

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
MONTGOMERY COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2023

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3

MONTGOMERY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Roman Forest Public
Utility District No. 3
Montgomery County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of Roman Forest Public Utility District No. 3 (the "District") as of and for the year ended September 30, 2023, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 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 District'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 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Directors
Roman Forest Public
Utility District No. 3

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 supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide an assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

February 1, 2024

**ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Management's discussion and analysis of Roman Forest Public Utility District No. 3's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one governmental fund type. The General Fund accounts for resources not accounted for in another fund, customer service revenues, costs and general expenditures.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

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

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI"). A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$136,574 at September 30, 2023.

A portion of the District's net position reflects its net investment in capital assets (machinery and equipment less any debt used to acquire those assets that is still outstanding).

The following is a comparative analysis of government-wide changes in net position:

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2023	2022	Change Positive (Negative)
Current and Other Assets	\$ 199,206	\$ 190,410	\$ 8,796
Capital Assets (Net of Accumulated Depreciation)	<u>626,741</u>	<u>653,465</u>	<u>(26,724)</u>
Total Assets	<u>\$ 825,947</u>	<u>\$ 843,875</u>	<u>\$ (17,928)</u>
Due to Developer	\$ 629,615	\$ 629,615	\$
Other Liabilities	<u>59,758</u>	<u>85,597</u>	<u>25,839</u>
Total Liabilities	<u>\$ 689,373</u>	<u>\$ 715,212</u>	<u>\$ 25,839</u>
Net Position:			
Net Investment in Capital Assets	\$ 12,126	\$ 38,850	\$ (26,724)
Unrestricted	<u>124,448</u>	<u>89,813</u>	<u>34,635</u>
Total Net Position	<u>\$ 136,574</u>	<u>\$ 128,663</u>	<u>\$ 7,911</u>

The following table provides a summary of the District's operations for the years ended September 30, 2023, and September 30, 2022.

	Summary of Changes in the Statement of Activities		
	2023	2022	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 58,127	\$ 22,947	\$ 35,180
Charges for Services	304,395	169,682	134,713
Other Revenues	<u>43,472</u>	<u>1,158</u>	<u>42,314</u>
Total Revenues	<u>\$ 405,994</u>	<u>\$ 193,787</u>	<u>\$ 212,207</u>
Expenses for Services	<u>398,083</u>	<u>260,489</u>	<u>(137,594)</u>
Change in Net Position	\$ 7,911	\$ (66,702)	\$ 74,613
Net Position, Beginning of Year	<u>128,663</u>	<u>195,365</u>	<u>(66,702)</u>
Net Position, End of Year	<u>\$ 136,574</u>	<u>\$ 128,663</u>	<u>\$ 7,911</u>

**ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's fund balance as of September 30, 2023, was \$125,414, an increase of \$39,355, primarily due to service operation costs and capital outlay exceeding property taxes and charges for services during the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors amended the budget during the current fiscal year. Actual revenues were \$170,714 more than budgeted revenues and actual expenditures were \$131,359 more than budgeted expenditures which resulted in a positive variance of \$39,355. See the budget to actual comparison for more information.

CAPITAL ASSETS

Capital assets as of September 30, 2023, total \$626,741 (net of accumulated depreciation) and includes machinery and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2023	2022	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Construction in Progress	\$ 3,184	\$ 525	\$ 2,659
Capital Assets, Net of Accumulated Depreciation:			
Machinery and Equipment	3,160	5,569	(2,409)
Wastewater System	620,397	647,371	(26,974)
Total Net Capital Assets	\$ 626,741	\$ 653,465	\$ (26,724)

Additional information on the District's capital assets can be found in Note 5 of this report.

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the District recorded \$629,615 as due to developer.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Roman Forest Public Utility District No. 3, c/o Roach & Associates, PLLC, 2001 Timberloch Place, Suite 500, Houston, TX 77380.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2023

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 129,279	\$	\$ 129,279
Investments	2,626		2,626
Receivables:			
Property Taxes	6,759		6,759
Penalty and Interest on Delinquent Taxes		7,275	7,275
Service Accounts	53,267		53,267
Construction in Progress		3,184	3,184
Capital Assets (Net of Accumulated Depreciation)		623,557	623,557
TOTAL ASSETS	\$ 191,931	\$ 634,016	\$ 825,947
LIABILITIES			
Accounts Payable	\$ 48,708	\$	\$ 48,708
Due to Developers		629,615	629,615
Security Deposits	11,050		11,050
TOTAL LIABILITIES	\$ 59,758	\$ 629,615	\$ 689,373
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	\$ 6,759	\$ (6,759)	\$ - 0 -
FUND BALANCE			
Unassigned	\$ 125,414	\$ (125,414)	\$ - 0 -
TOTAL FUND BALANCE	\$ 125,414	\$ (125,414)	\$ - 0 -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 191,931		
NET POSITION			
Net Investment in Capital Assets		\$ 12,126	\$ 12,126
Unrestricted		124,448	124,448
TOTAL NET POSITION		\$ 136,574	\$ 136,574

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

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total Fund Balance - Governmental Fund	\$	125,414
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.</p>		626,741
<p>Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2022 and prior tax levies became part of recognized revenues in the governmental activities of the District.</p>		14,034
<p>Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year-end consist of:</p>		
Due to Developer		<u>(629,615)</u>
Total Net Position - Governmental Activities	\$	<u>136,574</u>

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

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Adjustments	Statement of Activities
REVENUES			
Property Taxes	\$ 61,954	\$ (3,827)	\$ 58,127
Water and Wastewater Services	287,084		287,084
Penalty and Interest	8,304	(893)	7,411
Tap Connection and Inspection Fees	9,900		9,900
Investment Revenues	199		199
Miscellaneous Revenues	43,273		43,273
TOTAL REVENUES	\$ 410,714	\$ (4,720)	\$ 405,994
EXPENDITURES/EXPENSES			
Service Operations:			
Professional Fees	\$ 27,633	\$	\$ 27,633
Contracted Services	70,013		70,013
Purchased Water and Wastewater Services	223,097		223,097
Utilities	405		405
Repairs and Maintenance	26,109		26,109
Depreciation		29,383	29,383
Other	21,443		21,443
Capital Outlay	2,659	(2,659)	
TOTAL EXPENDITURES/EXPENSES	\$ 371,359	\$ 26,724	\$ 398,083
NET CHANGE IN FUND BALANCE	\$ 39,355	\$ (39,355)	\$
CHANGE IN NET POSITION		7,911	7,911
FUND BALANCE/NET POSITION - OCTOBER 1, 2022	86,059	42,604	128,663
FUND BALANCE/NET POSITION - SEPTEMBER 30, 2023	\$ 125,414	\$ 11,160	\$ 136,574

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

**ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Net Change in Fund Balance - Governmental Fund	\$	39,355
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report tax revenues when collected. However, in the government-wide financial statements, revenues are recorded in the accounting period for which the taxes are levied.</p>		(3,827)
<p>Governmental funds report penalty and interest revenues on property taxes when collected. However, in the government-wide financial statements, revenues are recorded when the penalty and interest are assessed.</p>		(893)
<p>Governmental funds do not account for depreciation. However, in the government-wide financial statements, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.</p>		(29,383)
<p>Governmental funds report capital asset costs as expenditures in the period purchased. However, in the government-wide financial statements, capital assets are increased by new purchases that meet the District's threshold for capitalization, and are owned and maintained by the District. All other capital asset purchases are expensed in the Statement of Activities.</p>		<u>2,659</u>
Change in Net Position - Governmental Activities	\$	<u>7,911</u>

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

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1. CREATION OF DISTRICT

Roman Forest Public Utility District No. 3, (the “District”) was organized as a governmental body under Chapter 668 of the Constitution of Texas, House Bill 1726 and Vernon Acts 8280-5555, the District was created by Acts of the 62nd Legislature of the State of Texas, Regular Session, 1971. The Board of Directors held it’s first meeting on February 28, 1972, and the first bonds were sold on October 10, 1973. The District was created to provide water and sewer services and drainage to property within the boundaries of the District. The District is located in Montgomery County, Texas.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

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

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

Financial Statement Presentation

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

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

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

- * Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- * Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- * Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenues and expenses in the government-wide Statement of Activities.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

Governmental Funds

The District has one governmental fund and considers these funds to be major fund.

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

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in governmental funds to be available if they are collectable within 60 days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

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

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

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

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

Assets are capitalized, including infrastructure assets, if they have an original cost of \$2,000 or more and a useful life of at least two years. Depreciation is calculated on each class of depreciable property using no salvage value and the straight-line method of depreciation. Estimated useful lives are as follows:

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

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District’s Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and revised budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service determined that fees of office received by Directors are wages subject to federal income tax withholding for payroll tax purposes only.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources associated with the activities are reported. Fund equity is classified as net position.

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

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances

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

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates

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

NOTE 3. LONG-TERM DEBT

In 1973, the District’s voters authorized the issuance of \$2,000,000 in tax bonds. In October of 1973, bonds were issued totaling \$1,475,000. The District has \$525,000 of unissued tax bond authority from the 1973 election; however, the District has no intention of utilizing such prior authority. On May 4, 2019, voters authorized the issuance of \$26,500,000 for waterworks sanitary sewer, and drainage facilities bonds and \$26,500,000 for refunding bonds.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

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

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year-end, the carrying amount of the District’s deposits was \$129,279 and the bank balance was \$126,476. The District was not exposed to custodial risk at year-end.

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:

	<u>Cash</u>
GENERAL FUND	<u>\$ 129,279</u>

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments

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

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

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

As of September 30, 2023, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities in Less Than 1 year
<u>GENERAL FUND</u>		
TexPool	\$ 2,626	\$ 2,626

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2023, the District’s investments in TexPool were rated “AAAm” by Standard and Poor’s.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023:

	October 1, 2022	Increases	Decreases	September 30, 2023
Capital Assets Not Being Depreciated				
Construction in Progress	\$ 525	\$ 2,659	\$ - 0 -	\$ 3,184
Capital Assets Subject to Depreciation				
Machinery and Equipment	\$ 18,063	\$	\$	\$ 18,063
Wastewater System	674,345	_____	_____	674,345
Total Capital Assets Subject to Depreciation	\$ 692,408	\$ - 0 -	\$ - 0 -	\$ 692,408
Less Accumulated Depreciation				
Machinery and Equipment	\$ 12,494	\$ 2,409	\$	\$ 14,903
Wastewater System	26,974	26,974	_____	53,948
Total Accumulated Depreciation	\$ 39,468	\$ 29,383	\$ - 0 -	\$ 68,851
Total Depreciable Capital Assets, Net of Accumulated Depreciation	\$ 652,940	\$ (29,383)	\$ - 0 -	\$ 623,557
Total Capital Assets, Net of Accumulated Depreciation	\$ 653,465	\$ (26,724)	\$ - 0 -	\$ 626,741

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; and natural disasters. The District carries commercial insurance for its fidelity bonds and participates in the Texas Municipal League Intergovernmental Risk Pool (TML) to provide property, general liability, automobile, boiler and machinery, errors and omissions and workers compensation coverage. The District, along with other participating entities, contributes annual amounts determined by TML's management. As claims arise they are submitted and paid by TML. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 7. MAINTENANCE TAX

In August 1980, the voters of the District approved the levy and collection of a maintenance tax not to exceed \$0.25 per \$100 of assessed valuation of taxable property within the District. In November 2013, voters of the District approved to increase the maintenance tax not to exceed \$1.50 per \$100 of assessed valuation. During the year ended September 30, 2023, the District levied an ad valorem maintenance tax at the rate of \$0.605 per \$100 of assessed valuation, which resulted in a tax levy of \$58,127 on the adjusted taxable valuation of \$9,607,763 for the 2022 tax year. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District's waterworks and sanitary sewer system.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

NOTE 8. CONTINGENCIES, CLAIMS, AND DEPENDENCY

The District currently depends entirely on Roman Forest Consolidated to supply treated water for sale to its customers and for treatment and disposal of its wastewater. The District would likely incur a significant increase in cost if Roman Forest Consolidated stopped providing these services.

NOTE 9. WHOLESALE WATER AND WASTEWATER SERVICE AGREEMENT

The District has had an agreement with Roman Forest Consolidated Municipal Utility District and its predecessor for many years. The most recent revision to this agreement is dated April 5, 2021. This agreement states 1) Consolidated agrees to provide water and sewer services for the Districts' existing and future residents and commercial customers, 2) the District is entitled to one hundred eighty six (186) equivalent service connections, and 3) the rates currently charged are \$30.00 per metered connection plus \$4.00 per 1,000 gallons of water per month for water and \$30.00 per residential connection for Sanitary sewer service per month. The term of this agreement is 15 years ending January 31, 2036.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10. DUE TO DEVELOPER

During a prior fiscal year, the Developer advanced \$614,615 for Phase 1 of the Sanitary Sewer and Rehabilitation project. During a prior fiscal year, the Developer advanced \$15,000 for ongoing District expenses including a bond election and for the repair work of utilities to serve the lots purchased by the Developer.

	October 1, 2022	Additions	Reimbursements	September 1, 2023
Due to Developer	<u>\$ 629,615</u>	<u>\$ -0-</u>	<u>\$ - 0 -</u>	<u>\$ 629,615</u>

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2023

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Property Taxes	\$ 51,270	\$ 66,500	\$ 61,954	\$ (4,546)
Water and Wastewater Services	173,664	168,500	287,084	118,584
Penalty and Interest			8,304	8,304
Tap Connection and Inspection Fees	4,500	4,500	9,900	5,400
Investment Revenues	500	500	199	(301)
Miscellaneous Revenues			<u>43,273</u>	<u>43,273</u>
TOTAL REVENUES	<u>\$ 229,934</u>	<u>\$ 240,000</u>	<u>\$ 410,714</u>	<u>\$ 170,714</u>
EXPENDITURES				
Service Operations:				
Professional Fees	\$ 35,000	\$ 35,000	\$ 27,633	\$ 7,367
Contracted Services	51,500	51,500	70,013	(18,513)
Purchased Water and Wastewater Services	130,000	130,000	223,097	(93,097)
Utilities			405	(405)
Repairs and Maintenance	10,000	10,000	26,109	(16,109)
Other	13,500	13,500	21,443	(7,943)
Capital Outlay			<u>2,659</u>	<u>(2,659)</u>
TOTAL EXPENDITURES	<u>\$ 240,000</u>	<u>\$ 240,000</u>	<u>\$ 371,359</u>	<u>\$ (131,359)</u>
NET CHANGE IN FUND BALANCE	\$ (10,066)	\$ -0-	\$ 39,355	\$ 39,355
FUND BALANCE - OCTOBER 1, 2022	<u>86,059</u>	<u>86,059</u>	<u>86,059</u>	
FUND BALANCE - SEPTEMBER 30, 2023	<u>\$ 75,993</u>	<u>\$ 86,059</u>	<u>\$ 125,414</u>	<u>\$ 39,355</u>

See accompanying independent auditor's report.

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ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3

SUPPLEMENTARY INFORMATION REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

SEPTEMBER 30, 2023

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

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

2. RETAIL SERVICE PROVIDERS

a. RETAIL RATES FOR A 5/8" METER (OR EQUIVALENT):

Based on the rate order approved on May 1, 2023.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	\$ 40.00	2,000	N	\$ 4.50	2,001 and up
WASTEWATER:	\$ 50.00		Y		
SURCHARGE:					
San Jacinto River Authority			N	\$ 3.29	All
Commission Regulatory Assessments	0.5% of actual water and wastewater bill				

District employs winter averaging for wastewater usage? _____ X
Yes No

Total monthly charges per 10,000 gallons usage: Water: \$76.00 Wastewater: \$50.00 Surcharge: \$33.53 Total \$159.53

See accompanying independent auditor's report.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered			x 1.0	
≤¾"	<u>173</u>	<u>173</u>	x 1.0	<u>173</u>
1"			x 2.5	
1½"			x 5.0	
2"			x 8.0	
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water Connections	<u>173</u>	<u>173</u>		<u>173</u>
Total Wastewater Connections	<u>173</u>	<u>173</u>	x 1.0	<u>173</u>

3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited) January to September 2023 only

Gallons purchased:	12,891,000	Water Accountability Ratio: 100% (Gallons billed and sold/Gallons pumped and purchased)
Gallons billed to customers:	12,851,000	From: Roman Forest Consolidated Municipal Utility District
Leaks and Flushing	40,000	

See accompanying independent auditor's report.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

Does the District have Debt Service standby fees? Yes No

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

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes No

County or Counties in which District is located:

Montgomery County, Texas

Is the District located within a city?

Entirely Partly Not at all

City in which District is located:

City of Roman Forest, Texas

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

Entirely Partly Not at all

Are Board Members appointed by an office outside the District?

Yes No

See accompanying independent auditor's report.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

PROFESSIONAL FEES:	
Auditing	\$ 10,000
Engineering	16,225
Delinquent Tax Attorney	<u>1,408</u>
TOTAL PROFESSIONAL FEES	<u>\$ 27,633</u>
PURCHASED SERVICES FOR RESALE:	
Purchased Water and Wastewater Services	<u>\$ 223,097</u>
CONTRACTED SERVICES:	
Appraisal District	\$ 403
Bookkeeping	15,285
Operations and Billing	52,825
Tax Collector	<u>1,500</u>
TOTAL CONTRACTED SERVICES	<u>\$ 70,013</u>
TOTAL UTILITIES	<u>\$ 405</u>
REPAIRS AND MAINTENANCE	<u>\$ 26,109</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 3,200
Insurance	2,383
Legal Notices	2,765
Office Supplies and Postage	1,027
Travel and Meetings	320
Other	<u>9,737</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 19,432</u>
CAPITAL OUTLAY	<u>\$ 2,659</u>
OTHER EXPENDITURES:	
Laboratory Fees	\$ 644
Permit Fees	<u>1,367</u>
TOTAL OTHER EXPENDITURES	<u>\$ 2,011</u>
TOTAL EXPENDITURES	<u><u>\$ 371,359</u></u>

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
INVESTMENTS
SEPTEMBER 30, 2023

<u>Fund</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Interest Receivable at End of Year</u>
<u>GENERAL FUND</u> TexPool	XXXX0001	Varies	Daily	<u>\$ 2,626</u>	<u>\$ - 0 -</u>

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Maintenance Taxes	
TAXES RECEIVABLE - OCTOBER 1, 2022	\$ 10,586	
Adjustments to Beginning Balance	_____	\$ 10,586
Original 2022 Tax Levy	\$ 53,969	
Adjustment to 2022 Tax Levy	4,158	58,127
TOTAL TO BE ACCOUNTED FOR		\$ 68,713
TAX COLLECTIONS:		
Prior Years	\$ 6,265	
Current Year	55,689	61,954
TAXES RECEIVABLE - SEPTEMBER 30, 2023		\$ 6,759
TAXES RECEIVABLE BY YEAR:		
2022		\$ 2,438
2021		407
2020		301
2019		233
2018		394
2017		394
2016		93
2015		86
2013		83
2012		77
2011 and Prior		2,253
TOTAL		\$ 6,759

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	2022	2021	2020	2019
TOTAL PROPERTY VALUATIONS	<u>\$ 9,607,763</u>	<u>\$ 4,097,692</u>	<u>\$ 3,956,470</u>	<u>\$ 3,290,809</u>
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000
Maintenance**	<u>0.6050</u>	<u>0.5600</u>	<u>0.5600</u>	<u>0.5600</u>
TOTAL TAX RATES PER \$100 VALUATION	<u>\$ 0.6050</u>	<u>\$ 0.5600</u>	<u>\$ 0.5600</u>	<u>\$ 0.5600</u>
ADJUSTED TAX LEVY*	<u>\$ 58,127</u>	<u>\$ 22,947</u>	<u>\$ 22,156</u>	<u>\$ 18,429</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>95.81 %</u>	<u>98.23 %</u>	<u>98.64 %</u>	<u>98.74 %</u>

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

** Maintenance Tax – Maximum tax rate of \$0.25 per \$100 of assessed valuation approved by voters In August 1980. In November 2013, voters of the District approved to increase the maximum tax rate to \$1.50.

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND - FIVE YEARS

	Amount		
	2023	2022	2021
REVENUES			
Property Taxes	\$ 61,954	\$ 23,212	\$ 22,011
Water and Wastewater Services	287,084	159,949	18,015
Penalty and Interest	8,304	3,770	4,932
Tap Connection and Inspection Fees	9,900		16,075
Investment Revenues	199	282	268
Miscellaneous Revenues	43,273	876	6,000
Lot Sales			
TOTAL REVENUES	\$ 410,714	\$ 188,089	\$ 67,301
EXPENDITURES			
Professional Fees	\$ 27,633	\$ 68,403	\$ 46,578
Contracted Services	70,013	39,771	13,618
Purchased Water and Wastewater Services	223,097	136,340	21,427
Utilities	405	497	354
Repairs and Maintenance	26,109	6,100	4,670
Other	21,443	37,656	20,229
Capital Outlay	2,659	149,742	467,467
TOTAL EXPENDITURES	\$ 371,359	\$ 438,509	\$ 574,343
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 39,355	\$ (250,420)	\$ (507,042)
OTHER FINANCING SOURCES (USES)			
Developer Advances	\$ - 0 -	\$ - 0 -	\$ 614,615
NET CHANGE IN FUND BALANCE	\$ 39,355	\$ (250,420)	\$ 107,573
TOTAL ACTIVE RETAIL WATER CONNECTIONS	173	160	14
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	173	160	14

		Percentage of Total Revenues				
2020	2019	2023	2022	2021	2020	2019
\$ 40,717	\$ 20,547	15.2 %	12.4 %	32.7 %	23.9 %	11.4 %
14,941	11,358	69.9	85.0	26.8	8.7	6.3
101,997	1,831	2.0	2.0	7.3	59.6	1.0
13,239		2.4		23.9	7.7	
135	79		0.1	0.4	0.1	
	147,400	10.5	0.5	8.9		
						81.3
<u>\$ 171,029</u>	<u>\$ 181,215</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 22,579	\$ 29,013	6.7 %	36.4 %	69.2 %	13.2 %	16.0 %
13,543	12,047	17.0	21.1	20.2	7.9	6.6
18,667	23,416	54.3	72.5	31.8	10.9	12.9
447	263	0.1	0.3	0.5	0.3	0.1
20,344	1,379	6.4	3.2	6.9	11.9	0.8
22,283	8,332	5.2	20.0	30.1	13.0	4.6
		0.6	79.6	694.6		
<u>\$ 97,863</u>	<u>\$ 74,450</u>	<u>90.3 %</u>	<u>233.1 %</u>	<u>853.3 %</u>	<u>57.2 %</u>	<u>41.0 %</u>
\$ 73,166	\$ 106,765	<u>9.7 %</u>	<u>(133.1) %</u>	<u>(753.3) %</u>	<u>42.8 %</u>	<u>59.0 %</u>
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>					
<u>\$ 73,166</u>	<u>\$ 106,765</u>					
<u>11</u>	<u>11</u>					
<u>11</u>	<u>11</u>					

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2023

District Mailing Address - Roman Forest Public Utility District No. 3
c/o Roach & Associates, PLLC
2001 Timberloch Place, Suite 500
Houston, TX 77380

District Telephone Number - (832) 789-1899

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended <u>September 30, 2023</u>	Expense Reimbursements for the year ended <u>September 30, 2023</u>	<u>Title</u>
Ruth Ann Rawlins	05/20 05/24 (Elected)	\$ 1,000	\$ -0-	President
Matt Rodriguez	05/20 05/24 (Elected)	\$ 600	\$ -0-	Vice President
Anna Hornaday	05/22 05/26 (Elected)	\$ 650	\$ -0-	Secretary/ Treasurer
Robert Parr	03/23 05/24 (Appointed)	\$ 450	\$ -0-	Director
Joanis Riebl	05/22 05/26 (Elected)	\$ 500	\$ -0-	Director

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

Submission date of most recent District Registration Form (TWC Sections 36.054 and 49.054):
September 7, 2023.

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

ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2023

Consultants:	<u>Date Hired</u>	<u>Fees for the year ended September 30, 2023</u>	<u>Title</u>
Roach & Associates, PLLC	09/19/16	\$ 2,659	General Counsel
McCall Gibson Swedlund Barfoot PLLC	03/01/21	\$ 10,000	Auditor
Clarity (formerly Precision Utility, LLC)	09/09/19	\$ 15,285	Bookkeeper
Pape-Dawson Engineers, Inc.	08/01/22- 11/07/22	\$ 2,803	Former Engineer
Odyssey Engineering	11/07/22	\$ 27,245	Engineer
Linebarger Goggan Blair & Sampson, LLP		\$ 1,408	Delinquent Tax Attorney
H2OMC	03/01/16 12/14/22	\$ 1,300	Former Operator
Municipal Operations & Consulting	12/22/22	\$ 51,525	Operator
Utility Tax Services, LLC	09/11/20	\$ 6,108	Tax Assessor/ Collector
Huntington Capital Markets	09/21/22	\$ -0-	Financial Advisor

