Agreement dated September 28, 2015, and
- Development Financing and Reimbursement Agreement dated September 28, 2015.

The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

1. We obtained a listing of invoices along with copies of invoices and cancelled checks supporting project costs incurred by the Developer and summarized the same in the attached exhibits.
2. We reviewed the invoices to ensure the costs submitted were related to the projects described in the Agreements listed above. The invoices were also reviewed to ensure charges were not duplicated and the period of services did not overlap. Substantiated costs to date for these projects have been included in the attached exhibits.
3. We computed interest due to the Developer in accordance with Agreements listed above and have included interest due to the Developer through June 26, 2023.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the amounts to be paid to the Developer. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors of the East Fort Bend County Development Authority and is not intended to be and should not be used by anyone other than this specified party.

Whitley Penn LLP

Houston, Texas
June 26, 2023

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
SUMMARY OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Exhibit A

		Net Effective Interest Rate		6/26/2023
				5.5%
Category	Vendor	Current Reimbursement	Interest	Total
101.001 - Demolition				
Construction	American Environmental Specialists, Inc.	\$ 90,043.05	\$ 9,904.74	\$ 99,947.79
101.008 - Phase 1 Paving and Drainage				
Construction	Rodriguez Construction Group, LLC	795,267.09	87,479.38	882,746.47
Engineering	Jones & Carter, Inc.	122,226.41	13,444.91	135,671.32
101.009 - Phase 2 Paving and Drainage				
Construction	Rodriguez Construction Group, LLC	1,422,959.35	156,525.53	1,579,484.88
Nexus Avenue				
Construction	Rodriguez Construction Group, LLC	557,403.79	10,014.04	567,417.83
Engineering	Quidity	43,043.98	2,527.96	45,571.94
Land				
		1,217,186.69	130,359.40	1,347,546.09
Total Reimbursement		<u>\$ 4,248,130.36</u>	<u>\$ 410,255.94</u>	<u>\$ 4,658,386.30</u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Project 101.001 - Demolition

						6/26/2023	
						Net Effective Interest Rate	5.5%
Category	Vendor	Date Paid	Memo	Amount	Current Reimbursement	No. of Days (Max. of 730)	Interest
Construction	American Environmental Specialists, Inc.	5/25/2016	Invoice 05252016-001	\$ 130,000.00	\$ -		\$ -
Construction	American Environmental Specialists, Inc.	5/31/2016	Invoice 05252016-001	20,000.00	-		-
Construction	American Environmental Specialists, Inc.	7/8/2016	Wired Payment	30,000.00	-		-
Construction	American Environmental Specialists, Inc.	7/1/2016	Wired Payment	40,000.00	-		-
Construction	American Environmental Specialists, Inc.	7/15/2016	Invoice 006222016-001	65,000.00	-		-
Construction	American Environmental Specialists, Inc.	7/20/2016	Pay Estimate No. 1	376,802.50	-		-
Construction	American Environmental Specialists, Inc.	9/2/2016	Pay Estimate No. 2	497,348.10	-		-
Construction	American Environmental Specialists, Inc.	10/24/2016	Pay Estimate No. 3	335,273.85	-		-
Construction	American Environmental Specialists, Inc.	11/14/2016	Pay Estimate No. 3	100,000.00	-		-
Construction	American Environmental Specialists, Inc.	11/16/2016	Pay Estimate No. 3	235,273.85	-		-
Construction	American Environmental Specialists, Inc.	12/29/2016	Pay Estimate No. 4	412,741.80	-		-
Construction	American Environmental Specialists, Inc.	1/23/2018	Pay Estimate No. 5	113,818.41	-		-
Construction	American Environmental Specialists, Inc.	2/7/2018	Sunbelt Rentals	117,673.59	-		-
Construction	American Environmental Specialists, Inc.	2/9/2018	Mustang Rentals	32,342.93	-		-
Construction	American Environmental Specialists, Inc.	3/29/2018	Pay Estimate No. 8	82,918.53	-		-
	Proceeds from salvage			(1,219,182.53)	-		-
	WSD share			(133,136.26)	-		-
	Developer share			(1,146,831.72)	-		-
				\$ 90,043.05	\$ 90,043.05	730	\$ 9,904.74

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Project 101.008 - Phase 1 Paving and Drainage

								6/26/2023
								Net Effective Interest Rate 5.5%
Category	Vendor	Date Paid	Memo	Amount	Previously Reimbursed	Current Reimbursement	No. of Days (Max. of 730)	Interest
Construction	Rodriguez Construction Group, LLC	2/6/2018	Pay Estimate No. 1	\$ 332,177.45	\$ -	\$ -		\$ -
Construction	Rodriguez Construction Group, LLC	3/5/2018	Pay Estimate No. 2	148,513.41	-	-		-
Construction	Rodriguez Construction Group, LLC	3/5/2018	Pay Estimate No. 3	189,410.98	-	-		-
Construction	Rodriguez Construction Group, LLC	4/17/2018	Pay Estimate No. 4	365,932.58	-	-		-
Construction	Rodriguez Construction Group, LLC	5/15/2018	Pay Estimate No. 5	294,081.66	-	-		-
Construction	Rodriguez Construction Group, LLC	6/26/2018	Pay Estimate No. 6	97,091.24	-	-		-
Construction	Rodriguez Construction Group, LLC	8/1/2018	Pay Estimate No. 7	125,171.20	-	-		-
Construction	Rodriguez Construction Group, LLC	9/26/2018	Pay Estimate No. 8	99,689.29	-	-		-
	Developer share			(31,438.17)	-	-		-
	2020 Road Bond 1			-	380,529.00	-		-
	2022 Bar 24			-	444,833.55	-		-
				<u>\$ 1,620,629.64</u>	<u>\$ 825,362.55</u>	<u>\$ 795,267.09</u>	730	<u>\$ 87,479.38</u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Project 101.008 - Phase 1 Paving and Drainage

6/26/2023

Net Effective Interest Rate

5.5%

Category	Vendor	Date Paid	Memo	Amount	Previously Reimbursed	Current Reimbursement	No. of Days (Max. of 730)	Interest
Engineering	Jones & Carter, Inc.	8/21/2015	219744	\$ 41,892.86	\$ 20,701.95	\$ 21,190.91	730	\$ 2,331.00
Engineering	Jones & Carter, Inc.	8/21/2015	220619	23,306.25	21,361.78	1,944.47	730	213.89
Engineering	Jones & Carter, Inc.	12/23/2016	221210	11,553.75	3,252.27	8,301.48	730	913.16
Engineering	Jones & Carter, Inc.	11/5/2015	223600	14,025.82	3,948.13	10,077.69	730	1,108.55
Engineering	Jones & Carter, Inc.	12/23/2016	224826	13,501.62	10,913.82	2,587.80	730	284.66
Engineering	Jones & Carter, Inc.	5/2/2016	228403	36,039.19	23,616.75	12,422.44	730	1,366.47
Engineering	Jones & Carter, Inc.	5/2/2016	229533	7,044.30	4,471.87	2,572.43	730	282.97
Engineering	Jones & Carter, Inc.	6/15/2016	230218	6,308.69	1,775.83	4,532.86	730	498.61
Engineering	Jones & Carter, Inc.	8/3/2016	231180	8,250.00	2,322.29	5,927.71	730	652.05
Engineering	Jones & Carter, Inc.	7/25/2016	234369	14,476.16	4,074.90	10,401.26	730	1,144.14
Engineering	Jones & Carter, Inc.	11/28/2016	236800	20,923.20	19,650.00	1,273.20	730	140.05
Engineering	Jones & Carter, Inc.	11/28/2016	237903	30,753.36	26,545.19	4,208.17	730	462.90
Engineering	Jones & Carter, Inc.	11/28/2016	239066	26,657.85	21,264.25	5,393.60	730	593.30
Engineering	Jones & Carter, Inc.	12/23/2016	240064	19,368.76	16,460.38	2,908.38	730	319.92
Engineering	Jones & Carter, Inc.	3/13/2017	241754	2,544.75	716.32	1,828.43	730	201.13
Engineering	Jones & Carter, Inc.	8/2/2017	242177	19,213.90	5,408.53	13,805.37	730	1,518.59
Engineering	Jones & Carter, Inc.	4/10/2017	244098	9,813.63	9,642.60	171.03	730	18.81
Engineering	Jones & Carter, Inc.	6/30/2017	244774	11,589.95	10,142.62	1,447.33	730	159.21
Engineering	Jones & Carter, Inc.	9/18/2017	246305	12,041.35	10,269.68	1,771.67	730	194.88
Engineering	Jones & Carter, Inc.	8/2/2017	249090	17.49	4.92	12.57	730	1.38
Engineering	Jones & Carter, Inc.	9/18/2017	250392	370.70	104.35	266.35	730	29.30
Engineering	Jones & Carter, Inc.	10/6/2017	252139	178.20	50.16	128.04	730	14.08
Engineering	Jones & Carter, Inc.	9/25/2016	200878	12,600.00	3,546.78	9,053.22	730	995.85
				\$ 342,471.78	\$ 220,245.37	\$ 122,226.41		\$ 13,444.91

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Project 101.009 - Phase 2 Paving and Drainage

								6/26/2023
								5.5%
								Net Effective Interest Rate
Category	Vendor	Date Paid	Memo	Amount	Previously Reimbursed	Current Reimbursement	No. of Days (Max. of 730)	Interest
Construction	Rodriguez Construction Group, LLC	10/22/2018	Pay Estimate No. 1	\$ 143,014.95	\$ -	\$ -		\$ -
Construction	Rodriguez Construction Group, LLC	11/27/2018	Pay Estimate No. 2	254,555.43	-	-		-
Construction	Rodriguez Construction Group, LLC	12/20/2018	Pay Estimate No. 3	680,334.97	-	-		-
Construction	Rodriguez Construction Group, LLC	1/15/2019	Pay Estimate No. 4	570,602.37	-	-		-
Construction	Rodriguez Construction Group, LLC	2/11/2019	Pay Estimate No. 5	618,728.13	-	-		-
Construction	Rodriguez Construction Group, LLC	3/5/2019	Pay Estimate No. 6	357,646.61	-	-		-
Construction	Rodriguez Construction Group, LLC	4/5/2019	Pay Estimate No. 7	150,425.79	-	-		-
Construction	Rodriguez Construction Group, LLC	5/14/2019	Pay Estimate No. 8	120,278.43	-	-		-
Construction	Rodriguez Construction Group, LLC	5/14/2019	Pay Estimate No. 9	533,346.32	-	-		-
Construction	Rodriguez Construction Group, LLC	5/14/2019	Pay Estimate No. 10	101,531.45	-	-		-
Construction	Rodriguez Construction Group, LLC	6/25/2019	Pay Estimate No. 11	454,511.36	-	-		-
Construction	Rodriguez Construction Group, LLC	8/1/2019	Pay Estimate No. 12	458,769.17	-	-		-
Construction	Rodriguez Construction Group, LLC	8/30/2019	Pay Estimate No. 13	289,193.19	-	-		-
Construction	Rodriguez Construction Group, LLC	9/26/2019	Pay Estimate No. 14	341,335.02	-	-		-
Construction	Rodriguez Construction Group, LLC	11/15/2019	Pay Estimate No. 15	61,864.82	-	-		-
Construction	Rodriguez Construction Group, LLC	11/15/2019	Pay Estimate No. 16	218,952.03	-	-		-
	Developer share			(192,334.79)	-	-		-
	2020 Road Bond			-	1,140,187.00	-		-
	2021 DAT			-	662,753.00	-		-
	BAR #23			-	1,016,730.22	-		-
	Bond 9-26-2022			-	889,108.31	-		-
	2022 DAT			-	31,017.37	-		-
				\$ 5,162,755.25	\$ 3,739,795.90	\$ 1,422,959.35	730	\$ 156,525.53

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Nexus Avenue

6/26/2023

Net Effective Interest Rate

5.5%

Category	Description	Date Paid	Memo	Amount	Previously Reimbursed	Current Reimbursement	No. of Days (Max. of 730)	Interest
Construction	Rodriguez Construction Group, LLC	2/9/2023	Pay Estimate #1	\$ 174,428.96	\$ -	\$ 174,428.96	137	\$ 3,600.88
Construction	Rodriguez Construction Group, LLC	2/9/2023	Pay Estimate #2	183,306.86	-	183,306.86	137	3,784.16
Construction	Rodriguez Construction Group, LLC	3/15/2023	Pay Estimate #3	144,952.56	-	144,952.56	103	2,249.74
Construction	Rodriguez Construction Group, LLC	5/11/2023	Pay Estimate #4	65,859.86	-	65,859.86	46	456.51
	WSD share	5/11/2023		(6,378.00)	-	(6,378.00)	46	(44.21)
	Developer share	5/11/2023		(4,766.45)	-	(4,766.45)	46	(33.04)
				<u>\$ 557,403.79</u>	<u>\$ -</u>	<u>\$ 557,403.79</u>		<u>\$ 10,014.04</u>
Engineering	Quidity	2/14/2022	335695	\$ 9,000.00	\$ -	\$ 9,000.00	497	\$ 674.01
Engineering	Quidity	3/11/2022	337250	6,765.00	-	6,765.00	472	481.15
Engineering	Quidity	4/18/2022	339034	9,263.98	-	9,263.98	434	605.84
Engineering	Quidity	5/16/2022	340560	1,905.00	-	1,905.00	406	116.54
Engineering	Quidity	7/25/2022	344454	3,527.50	-	3,527.50	336	178.60
Engineering	Quidity	8/15/2022	345771	5,545.00	-	5,545.00	315	263.20
Engineering	Quidity	9/13/2022	347390	2,712.50	-	2,712.50	286	116.90
Engineering	Quidity	12/12/2022	352245	918.75	-	918.75	196	27.13
Engineering	Quidity	1/25/2023	353993	1,448.75	-	1,448.75	152	33.18
Engineering	Quidity	2/14/2023	355337	851.25	-	851.25	132	16.93
Engineering	Quidity	3/7/2023	356286	382.50	-	382.50	111	6.40
Engineering	Quidity	4/13/2023	358346	723.75	-	723.75	74	8.07
				<u>\$ 43,043.98</u>	<u>\$ -</u>	<u>\$ 43,043.98</u>		<u>\$ 2,527.96</u>

EAST FORT BEND COUNTY DEVELOPMENT AUTHORITY
RECAPITULATION OF AMOUNTS TO BE PAID TO
STAFFORD 59 & AIRPORT LP
As of June 26, 2023

Land

Net Effective Interest Rate								6/26/2023
								5.5%
Category	Description	Date Paid	Cost/Acre	Amount	Previously Reimbursed	Current Reimbursement	No. of Days (Max. of 730)	Interest
Land	Current Lane	10/29/2015	\$190,118.62 x 0.2180 acres	\$ 41,445.86	\$ -	\$ 41,445.86	730	\$ 4,559.04
Land	Lumen Avenue North	10/29/2015	\$190,118.62 x 0.6618 acres	125,820.51	-	125,820.51	730	13,840.26
Land	Lumen Avenue South and Volt Lane	10/29/2015	\$190,118.62 x 1.6616 acres	315,901.10	-	315,901.10	730	34,749.12
Land	Arc Lane	10/29/2015	\$190,118.62 x 0.5750 acres	109,318.21	-	109,318.21	730	12,025.00
Land	Circuit Lane	10/29/2015	\$190,118.62 x 0.3940 acres	74,906.74	-	74,906.74	730	8,239.74
Land	Pulse Street	10/29/2015	\$190,118.62 x 0.3382 acres	64,298.12	-	64,298.12	730	7,072.79
Land	Nexus Avenue	10/29/2015	\$190,118.62 x 1.3007 acres	247,287.29	-	247,287.29	730	27,201.60
Land	Nexus Avenue Extension	10/29/2015	\$190,118.62 x 1.0841 acres	206,107.60	-	206,107.60	730	22,671.84
Land	Taxes			32,101.26	-	32,101.26		-
				\$ 1,217,186.69	\$ -	\$ 1,217,186.69		\$ 130,359.40