

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90

MONTGOMERY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2024

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	9-10
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	11
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	12-13
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	14
NOTES TO THE FINANCIAL STATEMENTS	15-27
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND	29
SUPPLEMENTARY INFORMATION REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE	
NOTES REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE (Included in the notes to the financial statements)	
SERVICES AND RATES	31-32
GENERAL FUND EXPENDITURES	33
INVESTMENTS	34
TAXES LEVIED AND RECEIVABLE	35-36
LONG-TERM DEBT SERVICE REQUIREMENTS	37-40
CHANGES IN LONG-TERM BOND DEBT	41-42
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS	43-46
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	47-48

McCall Gibson Swedlund Barfoot Ellis PLLC

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Montgomery County Municipal Utility District No. 90
Montgomery County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Montgomery County Municipal Utility District No. 90 (the "District") as of and for the year ended September 30, 2024, 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 each major fund of the District as of September 30, 2024, 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.

Change in Accounting Principle

As described in Note 6 to the financial statements, the District's government-wide financial statements as of and for the year ended September 30, 2023, have been restated for certain accounting changes. Our opinions are not modified with respect to these matters.

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
Montgomery County Municipal
Utility District No. 90

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 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 Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

January 9, 2025

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Management's discussion and analysis of Montgomery County Municipal Utility District No. 90's (the "District") financial performance provides an overview of the District's financial activities for the year ended September 30, 2024. 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 Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. 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 similar to 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 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 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 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 three governmental fund types. The General Fund accounts for resources not accounted for in another fund, maintenance tax revenues, operating costs and general expenditures. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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 current period. 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 Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances 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") and other supplementary information. 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, liabilities exceeded assets and deferred outflows of resources by \$276,470 as of September 30, 2024. A portion of the District's net position reflects its net investment in capital assets (drainage improvements, water, wastewater and drainage infrastructure, less any debt used to acquire those assets that is still outstanding).

The table on the following page presents a comparative analysis of the Statement of Net Position as of September 30, 2024, and September 30, 2023. The fiscal year ending 2023 balances have been restated as discussed in Note 6 to the financial statements.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2024	2023	Change Positive (Negative)
Current and Other Assets	\$ 1,772,798	\$ 1,986,311	\$ (213,513)
Capital Assets (Net of Accumulated Depreciation)	<u>10,386,741</u>	<u>7,960,046</u>	<u>2,426,695</u>
Total Assets	<u>\$ 12,159,539</u>	<u>\$ 9,946,357</u>	<u>\$ 2,213,182</u>
Deferred Outflows of Resources	<u>\$ 80,670</u>	<u>\$ 89,458</u>	<u>\$ (8,788)</u>
Due to Developer	\$ 1,122,169	\$ 3,782,044	\$ 2,659,875
Long-Term Liabilities	11,310,762	5,865,567	(5,445,195)
Other Liabilities	<u>83,748</u>	<u>59,673</u>	<u>(24,075)</u>
Total Liabilities	<u>\$ 12,516,679</u>	<u>\$ 9,707,284</u>	<u>\$ (2,809,395)</u>
Net Position:			
Net Investment in Capital Assets	\$ (1,701,524)	\$ (1,584,885)	\$ (116,639)
Restricted	714,503	456,280	258,223
Unrestricted	<u>710,551</u>	<u>1,457,136</u>	<u>(746,585)</u>
Total Net Position	<u>\$ (276,470)</u>	<u>\$ 328,531</u>	<u>\$ (605,001)</u>

The following table provides a summary of the District's operations for the years ended September 30, 2024, and September 30, 2023. The fiscal year ending 2023 balances have been restated as discussed in Note 6 to the financial statements.

	Summary of Changes in the Statement of Activities		
	2024	2023	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 1,201,692	\$ 1,107,810	\$ 93,882
Contract Revenue	19,103	12,766	6,337
Other Revenues	<u>112,606</u>	<u>116,053</u>	<u>(3,447)</u>
Total Revenues	\$ 1,333,401	\$ 1,236,629	\$ 96,772
Expenses for Services	<u>1,938,402</u>	<u>716,507</u>	<u>(1,221,895)</u>
Change in Net Position	\$ (605,001)	\$ 520,122	\$ (1,125,123)
Net Position, Beginning of Year,			
As Restated	<u>328,531</u>	<u>(191,591)</u>	<u>520,122</u>
Net Position, End of Year	<u>\$ (276,470)</u>	<u>\$ 328,531</u>	<u>\$ (605,001)</u>

**MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of September 30, 2024, were \$1,733,938, an decrease of \$187,446 from the prior year.

The General Fund fund balance decreased by \$748,863 primarily due to current year operating costs and the transfer to the Capital Project Fund exceeding property tax revenues.

The Debt Service Fund fund balance increased by \$309,282 primarily due to the contract and property tax revenues and proceeds from debt issuance exceeding the District's outstanding debt service requirements.

The Capital Projects Fund fund balance increased by \$252,135.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors did not amend the budget during the current fiscal year. Actual revenues were \$96,232 more than budgeted revenues, actual expenditures were \$110,866 less than budgeted expenditures, and other financing uses of \$1,181,358 were not budgeted which resulted in a total negative variance of \$974,260. See the budget to actual comparison for more information.

CAPITAL ASSETS

Capital assets (Net of Accumulated Depreciation) as of September 30, 2024, total \$10,386,741 and include drainage improvements to serve a 278-acre mixed use tract. In addition, certain water, wastewater and drainage infrastructure are conveyed to other entities for the purpose of providing water service and wastewater service to District residents. The District is entitled to significant residual interest in the facilities conveyed and continues to record these facilities as District assets and records depreciation on these facilities in accordance with GASB Statement No. 94.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2024	2023	Change Positive (Negative)
Capital Assets, Net of Accumulated Depreciation:			
Water, Wastewater and Drainage Infrastructure	\$ 8,177,952	\$ 5,465,419	\$ 2,712,533
Drainage Improvements	<u>2,208,789</u>	<u>2,494,627</u>	<u>(285,838)</u>
Total Net Capital Assets	<u>\$ 10,386,741</u>	<u>\$ 7,960,046</u>	<u>\$ 2,426,695</u>

**MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

LONG-TERM DEBT ACTIVITY

At the end of the fiscal year, the District had total bond debt payable of \$11,240,000.

The changes in the debt position of the District during the fiscal year ended September 30, 2024, are summarized as follows:

Bond Debt Payable, October 1, 2023	\$ 5,705,000
Add: Bond Sale - Series 2024	6,000,000
Less: Bond Principal Paid	<u>465,000</u>
Bond Debt Payable, September 30, 2024	<u>\$ 11,240,000</u>

The District's Series 2016, Series 2021 Refunding, and Series 2024 bonds carry an underlying rating of "Baa2" by Standard & Poor's and an insured rating of "AA" by virtue of bond insurance issued by Assured Guaranty Municipal Corp. These ratings reflect all changes, if any, through September 30, 2024.

CONTACTING THE DISTRICT'S 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 Montgomery County Municipal Utility District No. 90, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024

	General Fund	Debt Service Fund
ASSETS		
Cash	\$ 60,946	\$ 9,459
Investments	644,238	775,176
Receivables:		
Property Taxes	3,832	5,679
Penalty and Interest on Delinquent Taxes		
Due from Other Funds	6,990	
Prepaid Costs		
Capital Assets (Net of Accumulated Depreciation)		
TOTAL ASSETS	<u>\$ 716,006</u>	<u>\$ 790,314</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges on Refunding Bonds	<u>\$ -0-</u>	<u>\$ -0-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 716,006</u></u>	<u><u>\$ 790,314</u></u>
LIABILITIES		
Accounts Payable	\$ 5,455	\$
Accrued Interest Payable		
Due to Developers		
Due to Other Funds		2,348
Due to Taxpayers		6,567
Long-Term Liabilities:		
Bonds Payable Within One Year		
Bonds Payable After One Year		
TOTAL LIABILITIES	<u>\$ 5,455</u>	<u>\$ 8,915</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	<u>\$ 3,832</u>	<u>\$ 5,679</u>
FUND BALANCES		
Restricted for Authorized Construction	\$	\$
Restricted for Debt Service		775,720
Unassigned	<u>706,719</u>	
TOTAL FUND BALANCES	<u>\$ 706,719</u>	<u>\$ 775,720</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 716,006</u></u>	<u><u>\$ 790,314</u></u>
NET POSITION		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
TOTAL NET POSITION		

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 258,770	\$ 329,175 1,419,414	\$	\$ 329,175 1,419,414
	9,511		9,511
		2,201	2,201
	6,990	(6,990)	
		12,497	12,497
		10,386,741	10,386,741
<u>\$ 258,770</u>	<u>\$ 1,765,090</u>	<u>\$ 10,394,449</u>	<u>\$ 12,159,539</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 80,670</u>	<u>\$ 80,670</u>
<u>\$ 258,770</u>	<u>\$ 1,765,090</u>	<u>\$ 10,475,119</u>	<u>\$ 12,240,209</u>
\$ 2,629	\$ 8,084	\$	\$ 8,084
		69,097	69,097
		1,122,169	1,122,169
4,642	6,990	(6,990)	
	6,567		6,567
		480,000	480,000
		10,830,762	10,830,762
<u>\$ 7,271</u>	<u>\$ 21,641</u>	<u>\$ 12,495,038</u>	<u>\$ 12,516,679</u>
<u>\$ -0-</u>	<u>\$ 9,511</u>	<u>\$ (9,511)</u>	<u>\$ -0-</u>
\$ 251,499	\$ 251,499	\$ (251,499)	\$
	775,720	(775,720)	
	706,719	(706,719)	
<u>\$ 251,499</u>	<u>\$ 1,733,938</u>	<u>\$ (1,733,938)</u>	<u>\$ -0-</u>
<u>\$ 258,770</u>	<u>\$ 1,765,090</u>		
		\$ (1,701,524)	\$ (1,701,524)
		714,503	714,503
		710,551	710,551
		<u>\$ (276,470)</u>	<u>\$ (276,470)</u>

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

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds	\$	1,733,938
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Interest paid in advance as part of a refunding bond sale is recorded as a deferred outflow in the governmental activities and systematically charged to interest expense over the remaining life of the new debt or the old debt, whichever is shorter.		80,670
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Bond insurance paid at closing is amortized over the repayment period of the related bonds in the governmental activities.		12,497
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Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		10,386,741
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Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2023 and prior tax levies became part of recognized revenue in the governmental activities of the District.		11,712
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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:

Due to Developer	\$ (1,122,169)	
Accrued Interest Payable	(69,097)	
Bonds Payable	<u>(11,310,762)</u>	<u>(12,502,028)</u>
Total Net Position - Governmental Activities	\$	<u>(276,470)</u>

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

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Debt Service Fund
REVENUES		
Property Taxes	\$ 524,780	671,899
Contract Revenues		19,103
Penalty and Interest		4,961
Miscellaneous Revenues	<u>76,383</u>	<u>30,365</u>
TOTAL REVENUES	<u>\$ 601,163</u>	<u>726,328</u>
EXPENDITURES/EXPENSES		
Service Operations:		
Professional Fees	\$ 82,280	41
Contracted Services	17,450	20,164
Repairs and Maintenance	57,105	
Depreciation		
Other	11,833	5,985
Developer Interest		
Capital Outlay		
Debt Service:		
Bond Issuance Costs		
Bond Principal		465,000
Bond Interest		<u>171,856</u>
TOTAL EXPENDITURES/EXPENSES	<u>\$ 168,668</u>	<u>663,046</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES	<u>\$ 432,495</u>	<u>63,282</u>
OTHER FINANCING SOURCES (USES)		
Transfers In(Out)	\$ (1,181,358)	\$
Transfers Out		
Bond Discount		
Bond Premium		
Long-Term Debt Issued		<u>246,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (1,181,358)</u>	<u>246,000</u>
NET CHANGE IN FUND BALANCES	\$ (748,863)	309,282
CHANGE IN NET POSITION		
FUND BALANCES/NET POSITION - OCTOBER 1, 2023, AS REPORTED	1,455,582	466,438
CHANGE DUE TO NEW ACCOUNTING GUIDANCE		
OCTOBER 1, 2023, AS RESTATED	<u>\$ 1,455,582</u>	<u>\$ 466,438</u>
FUND BALANCES/NET POSITION - SEPTEMBER 30, 2024	<u>\$ 706,719</u>	<u>\$ 775,720</u>

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

Capital Projects Fund	Total	Adjustments	Statement of Activities
\$	\$ 1,196,679	\$ 5,013	\$ 1,201,692
	19,103		19,103
	4,961	445	5,406
452	107,200		107,200
<u>\$ 452</u>	<u>\$ 1,327,943</u>	<u>\$ 5,458</u>	<u>\$ 1,333,401</u>
\$ 3,162	\$ 85,483	\$	\$ 85,483
	37,614		37,614
	57,105		57,105
		294,180	294,180
	17,818		17,818
720,887	720,887		720,887
5,380,750	5,380,750	(5,380,750)	
504,647	504,647		504,647
	465,000	(465,000)	
	171,856	48,812	220,668
<u>\$ 6,609,446</u>	<u>\$ 7,441,160</u>	<u>\$ (5,502,758)</u>	<u>\$ 1,938,402</u>
<u>\$ (6,608,994)</u>	<u>\$ (6,113,217)</u>	<u>\$ 5,508,216</u>	<u>\$ (605,001)</u>
\$ 1,181,358	\$	\$	\$
(106,402)	(106,402)	106,402	
32,173	32,173	(32,173)	
<u>5,754,000</u>	<u>6,000,000</u>	<u>(6,000,000)</u>	
<u>\$ 6,861,129</u>	<u>\$ 5,925,771</u>	<u>\$ (5,925,771)</u>	<u>\$ -0-</u>
\$ 252,135	\$ (187,446)	\$ 187,446	\$
		(605,001)	(605,001)
(636)	1,921,384	(2,626,805)	(705,421)
		1,033,952	1,033,952
<u>\$ (636)</u>	<u>\$ 1,921,384</u>	<u>\$ (1,592,853)</u>	<u>\$ 328,531</u>
<u>\$ 251,499</u>	<u>\$ 1,733,938</u>	<u>\$ (2,010,408)</u>	<u>\$ (276,470)</u>

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

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Net Change in Fund Balances - Governmental Funds	\$ (187,446)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.	5,013
Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.	445
Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.	5,380,750
Governmental funds report bond premiums and discounts as other financing sources and uses in the year received or paid. However, in the Statement of Net Position, bond premiums and discounts are amortized over the life of the bonds and the current year amortized portion is recorded in the Statement of Activities.	74,229
Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities.	465,000
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.	(48,812)
Governmental funds report bond proceeds as other financing sources. Issued bonds increase long-term liabilities in the Statement of Net Position.	(6,000,000)
Governmental funds do not account for depreciation. However, depreciation expense is recorded in the Statement of Activities.	(294,180)
Change in Net Position - Governmental Activities	<u>\$ (605,001)</u>

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

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. CREATION OF DISTRICT

Montgomery County Municipal Utility District No. 90 of Montgomery County, Texas (the “District”) was created on March 14, 2002, by an Order of the Texas Natural Resource Conservation Commission, predecessor agency to the Texas Commission on Environmental Quality (the “Commission”) and subsequently confirmed on September 14, 2002. Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants, and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, and to construct parks and recreational facilities for the residents of the District. The District is also empowered to contract for or employ its own peace officers with powers to make arrests and to establish, operate and maintain a fire department to perform all fire-fighting activities within the District. The Board of Directors held its organizational meeting on March 19, 2002, and sold its first bonds on May 25, 2006.

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”).

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:

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- 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.

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 Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

The District has three governmental funds and considers each to be a major fund.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds (Continued)

General Fund – To account for resources not required to be accounted for in another fund, maintenance tax revenues, operating costs and general expenditures.

Debt Service Fund – To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund – To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

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 the governmental funds to be available if they are collectable within sixty 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 revenue include the 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 reasonable 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 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. As of September 30, 2024, the Debt Service Fund (Tax Fund) owes the General Fund \$3,237 for maintenance tax collections. The Capital Projects Fund owes the General Fund \$4,642 for bond issuance costs paid by the General Fund. The General Fund owes the Debt Service Fund \$889 for bond issuance costs.

Capital Assets

Capital assets, which include drainage 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.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Repairs and maintenance are recorded as expenditures 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. Interest costs will no longer be capitalized as part of the asset but will be shown as an expenditure in the fund financial statements and as an expense in the government-wide financial statements. 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 greater than \$5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation over periods ranging from 10 to 45 years.

Certain water, wastewater and drainage infrastructure are conveyed to other entities for the purpose of providing water service and wastewater service to District residents. The District is entitled to significant residual interest in the facilities conveyed and continues to record these facilities as District assets and records depreciation on these facilities in accordance with GASB Statement No. 94 (see Note 6).

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 not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

A pension plan has not been established. The District does not have employees, except that the Internal Revenue Service has determined that directors are considered “employees” for federal payroll tax purposes only.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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 and liabilities 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 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.

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 has not adopted a formal policy regarding the assignment of fund balances and 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.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

	Series 2016	Refunding Series 2021	Series 2024
Amount Outstanding – September 30, 2024	\$1,680,000	\$3,560,000	\$6,000,000
Interest Rates	3.75% - 5.00%	2.125% - 3.00%	4.00% - 6.50%
Maturity Dates – Beginning/Ending	March 1, 2025/2036	March 1, 2025/2034	March 1, 2028/2045
Interest Payment Dates	March 1/ September 1	March 1/ September 1	March 1/ September 1
Callable Dates	March 1, 2023*	March 1, 2027*	March 1, 2030*

- * Or any date thereafter at a price of par plus unpaid accrued interest in whole or in part, at the option of the District. Series 2016 term bonds maturing on March 1, 2034, and March 1, 2036, are subject to mandatory redemption by random selection beginning March 1, 2028, and March 1, 2035, respectively. Series 2024 term bonds maturing on March 1, 2036, March 1, 2039, March 1, 2041, March 1, 2043 and March 1, 2045, are subject to mandatory redemption by random selection beginning March 1, 2031, March 1, 2038, March 1, 2040, March 1, 2042 and March 1, 2044, respectively.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3. LONG-TERM DEBT (Continued)

The following is a summary of transactions regarding bonds payable for the year ended September 30, 2024:

	October 1, 2023	Additions	Retirements	September 30, 2024
Bonds Payable	\$ 5,705,000	\$ 6,000,000	\$ 465,000	\$ 11,240,000
Unamortized Discount	(36,288)	(106,402)	(4,101)	(138,589)
Unamortized Premiums	196,855	32,173	19,677	209,351
Bonds Payable, Net	<u>\$ 5,865,567</u>	<u>\$ 5,925,771</u>	<u>\$ 480,576</u>	<u>\$ 11,310,762</u>
		Amount Due Within One Year		\$ 480,000
		Amount Due After One Year		<u>10,830,762</u>
		Bonds Payable, Net		<u>\$ 11,310,762</u>

As of September 30, 2024, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 480,000	\$ 438,961	\$ 918,961
2026	500,000	390,419	890,419
2027	520,000	374,618	894,618
2028	390,000	359,806	749,806
2029	405,000	346,056	751,056
2030-2034	2,225,000	1,513,786	3,738,786
2035-2039	2,655,000	1,085,725	3,740,725
2040-2044	3,310,000	494,000	3,804,000
2045	755,000	15,100	770,100
	<u>\$ 11,240,000</u>	<u>\$ 5,018,471</u>	<u>\$ 16,258,471</u>

The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount. As of September 30, 2024, the District had authorized but unissued bonds in the amount of \$17,040,000 for utility facilities and \$21,101,034 for refunding bonds.

During the year ended September 30, 2024, the District levied an ad valorem debt service tax at the rate of \$0.32 per \$100 of assessed valuation, which resulted in a tax levy of \$674,634 on the adjusted taxable valuation of \$210,823,152 for the 2023 tax year. The bond resolutions require the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 7 for the maintenance tax levy.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3. LONG-TERM DEBT (Continued)

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 4. SIGNIFICANT BOND RESOLUTION AND LEGAL REQUIREMENTS

The bond resolutions state that the District is required by the Securities and Exchange Commission to provide continuing disclosure of certain general financial information and operating data with respect to the District to the state information depository. This information, along with the audited annual financial statements, is to be provided within six months after the end of each fiscal year and shall continue to be provided through the life of the bonds.

NOTE 5. 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 \$329,175 and the bank balance was \$342,795. The District was not exposed to custodial credit risk at year end. The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at September 30, 2024, as listed below:

	<u>Cash</u>
GENERAL FUND	\$ 60,946
DEBT SERVICE FUND	9,459
CAPITAL PROJECTS FUND	<u>258,770</u>
TOTAL DEPOSITS	<u><u>\$ 329,175</u></u>

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5. 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 the Texas Short Term Asset Reserve Program ("TexSTAR"), an external public funds investment pool that is not SEC-registered. J. P. Morgan Investment Management Inc. provides investment management and Hilltop Securities Inc. provides participant services and marketing under an agreement with the TexSTAR Board of Directors. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investors Services Co. Investments held by TexSTAR are marked to market daily. The investments are considered Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District's position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from TexSTAR.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

As of September 30, 2024, the District had the following investments:

Fund and Investment Type	Fair Value	Maturities Less Than 1 Year
<u>GENERAL FUND</u>		
TexSTAR	\$ 644,238	\$ 644,238
<u>DEBT SERVICE FUND</u>		
TexSTAR	<u>775,176</u>	<u>775,176</u>
TOTAL INVESTMENTS	<u>\$ 1,419,414</u>	<u>\$ 1,419,414</u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2024, the District's investment in TexSTAR was rated "AAAm" by Standard and Poor's. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexSTAR to have a maturity of less than one year due to the fact the share position can be redeemed each day at the discretion of the District.

Restrictions

All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 is as follows:

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. CAPITAL ASSETS (Continued)

	October 1, 2023*	Increases	Deductions	September 30, 2024
Capital Assets Subject to Depreciation				
Water, Wastewater and Drainage Infrastructure	\$ 8,561,774	\$ 2,978,011	\$ - 0 -	\$ 11,539,785
Drainage Improvements	<u>2,919,581</u>	<u>-</u>	<u>257,136</u>	<u>2,662,445</u>
Total Capital Assets Subject to Depreciation	<u>\$ 11,481,355</u>	<u>\$ 2,978,011</u>	<u>\$ 257,136</u>	<u>\$ 14,202,230</u>
Less Accumulated Depreciation				
Water, Wastewater and Drainage Infrastructure	\$ 3,096,355	\$ 265,478	\$ - 0 -	\$ 3,361,833
Drainage Improvements	<u>424,954</u>	<u>28,702</u>	<u>-</u>	<u>453,656</u>
Total Accumulated Amortization	<u>\$ 3,521,309</u>	<u>\$ 294,180</u>	<u>\$ - 0 -</u>	<u>\$ 3,815,489</u>
Total Capital Assets, Net of Accumulated Depreciation	<u><u>\$ 7,960,046</u></u>	<u><u>\$ 2,683,831</u></u>	<u><u>\$ 257,136</u></u>	<u><u>\$ 10,386,741</u></u>

* As Restated

The District operates in contractual conjunction with the City of Conroe, Texas (the “City”). In this arrangement, the facilities constructed by the District are conveyed to the City for operation and maintenance. The City maintains the facilities and operates the facilities for the benefit of the residents of the District. The District is entitled to significant residual interest in the facilities conveyed and continues to record these facilities as District assets in accordance with GASB Statement No. 94. The reclassification of these assets from intangible to capital resulted in an adjustment to prior year accumulated depreciation of \$1,033,952 which increased net position from (\$705,421) to \$328,531 as of September 30, 2023.

NOTE 7. MAINTENANCE TAX

On September 14, 2002, the voters of the District approved the levy and collection of a maintenance tax not to exceed \$1.00 per \$100 of assessed valuation of taxable property within the District. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District’s waterworks and wastewater system. During the year ended September 30, 2024, the District levied an ad valorem maintenance tax rate of \$0.25 per \$100 of assessed valuation, which resulted in a tax levy of \$527,058 on the adjusted taxable valuation of \$210,823,152 for the 2023 tax year.

NOTE 8. UTILITY FUNCTIONS AND SERVICES ALLOCATION AGREEMENT

On November 20, 2000, and as amended on October 14, 2004 and February 22, 2018, the District entered into the Utility Functions and Services Allocation Agreement with the City of Conroe (the “City”). Pursuant to this agreement, the City consented to the creation of the District within its city limits. The District is responsible for acquiring and constructing for the benefit of, and for ultimate conveyance to, the City, the water distribution, wastewater collection and drainage facilities (the “facilities”) to serve development within the District. The City has

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. UTILITY FUNCTIONS AND SERVICES ALLOCATION AGREEMENT
(Continued)

agreed to accept the facilities for operation and maintenance in consideration for the District's financing, acquisition and construction of the facilities. The City agrees to charge residents of the District the same water and wastewater rates that the City charges in other parts of the City.

The agreement provides that the facilities shall be designed and constructed in accordance with the City's requirements. The City agrees to provide the District with its ultimate requirements for water supply capacity and wastewater treatment capacity without charging the District any type of capital charge.

In accordance with the agreement, the District is authorized to issue bonds for the purpose of financing the construction and acquisition of the facilities. Prior to issuing any bonds, the District must provide the City with a copy of the Commission order authorizing the issuance of the bonds and such order must provide that under the Commission rules governing the issuance of bonds it is feasible to sell the bonds at a District tax rate that does not exceed \$0.60 per \$100 of assessed valuation. The agreement provides that such condition is not a limitation on the District's authority to levy an unlimited tax and that the District's bonds are secured by a pledge of the proceeds of an ad valorem tax without limit as to rate or amount.

The agreement provides that the City will pay an annual rebate to the District. The annual rebate is equal to the total assessed value in the District for the given year multiplied by the portion of the City's tax rate that is attributable to water, sewer and drainage facilities. This annual rebate is to be deposited into the District's Debt Service Fund. During the current fiscal year, the District recorded \$19,103 from the City in relation to this agreement in the Debt Service Fund.

The term of the agreement is the earlier of the dissolution of the District by the City or 40 years. The City's right to dissolve the District is restricted per the agreement. Under the terms of the agreement, the City agrees that it will not dissolve the District until 90% of the District's facilities have been developed and the developers advancing funds to construct the facilities have been reimbursed.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. UNREIMBURSED COSTS

The District executed development financing agreements with Developers within the District. The agreements call for the Developers to fund costs associated with water, sewer and drainage facilities until such time as the District can sell bonds. As reflected in the Statement of Net Position, \$1,122,169 has been recorded as a liability for facilities financed by the Developer. Reimbursement to the Developer will come from future bond sales.

Due to Developers - October 1, 2023	\$ 3,782,044
Current Year Additions/Reimbursements	<u>(2,659,875)</u>
Due to Developers - September 30, 2024	<u><u>\$ 1,122,169</u></u>

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission; 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 general liability, auto liability, and director's liability coverage. The District, along with other participating entities, contributes annual amounts determined by TML's management. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 11. BOND SALE

On July 11, 2024, the District issued its Unlimited Tax Bonds, Series 2024 in the amount of \$6,000,000. Proceeds, along with \$1,200,000 in available surplus funds from the General Fund, were used to reimburse the Developers for construction and engineering costs related to water, wastewater and drainage improvements. Proceeds were also used to pay developer interest, capitalized interest and bond issuance costs. During the current year, the General Fund transferred surplus funds in the amount of \$1,200,000 to the Capital Projects Fund as noted above. In addition, the Capital Projects Fund transferred \$18,642 to the General Fund to reimburse the General Fund for bond issuance costs which resulted in a net transfer of \$1,181,358.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Property Taxes	\$ 501,931	\$ 524,780	\$ 22,849
Miscellaneous Revenues	<u>3,000</u>	<u>76,383</u>	<u>73,383</u>
TOTAL REVENUES	<u>\$ 504,931</u>	<u>\$ 601,163</u>	<u>\$ 96,232</u>
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 68,000	\$ 82,280	\$ (14,280)
Contracted Services	17,000	17,450	(450)
Repairs and Maintenance	70,000	57,105	12,895
Other	20,025	11,833	8,192
Capital Outlay	<u>104,509</u>	<u></u>	<u>104,509</u>
TOTAL EXPENDITURES	<u>\$ 279,534</u>	<u>\$ 168,668</u>	<u>\$ 110,866</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 225,397</u>	<u>\$ 432,495</u>	<u>\$ 207,098</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -0-</u>	<u>\$ (1,181,358)</u>	<u>\$ (1,181,358)</u>
NET CHANGE IN FUND BALANCE	\$ 225,397	\$ (748,863)	\$ (974,260)
FUND BALANCE - OCTOBER 1, 2023	<u>1,455,582</u>	<u>1,455,582</u>	<u></u>
FUND BALANCE - SEPTEMBER 30, 2024	<u>\$ 1,680,979</u>	<u>\$ 706,719</u>	<u>\$ (974,260)</u>

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90

**SUPPLEMENTARY INFORMATION REQUIRED BY THE
WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**

SEPTEMBER 30, 2024

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

<u>N/A</u>	Retail Water	<u>N/A</u>	Wholesale Water	<u>X</u>	Drainage
<u>N/A</u>	Retail Wastewater	<u>N/A</u>	Wholesale Wastewater	<u>N/A</u>	Irrigation
<u>N/A</u>	Parks/Recreation	<u>N/A</u>	Fire Protection	<u>N/A</u>	Security
<u>N/A</u>	Solid Waste/Garbage	<u>N/A</u>	Flood Control	<u>N/A</u>	Roads
<u>N/A</u>	Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)				
<u>X</u>	Other: The District operates in contractual conjunction with the City of Conroe, Texas				

2. RETAIL SERVICE PROVIDERS (NOT APPLICABLE)

3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (NOT APPLICABLE)

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

Does the District have Debt Service standby fees? Yes No X

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

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes X No

County in which District is located:

Montgomery County, Texas

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

5. LOCATION OF DISTRICT: (Continued)

Is the District located within a city?

Entirely X Partly Not at all

City in which the District is located:

City of Conroe, Texas

Are Board Members appointed by an office outside the District?

Yes No X

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

PROFESSIONAL FEES:

Auditing	\$ 13,000
Engineering	27,119
Legal	<u>42,161</u>

TOTAL PROFESSIONAL FEES	<u>\$ 82,280</u>
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CONTRACTED SERVICES:

Bookkeeping	<u>\$ 17,450</u>
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REPAIRS AND MAINTENANCE	<u>\$ 57,105</u>
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ADMINISTRATIVE EXPENDITURES:

Director Fees	\$ 4,641
Insurance	3,478
Office Supplies and Postage	1,199
Payroll Taxes	372
Travel and Meetings	989
Other	<u>1,154</u>

TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 11,833</u>
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TOTAL EXPENDITURES	<u>\$ 168,668</u>
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See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
INVESTMENTS
SEPTEMBER 30, 2024

<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>Accrued Interest Receivable at End of Year</u>
<u>GENERAL FUND</u>					
TexSTAR	XXXX2220	Varies	Daily	\$ 644,238	\$ -0-
<u>DEBT SERVICE FUND</u>					
TexSTAR	XXXX3330	Varies	Daily	\$ 775,176	\$ -0-
TOTAL - ALL FUNDS				\$ 1,419,414	\$ -0-

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Maintenance Taxes</u>		<u>Debt Service Taxes</u>	
TAXES RECEIVABLE -				
OCTOBER 1, 2023	\$	1,554	\$	2,944
Adjustments to Beginning				
Balance		\$		\$
		1,554		2,944
Original 2023 Tax Levy	\$	486,485	\$	622,701
Adjustment to 2023 Tax Levy		<u>40,573</u>		<u>51,933</u>
		527,058		674,634
TOTAL TO BE				
ACCOUNTED FOR		\$		\$
		528,612		677,578
TAX COLLECTIONS:				
Prior Years	\$	(48)	\$	119
Current Year		<u>524,828</u>		<u>671,780</u>
		524,780		671,899
TAXES RECEIVABLE -				
SEPTEMBER 30, 2024		<u>\$</u>		<u>\$</u>
		3,832		5,679
TAXES RECEIVABLE BY				
YEAR:				
2023	\$	2,230	\$	2,854
2022		408		468
2021		275		443
2019		477		825
2017 and prior		<u>442</u>		<u>1,089</u>
TOTAL	\$	<u>3,832</u>	\$	<u>5,679</u>

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
PROPERTY VALUATIONS:				
Land	\$ 35,638,110	\$ 35,435,560	\$ 33,717,960	\$ 34,014,640
Improvements	228,448,010	204,582,970	157,741,290	156,067,210
Personal Property	4,441,021	4,045,080	1,072,737	3,884,315
Exemptions	<u>(57,703,989)</u>	<u>(53,010,349)</u>	<u>(24,588,325)</u>	<u>(26,746,785)</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 210,823,152</u>	<u>\$ 191,053,261</u>	<u>\$ 167,943,662</u>	<u>\$ 167,219,380</u>
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.32	\$ 0.31	\$ 0.37	\$ 0.37
Maintenance	<u>0.25</u>	<u>0.27</u>	<u>0.23</u>	<u>0.23</u>
TOTAL TAX RATES PER \$100 VALUATION	<u>\$ 0.57</u>	<u>\$ 0.58</u>	<u>\$ 0.60</u>	<u>\$ 0.60</u>
ADJUSTED TAX LEVY*	<u>\$ 1,201,692</u>	<u>\$ 1,108,109</u>	<u>\$ 1,007,662</u>	<u>\$ 1,003,758</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>99.58 %</u>	<u>99.92 %</u>	<u>99.93 %</u>	<u>100.00 %</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 \$1.00 per \$100 of assessed valuation approved by voters on September 14, 2002.

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

Due During Fiscal Years Ending September 30	S E R I E S - 2 0 1 6		
	Principal Due March 1	Interest Due March 1/ September 1	Total
2025	\$ 50,000	\$ 62,625	\$ 112,625
2026	50,000	60,375	110,375
2027	50,000	58,375	108,375
2028	80,000	55,875	135,875
2029	80,000	52,875	132,875
2030	80,000	49,875	129,875
2031	80,000	46,875	126,875
2032	85,000	43,781	128,781
2033	80,000	40,688	120,688
2034	85,000	37,594	122,594
2035	470,000	27,187	497,187
2036	490,000	9,188	499,188
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
	<u>\$ 1,680,000</u>	<u>\$ 545,313</u>	<u>\$ 2,225,313</u>

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

S E R I E S - 2 0 2 1 R E F U N D I N G			
Due During Ending September 30	Principal Due March 1	Interest Due March 1/ September 1	Total
2025	\$ 430,000	\$ 96,169	\$ 526,169
2026	450,000	84,044	534,044
2027	470,000	70,243	540,243
2028	275,000	59,069	334,069
2029	290,000	50,593	340,593
2030	305,000	41,669	346,669
2031	315,000	32,369	347,369
2032	325,000	22,769	347,769
2033	345,000	12,719	357,719
2034	355,000	3,772	358,772
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
	<u>\$ 3,560,000</u>	<u>\$ 473,416</u>	<u>\$ 4,033,416</u>

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

Due During Fiscal Years September 30	S E R I E S - 2 0 2 4		
	Principal Due March 1	Interest Due March 1/ September 1	Total
2025	\$	\$ 280,167	\$ 280,167
2026		246,000	246,000
2027		246,000	246,000
2028	35,000	244,862	279,862
2029	35,000	242,588	277,588
2030	30,000	240,475	270,475
2031	35,000	238,450	273,450
2032	35,000	236,350	271,350
2033	35,000	234,250	269,250
2034	35,000	232,150	267,150
2035	20,000	230,500	250,500
2036	15,000	229,450	244,450
2037	530,000	218,400	748,400
2038	550,000	196,800	746,800
2039	580,000	174,200	754,200
2040	605,000	150,500	755,500
2041	630,000	125,800	755,800
2042	660,000	100,000	760,000
2043	690,000	73,000	763,000
2044	725,000	44,700	769,700
2045	755,000	15,100	770,100
	<u>\$ 6,000,000</u>	<u>\$ 3,999,742</u>	<u>\$ 9,999,742</u>

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

Due During Fiscal Years Ending September 30	ANNUAL REQUIREMENTS FOR ALL SERIES		
	Total Principal Due	Total Interest Due	Total Principal Interest Due
2025	\$ 480,000	\$ 438,961	\$ 918,961
2026	500,000	390,419	890,419
2027	520,000	374,618	894,618
2028	390,000	359,806	749,806
2029	405,000	346,056	751,056
2030	415,000	332,019	747,019
2031	430,000	317,694	747,694
2032	445,000	302,900	747,900
2033	460,000	287,657	747,657
2034	475,000	273,516	748,516
2035	490,000	257,687	747,687
2036	505,000	238,638	743,638
2037	530,000	218,400	748,400
2038	550,000	196,800	746,800
2039	580,000	174,200	754,200
2040	605,000	150,500	755,500
2041	630,000	125,800	755,800
2042	660,000	100,000	760,000
2043	690,000	73,000	763,000
2044	725,000	44,700	769,700
2045	755,000	15,100	770,100
	<u>\$ 11,240,000</u>	<u>\$ 5,018,471</u>	<u>\$ 16,258,471</u>

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
CHANGES IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Description	Original Bonds Issued	Bonds Outstanding October 1, 2023
Montgomery County Municipal Utility District No. 90 Unlimited Tax Bonds - Series 2016	\$ 1,880,000	\$ 1,730,000
Montgomery County Municipal Utility District No. 90 Unlimited Tax Refunding Bonds - Series 2021	4,015,000	3,975,000
Montgomery County Municipal Utility District No. 90 Unlimited Tax Bonds - Series 2024	<u>6,000,000</u>	
TOTAL	<u>\$ 11,895,000</u>	<u>\$ 5,705,000</u>
Bond Authority:	<u>Tax Bonds*</u>	<u>Refunding Bonds</u>
Amount Authorized by Voters	\$ 33,000,000	\$ 21,450,000
Amount Issued	<u>15,960,000</u>	<u>348,966</u>
Remaining to be Issued	<u>\$ 17,040,000</u>	<u>\$ 21,101,034</u>
* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.		
Debt Service Fund cash and investment balance as of September 30, 2024:		<u>\$ 784,635</u>
Average annual debt service payment (principal and interest) for remaining term of all debt:		<u>\$ 774,213</u>
See Note 3 for interest rates, interest payment dates and maturity dates.		

See accompanying independent auditor's report.

<u>Current Year Transactions</u>				
<u>Bonds Sold</u>	<u>Retirements</u>		<u>Bonds Outstanding September 30, 2024</u>	
	<u>Principal</u>	<u>Interest</u>		
\$ -	\$ 50,000	\$ 65,125	\$ 1,680,000	a Division of ZB, N.A. Houston, TX
	415,000	106,731	3,560,000	Amegy Bank, a Division of ZB, N.A. Houston, TX
<u>6,000,000</u>			<u>6,000,000</u>	Amegy Bank, a Division of ZB, N.A. Houston, TX
<u>\$ 6,000,000</u>	<u>\$ 465,000</u>	<u>\$ 171,856</u>	<u>\$ 11,240,000</u>	

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND - FIVE YEARS

	Amounts		
	2024	2023	2022
REVENUES			
Property Taxes	\$ 524,780	\$ 517,317	\$ 385,618
Miscellaneous Revenues	<u>76,383</u>	<u>63,363</u>	<u>6,807</u>
TOTAL REVENUES	<u>\$ 601,163</u>	<u>\$ 580,680</u>	<u>\$ 392,425</u>
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 82,280	\$ 85,848	\$ 56,543
Contracted Services	17,450	16,850	14,538
Repairs and Maintenance	57,105	61,183	30,237
Other	11,833	8,939	22,820
Capital Outlay	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u>\$ 168,668</u>	<u>\$ 172,820</u>	<u>\$ 124,138</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 432,495	\$ 407,860	\$ 268,287
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(1,181,358)</u>	<u> </u>	<u> </u>
NET CHANGE IN FUND BALANCE	\$ (748,863)	\$ 407,860	\$ 268,287
BEGINNING FUND BALANCE	<u>1,455,582</u>	<u>1,047,722</u>	<u>779,435</u>
ENDING FUND BALANCE	<u><u>\$ 706,719</u></u>	<u><u>\$ 1,455,582</u></u>	<u><u>\$ 1,047,722</u></u>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 383,751	\$ 359,150	87.3 %	89.1 %	98.3 %	99.9 %	99.0 %
297	3,680	12.7	10.9	1.7	0.1	1.0
<u>\$ 384,048</u>	<u>\$ 362,830</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 52,199	\$ 66,747	13.7 %	14.8 %	14.4 %	13.6 %	18.4 %
11,625	11,100	2.9	2.9	3.7	3.0	3.1
73,450	64,856	9.5	10.5	7.7	19.1	17.9
7,524	7,887	2.0	1.5	5.8	2.0	2.2
	115,351					31.8
<u>\$ 144,798</u>	<u>\$ 265,941</u>	<u>28.1 %</u>	<u>29.7 %</u>	<u>31.6 %</u>	<u>37.7 %</u>	<u>73.4 %</u>
\$ 239,250	\$ 96,889	<u>71.9 %</u>	<u>70.3 %</u>	<u>68.4 %</u>	<u>62.3 %</u>	<u>26.6 %</u>
\$ 239,250	\$ 96,889					
540,185	443,296					
<u>\$ 779,435</u>	<u>\$ 540,185</u>					

See accompanying independent auditor's report.

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND - FIVE YEARS

	Amounts		
	2024	2023	2022
REVENUES			
Property Taxes	\$ 671,899	\$ 600,955	\$ 620,342
Contract Revenue	19,103	12,766	12,778
Penalty and Interest	4,961	5,992	2,479
Miscellaneous Revenues	30,365	24,501	3,135
TOTAL REVENUES	<u>\$ 726,328</u>	<u>\$ 644,214</u>	<u>\$ 638,734</u>
EXPENDITURES			
Tax Collection Expenditures	\$ 25,290	\$ 25,861	\$ 27,985
Debt Service Principal	465,000	405,435	445,000
Debt Service Interest and Fees	172,756	185,261	190,492
Bond Issuance Costs			171,729
TOTAL EXPENDITURES	<u>\$ 663,046</u>	<u>\$ 616,557</u>	<u>\$ 835,206</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 63,282</u>	<u>\$ 27,657</u>	<u>\$ (196,472)</u>
OTHER FINANCING SOURCES (USES)			
Payment to Refunding Bond Escrow Agent	\$	\$	\$ (4,076,290)
Long-Term Debt Issued	246,000		4,015,000
Bond Premium			231,408
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 246,000</u>	<u>\$ - 0 -</u>	<u>\$ 170,118</u>
NET CHANGE IN FUND BALANCE	\$ 309,282	\$ 27,657	\$ (26,354)
BEGINNING FUND BALANCE	<u>466,438</u>	<u>438,781</u>	<u>465,135</u>
ENDING FUND BALANCE	<u>\$ 775,720</u>	<u>\$ 466,438</u>	<u>\$ 438,781</u>
TOTAL ACTIVE RETAIL WATER CONNECTIONS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 617,339	\$ 620,376	92.5 %	93.3 %	97.1 %	97.5 %	97.1 %
12,516	12,629	2.6	2.0	2.0	2.0	2.0
2,768	1,474	0.7	0.9	0.4	0.4	0.2
499	4,419	4.2	3.8	0.5	0.1	0.7
<u>\$ 633,122</u>	<u>\$ 638,898</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 22,221	\$ 20,587	3.5 %	4.0 %	4.4 %	3.5 %	3.2 %
395,000	385,000	64.0	62.9	69.7	62.4	60.3
234,766	246,484	23.8	28.8	29.8	37.1	38.6
				26.9		
<u>\$ 651,987</u>	<u>\$ 652,071</u>	<u>91.3 %</u>	<u>95.7 %</u>	<u>130.8 %</u>	<u>103.0 %</u>	<u>102.1 %</u>
\$ (18,865)	\$ (13,173)	8.7 %	4.3 %	(30.8) %	(3.0) %	(2.1) %
\$	\$					
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>					
\$ (18,865)	\$ (13,173)					
484,000	497,173					
<u>\$ 465,135</u>	<u>\$ 484,000</u>					
<u>N/A</u>	<u>N/A</u>					
<u>N/A</u>	<u>N/A</u>					

See accompanying independent auditor's report.

District Mailing Address - Montgomery County Municipal Utility District No. 90
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, TX 77027

District Telephone Number - (713) 860-6400

- 47 -

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2024

Consultants:	Date Hired	Fees / Compensation for the year ended September 30, 2024	Title
Allen Boone Humphries Robinson LLP	07/28/03	\$ 45,325 \$ 166,027	General Counsel Bond related
McCall Gibson Swedlund Barfoot Ellis PLLC	04/19/06	\$ 13,000 \$ 22,000	Auditor Bond related
Myrtle Cruz, Inc.	09/01/02	\$ 18,685 \$ 5,000	Bookkeeper Bond related
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	08/12/04	\$ 41	Delinquent Tax Attorney
Pape Dawson Engineers	07/23/02	\$ 27,119 \$ 34,779	Engineer Bond related
Robert W. Baird & Co. Incorporated	02/12/15	\$ 123,177	Financial Advisor
Mary Jarmon	09/09/10	\$ -0-	Investment Officer
Bob Leared Interests	09/17/02	\$ 15,460 \$ 2,500	Tax Assessor/ Collector Bond related

See accompanying independent auditor's report.