OFFICIAL STATEMENT DATED MAY 19, 2022

THE DELIVERY OF THE BONDS (DEFINED HEREIN) IS SUBJECT TO THE OPINION OF BOND COUNSEL (DEFINED HEREIN) TO THE EFFECT THAT, UNDER EXISTING LAW AND ASSUMING CONTINUING COMPLIANCE WITH COVENANTS IN THE BOND ORDER, INTEREST ON THE BONDS WILL BE EXCLUDABLE FROM GROSS INCOME OF THE OWNERS THEREOF FOR FEDERAL INCOME TAX PURPOSES. SEE "TAX MATTERS–OPINION" HEREIN.

The District has designated the Bonds as "qualified tax-exempt obligations" for purposes of the calculation of interest expense by financial institutions which may own the Bonds. See "TAX MATTERS -- Qualified Tax-Exempt Obligations for Financial Institutions."

NEW ISSUE	**RATINGS: (S&P– BAM) "AA" (stable outlook)**
BOOK-ENTRY ONLY	**(See "BOND INSURANCE" herein)**
CUSIP No. 77583R	**Underlying Rating: None**

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT

(A political subdivision of the State of Texas located within Montgomery County, Texas)

$5,540,000

UNLIMITED TAX BONDS, SERIES 2022

Bonds Dated: June 1, 2022 **Due: August 1, as shown on inside cover**

The $5,540,000 Unlimited Tax Bonds, Series 2022 (the "Bonds") are obligations solely of Roman Forest Consolidated Municipal Utility District (the "District") and are not obligations of the State of Texas; Montgomery County, Texas; the City of Roman Forest, Texas; or any other political subdivision or agency. See "THE BONDS--Source of and Security for Payment."

Interest on the Bonds will accrue from June 1, 2022, and will be payable February 1, 2023 and each August 1 and February 1 thereafter, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds are issuable only in fully registered form in principal denominations of $5,000 or integral multiples thereof initially registered solely in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), acting as securities depository for the Bonds, until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, the Bonds shall be payable to Cede & Co., which will in turn, remit such amount to DTC participants for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS--Book-Entry-Only System."

Principal of and the redemption price for the Bonds are payable by UMB Bank N.A., Houston, Texas or any successor paying agent/registrar (the "Paying Agent/Registrar"). Interest on the Bonds will be payable by check mailed on or before the interest payment date to registered owners shown on the records of the Paying Agent/Registrar on the fifteenth (15^{th}) day of the month preceding each interest payment date or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and the registered owner at the risk and expense of the registered owner. See "THE BONDS--Description."

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by

BUILD AMERICA MUTUAL ASSURANCE COMPANY.

SEE INSIDE COVER PAGE FOR MATURITY SCHEDULE

The Bonds, when issued, will constitute valid and legally binding obligations of the District and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District. See "THE BONDS--Source of and Security for Payment." The Bonds are subject to special investment considerations described herein. See "RISK FACTORS." **Neither the State of Texas; Montgomery County, Texas; the City of Roman Forest, Texas; nor any political subdivision other than the District shall be obligated to pay the principal of and interest on the Bonds.**

The Bonds will be delivered when, as, and if issued by the District and accepted by the initial purchaser of the Bonds (the "Underwriter"), subject, amongst other things, to the approval of the Bonds by the Attorney General of the State of Texas and by the approval of certain legal matters by Johnson Petrov LLP, Houston, Texas ("Bond Counsel"). Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Disclosure Counsel. Delivery of the Bonds is expected on June 23, 2022, in Houston, Texas.

MATURITY SCHEDULE

Bonds Dated: June 1, 2022 **Due: August 1, as shown below**

$640,000 Serial Bonds

Maturity	***Amount***	***Interest Rate***	***Initial Yield(a)***	***CUSIP (b)***	***Maturity***	***Amount***	***Interest Rate***	***Initial Yield(a)***	***CUSIP (b)***
2024	$120,000	9.000%	2.850%	77583R CC5	2027	$130,000	9.000%	3.200%	77583R CF8
2025	125,000	9.000%	3.000%	77583R CD3	2028	135,000	9.000%	3.300%	77583R CG6
2026	130,000	9.000%	3.100%	77583R CE1					

$4,900,000 Term Bonds

$270,000 Term Bonds, Due August 1, 2030 (c)(d), 9.000% Interest Rate, 3.400% Initial Yield (a)
CUSIP (b) 77583R CJ0
$895,000 Term Bonds, Due August 1, 2036 (c)(d), 4.500% Interest Rate, 3.900% Initial Yield (a)
CUSIP (b) 77583R CQ4
$510,000 Term Bonds, Due August 1, 2039 (c)(d), 4.000% Interest Rate, 4.200% Initial Yield (a)
CUSIP (b) 77583R CT8
$555,000 Term Bonds, Due August 1, 2042 (c)(d), 4.250% Interest Rate, 4.350% Initial Yield (a)
CUSIP (b) 77583R CW1
$2,670,000 Term Bonds, Due August 1, 2052 (c)(d), 4.250% Interest Rate, 4.500% Initial Yield (a)
CUSIP (b)77583R DG5

(a) Initial yield represents the initial reoffering yield to the public which has been established by the Underwriter for public offerings and which subsequently may be changed. The initial yields indicated above represent the lower of the yields resulting when priced to maturity or to the first call date. Accrued interest from June 1, 2022 is to be added to the price.

(b) CUSIP Numbers have been assigned to the Bonds by CUSIP Global Services and are included solely for the convenience of the purchasers of the Bonds. Neither the District nor the Underwriter shall be responsible for the selection or correctness of the CUSIP Numbers set forth herein.

(c) Bonds maturing on or after August 1, 2030, are subject to redemption prior to maturity at the option of the District, as a whole or, from time to time, in part, on August 1, 2029, or on any date thereafter, at par plus accrued interest from the most recent interest payment date to the date fixed for redemption. See “THE BONDS–Optional Redemption.”

(d) Term Bonds are also subject to mandatory redemption in part by lot or other customary method at a price of par plus accrued interest to the redemption date. See “THE BONDS–Mandatory Redemption.”

Build America Mutual Assurance Company (“BAM”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading “BOND INSURANCE” and “APPENDIX B--Specimen Municipal Bond Insurance Policy.”

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USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Underwriter.

This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

All of the summaries of the statutes, orders, contracts, audited financial statements, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from the District, c/o Johnson Petrov LLP, 2929 Allen Parkway, Suite 3150, Houston, Texas 77019-6100 upon payment of duplication costs.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the condition of the District or other matters described herein since the date hereof. The District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information actually comes to its attention, the other matters described in this Official Statement until delivery of the Bonds to the Underwriter and thereafter only as specified in "PREPARATION OF OFFICIAL STATEMENT-- Updating the Official Statement" and "CONTINUING DISCLOSURE OF INFORMATION."

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this offering document.

SALE AND DISTRIBUTION OF THE BONDS

Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriter prior to delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity has been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Underwriter or control regarding the reoffering yields or prices of the Bonds. Information concerning reoffering yields or prices is the sole responsibility of the Underwriter.

THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE BONDS ARE RELEASED FOR SALE, AND THE BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE BONDS INTO INVESTMENT ACCOUNTS. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The District has no control over trading of the Bonds in the secondary market. Moreover, there is no guarantee that a secondary market will be made in the Bonds. In such a secondary market, the difference between the bid and asked price of special district bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional governmental entities, as bonds of such entities are more generally bought, sold or traded in the secondary market.

Securities Laws

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdictions.

Underwriter

After requesting competitive bids for the Bonds, the District accepted the bid resulting in the lowest net effective interest rate, which bid was tendered by SAMCO Capital Markets (the “Underwriter”) bearing the interest rates shown on the inside cover page hereof, at a price of 97.026609% of the par value thereof plus accrued interest to the date of delivery which resulted in a net effective interest rate of 4.628567% as calculated pursuant to Chapter 1204, Texas Government Code, as amended (the “IBA” method).

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into unit investment trusts) and others at prices lower than the public offering price stated on the inside cover page hereof. The initial offering price may be changed from time to time by the Underwriter within the guidelines prescribed by applicable laws and regulations of the SEC.

Municipal Bond Rating

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned its municipal rating of "AA" (stable outlook) to the Bonds, as a result of a municipal bond insurance policy issued by Build America Mutual Assurance Company at the time of delivery of the Bonds (see “BOND INSURANCE” and “APPENDIX B–Specimen Municipal Bond Insurance Policy”). An explanation of the significance of such rating may be obtained from S&P. The rating reflects only the view of S&P and the District makes no representation as to the appropriateness of such rating.

The District can make no assurance that the S&P rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by S&P if in the judgment of S&P circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

The District has made no application for an underlying municipal bond rating, nor is it expected that the District would have been successful in receiving an investment grade rating had such application been made.

SUMMARY

The following information is a summary of certain information contained herein and is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this Official Statement, reference to which is made for all purposes. This summary should not be detached and should be used in conjunction with more complete information contained herein.

- The District -

Issuer/Description	Roman Forest Consolidated Municipal Utility District (the "District") was created by Consolidation Agreement between Roman Forest Public Utility District No. 1 ("PUD 1") and Roman Forest Public Utility District No. 2 ("PUD 2") dated October 9, 1973. The voters of PUD 1 and PUD 2 confirmed the Consolidation of the District on October 9, 1973. The District, with approximately 804.563 acres, is located entirely within Montgomery County, Texas, and approximately 20 miles southeast of the City of Conroe and approximately 30 miles northeast of the central business district of the City of Houston. The District is approximately 1.5 miles east of U.S. Highway 59, and lies entirely within the City Limits of the City of Roman Forest, Texas. As of April 1, 2022, there were approximately 749 active residential water connections and approximately 15 commercial water connections to the District's waterworks and wastewater system. See "THE DISTRICT."
Authority	The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including particularly Chapters 49 and 54 of the Texas Water Code, as amended. See "THE DISTRICT-Authority."

- The Bonds -

Description	The $5,540,000 Unlimited Tax Bonds, Series 2022 (the "Bonds") bear interest at the rates per annum set forth on the inside cover page hereof, from June 1, 2022, payable February 1, 2023 and each August 1 and February 1 thereafter until the earlier of maturity or prior redemption. The Bonds mature serially on August 1 in the years 2024 through 2028, inclusive, in the principal amounts set forth on the inside cover page hereof. Bonds maturing in each of the years August 1, 2030, 2036, 2039, 2042 and 2052 are the "Term Bonds." The Term Bonds are subject to mandatory redemption as described herein under "THE BONDS–Mandatory Redemption." Bonds scheduled to mature on or after August 1, 2030, are subject to optional redemption at the option of the District on any date on or after August 1, 2029, at a price of par plus accrued interest to the date of redemption. See "THE BONDS--Description" and "--Optional Redemption."
Source of Payment	Principal of and interest on the Bonds are payable from the proceeds of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, levied against taxable property within the District. The Bonds are obligations of the District and are not obligations of Montgomery County, Texas; the State of Texas; the City of Roman Forest, Texas; or any political subdivision other than the District. See "THE BONDS — Source of and Security for Payment."
Use of Proceeds	Proceeds of the Bonds will be used to reimburse the District for engineering costs; to provide funds for the construction costs and storm water pollution prevention costs associated with the construction of the wastewater treatment plant replacement–Phase 1; to provide one year's capitalized interest on the Bonds; and to pay the costs of issuance of the Bonds. See "THE BONDS — Use of Proceeds."

Qualified Tax-Exempt Obligations	The District has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended, and represents that the total amount of tax-exempt bonds (including the Bonds) issued by it during the calendar year 2022 is not reasonably expected to exceed $10,000,000. See "TAX MATTERS--Qualified Tax-Exempt Obligations for Financial Institutions."
Payment Record	The District has never defaulted on the payment of any bond obligation. See "DISTRICT DEBT."
Book-Entry Only System	The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in principal denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of and interest on the Bonds will be payable by the UMB Bank N.A., Houston, Texas, the initial Paying Agent/Registrar, to Cede & Co. and Cede & Co. will make distribution of the amounts so paid to the beneficial owners of the Bonds (see "THE BONDS--Book-Entry Only System").
Bond Counsel	Johnson Petrov LLP, Houston, Texas. See "LEGAL MATTERS" and "TAX MATTERS."
Disclosure Counsel	Orrick, Herrington & Sutcliffe LLP, Houston, Texas.
Financial Advisor	Blitch Associates, Inc., Houston, Texas.
Municipal Bond Rating and Municipal Bond Insurance	S&P has assigned a municipal rating of "AA" (stable outlook) as a result of a municipal bond insurance policy issued by Build America Mutual Assurance Company. See "SALE AND DISTRIBUTION OF THE BONDS–Municipal Bond Rating," "BOND INSURANCE" and "APPENDIX B–Specimen Municipal Bond Insurance Policy." The District has made no application for a municipal bond rating of the Bonds, nor is it expected that the District would have been successful in receiving an investment grade rating had such application been made.

RISK FACTORS

THE PURCHASE AND OWNERSHIP OF THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS AND ALL PROSPECTIVE PURCHASERS ARE URGED TO EXAMINE CAREFULLY THE ENTIRE OFFICIAL STATEMENT WITH RESPECT TO THE INVESTMENT SECURITY OF THE BONDS, INCLUDING PARTICULARLY THE SECTION CAPTIONED "RISK FACTORS."

- Financial Highlights -
(Unaudited)

2021 Taxable Assessed Valuation (100% of Market Value)		$158,418,417	(a)
Estimated Taxable Valuation as of January 1, 2022		$200,945,076	(b)
Direct Debt			
Outstanding Bonds (As of April 1, 2022)		$5,470,000	
The Bonds		5,540,000	
Total Direct Debt		$11,010,000	
Estimated Overlapping Debt		20,565,592	(c)
Direct and Estimated Overlapping Debt		$31,575,592	
Direct Debt Ratios:	***Est. 1/1/22***	***2021 A.V.***	
Direct Debt to Value	5.48%	6.95%	
Direct & Estimated Overlapping Debt to Value	15.37%	19.93%	
2021 Tax Rate per $100 of Assessed Value			
Debt Service		$0.1172	
Maintenance		0.0000	
Total		$0.1172	
	Current	***Total***	
2020 Tax Collection Percentage	96.28%	100.27%	(d)
Five-Year Average (2016/2020) Collection Percentage	96.51%	100.72%	
Average Annual Debt Service Requirements (2024/52) (e)		$517,350	
Maximum Annual Debt Service Requirements (2024) (e)		$584,638	
Tax Rate Required to pay such Requirements at 98% Collection	***Est. 1/1/22***	***2021 A.V.***	
Average (2024/2527)	$0.263	$0.334	
Maximum (2024)	$0.297	$0.377	
Fund Balances as of March 31, 2022 (Cash & Investments)			
General Fund		$179,707	
Debt Service Fund		$352,048	
Capital Projects Fund		$32,532	

(a) Certified by the Montgomery Central Appraisal District (the "Appraisal District"); represents the taxable assessed valuation of taxable property as of January 1, 2021. See "TAX PROCEDURES."
(b) Provided by the Appraisal District for informational purposes only; represents the estimate of the taxable value of all taxable property located within the District as of January 1, 2022. This estimated value is provided for informational purposes only. Taxes will be levied against the final assessed valuation in the District following the resolution of protests and other adjustments. See "TAX PROCEDURES."
(c) See "DISTRICT DEBT--Estimated Overlapping Debt."
(d) 2021 tax collections still in progress; see "TAX DATA–Tax Collection History."
(e) Such requirements are on the Bonds and the Outstanding Bonds.

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
$5,540,000
UNLIMITED TAX BONDS, SERIES 2022

This Official Statement of Roman Forest Consolidated Municipal Utility District (the "District") is provided to furnish certain information with respect to the sale by the District of its $5,540,000 Unlimited Tax Bonds, Series 2022 (the "Bonds").

The Bonds are issued pursuant to the Texas Constitution, the general laws of the State of Texas, an order of the Texas Commission on Environmental Quality ("TCEQ"), and an order authorizing the issuance of the Bonds (the "Bond Order") adopted by the Board of Directors of the District (the "Board"); Article XVI, Section 59 of the Texas Constitution; and Chapters 49 and 54 of the Texas Water Code, as amended. See "THE BONDS."

This Official Statement includes descriptions of the Bonds, the Bond Order and certain other information about the District. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document, copies of which may be obtained by contacting the District, c/o Johnson Petrov LLP, located at 2929 Allen Parkway, Suite 3150, Houston, Texas 77019-6100.

THE BONDS

Description

The following is a description of some of the terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Order. A copy of the Bond Order may be obtained upon request to the District and payment of the applicable copying charges.

The Bonds will mature on August 1 of the years and in principal amounts, and will bear interest from June 1, 2022, at the rates per annum, set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable on February 1, 2023, and semiannually thereafter on each August 1 and February 1 thereafter until the earlier of maturity or redemption. Principal of and interest on the Bonds will be payable to Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), by the paying agent/registrar, initially UMB Bank N.A., Houston, Texas (the "Paying Agent/Registrar"). Cede & Co. will make distribution of the principal and interest so paid to the beneficial owners of the Bonds. For so long as DTC shall continue to serve as securities depository for the Bonds, all transfers of beneficial ownership interest will be made by book-entry only and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of the Bonds is to receive, hold or deliver any Bond certificate.

If at any time, DTC ceases to hold the Bonds as securities depository, then principal of the Bonds will be payable to the registered owner at maturity or redemption upon presentation and surrender at the principal payment office of the Paying Agent/Registrar. Interest on the Bonds will be payable by check, dated as of the interest payment date, and mailed by the Paying Agent/Registrar to the registered owners as shown on the records of the Paying Agent/Registrar at the close of business on the 15th day of the month next preceding the interest payment date (the "Record Date"). The Bonds of each maturity will be issued in fully-registered form only in the principal amount of $5,000 or any integral multiple thereof.

If the specified date for any payment of principal (or redemption price) or interest on the Bonds shall be a Saturday, Sunday or legal holiday or equivalent (other than a moratorium) for banking institutions generally in the City of Houston, Texas, such payment may be made on the next succeeding date which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payments.

Use of Proceeds

Proceeds of the Bonds will be used to reimburse the District for engineering costs; to provide funds for the construction costs and storm water pollution prevention costs associated with the construction of the wastewater treatment plant replacement–Phase 1; to provide one year's capitalized interest on the Bonds; and to pay the costs of issuance of the Bonds.

The costs outlined below have been provided by LJA Engineering Inc., the District's consulting engineer (the "Engineer"), and reflect those costs approved by the Texas Commission on Environmental Quality ("TCEQ"). Non-construction costs are based upon either contract amounts, or estimates of various costs by the Engineer and the Financial Advisor (hereinafter defined). The actual amounts to be reimbursed by the District and the non-construction costs will be finalized after the sale of the Bonds and completion of agreed-upon procedures by the District's auditor. *Amounts indicated below may not add due to rounding.*

Construction Costs	
Wastewater Treatment Plant Expansion 0.35MGD	$4,832,000
Non-Construction Costs	
Financial Advisor (1.75%)	$77,900
Bond Counsel (2.00%)	110,800
Capitalized Interest (1 year)	249,300
TCEQ Fee (0.25%)	13,850
Discount (3.00%)	166,200
Attorney General	5,540
Bond Application Report	40,000
Bond Issuance Expenses	44,410
Total Non-Construction Costs	$708,000
The Bonds	$5,540,000

In the instance that approved estimated amounts exceed actual costs, the difference comprises a surplus which may be expended for uses approved by the TCEQ. In the instance that actual costs exceed previously approved estimated amounts and contingencies, additional TCEQ approval and the issuance of additional bonds may be required. The Engineer has advised the District that the proceeds of the sale of the Bonds should be sufficient to pay the costs of the above-described facilities; however, the District cannot and does not guarantee the sufficiency of such funds for such purposes.

Book-Entry-Only System

This section describes how ownership of the Bonds are to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC, while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District and the Underwriter believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The District and the Underwriter cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other *notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.*

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is a holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through DTC Participants, which will receive a credit for such purchases on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct or Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent/Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Paying Agent/Registrar, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or Paying Agent/Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Registration and Transfer

The Bonds will be transferable only on the bond register kept by the Paying Agent/Registrar upon surrender and reissuance. The Bonds are exchangeable for an equal aggregate principal of Bonds of the same maturity and of any authorized denomination upon surrender of the Bonds to be exchanged at the principal office of the Paying Agent/Registrar in Houston, Texas. No service charge will be made for any registration, transfer or exchange of Bonds, but the District or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith. Neither the District nor the Paying Agent/Registrar is required to issue, transfer or exchange any Bond during the period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding interest payment date or to transfer or exchange any Bond selected for redemption, in whole or in part, beginning 15 calendar days prior to the date of the first mailing of any notice of redemption and ending at the close of business on the date of such mailing, or to transfer or exchange any Bond called for redemption during the thirty (30) day period prior to the date fixed for redemption of such Bond.

Mandatory Redemption

The Bonds maturing August 1 in each of the years 2030, 2033, 2036, 2039, 2042 and 2052 (collectively, the "Term Bonds") are subject to mandatory redemption in part prior to maturity in the amounts (subject to redemption as described below) and on the dates set out below, at a price equal to the principal amount to be redeemed plus accrued interest to the redemption date:

Redemption Date	***Principal Amount***
$270,000 Term Bonds Due August 1, 2030	
August 1, 2029	$135,000
August 1, 2030 (maturity)	135,000
$895,000 Term Bonds Due August 1, 2036	
August 1, 2031	$140,000
August 1, 2032	145,000
August 1, 2033	145,000
August 1, 2034	150,000
August 1, 2035	155,000
August 1, 2036 (maturity)	160,000
$510,000 Term Bonds Due August 1, 2039	
August 1, 2037	$165,000
August 1, 2038	170,000
August 1, 2039 (maturity)	175,000
$555,000 Term Bonds Due August 1, 2042	
August 1, 2040	$180,000
August 1, 2041	185,000
August 1, 2042 (maturity)	190,000
$2,670,000 Term Bonds Due August 1, 2052	
August 1, 2043	$195,000
August 1, 2044	205,000
August 1, 2045	210,000
August 1, 2046	215,000
August 1, 2047	225,000
August 1, 2048	230,000
August 1, 2049	240,000
August 1, 2050	245,000
August 1, 2051	445,000
August 1, 2052 (maturity)	460,000

The particular Term Bonds to be mandatorily redeemed shall be selected by lot or other customary random selection method. The principal amount of the Term Bonds of a maturity required to be redeemed pursuant to the operation of such mandatory redemption requirements shall be reduced, at the option of and as determined by the District, by the principal amount of any Term Bonds of such maturity which, at least 45 days prior to such mandatory redemption, (1) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the District, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

Optional Redemption

The District reserves the right, at its option, to redeem the Bonds maturing on or after August 1, 2030, in whole or in part in principal amounts of $5,000 or any integral multiple thereof on August 1, 2029, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed, the Paying Agent/Registrar shall select by lot those Bonds to be redeemed.

At least thirty (30) days prior to the date fixed for any such redemption a written notice of such redemption shall be given to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first class, postage prepaid, addressed to each such registered owner at his address shown on the registration books of the Paying Agent/Registrar; provided, however, that the failure to receive such notice shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or the portions thereof which are to be so redeemed, plus accrued interest to the date fixed for redemption. If a portion of any Bond shall be redeemed, a substitute Bond having the same maturity date, bearing interest at the same rate, in any integral multiple of $5,000, and in aggregate principal amount equal to the unredeemed position thereof, will be issued to the registered owner upon the surrender of the Bonds being redeemed, at the expense of the District, all as provided for in the Bond Order.

Ownership

The District, the Paying Agent/Registrar and any agent of either may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of receiving payment of the principal and the interest thereon, and for all other purposes, whether or not such Bond is overdue. Neither the District, the Paying Agent/Registrar nor any agent of either shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the owner of any Bond in accordance with the Bond Order shall be valid and effective and shall discharge the liability of the District and the Paying Agent/Registrar for such Bond to the extent of the sums paid.

Source of and Security for Payment

The Bonds and the Outstanding Bonds (as hereinafter defined) (together with any additional unlimited tax or combination unlimited tax bonds as may hereafter be issued) are payable as to principal and interest from the proceeds of a continuing, direct, annual ad valorem tax without legal limitation as to rate or amount, levied against all taxable property located within the District. In the Bond Order, the District covenants to levy annually a tax sufficient in amount to pay principal of and interest on the Bonds, full allowance being made for delinquencies and costs of collection. Collected taxes will be placed in the District's Debt Service Fund and used solely to pay principal and interest on the Bonds, the Outstanding Bonds and on any additional bonds payable from taxes which may be issued. See "Issuance of Additional Debt" below.

Replacement of Paying Agent/Registrar

Provision is made in the Bond Order for the replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Paying Agent/Registrar. In order to act as Paying Agent/Registrar for the Bonds, any paying agent/registrar selected by the District shall be a national or state banking institution, organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority.

Authority for Issuance

The District has previously issued four installments of bonds in the aggregate principal amount of $10,985,000 for waterworks and sanitary sewer facilities authorized at various elections held within the District for that purpose in 1971, 1972 and 2018. The 1971 and 1972 elections were voted in PUD 1 ($3,350,000) and PUD 2 ($2,100,000) for waterworks and sewer system combination unlimited tax and revenue bonds, of which $5,330,000 were issued. $120,000 of such unlimited tax and revenue bonds remain authorized but unissued from the 1971 and 1972 elections, but are not expected to be issued in the future. Of the $16,070,000 unlimited tax bonds authorized in the 2018 election, $5,655,000 have been previously issued, and $4,875,000 unlimited tax bonds will remain authorized but unissued after issuance of the Bonds. See "Issuance of Additional Debt."

The Bonds are issued pursuant to the Texas Constitution; an order of the TCEQ; the general laws of the State of Texas; the Bond Order; Article XVI, Section 59 of the Texas Constitution; and Chapters 49 and 54 of the Texas Water Code, as amended.

Outstanding Debt

The District has previously issued and has outstanding its $5,655,000 Unlimited Tax Bonds, Series 2019 (the "Series 2019 Bonds"). As of April 1, 2022, $5,470,000 of the Series 2019 Bonds remain outstanding (the "Outstanding Bonds").

Issuance of Additional Debt

The District may issue additional bonds to provide those improvements for which the District was created. Following the issuance of the Bonds, there will be $4,875,000 authorized but unissued unlimited tax bonds remaining and $120,000 authorized but unissued unlimited tax and revenue bonds remaining.

The District is considering an additional bond sale within the next twelve months, of approximately $4,875,000.

According to the District's Engineer, the District is currently assessing its current and future infrastructure needs and intends to call a bond election to be held in May 2023 to authorize additional infrastructure bonds for the District. The exact amount of the bond election is still to be determined as an Engineering Report will need to be completed and presented to the Board to determine the amount before calling the election pursuant to the Texas Water Code. Depending upon the rate of development and increases in assessed valuation of taxable property within the District and the amount, maturity schedule and time of issuance of such additional bonds, increases in the District's annual tax rate may be required to provide for the payment of the principal of and interest on such additional bonds, the Outstanding Bonds and the Bonds. Additional tax bonds and/or tax and revenue bonds may be voted in the future. The Board is further empowered to borrow money for any lawful purpose and pledge the revenues of the waterworks and sewer system therefor and to issue bond anticipation notes and tax anticipation notes.

The Bond Order imposes no limitation on the amount of additional bonds which may be issued by the District. Any additional bonds issued by the District may be on a parity with the Bonds, and may dilute the security of the Bonds.

Defeasance

The Bond Order provides that the obligation of the District to make money available to pay the principal of and interest on the Bonds may be terminated by the deposit of money and/or non-callable direct or indirect obligations of the United States of America, sufficient for such purpose, in the manner described in the Bond Order.

Mutilated, Lost, Stolen or Destroyed Bonds

The District has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds to the Paying Agent/Registrar, or receipt of satisfactory evidence of such destruction, loss or theft, and receipt by the District and Paying Agent/Registrar of security or indemnity as may be required by either of them to hold them harmless. The District may require payment of taxes, governmental charges and other expenses in connection with any such replacement.

Annexation and Consolidation

Chapter 42, Local Government Code, provides that, within the limits described therein, the unincorporated area contiguous to the corporate limits of any municipality comprises that municipality's extraterritorial jurisdiction ("ETJ"). The size of an ETJ depends in part on the municipality's population. With certain exceptions, a municipality may annex territory only within the confines of its ETJ. When a municipality annexes additional territory, the municipality's ETJ expands in conformity with such annexation.

The District lies entirely with the city limits of the City of Roman Forest, Texas (the "City"), and the City may abolish the District as provided by Chapter 43, Local Government Code, by the adoption of an ordinance making Section 43.075, Local Government Code, applicable to the City (the "Ordinance"). If the District is abolished by the City, the City must assume the District's assets and obligations (e.g., the Bonds and the Outstanding Bonds) and abolish the District within ninety (90) days of the date of adoption of the Ordinance. Adoption of the Ordinance and abolishment of the District by the City is a policy-making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that the City will ever adopt the Ordinance and abolish the District and assume its debt. Moreover, no representation is made concerning the ability of the City to make debt service payments should the District be abolished.

The District has the right to consolidate with other districts and, in connection therewith, to provide for the consolidation of its water and sewer system (the "System") with the water and sewer systems of the district or districts with which it is consolidating. Should any such consolidation occur, the net revenues from the operation of the consolidated system would be applied to the payment of principal, interest, redemption price and bank charges on the combination unlimited tax and revenue bonds of the District, if any, and of the district or districts with which the District is consolidated without prejudice to any series of bonds, except that bonds with subordinate liens on net revenues shall continue to be subordinate. No representations are made that the District will ever consolidate its utility system with other systems.

Amendments to the Bond Order

The District may, without the consent of or notice to any registered owners, amend the Bond Order in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency or formal defect or omission therein. In addition, the District may, with the written consent of the registered owners of a majority in aggregate principal amount of the Bonds then outstanding affected thereby, amend, add to or rescind any of the provisions of the Bond Order; provided that, without the consent of the registered owners of all of the Bonds affected, no such amendment, addition or rescission may (a) extend the time or times of payment of the principal of and interest (or accrual of interest) on the Bonds, or reduce the principal amount thereof or the rate of interest thereon or in any other way modify the terms of payment of the principal of or interest on the Bonds, (b) give preference of any Bond over any other Bond, or (c) extend any waiver of default to subsequent defaults. In addition, a state, consistent with federal law, may in the exercise of its police power make such modifications in the terms and conditions of contractual covenants relating to the payment of indebtedness of a political subdivision as are reasonable and necessary for attainment of an important public purpose.

Registered Owners' Remedies and Effects of Bankruptcy

The Bond Order provides that, in the event the District defaults in the observance or performance of any covenant in the Bond Order, including payment when due of the principal of and interest on the Bonds, any registered owner may apply for a writ of mandamus from a court of competent jurisdiction requiring the Board or other officers of the District to observe or perform any covenants, obligations or conditions prescribed by the Bond Order. Such right is in addition to other rights of the registered owners of the Bonds that may be provided by the laws of the State of Texas.

The Bond Order does not provide additional remedies to a registered owner. Specifically, the Bond Order does not provide for appointment of a trustee to protect and enforce the interests of the registered owners or for the acceleration of maturity of the Bonds upon the occurrence of a default in the District's obligations. Consequently, the remedy of mandamus may have to be relied upon from year to year by the registered owners.

Under Texas law, no judgment obtained against the District may be enforced by execution or a levy against the District's public purpose property. The registered owners cannot themselves foreclose on taxable property within the District or sell property within the District in order to pay principal of and interest on the Bonds. In addition, the enforceability of the rights and remedies of the registered owners may be subject to limitation pursuant to federal bankruptcy laws or other similar laws affecting the rights of creditors of political subdivisions.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of the registered owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Subject to the requirements of Texas law, the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Sections 901-946, if the District: (1) is generally authorized to file for federal bankruptcy protection by State law; (2) is insolvent or unable to meet its debts as they mature; (3) desires to effect a plan to adjust such debt; and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Under Texas law, a municipal utility district such as the District must obtain approval of the TCEQ prior to filing for bankruptcy. The TCEQ must investigate the financial condition of the District and will authorize the District to proceed only if the TCEQ determines that the District has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

If the District decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the District would develop and file a plan for the adjustment of its debts, and the Bankruptcy Court would confirm the District's plan if: (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code; (2) all payments to be made in connection with the plan are fully disclosed and reasonable; (3) the District is not prohibited by law from taking any action necessary to carry out the plan; (4) administrative expenses are paid in full; and (5) the plan is in the best interests of creditors and is feasible. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect a registered owner by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of such registered owner's claim against the District.

Legal Investment and Eligibility to Secure Public Funds in Texas

The following is quoted from Section 49.186 of the Texas Water Code, and is applicable to the District:

> (a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic.
> (b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any un-matured interest coupons attached to them.

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the District (including the Bonds) are eligible as collateral for public funds.

No representation is made that the Bonds will be suitable for or acceptable to financial or public entities for investment or collateral purposes. No representation is made concerning other laws, rules, regulations, or investment criteria which apply to or which might be utilized by any of such persons or entities to limit the acceptability or suitability of the Bonds for any of the foregoing purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the suitability or acceptability of the Bonds for investment or collateral purposes.

Most political subdivisions in the State of Texas are required to adopt investment guidelines under the Public Funds Investment Act, Chapter 2256, Texas Government Code, and such political subdivisions may impose a requirement consistent with such act that the Bonds have a rating of not less than "A" or its equivalent to be legal investments for such entity's funds. The District makes no representation that the Bonds will be acceptable to banks, savings and loan associations or public entities for investment purposes or to secure deposits of public funds. The District has made no investigation of other laws, regulations or investment criteria which might apply to or otherwise limit the suitability of the Bonds for investment or collateral purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the suitability of the Bonds for investment or collateral purposes.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure obligations of states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at www.standardandpoors.com. The rating of BAM should be evaluated independently. The rating reflects the S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2022 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $466.8 million, $172.1 million and $294.7 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at www.buildamerica.com/videos. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at www.buildamerica.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

THE DISTRICT

Authority

The District was created by Consolidation Agreement between Roman Forest Public Utility District No. 1 (“PUD 1") and Roman Forest Public Utility District No. 2 (“PUD 2"), dated October 9, 1973. The voters of PUD 1 and PUD 2 confirmed the Consolidation of the District on October 9, 1973. The District is vested with all of the rights, privileges, authority, and functions conferred by the general laws of the State applicable to municipal utility districts, including without limitation those conferred by Chapters 49 and 54, Texas Water Code, as amended. The District is empowered to purchase, construct, operate, acquire, own, and maintain all water and wastewater facilities, improvements for the control and diversion of storm water, and recreational facilities. The District is additionally empowered to establish, operate and maintain a fire department, independently or with one or more other conservation and reclamation districts, and to issue bonds for such purposes, after approval by the City of Houston, the TCEQ and the District's voters of the District's plans in such regard. The District is subject to the continuing supervisory jurisdiction of the TCEQ.

Description

The District, with approximately 804.563 acres, is located entirely within Montgomery County, Texas, approximately 17 miles southeast of the City of Conroe, Texas, and approximately 20 miles southeast of the City of Conroe and approximately 30 miles northeast of the central business district of the City of Houston. The District is approximately 1.5 miles east of U.S. Highway 59, and lies entirely within the city limits of the City of Roman Forest, Texas.

The land within the District has elevations which range from approximately 65 feet mean sea level ("msl") to approximately 110 feet msl. According to LJA Engineering, Inc., the District's Engineer, approximately 73 acres of the District lie within the 100-year flood plain of tributaries of Peach Creek and its tributaries. The Montgomery County Engineer is charged with overseeing minimum flood slab elevations for the development of areas lying within the floodplain. According to the Engineer, a portion of this area has been developed. The District cannot predict what the effect the floodplain will have on future development of the District nor what effect a flood may have on the developed portion of the District.

Management of the District

The District is governed by the Board of Directors, consisting of five directors, which has management control over and management supervision of all affairs of the District. Directors are elected to serve four-year staggered terms. Elections are held within the District in May of each even-numbered year. The current members and officers of the Board are listed below:

Name	Title	Term Expires
Roy Gene Patton, Jr.	President	2024
Jeffrey Frederick	Vice President	2026
John W. (Jack) Ryder	Secretary	2026
Stephen (Steve) Wanderman	Assistant Secretary	2024
Terry Williams	Safety Director	2026

The District employs a staff of six to manage the operation of the District, including the following full-time personnel:

Name	Title	Years With The District
Chastity O'Brien	Office Manager	7 Years
Christopher Buerger	Operator	19 Years

In addition, the District contracts for the services indicated below:

Auditor - The District's audited financial statements for the year ended May 31, 2021 were prepared by McCall Gibson Swedlund Barfoot PLLC, Certified Public Accountants, Houston, Texas.

Bond Counsel - The District employs Johnson Petrov LLP, Houston, Texas, as Bond Counsel in connection with the issuance of the Bonds. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of Bonds actually issued and sold; and therefore, such fees are contingent on the sale and delivery of the Bonds. Johnson Petrov LLP also serves as General Counsel to the District. See "LEGAL MATTERS" and "TAX MATTERS."

Disclosure Counsel - Orrick, Huntington & Sutcliffe LLP, Houston, Texas. The legal fees to be paid to Disclosure Counsel for services rendered in connection with the issuance of the Bonds are contingent on the sale and delivery of the Bonds.

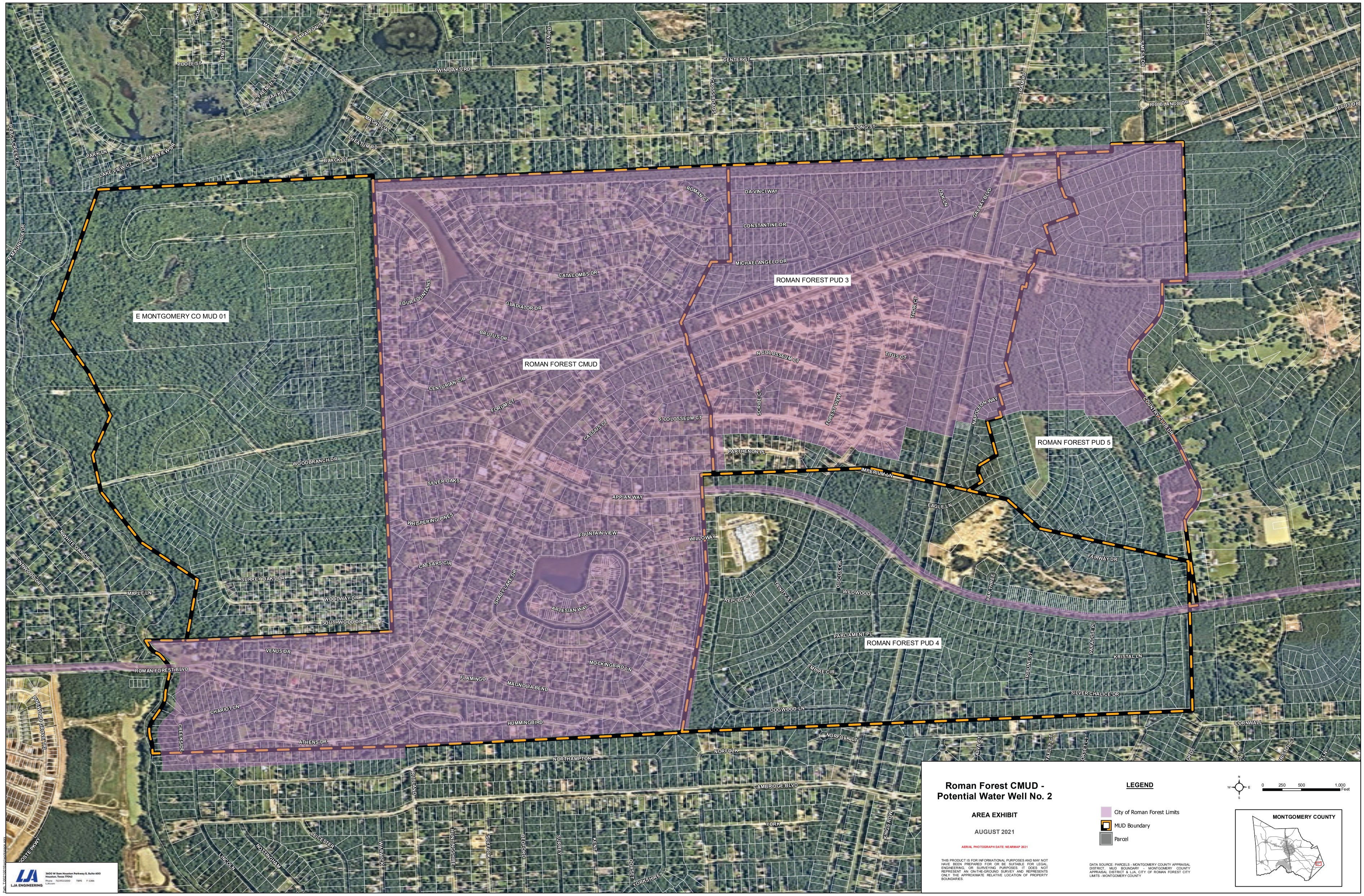
Financial Advisor - The District's financial advisor is Blitch Associates, Inc., Houston, Texas.

Engineer - The consulting engineer for the District is LJA Engineering, Inc., Houston, Texas.

Tax Assessor/Collector - The District's Tax Assessor/Collector is Tammy McRae, Montgomery County Tax Collector.

Development

As of April 1, 2022, there were approximately 749 active residential water connections and approximately 15 commercial water connections to the District's waterworks and wastewater system. Development within the District consists primarily of residential growth in various subdivisions throughout the District and commercial activity in several strip centers. There is no principal developer within the District. See "TAX DATA--Principal Taxpayers." There are approximately 608.563 acres with service availability within the District, with approximately 41 acres in reserve and the remainder in easements and rights of way.



E MONTGOMERY CO MUD 01
ROMAN FOREST CMUD
ROMAN FOREST PUD 3
ROMAN FOREST PUD 5
ROMAN FOREST PUD 4
Roman Forest CMUD -
Potential Water Well No. 2
AREA EXHIBIT
AUGUST 2021
AERIAL PHOTOGRAPH DATE: NEARMAP 2021
THIS PRODUCT IS FOR INFORMATIONAL PURPOSES AND MAY NOT HAVE BEEN PREPARED FOR OR BE SUITABLE FOR LEGAL, ENGINEERING, OR SURVEYING PURPOSES. IT DOES NOT REPRESENT AN ON-THE-GROUND SURVEY AND REPRESENTS ONLY THE APPROXIMATE RELATIVE LOCATION OF PROPERTY BOUNDARIES.
LEGEND
City of Roman Forest Limits
MUD Boundary
Parcel
DATA SOURCE: PARCELS - MONTGOMERY COUNTY APPRAISAL DISTRICT, MUD BOUNDARY - MONTGOMERY COUNTY APPRAISAL DISTRICT & LJA, CITY OF ROMAN FOREST CITY LIMITS - MONTGOMERY COUNTY
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W
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250
500
1,000
Feet
MONTGOMERY COUNTY
LJA ENGINEERING

ATTACHMENT: D
ROMAN FOREST CONSOLIDATED M.U.D.
BOND ISSUE 2022
LOCATION MAP

NOVEMBER 2021

AERIAL PHOTOGRAPH DATE: NEARMAP 2021

0 1.25 2.5 5

MILES

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LJA ENGINEERING
3600 W Sam Houston Parkway S, Suite 600
Houston, Texas 77042
Phone 713.953.5200 TBPE F-1386
LJA.com

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Photographs Taken in the District (April 2022)






DISTRICT DEBT

Debt Statement

2021 Taxable Assessed Valuation (100% of Market Value)		$158,418,417	(a)
Estimated Taxable Valuation as of January 1, 2022		$200,945,076	(b)
Direct Debt			
Outstanding Bonds (As of April 1, 2022)		$5,470,000	
The Bonds		5,540,000	
Total Direct Debt		$11,010,000	
Estimated Overlapping Debt		20,565,592	(c)
Direct and Estimated Overlapping Debt		$31,575,592	
Direct Debt Ratios:	***Est. 1/1/22***	***2021 A.V.***	
Direct Debt to Value	5.48%	6.95%	
Direct & Estimated Overlapping Debt to Value	15.71%	19.93%	
Average Annual Debt Service Requirements (2024/52) (d)			
Maximum Annual Debt Service Requirements (2024) (d)		$517,350	
Fund Balances as of March 31, 2022 (Cash & Investments)		$584,638.00	
General Fund		$179,707	
Debt Service Fund		$352,048	
Capital Projects Fund		$32,532	

(a) Certified by the Montgomery Central Appraisal District (the "Appraisal District"); represents the taxable assessed valuation of taxable property as of January 1, 2021. See "TAX PROCEDURES."
(b) Provided by the Appraisal District for informational purposes only; represents the estimate of the taxable value of all taxable property located within the District as of January 1, 2022. This estimated value is provided for informational purposes only. Taxes will be levied against the final assessed valuation in the District following the resolution of protests and other adjustments. See "TAX PROCEDURES."
(c) See "Estimated Overlapping Debt."
(d) Such requirements are on the Bonds and the Outstanding Bonds.

Estimated Overlapping Debt

The following table indicates the indebtedness, defined as outstanding bonds payable from ad valorem taxes, of governmental entities within which the District is located and the estimated percentages and amounts of such indebtedness attributable to property within the District. This information is based upon data secured from the individual jurisdiction and/or the Texas Municipal Reports. Such figures do not indicate the tax burden levied by the applicable taxing jurisdictions for operation and maintenance or for other purposes. See "TAX DATA--Estimated Overlapping Taxes."

Jurisdiction	***Debt As Of April 1, 2022***	***Overlapping Percent***	***Overlapping Amount***
Lone Star College System	$643,940,000	0.066%	$425,000
Montgomery County	464,200,000	0.243%	1,128,006
New Caney Independent School District	543,155,000	2.859%	15,528,801
Roman Forest, City of	3,635,000	95.840%	3,483,784
Estimated Overlapping Debt			$20,565,592
The District (Includes the Bonds)			11,010,000
Total Direct & Estimated Overlapping Debt			$31,575,592

Debt Service Schedule

The following sets forth the debt service requirements on the District's Outstanding Bonds and the Bonds. (*Note: Totals may not add due to rounding*)

Year	*Outstanding Debt Service*	*The Bonds Principal*	*The Bonds Interest*	*The Bonds Total D/S*	*Grand Total Debt Service*
2022	$185,000				$185,000
2023	185,000		$326,244	$326,244	511,244
2024	185,000	$120,000	279,638	399,638	584,638
2025	185,000	125,000	268,838	393,838	578,838
2026	185,000	130,000	257,588	387,588	572,588
2027	185,000	130,000	245,888	375,888	560,888
2028	185,000	135,000	234,188	369,188	554,188
2029	185,000	135,000	222,038	357,038	542,038
2030	190,000	135,000	209,888	344,888	534,888
2031	190,000	140,000	197,738	337,738	527,738
2032	190,000	145,000	191,438	336,438	526,438
2033	190,000	145,000	184,913	329,913	519,913
2034	190,000	150,000	178,388	328,388	518,388
2035	190,000	155,000	171,638	326,638	516,638
2036	190,000	160,000	164,663	324,663	514,663
2037	190,000	165,000	157,463	322,463	512,463
2038	190,000	170,000	150,863	320,863	510,863
2039	190,000	175,000	144,063	319,063	509,063
2040	190,000	180,000	137,063	317,063	507,063
2041	190,000	185,000	129,413	314,413	504,413
2042	190,000	190,000	121,550	311,550	501,550
2043	190,000	195,000	113,475	308,475	498,475
2044	190,000	205,000	105,188	310,188	500,188
2045	190,000	210,000	96,475	306,475	496,475
2046	190,000	215,000	87,550	302,550	492,550
2047	190,000	225,000	78,413	303,413	493,413
2048	190,000	230,000	68,850	298,850	488,850
2049	190,000	240,000	59,075	299,075	489,075
2050	190,000	245,000	48,875	293,875	483,875
2051	0	445,000	38,463	483,463	483,463
2052	0	460,000	19,550	479,550	479,550
	$5,470,000	$5,540,000	$4,689,406	$10,229,406	$15,699,406

Average Annual Debt Service (2024/2052) $ 517,350
Maximum Annual Debt Service (2024) $ 584,638

Historical Operations of the Debt Service Fund

The following statement sets forth in condensed form the historical operations of the District's Debt Service Fund. Such information has been prepared based upon information obtained from the District's audited financial statements and other information provided by the District. Reference is made to such statements for further and complete information.

	Fiscal Years Ended May 31,				
	2021	***2020***	***2019***	***2018***	***2017***
Revenues					
Ad Valorem Taxes	$184,630	$181,211	$209,460	$207,357	$203,959
Other Revenues	2,559	9,509	13,764	7,372	4,568
Total Revenues	$187,189	$190,720	$223,224	$214,729	$208,527
Expenditures					
Debt Service	$0	$204,940	$204,652	$204,450	$204,019
Contracted Services	2,022	2,052	11,180	2,156	3,420
Total Expenses	$2,022	$206,992	$215,832	$206,606	$207,439
Net Revenues	$185,167	($16,272)	$7,392	$8,123	$1,088
Fund Balance, June 1	$267,356	$271,628	$264,236	$256,113	$255,025
Transfer In	0	12,000	0	0	0
Fund Balance, May 31	$452,523	$267,356	$271,628	$264,236	$256,113
Cash & Inv., May 31	$452,523	$267,736	$272,080	$264,236	$256,113

TAX PROCEDURES

Authority To Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in sufficient amount to pay the principal of and interest on the District's Outstanding Bonds, the Bonds and any additional bonds payable from taxes which the District may hereafter issue, and to pay the expenses of assessing and collecting such taxes. The Board is also authorized to levy and collect annual ad valorem taxes for the administration, operation and maintenance of the District and its properties and for the payment of certain contractual obligations other than bonds if such taxes are authorized by vote of the District's electors at an election. The District has never had a maintenance tax authorized by the voters.

Exempt Property

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes, and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District; however, no effort is expected to be made to levy taxes against tangible or intangible personal property not devoted to commercial or industrial use. Principal categories of exempt real property include property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; non-profit cemeteries; certain household goods, family supplies and personal effects; and certain property owned by qualified charitable, religious, veterans, youth, fraternal, or educational organizations. Property owned by a disabled veteran or by the spouse or certain children of a deceased disabled veteran or a veteran who died while on active duty is exempt to between $5,000 and $12,000 depending on the disability rating of the veteran. State law further mandates a complete exemption for the residential homestead of disabled veterans determined to be 100% disabled by the U.S. Department of Veterans Affairs. Subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled such exemption on the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization or donated at some cost to the disabled veteran in the form of a cash payment, a mortgage or both in an aggregate amount that is not more than 50% of the good faith estimate of the market value of the residence homestead as of the date the donation is made. Also, the surviving spouse of a member of the armed forces who was killed in action is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. Subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. Finally, the surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the first responder's death, and said property was the first responder's residence homestead at the time of death. Such exemption would be transferred to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

If approved by the Board or through a process of petition and referendum by the District's voters, residence homesteads of certain persons who are disabled or at least 65 years old are exempt to the extent of $3,000 or such higher amount, as the Board or the District's voters may approve. The District's tax assessor is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax-supported debt incurred prior to adoption of the exemption by the District. The District currently grants a $25,000 homestead exemption to persons who are disabled or 65 years of age or older.

The Board also may exempt up to 20% of the market value of residential homesteads from ad valorem taxation. Such exemption would be in addition to any other applicable exemptions provided by law. However, if ad valorem taxes have previously been pledged for the payment of debt and the granting of the homestead exemption would impair the obligation or the contract by which the debt was created, then the Board may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged. The Board currently grants no such percentage homestead exemption.

Montgomery County, Texas, may designate all or part of the area within the District as a reinvestment zone, and the District, Montgomery County, Texas, New Caney Independent School District, Lone Star College System, or the City of Roman Forest, Texas may thereafter enter into tax abatement agreements with owners of real property within the zone. The tax abatement agreements may exempt from ad valorem taxation by the applicable taxing jurisdiction, for a period of up to 10 years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with a comprehensive plan. None of the area within the District has been designated as a reinvestment zone to date.

Appraisal of Taxable Property

The Texas Property Tax Code (the "Property Tax Code") establishes an appraisal district and an appraisal review board in each county of the State of Texas. The appraisal district is governed by a board of directors which is elected by the governing bodies of cities, towns, the county, school districts and, if entitled to vote, the conservation and reclamation districts that participate in the appraisal district, and of the county. The board of directors selects a chief appraiser to manage the appraisal office of the appraisal district. All taxing units within Montgomery County, Texas, including the District, are included in the Montgomery Central Appraisal District (the "Appraisal District"). The Appraisal District is responsible for appraising property within the District, subject to review by the Montgomery County Appraisal Review Board (the "Appraisal Review Board"). The appraisal roll approved by the Appraisal Review Board must be used by the District in establishing its tax rolls and tax rate. The valuation and assessment of taxable property within the District is governed by the Property Tax Code.

Assessment and Levy

Generally, all taxable property in the District (other than any qualifying agricultural or timber land) must be appraised at 100% of market value as of January 1 of each tax year, subject to review and approval by the Appraisal Review Board. However, houses held for sale by a developer or builder which remain unoccupied, are not leased or rented, and produce no income are required to be assessed at the price for which they would sell as a unit to a purchaser who would continue the owner's business. Valuation of houses at inventory level in future years could reduce the assessed value of developer and builder house inventory within the District. Certain land may be appraised at less than market value under the Property Tax Code. Upon application of a landowner, land which qualifies as "open-space land" is appraised based on the category of land, agriculture and hunting or recreational leases. Once an appraisal roll is prepared and approved by the Appraisal Review Board, it is used by the District in establishing its tax rate.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraised values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis. The District, at its expense, has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses formally to include such values on its appraisal roll.

The chief appraiser must give written notice to each owner if the appraised value of his property is greater than it was in the preceding year, if the appraised value of the property is greater than the value rendered by the property owner, or if the property was not on the appraisal roll in the preceding year. In addition, the chief appraiser must give written notice to each property owner whose property was reappraised in the current year or if ownership of the property changed during the preceding year. The Appraisal Review Board has the ultimate responsibility for determining the value of all taxable property within the District; however, any owner who has timely filed notice with the Appraisal Review Board may appeal the final determination by the Appraisal Review Board by filing suit in Texas district court. Prior to such appeal and prior to the delinquency date, however, the owner must pay the tax due on the amount of value of the property involved that is not in dispute or the amount of tax paid in the prior year, whichever is greater, or the amount of tax due under the order from which the appeal is taken. In the event of such suit, the value of the property is determined by the court, or a jury if requested by any party. Additionally, the District is entitled to challenge certain matters before the Appraisal Review Board, including the exclusion of property from the appraisal records or the grant in whole or in part of a partial exemption. The District may not, however, protest a valuation of individual property.

The rate of taxation is set by the Board of the District based upon the valuation of property within the District as of the preceding January 1 and based upon the amount required to be raised for debt service, maintenance purposes and authorized contractual obligations.

The District is responsible for the levy and collection of its taxes and will continue to do so unless the Board or the qualified voters of the District or of Montgomery County at an election held for such purpose determines to transfer such functions to the Appraisal District or another taxing unit.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified as "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed are classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance and operations is described for each classification below. Debt service cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units

Special Taxing Units that adopt a total tax rate that would impose more than 1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts

Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts

Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an election is called and passes, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

The District

A determination as to a district's status as a Special Taxing Unit, Developed District or Developing District will be made by the Board of Directors on an annual basis. For the 2021 tax year, a determination has been made by the District's Board of Directors that the District be classified as a Developing District. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

Collection

Taxes are due on receipt of the tax bill and generally become delinquent after January 31 of the following year. However, a person over 65 years of age is entitled by law to pay current taxes on his residence homestead in installments or to defer taxes without penalty during the time he owns and occupies the property as his residence homestead. The date of the delinquency of a tax bill may be postponed if the tax bill is mailed after January 10. Delinquent taxes are subject to a 6% penalty for the first month of delinquency, 1% for each month thereafter to June 30 and 12% total if any taxes are unpaid on July 1. Delinquent taxes also accrue interest at the rate of 1% per month during the period they remain outstanding. In addition, if the District engages an attorney for collection of delinquent taxes, the Board may impose a further penalty not to exceed 20% on all taxes, penalty and interest unpaid on July 1.

Taxes levied by the District are a personal obligation of the person who owns or acquires the property on January 1 of the year for which the tax is imposed. The District has a statutory lien for unpaid taxes on real property against which the taxes are assessed. In the event a taxpayer fails to make timely payment of taxes due the District, the District may file suit to foreclose its lien securing payment of the tax, to enforce personal liability for the tax, or both. The District's tax lien is on a parity with the tax liens of the other state and local jurisdictions levying taxes on property within the District. Whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. In the absence of such federal law, the District's tax lien takes priority over a lien of the United States. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other federal, state and local taxing jurisdictions, by effects of the foreclosure sale price attributable to market conditions, by taxpayer redemption rights, or by bankruptcy proceedings which restrain the collection of a taxpayer's debts.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year in which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property. The lien exists in favor of the State and each taxing unit, including the District, having the power to tax the property. The District's tax lien is on a parity with the tax liens of other such taxing units. A tax lien on real property takes priority over the claims of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within two years for residential and agricultural property and six months for commercial property and all other types of property after the purchaser's deed at the foreclosure sale is filed in the county records.

Temporary Tax Exemptions for Property Damaged by Disaster

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised. Section 11.35 of the Tax Code clarifies that purely non-physical economic damage to property is not eligible for this temporary tax exemption.

Tax Payment Installments after Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction such as the District if the tax payer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date. The District does not anticipate that taxpayers in the District, if any, that choose to pay taxes in installments as a result of Hurricane Harvey will have a material effect on the District's finances or its ability to pay debt service on the Bonds.

TAX DATA

General

All taxable property within the District is subject to the assessment, levy and collection by the District of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Outstanding Bonds, the Bonds, and any future tax-supported bonds which may be issued from time to time as may be authorized. Taxes are levied by the District each year against the District's assessed valuation as of January 1 of that year. Taxes become due October 1 of such year, or when billed, and become delinquent after January 31 of the following year. The Board covenants in the Bond Order to assess and levy for each year that all or any part of the Bonds remain outstanding and unpaid a tax ample and sufficient to produce funds to pay the principal and interest on the Bonds when due. The actual rate of such tax will be determined from year to year as a function of the District's tax base, its debt service requirements and available funds.

Tax Collection History

The following table indicates the collection history for taxes assessed by the District:

Tax Year	Assessed Valuation	Tax Rate(a)	Tax Levy	Percent Current	Percent Total	Yr End May 31	
2012	$80,099,990	$0.2200	$177,187	97.17%	102.81%	2013	
2013	82,429,532	0.2200	181,345	96.32%	99.15%	2014	
2014	90,714,049	0.2100	190,690	96.08%	100.23%	2015	
2015	99,922,276	0.2035	203,403	96.80%	99.79%	2016	
2016	110,206,108	0.1850	203,883	97.06%	100.04%	2017	
2017	127,579,224	0.1593	203,243	96.82%	102.02%	2018	
2018	131,618,628	0.1546	204,170	96.47%	102.59%	2019	
2019	137,057,173	0.1340	183,661	95.90%	98.67%	2020	
2020	146,921,440	0.1253	184,135	96.28%	100.27%	2021	
2021	158,418,417	0.1172	185,417	94.86%	95.63%	2022	(b)

(a) Debt service tax rate only; no maintenance tax authorized.
(b) Collections for the six months ended March 31, 2022 only.

Principal Taxpayers

The following table, sets forth the District's principal taxpayers, was provided by the District's Tax Assessor/Collector based upon the 2021 and 2020 certified tax rolls (which reflect ownership of property as of January 1, 2021 and January, 2020, respectively) according to the records of the Appraisal District.

Name of Taxpayer	Type of Property	2021 Ass'd Value	% of Total	2020 Ass'd Value	% of Total
337 W Elk Ave LLC	Commercial	$1,674,230	1.06%	(a)	
Roman Forest FD LLC	Discount Store	1,301,840	0.82%	$517,210	0.35%
Porter One Development LLC	Multi-Family	1,110,060	0.70%	669,930	0.46%
Seward & Kimberly Matwick	Houses	1,034,880	0.65%	1,057,600	0.72%
Entergy Texas Inc	Electric Utility	933,600	0.59%	734,990	0.50%
Beau Monde Ranch LLC	Multi-Family	858,520	0.54%	758,870	0.52%
LDL Automation LLC	Industrial Machinery	840,440	0.53%	(a)	
Sainz 3 Home Builders LLC	Home Builder	731,410	0.46%	(a)	
Forestwood Apartments LLC	Apartments	630,000	0.40%	601,260	0.41%
Castlerock Communities LP	Houses	517,540	0.33%	(a)	
Granite Blue Holdings LLC	Office	(a)		818,400	0.56%
Scott Peterson	Residence	(a)		469,430	0.32%
James Hunziker	Residence	(a)		465,420	0.32%
Curtis & Cheryl Mosley	Residence	(a)		459,880	0.31%
Total--Top Ten		$9,632,520	6.08%	$6,552,990	4.46%

(a) Not among top ten this year.

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of assessed valuation which would be required to meet certain debt service requirements if no growth in the District's tax base occurs beyond the 2021 Taxable Value ($602,518,426) or alternatively, beyond the Estimated Taxable Value as of January 1, 2022 ($200,945,076). The calculations assume collection of 98% of taxes levied and the sale of no additional bonds by the District.

Average Debt Service Requirements on the Bonds and the Outstanding Bonds (2024/2052)	$517,350
Tax Rate of $0.334 on the 2021 Taxable Value produces	$518,535
Tax Rate of $0.263 on the Estimated Taxable Value as of January 1, 2022 produces	$517,916
Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2024)	$584,638
Tax Rate of $0.377 on the 2021 Taxable Value produces	$585,293
Tax Rate of $0.297 on the Estimated Taxable Value as of January 1, 2022 produces	$584,871

Analysis of Tax Base

Based on information provided to the District by its Tax Assessor/Collector, the following represents the composition of property comprising the tax roll valuations for each of the years indicated:

	2021 Amount	*2021 %'s*	*2020 Amount*	*2020 %'s*
Land	$29,751,800	18.07%	$29,854,620	18.65%
Improvements	131,579,140	79.94%	127,214,565	79.46%
Personal Property	3,272,734	1.99%	3,033,285	1.89%
Subtotal	$164,603,674		$160,102,470	
Less: Exemptions	(16,513,547)		(13,181,030)	
Total Taxable Values	$148,090,127		$146,921,440	
	2019 Amount	*2019 %'s*	*2018 Amount*	*2018 %'s*
Land	$26,389,000	17.42%	$25,986,930	17.87%
Improvements	121,956,100	80.50%	116,759,680	80.28%
Personal Property	3,145,657	2.08%	2,700,057	1.86%
Subtotal	$151,490,757		$145,446,667	
Less: Exemptions	(14,433,584)		(13,828,039)	
Total Taxable Value	$137,057,173		$131,618,628	

Note: Values shown above may reflect original certified amounts and may differ from those shown elsewhere herein.

Estimated Overlapping Taxes

Property within the District is subject to taxation by several taxing authorities in addition to the District. Under Texas law, a tax lien attaches to property to secure the payment of all taxes, penalty, and interest for the year, on January 1 of that year. The tax lien on property in favor of the District is on a parity with tax liens of other taxing jurisdictions. In addition to ad valorem taxes required to make debt service payments on bonded debt of the District and of such other jurisdictions, certain taxing jurisdictions are authorized by Texas law to assess, levy, and collect ad valorem taxes for operation, maintenance, administrative, and/or general revenue purposes.

Taxing Entities	***2021 Tax Rates***
Lone Star College System	$0.1078
Montgomery County	0.4083
Montgomery Co. Emergency Services District No. 6	0.1000
Montgomery Co. Hospital District	0.0567
New Caney Independent School District	1.4603
Roman Forest, City of	0.6954
Overlapping Taxes	$2.8285
The District	0.1172
Total Direct & Overlapping Taxes	$2.9457

THE SYSTEM

Regulation

The System has been designed in conformance with accepted engineering practices and the requirements of certain governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, among others, the TCEQ and the City. During construction, facilities are subject to inspection by the District's Engineer and the foregoing governmental agencies.

Operation of the District's System is subject to regulation by, among others, the United States Environmental Protection Agency and the TCEQ. In many cases, regulations promulgated by these agencies have become effective only recently and are subject to further development and revision.

Description of the System

Wastewater System

The System's wastewater facilities consist of sanitary sewer collection facilities and a wastewater treatment plant. Wastewater treatment is provided by the District's existing plant with a permitted capacity of 0.322 million gallons per day ("mgd"), which is being replaced by a 0.350 mgd wastewater treatment plant. The District discharges treated effluent into Peach Creek, a tributary of Lake Houston. The District also has agreements with PUD 3 and PUD 4 for water and wastewater service, see "Contracts with PUD 3 and PUD 4," below.

Proceeds from the sale of the Outstanding Bonds were used to finance a portion of the cost of the wastewater treatment plant replacement. According to the Engineer, the District's existing wastewater collection system is sufficient to serve the existing development within the District.

Water System

The System's water facilities include one well with a capacity of 1,000 gallons per minute ("gpm") and 336,000 gallons of ground storage capacity. The District also has 30,000 gallons of hydropneumatic tank capacity and a 2,500 gpm of booster pump capacity. The water facilities are adequate for the existing connections, according to the TCEQ's minimum criteria. The District currently has an interconnect agreement with the City of Woodbranch Village for emergency use only. In addition, the District has entered into a contract with the San Jacinto River Authority in order to satisfy the surface water conversion requirements of the Lone Star Groundwater Conservation District. The District also has agreements with PUD 3 and PUD 4 for water and wastewater service, see "Contracts with PUD 3 and PUD 4," below.

Stormwater Drainage

The District does not provide for stormwater drainage and flood control improvements. Montgomery County and the City of Roman Forest have the responsibility for providing such improvements and facilities for the land within the District.

Rate Order

The District's utility rate order, subject to change from time to time by Board, is summarized in part below and was passed by the Board on October 28, 2021. A comparison of old to new monthly rates is presented:

		Old Rates	New Rates
Water (a)	First 4,000 gallons	$26.00 Minimum	$30.00 Minimum
	Next 6,000 gallons	$3.00 per 1,000 gallons	$3.50 per 1,000 gallons
	Next 10,000 gallons	$3.50 per 1,000 gallons	$4.25 per 1,000 gallons
	Over 20,000 gallons	$4.50 per 1,000 gallons	$5.50 per 1,000 gallons
Wastewater	Flat Rate	$26.00	$30.00

(a) In order to obtain the necessary revenues required to pay the cost to comply with the Lone Star Groundwater Fees and the San Jacinto River Authority Plan Fees, the District assesses an additional specific charge to its customers equal to one hundred ten percent (110%) of the Lone Star Groundwater Fees and the San Jacinto River Authority Plan Fees per 1,000 gallons of water used, rounded to the nearest cent. The additional ten percent (10%) charge represents an administrative charge for the District costs associated with the Lone Star Groundwater Fees and the San Jacinto River Authority Plan Fees and to provide for water pumped and subject to such fees, but not accounted for billings to the District. Each customer's billing statement includes line items reflected and "Lone Star Fee" and "SJRA Fee" or such other similar language. Such fees are calculated based upon the customer's actual water usage for the previous month (total number of gallons divided by 1,000), multiplied by the current pumpage fee assessed by Lone Star and SJRA plus ten percent (10%) rounded to the next highest penny.

Contracts with PUD 3 and PUD 4

The District and PUD 3 entered into the Wholesale Water and Wastewater Service Agreement dated December 22, 2014, in which PUD 3 is entitled to 61 Equivalent Service Connections ("ESC"). PUD 3 agreed to limit development so that the ESC number would not exceed the allocation of capacity in the District's system. PUD 3 agreed to operate and maintain and repair the water distribution, wastewater collection, lift stations and force mains within its boundaries. The PUD 3 agreement was amended on April 5, 2021, to increase the total ESC capacity to 186. Monthly rates charged by the District to PUD 3 are set by the District's Rate Order for wholesale service, which are $30 per metered connection plus $4.00 per 1,000 used for water and $30 per connection for wastewater.

The District and PUD 4 entered into the Wholesale Water and Wastewater Service Agreement dated December 15, 2021 with similar terms, except the number of ESCs are limited to 115 and the monthly rates are set by the District's Rate Order for wholesale service, which are $30 per connection plus $4.00 per 1,000 used for water and $30 per connection for wastewater.

Historical Operations of the General Operating Fund

The following statement sets forth in condensed form the historical operations of the District's General Operating Fund. Accounting principles customarily employed in the determination of net revenues have been observed and in all instances exclude depreciation. Such information has been prepared based upon information obtained from the District's audited financial statements (except for the ten month period ending March 31, 2022, based on District records), reference to which is made for further and complete information.

	6/1/2021 to			*Fiscal Year Ended May 31*		
	3/31/2022(a)	*2021*	*2020*	*2019*	*2018*	*2017*
Revenues						
Water Revenues (b)	$427,918	$296,945	$290,456	$290,526	$286,282	$287,680
Sewer Revenues (b)	(c)	230,008	221,432	218,146	215,087	206,541
SJRA & Lone Star Fees	(c)	153,795	145,688	141,160	141,047	135,572
Tap Connections	125,000	93,750	35,000	44,300	45,550	46,550
Standby Fees	1,977	0	0	0	0	19,687
Other Income	49,440	23,767	56,040	75,030	32,755	23,543
Total Revenues	$604,335	$798,265	$748,616	$769,162	$720,721	$719,573
Expenses						
Personnel	$288,452	$336,870	$287,213	$259,925	258,344	256,222
Professional Fees	39,961	45,050	31,227	35,160	40,090	39,122
Utilities	66,689	69,376	61,918	61,975	61,872	59,987
Repairs & Maintenance	54,432	113,723	96,881	142,745	84,660	67,540
SJRA & Lone Star Fees	(c)	188,418	185,216	178,096	175,722	176,213
Other	52,239	106,275	145,167	178,751	143,569	138,718
Total Expenditures	$501,773	$859,712	$807,622	$856,652	$764,257	$737,802
Net Revenue	$102,562	($61,447)	($59,006)	($87,490)	($43,536)	($18,229)
Other Sources (Uses)						
Capital Outlay	($4,123)	($62,430)	($110,029)	($51,124)	($23,103)	($13,500)
Transfers In	0	13,860	138,410	0	0	0
Insurance Proceeds	0	0	0	0	111,680	0
Grant Revenues	0	0	91,227	0	0	0
Fund Balance, June 1		156,115	95,513	234,127	189,086	220,815
Fund Balance, May 31		$46,098	$156,115	$95,513	$234,127	$189,086
Cash/Investments, May 31		$67,341	$130,939	$111,765	$227,186	$187,118
Cash as % of Ann Exp (d)		7.83%	16.21%	13.05%	29.73%	25.36%
Water Customers at May 31		722	698	692	672	660

(a) Unaudited figures; summarized from bookkeeping report.
(b) See "Rate Order" above for recent increase in customer water and sewer rates.
(c) Combined with Water Service.
(d) Exclusive of customer deposits.

RISK FACTORS

General

The Bonds, which are obligations of the District and are not obligations of the State of Texas, Montgomery County, Texas, the City of Roman Forest, Texas, or any other political subdivision, will be secured by a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District. The ultimate security for payment of the principal of and interest on the Bonds depends on the ability of the District to collect from the property owners within the District all taxes levied against the property, or in the event of foreclosure, on the value of the taxable property with respect to taxes levied by the District and by other taxing authorities. At this point in the development of the District, the potential increase in taxable values of property is directly related to the demand for commercial and residential development, not only because of general economic conditions, but also due to particular factors discussed below.

The economy of Montgomery County, Texas, and the southeast Texas regional area is largely dependent on the petrochemical industry. Recent decreases in the price of oil have the potential to decrease housing prices and negatively effect the Montgomery County economy. The District can make no prediction on what effect current or future oil prices may have on assessed valuations in the District or on the Montgomery County economy generally.

Recent Extreme Weather Events; Hurricane Harvey

The greater Houston area, including the District, is subject to occasional severe weather events, including tornadoes, flooding, tropical storms, and hurricanes. If the District were to sustain damage to its facilities requiring substantial repair or replacement, or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected.

The Houston area, including Montgomery County, sustained widespread rain damage and flooding as a result of Hurricane Harvey's landfall along the Texas Gulf Coast on August 25, 2017, and historic levels of rainfall during the succeeding four days. During Hurricane Harvey, the District's generator failed and was replaced a day later, but the residents were under a boil water notice for approximately one week.

Tropical Storm Imelda made landfall along the Texas Gulf Coast on September 19, 2019. According to the District, approximately 70 homes within the District were flooded during Imelda with only about one home still not reconnected to the System.

The District cannot predict the effect that additional extreme weather events may have upon the District and the Gulf Coast. Additional extreme weather events have the potential to cause damage within the District and along the Gulf Coast generally that could have a negative effect on taxable assessed valuations in the District and the economy of the District and the region.

If a future weather event significantly damaged taxable property within the District, the assessed value of property within the District could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase the District's tax rate. Further, there can be no assurance that a casualty loss to taxable property within the District will be covered by insurance (or that property owners will even carry flood or other casualty insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the District. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the District could be adversely affected.

Specific Flood Type Risks

The District is subject to the following flood risks:

Ponding (or Pluvial) Flood: Ponding, or pluvial, flooding occurs when heavy rainfall creates a flood event independent of an overflowing water body, typically in relatively flat areas. Intense rainfall can exceed the drainage capacity of a drainage system, which may result in water within the drainage system becoming trapped and diverted onto streets and nearby property until it is able to reach a natural outlet. Ponding can also occur in a flood pool upstream or behind a dam, levee or reservoir.

Riverine (or Fluvial) Flood: Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect smaller rivers and streams downstream, or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash flooding can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed or experienced an uncontrolled release, or after a sudden release of water by a debris or ice jam. In addition, planned or unplanned controlled releases from a dam, levee or reservoir also may result in flooding in areas adjacent to rivers, bayous or drainage systems downstream.

Factors Affecting Taxable Values and Tax Payments

Economic Factors: The growth of taxable values in the District is directly related to the vitality of the commercial development and housing and building industry in the Houston metropolitan area. The housing and building industry has historically been a cyclical industry, affected by both short and long-term interest rates, availability of mortgage and development funds, labor conditions and general economic conditions. During the late 1980's, an oversupply of single-family residential housing in the Houston metropolitan market and the general downturn in the Houston economy adversely affected the local residential development and construction industries. In addition to a decline in housing demand, mortgage foreclosure by private banks and government and financial institutions depressed housing prices and the value of residential real estate in the Houston metropolitan area. The Houston economy is still dependent on energy prices and a precipitous decline in such prices could result in additional adverse effects on the economy.

Maximum Impact on District Rates: Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2021 Taxable Valuation is $158,418,417 and the Estimated Taxable Value as of January 1, 2022 is $200,945,076. See "TAX DATA." After issuance of the Bonds, the maximum annual debt service requirement (2024) on the Bonds and the Outstanding Bonds is $584,638 and the average annual debt service requirements on the Bonds and the Outstanding Bonds (2024/2052) is $517,350. Assuming no increase or decrease from the 2021 Taxable Valuation and no use of funds other than tax collections, tax rates of $0.377 and $0.334 per $100 assessed valuation at a 98% collection rate against the 2021 Assessed Valuation, respectively, would be necessary to pay such debt service requirements. Based on the Estimated Taxable Value as of January 1, 2022, such tax rates would be $0.297 and $0.263 respectively. The Board levied a tax rate of $0.1172 for debt service purposes for tax year 2021. See "DISTRICT DEBT--Debt Service Schedule" and "TAX DATA--Tax Rate Calculations."

Overlapping Tax Rates

Consideration should be given to the total tax burden of all overlapping jurisdictions imposed upon property located within the District as contrasted with property located in comparable real estate developments to gauge the relative tax burden on property within the District. The combination of the District's tax rate and the overlapping taxing entities' tax rates is higher than the combined tax rates levied upon certain other comparable developments in the market area. Consequently, an increase in the District's tax rate above those anticipated above may have an adverse impact on future development or the construction of taxable improvements in the District. See "DISTRICT DEBT--Estimated Overlapping Debt" and "TAX DATA--Estimated Overlapping Taxes."

Infectious Disease Outbreak–COVID-19

In March 2020, the World Health Organization and the President of the United States separately declared the outbreak of a respiratory disease caused by a novel coronavirus ("COVID-19") to be a public health emergency. On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State of Texas (the "State") because of the effects of COVID-19. Subsequently, in response to a rise in COVID-19 infections in the State and pursuant to the Chapter 418 of the Texas Government Code, the Governor issued a number of executive orders intended to help limit the spread of COVID-19 and mitigate injury and the loss of life, including limitations imposed on business operations, social gatherings, and other activities.

Since such time, COVID-19 negatively affected commerce, travel and businesses locally and globally, and negatively affected economic growth worldwide and within the State. Following the widespread release and distribution of various COVID-19 vaccines in 2021 and a decrease in active COVID-19 cases generally in the United States, state governments (including the State) have started to lift business and social limitations associated with COVID-19. Beginning in March 2021, the Governor issued various executive orders, which, among other things, rescinded and superseded prior executive orders and provide that there are currently no COVID-19 related operating limits for any business or other establishment. The Governor retains the right to impose additional restrictions on activities if needed to mitigate the effects of COVID-19. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at https://gov.texas.gov/. Neither the information on, nor accessed through, such website of the Governor is incorporated by reference into this Official Statement.

With the easing or removal of COVID-19 associated governmental restrictions, economic activity has increased. However, there are no assurances that such increased economic activity will continue or continue at the same rate, especially if there are future outbreaks of COVID-19. The District has not experienced any decrease in property values, unusual tax delinquencies, or interruptions to service as a result of COVID-19; however, the District cannot predict the long-term economic effect of COVID-19 or a similar virus should there be a reversal of economic activity and re-imposition of restrictions.

Tax Collection Limitations

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by (a) collection procedures, (b) a bankruptcy court's stay of tax collection procedures against a taxpayer, or (c) market conditions limiting the proceeds from a foreclosure sale of taxable property. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. Because ownership of the land within the District may become highly fragmented among a number of taxpayers, attorney's fees and other costs of collecting any such taxpayer's delinquencies could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes against such taxpayer.

Registered Owners' Remedies

In the event of default in the payment of principal of or interest on the Bonds, the registered owners may seek a writ of mandamus requiring the District to levy adequate taxes to make such payments. Except for the remedy of mandamus, the Bond Order does not specifically provide for remedies to a registered owner in the event of a District default, nor does it provide for the appointment of a trustee to protect and enforce the interests of the registered owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Although the registered owners could obtain a judgment against the District, such a judgment could not be enforced by direct levy and execution against the District's property. Further, the registered owners cannot themselves foreclose on the property of the District or sell property within the District in order to pay the principal of or interest on the Bonds. The enforceability of the rights and remedies of the registered owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District. For example, a Chapter IX bankruptcy proceeding by the District could delay or eliminate payment of principal or interest to the registered owners.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of registered owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Subject to the requirements of Texas law discussed below, a political subdivision such as the District may voluntarily file a petition for relief from creditors under Chapter 9 of the Federal Bankruptcy Code, 11 USC sections 901-946. The filing of such petition would automatically stay the enforcement of registered owner's remedies, including mandamus and the foreclosure of tax liens upon property within the District discussed above. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismisses the petition, enters an order granting relief from the stay or otherwise allows creditors to proceed against the petitioning political subdivisions.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect a registered owner by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the registered owner's claim against a district.

Environmental Regulation and Air Quality

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; and
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues: Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and TCEQ may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston-Galveston-Brazoria area ("HGB Area")—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty Counties—has been designated a nonattainment area under three (3) separate federal ozone standards: the one-hour (124 parts per billion ("ppb")) and eight-hour (84 ppb) standards promulgated by the EPA in 1997 (the "1997 Ozone Standards"); the tighter, eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the "2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the "2015 Ozone Standard"). While Texas has been able to demonstrate steady progress and improvements in air quality in the HGB Area, the HGB Area remains subject to CAA nonattainment requirements.

While the EPA has revoked the 1997 Ozone Standards, the EPA historically has not formally redesignated nonattainment areas for a revoked standard. As a result, the HGB Area remained subject to continuing severe nonattainment area "anti-backsliding" requirements, despite the fact that HGB Area air quality has been attaining the 1997 Ozone Standards since 2014. In late 2015, the EPA approved the TCEQ's "redesignation substitute" for the HGB Area under the revoked 1997 Ozone Standards, leaving the HGB Area subject only to the nonattainment area requirements under the 2008 Ozone Standard (and later, the 2015 Ozone Standard).

In February 2018, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion in *South Coast Air Quality Management District v. EPA,* 882 F.3d 1138 (D.C. Cir. 2018) vacating the EPA redesignation substitute rule that provided the basis for the EPA's decision to eliminate the anti-backsliding requirements that had applied in the HGB Area under the 1997 Ozone Standard. The court has not responded to the EPA's April 2018 request for rehearing of the case. To address the uncertainty created by the *South Coast* court's ruling, the TCEQ developed a formal request that the HGB Area be redesignated to attainment under the 1997 Ozone Standards. The TCEQ Commissioners adopted the request and maintenance plan for the 1997 one-hour and eight-hour standards on December 12, 2018. On May 16, 2019, the EPA proposed a determination that the HGB Area has met the redesignation criteria and continues to attain the 1997 one-hour and eight-hour standards, the termination of the anti-backsliding obligations, and approval of the proposed maintenance plan.

The HGB Area is currently designated as a "serious" nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2021. If the EPA ultimately determines that the HGB Area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels.

The HGB Area is currently designated as a "marginal" nonattainment area under the 2015 Ozone Standard, with an attainment deadline of August 3, 2021. For purposes of the 2015 Ozone Standard, the HGB Area consists of only six (6) counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

In order to demonstrate progress toward attainment of the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") for the HGB Area setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the HGB Area. These SIP requirements can negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. It is possible that additional controls will be necessary to allow the HGB Area to reach attainment with the ozone standards by the EPA's attainment deadlines. These additional controls could have a negative impact on the HGB Area's economic growth and development.

Water Supply & Discharge Issues: Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the HGB Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system. Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than 90 contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000), with an effective date of March 5, 2018, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain nonstormwater discharges into surface water in the state. It has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The District is subject to the TCEQ's General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit"), which was issued by the TCEQ on January 24, 2019. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. In order to maintain MS4 Permit compliance, the District is partnering with the City, to participate in the City's program to develop, implement, and maintain the required plan (the "MS4 Permit Plan") as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff. While the District does not have its own independent MS4 Permit Plan, the District has taken all necessary steps required by the City to be included in the City's MS4 Permit Plan in order to obtain MS4 Permit compliance with the TCEQ. If at any time in the future the District were required to maintain independent coverage under the MS4 Permit, it is anticipated that the District could incur substantial additional costs to develop and implement its own program necessary to comply with the MS4 Permit.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the "waters of the United States." The District must obtain a permit from the United States Army Corps of Engineers ("USACE") if operations of the District require that wetlands be filled, dredged, or otherwise altered.

In 2015, the EPA and USACE promulgated a rule known as the Clean Water Rule ("CWR") aimed at redefining "waters of the United States" over which the EPA and USACE have jurisdiction under the CWA. The CWR significantly expanded the scope of the federal government's CWA jurisdiction over intrastate water bodies and wetlands. The CWR was challenged in numerous jurisdictions, including the Southern District of Texas, causing significant uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction.

On September 12, 2019, the EPA and USACE finalized a rule repealing the CWR, thus reinstating the regulatory text that existed prior to the adoption of the CWR. This repeal officially became final on December 23, 2019, but the repeal has itself become the subject of litigation in multiple jurisdictions.

On January 23, 2020, the EPA and USACE released the Navigable Waters Protection Rule ("NWPR"), which contains a new definition of "waters of the United States." The stated purpose of the NWPR is to restore and maintain the integrity of the nation's waters by maintaining federal authority over the waters Congress has determined should be regulated by the federal government, while preserving the states' primary authority over land and water resources. The new definition outlines four (4) categories of waters that are considered "waters of the United States," and thus federally regulated under the CWA: (i) territorial seas and traditional navigable waters; (ii) perennial and intermittent tributaries to territorial seas and traditional navigable waters; (iii) certain lakes, ponds, and impoundments of jurisdictional waters; and (iv) wetlands adjacent to jurisdictional waters. The new rule also identifies certain specific categories that are not "waters of the United States," and therefore not federally regulated under the CWA: (a) groundwater; (b) ephemeral features that flow only in direct response to precipitation; (c) diffuse stormwater runoff and directional sheet flow over upland; (d) certain ditches; (e) prior converted cropland; (f) certain artificially irrigated areas; (g) certain artificial lakes and ponds; (h) certain water-filled depressions and certain pits; (i) certain stormwater control features; (j) certain groundwater recharge, water reuse, and wastewater recycling structures; and (k) waste treatment systems. The NWPR was effective June 22, 2020, and is currently the subject of ongoing litigation.

On July 30, 2021, the EPA and USACE announced plans to further revise the definition of "waters of the United States." On August 30, 2021, the United States District Court for the District of Arizona issued an order vacating the NWPR while the EPA and USACE make plans to replace it. On November 18, 2021, the EPA and USACE issued a Notice Proposed Rulemaking to put back into place the pre-2015 definition of "waters of the United States." Due to existing and possible future litigation and regulatory action, there remains uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction. Depending on the final outcome of such proceedings, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements.

Future Debt

After issuance of the Bonds, the District will have $4,875,000 remaining authorized but unissued unlimited tax bonds and an additional $120,000 authorized but unissued unlimited tax and revenue bonds. The District has the right to issue such additional bonds as may hereafter be approved by both the Board and voters of the District. An additional bond election has not been scheduled.

The 2021 Legislative Session

The 87th Texas Legislature convened on January 12, 2021 and adjourned on May 31, 2021. Additionally, the Governor called a special session on July 8, 2021, and a second special session on August 7, 2021. The Governor may call one or more additional special sessions, which may last no more than 30 days, and for which the Governor sets the agenda. During a special session, the Texas Legislature may enact laws that materially change current law as it relates to the District and its finances. The District makes no representation regarding any actions the Texas Legislature may take.

Proposed Tax Legislation

Tax legislation, administrative actions taken by tax authorities, and court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to state income taxation, or otherwise prevent the beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. For example, future legislation to resolve certain federal budgetary issues may significantly reduce the benefit of, or otherwise affect, the exclusion from gross income for federal income tax purposes of interest on all state and local obligations, including the Bonds. In addition, such legislation or actions (whether currently proposed, proposed in the future or enacted) could affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and its impact on their individual situations, as to which Bond Counsel expresses no opinion.

Continuing Compliance with Certain Covenants

The Bond Order contains covenants by the District intended to preserve the exclusion from gross income of interest on the Bonds. Failure by the District to comply with such covenants on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance.

Marketability

The District has no understanding (other than the initial reoffering yields) with the initial purchaser of the Bonds (the "Underwriter") regarding the reoffering yields or prices of the Bonds and has no control over the trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made for the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the difference between the bid and asked price of other bonds which are more generally bought, sold or traded in the secondary market. See "SALE AND DISTRIBUTION OF THE BONDS – Prices and Marketability."

Approval of the Bonds

The Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General, however, does not pass upon or guarantee the security of the Bonds as an investment, nor has the Attorney General passed upon the adequacy or accuracy of the information contained in this Official Statement.

LEGAL MATTERS

The District will furnish the Underwriter a transcript of certain certified proceedings held incident to the authorization and issuance of the Bonds, including a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and legally binding obligations of the District. The District will also furnish the legal opinion of Johnson Petrov LLP, Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are legal, valid and binding obligations of the District and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions as described below under "TAX EXEMPTION." Such opinions will express no opinions with respect to the sufficiency of the security for or the marketability of the Bonds.

Legal Review

Bond Counsel has reviewed the information appearing in this Official Statement under the sections captioned: "THE BONDS" (except the subsection "--Book-Entry-Only System"), "THE DISTRICT--Authority," "TAX PROCEDURES--Authority," "LEGAL MATTERS - Legal Opinions," "LEGAL MATTERS–Legal Review," "TAX MATTERS–Opinion," and "CONTINUING DISCLOSURE OF INFORMATION" (except the subsection "--Compliance with Prior Undertakings") solely to determine whether such information fairly summarizes matters of law with respect to the provisions of the documents referred to therein. Bond Counsel has not, however, independently verified any of the factual information contained in this Official Statement, nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained herein, other than the matters discussed immediately above.

The legal fees paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based upon a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

No-Litigation Certificate

On the date of delivery of the Bonds to the Underwriter, the District will execute and deliver to the Underwriter a certificate to the effect that no litigation of any nature has been filed or is pending, as of that date, of which the District has notice, to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security, or in any manner question the validity of the Bonds.

No Material Adverse Change

The obligations of the Underwriter to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District subsequent to the date of sale from that set forth or contemplated in the Preliminary Official Statement, as it may have been supplemented or amended through the date of sale.

Legal Opinions

Issuance of the Bonds is subject to the approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and binding obligations of the District secured by the proceeds of an ad valorem tax levied, without limit as to rate or amount, upon all taxable property in the District and, based upon examination of the transcript of the proceedings incident to authorization and issuance of the Bonds, the legal opinion of Bond Counsel to the effect that (1) the Bonds are valid and legally binding obligations of the District payable from the sources and enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity, and (2) are payable from annual ad valorem taxes, which are not limited by applicable law in rate or amount, levied against all property within the District which is not exempt from taxation by or under applicable law. The Attorney General of Texas does not guarantee or pass upon the safety of the Bonds as an investment or upon the adequacy of the information contained in this Official Statement.

TAX MATTERS

Opinion

Bond Counsel will render its opinion that, under existing law, and assuming compliance with certain covenants and the accuracy of certain representations, discussed below, interest on the Bonds is excludable from gross income for federal income tax purposes.

Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements that must be met at and subsequent to the issuance of the Bonds in order for interest on the Bonds to be and remain excludable from federal gross income. Included among these continuing requirements are certain restrictions and prohibitions on the use of bond proceeds, yield and other restrictions on the investment of gross proceeds and other amounts, and the arbitrage rebate requirement that certain earnings on gross proceeds be rebated to the federal government. Failure to comply with these continuing requirements may cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of their issuance. The District has covenanted to comply with certain procedures and has made certain representations and certifications designed to assure compliance with these Code requirements. In rendering its opinion, Bond Counsel will rely on these covenants, on representations and certifications of the District relating to matters solely within its knowledge (which Bond Counsel has not independently verified) and will assume continuing compliance by the District.

The statutes, regulations, published rulings, and court decisions on which Bond Counsel has based its opinion are subject to change by Congress, as well as to subsequent judicial and administrative interpretation by courts and the Internal Revenue Service (the "Service"). No assurance can be given that such law or its interpretation will not change in a manner that would adversely affect the tax treatment of receipt or accrual of interest on, or the acquisition, ownership, market value, or disposition of, the Bonds. No ruling concerning the tax treatment of the Bonds has been sought from the Service, and the opinion of Bond Counsel is not binding on the Service. The Service has an ongoing audit program of tax-exempt obligations to determine whether, in the Service's view, interest on such tax-exempt obligations is excludable from gross income for federal income tax purposes. No assurance can be given regarding whether or not the Service will commence an audit of the Bonds. If such an audit were to be commenced, under current procedures, the Service would treat the District as the taxpayer, and owners of the Bonds would have no right to participate in the audit process. In this regard, in responding to or defending an audit with respect to the Bonds, the District might have different or conflicting interests from those of the owners of the Bonds.

In rendering the foregoing opinions, Bond Counsel will rely upon the representations and certifications of the District made in a certificate dated the date of delivery of the Bonds pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance with the provisions of the Bond Order subsequent to the issuance of the Bonds. The Bond Order contains covenants by the District with respect to, among other matters, the use of the proceeds of the Bonds, the manner in which the proceeds of the Bonds are to be invested, the reporting of certain information to the United States Treasury and rebating any arbitrage profits to the United States Treasury. Failure to comply with any of these covenants would cause interest on the Bonds to be includable in the gross income of the owners thereof from date of the issuance of the Bonds.

The opinions set forth above are based on existing law and Bond Counsel's knowledge of relevant facts on the date of issuance of the Bonds. Such opinions are an expression of professional judgment and are not a guarantee of result. Except as stated above, Bond Counsel expresses no opinion regarding any other federal, state, or local tax consequences under current law or proposed legislation resulting from the receipt or accrual of interest on, or the acquisition, ownership, or disposition of, the Bonds. Further, Bond Counsel assumes no obligation to update or supplement its opinions to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the issuance date of the Bonds. In addition, Bond Counsel has not undertaken to advise in the future whether any events occurring after the issuance date of the Bonds may affect the tax-exempt status of interest on the Bonds.

Original Issue Discount

The Bonds maturing August 1, 2039, 2042 and 2052 (the "Discount Bonds") may be offered and sold to the public at an "original issue discount" ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of such Bonds. In general, the issue price of Discount Bonds is the first price at which a substantial amount of Discount Bonds of the same maturity are sold to the public (other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers).

For federal income tax purposes, OID accrues to the owner of a Discount Bond over such Discount Bond's period to maturity based on the constant interest rate method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). Bond Counsel is of the opinion that the portion of OID that accrues during the ownership period of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as is other interest on the Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, sale, or other disposition of that Discount Bond. OID may be treated as continuing to accrue even if payment of the Discount Bonds becomes doubtful in the event that the District encounters financial difficulties, and it is treated as interest earned by cash-basis owners, even though no cash corresponding to the accrual is received in the year of accrual. An owner's adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Bond.

The federal income tax consequences of the acquisition, ownership, redemption, sale, or other disposition of Discount Bonds not purchased in the initial offering at the initial offering price may be determined according to rules different from those described above. Owners of such Discount Bonds should consult their tax advisors regarding the federal, state, and local income tax treatment and consequences of acquisition, ownership, redemption, sale, or other disposition of such Discount Bonds.

Original Issue Premium

The Bonds maturing August 1, 2024 through 2028, inclusive, and August 1, 2030 and 2036 (the "Premium Bonds") may be offered and sold to the public at prices greater than their stated redemption prices (the principal amount) payable at maturity ("Bond Premium"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Collateral Tax Consequences Summary

The following discussion is a brief discussion of certain collateral federal income tax consequences resulting from the purchase, ownership, or disposition of the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. This discussion is based on existing statutes, regulations, published rulings, and court decisions, all of which are subject to change or modification, retroactively. Prospective investors should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. PROSPECTIVE INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP, AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under section 6012 of the Code, owners of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the owner at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e., the issue price plus accrued original issue discount). The "accrued market discount" is the amount which bears the same ratio of the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

State, Local, and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership, or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Changes in Law

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent

Owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Qualified Tax-Exempt Obligations for Financial Institutions

Section 265(a) of the Code provides, in general, that interest expense incurred to acquire or carry tax-exempt obligations is not deductible from the gross income of the owner of such obligations. Section 265(b) of the Code limits the portion of interest a financial institution can deduct when it owns obligations yielding tax exempt interest. It also provides an exception to this rule for interest expense allocable to tax-exempt obligations (other than private activity bonds) which are designated by an issuer, such as the District, as "qualified tax-exempt obligations." An issuer may designate obligations as "qualified tax-exempt obligations" only if the amount of the issue of which they are a part, when added to the amount of all other tax-exempt obligations (other than private activity bonds) issued or reasonably anticipated to be issued by the issuer during the same calendar year, does not exceed $10,000,000.

The District will designate the Bonds as "qualified tax-exempt obligations" and will or has certified its expectation that the above-described $10,000,000 ceiling will not be exceeded. Accordingly, it is anticipated that financial institutions that purchase the Bonds will not be subject to the limitation of interest expense allocable to interest on the Bonds under section 265(b) of the Code; however, 20% of the interest expense incurred by a financial institution which is allocable to the interest on the Bonds will not be deductible pursuant to section 291 of the Code.

CONTINUING DISCLOSURE OF INFORMATION

The District, in the Bond Order, has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to certain information vendors. This information will be available free of charge from the Municipal Securities Rule Making Board ("MSRB") via the Electronic Municipal Market Access ("EMMA") system at www.emma.msrb.org.

Annual Reports

The District will provide certain updated financial information and operating data to certain information vendors annually. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement under the headings "SUMMARY--Financial Highlights;" "DEVELOPMENT OF THE DISTRICT;" "DISTRICT DEBT–Estimated Overlapping Debt" and "–Historical Operations of the Debt Service Fund;" "TAX DATA–Tax Collection History," "–Principal Taxpayers," "–Analysis of Tax Base," "–Estimated Overlapping Taxes" and "–Tax Rate Calculations;" "THE SYSTEM–Historical Operations of the General Operating Fund" and "–Rate Order;" and "APPENDIX A–Financial Statements of the District."

The financial information and operating data which will be provided is found in the annual audit report, within six months after the end of each of its fiscal years. Any information so provided shall be prepared in accordance with generally accepted auditing standards or other such principles as the District may be required to employ from time to time pursuant to state law or regulation, and audited if the audit report is completed within the period during which it must be provided. If the audit report is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to the MSRB within such six month period, and audited financial statements when and if the audit report becomes available.

The District's current fiscal year end is May 31. Accordingly, it must provide updated information by November 30 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Event Notices

The District shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District; (13) the consummation of a merger, consolidation, or acquisition involving the District or the System or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of trustee, if material; (15) incurrence of a financial obligation of the District or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the District or obligated person, any of which reflect financial difficulties.
For these purposes, any event described in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry or an order confirming a plan or reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

The term "Financial Obligation" shall mean, for purposes of the events in clauses (15) and (16), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing, or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12. The District intends the words used in clauses (15) and (16) and the definition of Financial Obligation to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the "2018 Release") and any further written guidance provided by the SEC or its staff with respect to the amendments to Rule 15c2-12 effected by the 2018 Release.

Availability of Information From EMMA

Investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org. The District has agreed in the Bond Order to provide the foregoing information only to the MSRB through EMMA. The information will be available to holders of Bonds only if the holders comply with the procedures of the MSRB or obtain the information through securities brokers who do so.

Limitations and Amendments

The District has agreed to update information and to provide notices of material events only as described above. The District has not agreed to provide other information that may be relevant or material to complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status or type of operations

of the District, if but only if (1) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with SEC Rule 15c2-12 (the “Rule”), taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as any changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or (b) any qualified professional unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described under “Annual Reports,” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating so provided. The District may also amend or repeal the agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgement that such provisions of the Rule are invalid, and the District also may amend its continuing disclosure agreement in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Compliance with Prior Undertakings

During the last five years, the District has complied in all material respects with all continuing disclosure agreements made by it in accordance with the Rule.

PREPARATION OF OFFICIAL STATEMENT

General

The information contained in this Official Statement has been obtained primarily from the District's records, the District's Engineer, the Appraisal District, the District's Tax Assessor/Collector and other sources believed to be reliable. The District, however, makes no representation as to the accuracy or completeness of the information derived from such sources. The summaries of the statutes, resolutions, orders, agreements and engineering and other related reports set forth in this Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Consultants

The information contained in this Official Statement relating to the physical characteristics of the District and engineering matters and, in particular, that engineering information included in the sections captioned "THE DISTRICT" and "THE SYSTEM" has been provided by the District's Engineer and has been included herein in reliance upon the authority of such firm as experts in the field of civil engineering.

The information contained in this Official Statement relating to assessed valuations of property generally and, in particular, that information concerning historical breakdown of District valuations, principal taxpayers and collection rates contained in the sections captioned "TAX DATA" and "DISTRICT DEBT" has been provided by the Appraisal

District and the District's Tax Assessor/Collector and has been included herein in reliance upon their authority as experts in the field of tax assessing and collecting.

The financial statements contained in "APPENDIX A–Financial Statements of the District" have been included in reliance upon the accompanying report of the District's Auditor.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, or is notified by the Underwriter, of any adverse event which causes the Official Statement to be materially misleading, unless the Underwriter elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriter; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Underwriter, unless the Underwriter notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the District delivers the Bonds to the Underwriter) until all of the Bonds have been sold to ultimate customers.

Certification of Official Statement

The District, acting through the Board in its official capacity, hereby certifies, as of the date hereof, that the information, statements and descriptions pertaining to the District and its affairs contained herein, to the best of its knowledge and belief, contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they are made, not misleading. With respect to information included in this Official Statement other than that relating to the District, the Board has no reason to believe that such information contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein, in light of the circumstances under which they are made, not misleading; however, the Board can give no assurance as to the accuracy or completeness of the information derived from sources other than the District. This Official Statement is duly certified and approved by the Board of Directors of Roman Forest Consolidated Municipal Utility District as of the date specified on the first page hereof.

/s/ Roy Gene Patton, Jr.
President, Board of Directors
Roman Forest Consolidated Municipal Utility District

ATTEST:
/s/ John W. (Jack) Ryder
Secretary, Board of Directors
Roman Forest Consolidated Municipal Utility District

APPENDIX A–Financial Statements of the District

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT

MONTGOMERY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

MAY 31, 2021

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT

MONTGOMERY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

MAY 31, 2021

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McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Roman Forest Consolidated
Municipal Utility District
Montgomery County, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Roman Forest Consolidated Municipal Utility District (the "District"), as of and for the year ended May 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Board of Directors
Roman Forest Consolidated
Municipal Utility District

Opinions

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 May 31, 2021, 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.

Other Matters

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, 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.

Other 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 any 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

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

August 26, 2021

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2021

Management's discussion and analysis of the financial performance of Roman Forest Consolidated Municipal Utility District (the "District") provides an overview of the District's financial activities for the year ended May 31, 2021. 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 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 three governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service 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

FUND FINANCIAL STATEMENTS (Continued)

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.

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 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, assets exceeded liabilities by $2,727,990 as of May 31, 2021. A portion of the District's net position reflects its net investment in capital assets (land, building and equipment as well as the water and wastewater facilities 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:

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Summary of Changes in the Statement of Net Position

	2021	2020	Change Positive (Negative)
Current and Other Assets	$ 6,216,563	$ 6,423,916	$ (207,353)
Capital Assets (Net of Accumulated Depreciation)	2,298,034	2,029,267	268,767
Total Assets	$ 8,514,597	$ 8,453,183	$ 61,414
Bonds Payable	$ 5,655,000	$ 5,655,000	$
Other Liabilities	131,607	103,036	(28,571)
Total Liabilities	$ 5,786,607	$ 5,758,036	$ (28,571)
Net Position:			
Net Investment in Capital Assets	$ 2,201,348	$ 2,239,028	$ (37,680)
Restricted	477,994	297,454	180,540
Unrestricted	48,648	158,665	(110,017)
Total Net Position	$ 2,727,990	$ 2,695,147	$ 32,843

The following table provides a summary of the District's operations for the years ended May 31, 2021, and May 31, 2020.

Summary of Changes in the Statement of Activities

	2021	2020	Change Positive (Negative)
Revenues:			
Property Taxes	$ 180,607	$ 183,673	$ (3,066)
Charges for Services	788,347	707,530	80,817
Grant Revenues		591,227	(591,227)
Other Revenues	12,557	51,974	(39,417)
Total Revenues	$ 981,511	$ 1,534,404	$ (552,893)
Expenses for Services	948,668	1,197,639	248,971
Change in Net Position	$ 32,843	$ 336,765	$ (303,922)
Net Position, Beginning of Year	2,695,147	2,358,382	336,765
Net Position, End of Year	$ 2,727,990	$ 2,695,147	$ 32,843

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of May 31, 2021, were $6,056,935, a decrease of $231,297 from the prior year.

The General Fund fund balance decreased by $110,017 due to service and capital outlay costs which exceeded operating revenues.

The Debt Service Fund fund balance increased by $185,167, primarily due to the structure of the District's outstanding debt.

The Capital Projects Fund fund balance decreased by $306,447, primarily due to the use of capital expenditures approved in the Series 2019 bond issue.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors adopted an unappropriated budget for the current fiscal year. Actual revenues were $275,653 less than budgeted revenues, actual expenditures were $242,676 less than budgeted expenditures and transfers in exceeded budgeted amounts by $13,860. This resulted in a negative variance of $19,117. See the budget to actual comparison for more information.

CAPITAL ASSETS

Capital assets as of May 31, 2021, total $2,298,034 (net of accumulated depreciation) and include land, equipment and buildings as well as the water and wastewater systems.

Capital Assets At Year-End, Net of Accumulated Depreciation

	2021	2020	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	$ 164,306	$ 113,771	$ 50,535
Construction in Progress	329,907	86,781	243,126
Capital Assets, Net of Accumulated Depreciation:			
Building and Equipment	171,522	130,860	40,662
Water System	226,399	242,085	(15,686)
Wastewater System	1,405,900	1,455,770	(49,870)
Total Net Capital Assets	$ 2,298,034	$ 2,029,267	$ 268,767

LONG-TERM DEBT ACTIVITY

As of May 31, 2021, the District had total bond debt payable of $5,655,000. The changes in the debt position of the District during the fiscal year ended May 31, 2021, are summarized as follows:

Bond Debt Payable, June 1, 2020	$ 5,655,000
Less: Bond Principal Paid	-
Bond Debt Payable, May 31, 2021	$ 5,655,000

The District's Series 2019 bonds were not rated for the current fiscal year.

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 Roman Forest Consolidated Municipal Utility District, P. O. Box 899, New Caney, TX 77357.

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
MAY 31, 2021

	General Fund	Debt Service Fund
ASSETS		
Cash	$ 30,986	$ 194,099
Investments	36,355	255,996
Cash with Tax Assessor/Collector		2,428
Receivables:		
Property Taxes		22,149
Penalty and Interest on Delinquent Taxes		
Service Accounts	73,056	
Standby Fees	2,550	
Materials and Supplies Inventory	37,308	
Land		
Construction in Progress		
Capital Assets (Net of Accumulated Depreciation)		
TOTAL ASSETS	$ 180,255	$ 474,672

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
$ 33,319	$ 258,404	$	$ 258,404
5,524,995	5,817,346		5,817,346
	2,428		2,428
	22,149		22,149
		3,322	3,322
	73,056		73,056
	2,550		2,550
	37,308		37,308
		164,306	164,306
		329,907	329,907
		1,803,821	1,803,821
$ 5,558,314	$ 6,213,241	$ 2,301,356	$ 8,514,597

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

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
MAY 31, 2021

	General Fund	Debt Service Fund
LIABILITIES		
Accounts Payable	$ 37,732	$
Security Deposits	93,875	
Long-Term Liabilities:		
Bonds Payable, Due Within One Year		
Bonds Payable, Due After One Year		
TOTAL LIABILITIES	$ 131,607	$ -0-
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	$	$ 22,149
Standby Fees	2,550	
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 2,550	$ 22,149
FUND BALANCES		
Nonspendable: Inventory	$ 37,308	$
Restricted for Authorized Construction		
Restricted for Debt Service		452,523
Unassigned	8,790	
TOTAL FUND BALANCES	$ 46,098	$ 452,523
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 180,255	$ 474,672
NET POSITION		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
TOTAL NET POSITION		

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
$	$ 37,732	$	$ 37,732
	93,875		93,875
		185,000	185,000
		5,470,000	5,470,000
$ -0-	$ 131,607	$ 5,655,000	$ 5,786,607
$	$ 22,149	$ (22,149)	$
	2,550	(2,550)	
$ -0-	$ 24,699	$ (24,699)	$ -0-
$	$ 37,308	$ (37,308)	$
5,558,314	5,558,314	(5,558,314)	
	452,523	(452,523)	
	8,790	(8,790)	
$ 5,558,314	$ 6,056,935	$ (6,056,935)	$ - 0 -
$ 5,558,314	$ 6,213,241		
		$ 2,201,348	$ 2,201,348
		477,994	477,994
		48,648	48,648
		$ 2,727,990	$ 2,727,990

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

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
MAY 31, 2021

Total Fund Balances - Governmental Funds	$	6,056,935
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		2,298,034
Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2020 and prior tax levies became part of recognized revenue in the governmental activities of the District.		25,471
Deferred inflows of resources related to standby fees are recognized as revenue in the governmental activities of the District.		2,550
Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. This liability at year-end consist of bonds payable.		
Bonds Payable		(5,655,000)
Total Net Position - Governmental Activities	$	2,727,990

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

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ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MAY 31, 2021

	General Fund	Debt Service Fund
REVENUES		
Property Taxes	$	$ 184,630
Water Service	296,945	
Wastewater Service	230,008	
San Jacinto River Authority Fees	153,795	
Penalty and Interest	12,288	2,165
Tap Connection and Inspection Fees	93,750	
Investment/Miscellaneous/Standby Revenues	11,479	394
TOTAL REVENUES	$ 798,265	$ 187,189
EXPENDITURES/EXPENSES		
Service Operations:		
Personnel	$ 336,870	$
Professional Fees	45,050	1,002
Utilities	69,376	
San Jacinto River Authority Costs	188,418	
Repairs and Maintenance	113,723	
Depreciation		
Other	106,275	1,020
Capital Outlay	62,430	
TOTAL EXPENDITURES/EXPENSES	$ 922,142	$ 2,022
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES	$ (123,877)	$ 185,167
OTHER FINANCING SOURCES (USES)		
Transfers In(Out)	$ 13,860	$ -0-
NET CHANGE IN FUND BALANCES	$ (110,017)	$ 185,167
CHANGE IN NET POSITION		
FUND BALANCES/NET POSITION - JUNE 1, 2020	156,115	267,356
FUND BALANCES/NET POSITION - MAY 31, 2021	$ 46,098	$ 452,523

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

Capital Projects Fund	Total	Adjustments	Statement of Activities
$	$ 184,630	$ (4,023)	$ 180,607
	296,945		296,945
	230,008		230,008
	153,795		153,795
	14,453	(604)	13,849
	93,750		93,750
684	12,557		12,557
$ 684	$ 986,138	$ (4,627)	$ 981,511
$	$ 336,870	$	$ 336,870
	46,052		46,052
	69,376		69,376
	188,418		188,418
	113,723		113,723
		86,394	86,394
540	107,835		107,835
292,731	355,161	(355,161)	
$ 293,271	$ 1,217,435	$ (268,767)	$ 948,668
$ (292,587)	$ (231,297)	$ 264,140	$ 32,843
$ (13,860)	$ -0-	$ -0-	$ -0-
$ (306,447)	$ (231,297)	$ 231,297	$
		32,843	32,843
5,864,761	6,288,232	(3,593,085)	2,695,147
$ 5,558,314	$ 6,056,935	$ (3,328,945)	$ 2,727,990

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

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2021

Net Change in Fund Balances - Governmental Funds	$	(231,297)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report tax revenues when collected. However, in the government-wide financial statements, revenue is recorded in the accounting period for which the taxes are levied.		(4,023)
Governmental funds report penalty and interest revenues on delinquent property taxes when collected. However, in the government-wide financial statements, revenues are recorded when penalty and interest are assessed.		(604)
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.		(86,394)
Governmental funds report capital costs as expenditures in the period purchased. However, in the government-wide financial statements, capital assets are increased by new purchases and the Statement of Activities is not affected.		355,161
Change in Net Position - Governmental Activities	$	32,843

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

NOTE 1. CREATION OF DISTRICT

Roman Forest Consolidated Municipal Utility District of Montgomery County, Texas (the "District") was created by the consolidation of Roman Forest Public Utility Districts No. 1 and 2 on July 21, 1973, and was converted to a municipal utility district by order of the Texas Water Commission, predecessor to the Texas Commission on Environmental Quality (the "Commission"), and validly exists pursuant to Article XVI, Section 59 of the Constitution of the State of Texas as a municipal utility district operating pursuant to Chapters 49 and 54, Water code, as amended. 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.

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:

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. Internal activities between governmental funds, if any, are eliminated by adjustments to obtain net total revenue and expense of the government-wide Statement of Activities.

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

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

General Fund - To account for resources not required to be accounted for in another fund, customer service 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 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 revenue 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 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. The Capital Projects Fund transferred $13,860 to the General Fund for land acquisition costs.

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 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. 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. Buildings are amortized over a period of 40 years. Water and wastewater facilities are amortized of periods ranging from 10 to 45 years. All other equipment is amortized over periods ranging from 3 to 20 years.

Inventory

Inventory of \$37,308 is recorded at the replacement cost basis. Replacement cost is based upon the current cost to replace the individual inventory item.

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.

Pension

Payments are made into the Social Security System for the benefit of District employees. The Internal Revenue Service has determined that fees of office received by Directors are wages subject to federal income tax withholding for payroll tax purposes only. Certain District employees participate in a 457 Deferred Compensation Plan (see Note 12).

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.

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.

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 2019
Amount Outstanding - May 31, 2021	$ 5,655,000
Interest Rates	0.00%
Maturity Dates – Serially	August 1,
Beginning/Ending	2021/2050
Interest Payment Dates	N/A
Callable Dates	February 1, 2031*

* Or any date thereafter, in whole or in part, in inverse order of maturity, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption.

The following is a summary of transactions regarding bonds payable for the year ended May 31, 2021:

	June 1, 2020	Additions	Retirements	May 31, 2021
Bonds Payable	$ 5,655,000	$ -0-	$ -0-	$ 5,655,000

Amount Due Within One Year	$ 185,000
Amount Due After One Year	5,470,000
Total Bonds Payable	$ 5,655,000

On August 4, 1973, the voters of Roman Forest Public Utility District No. 1 and No. 2 authorized the consolidation of the districts as well as the assumption of each other's debt and remaining bond authorization resulting in a total amount authorized of $5,450,000 and issued bonds of Roman Forest Public Utility District No. 1 and No. 2 in the amounts of $1,025,000 and $1,600,000 respectively. On November 6, 2018, the voters of the District authorized an additional $16,070,000 in bonds for the purposes of funding improvements to the District's water, sewer and drainage facilities. Remaining bond authorization totals $10,535,000, which includes $120,000 of tax and revenue bonds and $10,415,000 of tax bonds.

NOTE 3. LONG-TERM DEBT (Continued)

As of May 31, 2021, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2022	$ 185,000	$	$ 185,000
2023	185,000		185,000
2024	185,000		185,000
2025	185,000		185,000
2026	185,000		185,000
2027-2031	930,000		930,000
2032-2036	950,000		950,000
2037-2041	950,000		950,000
2042-2046	950,000		950,000
2047-2051	950,000		950,000
	$ 5,655,000	$ - 0 -	$ 5,655,000

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.

For the year ended May 31, 2021, the District levied an ad valorem debt service tax rate of $0.1253 per $100 of assessed valuation, which resulted in a tax levy of $184,135 on the adjusted taxable valuation of $146,921,440 for the 2020 tax year. The bond order requires 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.

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 ORDER AND LEGAL REQUIREMENTS

The bond order states that the District is required by the Securities and Exchange Commission to provide continuing disclosure of certain general financial information to certain information repositories. 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. The Series 2019 Bonds are considered private placement 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 $258,404 and the bank balance was $297,341. The bank balance was covered by federal depository insurance.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at May 31, 2021, as listed below:

	Cash
GENERAL FUND	$ 30,986
DEBT SERVICE FUND	194,099
CAPITAL PROJECTS FUND	33,319
TOTAL DEPOSITS	$ 258,404

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.

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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 Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all of 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.

The District invests in Fidelity Investments Money Market Funds Government Portfolio through UMB. The fund investment adviser is Fidelity Management & Research Company LLC whose Board has delegated day-to-day responsibility for valuation of the fund investments to the Fair Value Committee. Each fund generally maintains a dollar-weighted average maturity of 60 days or less in order to maintain its AAA rating and the maturity of individual fund instruments may not surpass 397 days. All investments of the fund are valued at amortized cost, which approximates fair value, and are categorized as Level 2 under the Fair Value Hierarchy.

As of May 31, 2021, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities Less Than 1 Year
GENERAL FUND		
TexPool	$ 36,355	$ 36,355
DEBT SERVICE FUND		
TexPool	255,996	255,996
CAPITAL PROJECTS FUND		
TexPool	9,906	9,906
Money Market Mutual Funds	5,515,089	5,515,089
TOTAL INVESTMENTS	$5,817,346	$5,817,346

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At May 31, 2021, the District's investment in TexPool and the Fidelity Investments Money Market Funds were rated AAAm by Standard and Poor's.

NOTE 5. 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 and the Fidelity Investments Money Market Funds to have maturities of less than one year due to the fact the share positions can be redeemed each day at the discretion of the District.

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 May 31, 2021 is as follows:

	June 1, 2020	Increases	Decreases	May 31, 2021
Capital Assets Not Being Depreciated				
Land and Land Improvements	$ 113,771	$ 50,535	$	$ 164,306
Construction in Progress	86,781	304,626	61,500	329,907
Total Capital Assets Not Being Depreciated	$ 200,552	$ 355,161	$ 61,500	$ 494,213
Capital Assets Subject to Depreciation				
Building and Equipment	$ 410,463	$ 61,500	$	$ 471,963
Water System	1,108,220			1,108,220
Wastewater System	2,814,912			2,814,912
Total Capital Assets Subject to Depreciation	$ 4,333,595	$ 61,500	$ - 0 -	$ 4,395,095
Accumulated Depreciation				
Building and Equipment	$ 279,603	$ 20,838	$	$ 300,441
Water System	866,135	15,686		881,821
Wastewater System	1,359,142	49,870		1,409,012
Total Accumulated Depreciation	$ 2,504,880	$ 86,394	$ - 0 -	$ 2,591,274
Total Depreciable Capital Assets, Net of Accumulated Depreciation	$ 1,828,715	$ (24,894)	$ - 0 -	$ 1,803,821
Total Capital Assets, Net of Accumulated Depreciation	$ 2,029,267	$ 330,267	$ 61,500	$ 2,298,034

NOTE 7. MAINTENANCE TAX

The Board of Directors of the District have the statutory authority to levy and collect an annual ad valorem tax for planning, maintaining, repairing and operating of the District's improvements, if such maintenance tax is authorized by a vote of the District's electorate. Such tax would be in addition to taxes which the District is authorized to levy for paying principal and interest on outstanding bonds, and any tax bonds which may be issued in the future. To date, an election has not been held to authorize a maintenance tax and thus no maintenance tax has been levied.

NOTE 8. RISK MANAGEMENT

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

NOTE 9. STANDBY CHARGES

During prior fiscal years, the Commission approved the imposition of a standby fee, proceeds of which were to be used to supplement the General Fund. In 2004, the District submitted an application to the Commission, and said application was approved, permitting the District to assess standby fees for 2004, 2005 and 2006. The District ultimately assessed the 2006 year assessment and did not assess the 2004 and 2005 assessments. The District also received approval from the Commission and has subsequently levied the 2007, 2008, 2009, 2010, 2011 and 2012 standby fees. Standby fees receivable as of May 31, 2021, totaled $2,550.

NOTE 10. LONE STAR GROUNDWATER CONSERVATION DISTRICT

The District is a part of the Lone Star Groundwater Conservation District ("Conservation District"). The Conservation District was created for purposes including the acquisition and provision of surface water and groundwater for residential, commercial, industrial, agricultural, and other uses, the reduction of groundwater withdrawals, the conservation, preservation, protection, recharge, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, and the control of subsidence caused by withdrawal of water from those groundwater reservoirs of their subdivisions. The Conservation District charges a fee to enable it to fulfill its purpose and regulatory functions.

NOTE 11. SAN JACINTO RIVER AUTHORITY

On June 24, 2010, the District entered into a Contract for Groundwater Reduction Planning, Alternative Water Supply, and Related Goods and Services with the San Jacinto River Authority (the "Authority"). The District and the Authority operate within the boundaries of the Lone Star Groundwater Conservation District (the "Conservation District"). The Authority has developed supplies of surface water that, when taken together with groundwater withdrawals to be permitted by the Conservation District, are reasonably believed to be adequate to satisfy the total water demands of Montgomery County. A surface water treatment and transmission system is proposed to be designed, constructed, operated, and maintained by the Authority in order to provide phased treatment, transmission, and delivery of the Authority's surface water to regulated users for blending with groundwater supplies, so that regulated users may continue to pump groundwater. The Authority charges a fee, currently $2.73 per 1,000 gallons based on the amount of groundwater used. The terms of this contract expire on December 31, 2045. During the current fiscal year, the District recorded expenditures of $188,418 in relation to this contract.

NOTE 12. RETIREMENT PLAN

The District has implemented a deferred compensation plan, which was created in accordance with Internal Revenue Code Section 457. The plan, available to all qualified employees, permits the employees to defer a portion of their salaries. The deferred compensation is not paid to employees until retirement, cessation of employment, death, or unforeseeable emergencies. Contributions to the plan are comprised of voluntary employee withholding and contributions by the District. Each individual employee's pension account is maintained by an independent third-party administrator to manage the plan. Vesting is immediate upon funding.

NOTE 13. ECONOMIC UNCERTAINTIES

On March 11, 2020, the World Health Organization declared the COVID-19 virus a global pandemic. Since that time, the District has not experienced any decrease in property values, unusual tax delinquencies, or interruptions to service as a result of COVID-19. The District will continue to carefully monitor the situation and evaluate the financial statement impact, if any, that results from the pandemic.

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ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

MAY 31, 2021

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MAY 31, 2021

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Water Service*	$ 450,000	$ 262,322	$ (187,678)
Wastewater Service	315,000	230,008	(84,992)
Penalty and Interest	14,000	12,288	(1,712)
Tap Connection and Inspection Fees	60,000	93,750	33,750
Investment/Miscellaneous/Standby Revenues	46,500	11,479	(35,021)
TOTAL REVENUES	$ 885,500	$ 609,847	$ (275,653)
EXPENDITURES			
Service Operations:			
Personnel	$ 305,000	$ 336,870	$ (31,870)
Professional Fees	132,500	45,050	87,450
Utilities	66,250	69,376	(3,126)
Repairs and Maintenance	95,000	113,723	(18,723)
Other	277,650	106,275	171,375
Capital Outlay	100,000	62,430	37,570
TOTAL EXPENDITURES	$ 976,400	$ 733,724	$ 242,676
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (90,900)	$ (123,877)	$ (32,977)
OTHER FINANCING SOURCES(USES)			
Transfers In	$ - 0 -	$ 13,860	$ 13,860
NET CHANGE IN FUND BALANCE	$ (90,900)	$ (110,017)	$ (19,117)
FUND BALANCE - JUNE 1, 2020	156,115	156,115	
FUND BALANCE - MAY 31, 2021	$ 65,215	$ 46,098	$ (19,117)

* The District offsets payments to the San Jacinto River Authority with charges to District customers for budgeting purposes.

See accompanying independent auditor's report.

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ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT

SUPPLEMENTARY INFORMATION – REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

MAY 31, 2021

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
SERVICES AND RATES
FOR THE YEAR ENDED MAY 31, 2021

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

X	Retail Water	X	Wholesale Water		Drainage
X	Retail Wastewater	X	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 June 25, 2015.

	Minimum Charge	Minimum Usage	Flat Rate	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	$ 26.00	4,000	N	$ 3.00	4,001 to 10,000
				$ 3.50	10,001 to 20,000
				$ 4.50	20,001 and up
WASTEWATER:	$ 26.00		Y		
SURCHARGE:					
Commission Regulatory Assessments	0.5% of water and wastewater bill				
San Jacinto River Authority Fees			N	$3.00	0,001 and up

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

Total monthly charges per 10,000 gallons usage: Water: $44.00 Wastewater: $26.00 Surcharge: $30.35

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
SERVICES AND RATES
FOR THE YEAR ENDED MAY 31, 2021

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS (Unaudited):

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered			x 1.0	
≤¾"	701	701	x 1.0	701
1"	12	12	x 2.5	30
1½"			x 5.0	
2"	5	5	x 8.0	40
3"			x 15.0	
4"	1	1	x 25.0	25
6"	3	3	x 50.0	150
8"			x 80.0	
10"			x 115.0	
Total Water Connections	722	722		946
Total Wastewater Connections	720	720	x 1.0	720

3. TOTAL WATER CONSUMPTION DURING THE YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited)

Gallons pumped into system:	69,693,000	Water Accountability Ratio: 87.8 % (Gallons billed and sold/Gallons pumped)
Gallons billed to customers:	56,834,000	
Gallons sold:	4,387,000	To: PUD 3, and PUD 4

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT

SERVICES AND RATES
FOR THE YEAR ENDED MAY 31, 2021

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, Texas

Is the District located within a city?

Entirely _X_ Partly ______ Not at all _____

City in which the District is located:

The City of Roman Forest, Texas.

Are Board Members appointed by an office outside the District?

Yes _____ No _X_

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED MAY 31, 2021

PERSONNEL EXPENDITURES (Including Benefits)	$	336,870
PROFESSIONAL FEES:		
Auditing	$	15,000
Engineering		10,201
Legal		19,849
TOTAL PROFESSIONAL FEES	$	45,050
UTILITIES:		
Electricity	$	61,043
Telephone		8,333
TOTAL UTILITIES	$	69,376
REPAIRS AND MAINTENANCE	$	113,723
ADMINISTRATIVE EXPENDITURES:		
Director Fees	$	15,900
Insurance		29,661
Office Administration Costs		26,727
TOTAL ADMINISTRATIVE EXPENDITURES	$	72,288
CAPITAL OUTLAY	$	62,430
OTHER EXPENDITURES:		
Chemicals and Laboratory Costs	$	19,732
Permit and Inspection Fees		10,288
San Jacinto River Authority Costs		188,418
Regulatory Assessment		3,967
TOTAL OTHER EXPENDITURES	$	222,405
TOTAL EXPENDITURES	$	922,142

Number of persons employed by the District 6 Full-Time -0- Part-Time

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
INVESTMENTS
MAY 31, 2021

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
GENERAL FUND					
TexPool	XXXX0004	Varies	Daily	$ 36,355	$ - 0 -
DEBT SERVICE FUND					
TexPool	XXXX0005	Varies	Daily	$ 255,996	$ - 0 -
CAPITAL PROJECTS FUND					
TexPool	XXXX0001	Varies	Daily	$ 9,906	$
Money Market Mutual Fund	XXXX0211	Varies	Daily	5,341,208	
Money Market Mutual Fund	XXXX0221	Varies	Daily	173,881	
TOTAL CAPITAL PROJECTS FUND				$ 5,524,995	$ - 0 -
TOTAL - ALL FUNDS				$ 5,817,346	$ - 0 -

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED MAY 31, 2021

	Debt Service Taxes	
TAXES RECEIVABLE -		
JUNE 1, 2020	$ 26,172	
Adjustments to Beginning Balance	(3,528)	$ 22,644
Original 2020 Tax Levy	$ 153,145	
Adjustment to 2020 Tax Levy	30,990	184,135
TOTAL TO BE ACCOUNTED FOR		$ 206,779
TAX COLLECTIONS:		
Prior Years	$ 7,348	
Current Year	177,282	184,630
TAXES RECEIVABLE - MAY 31, 2021		$ 22,149
TAXES RECEIVABLE BY YEAR:		
2020		$ 6,853
2019		1,814
2018		1,878
2017		1,377
2016		1,298
2015		972
2014		1,146
2013		938
2012		628
2011		771
2010		1,340
2009		706
2008		553
2007 and prior		1,875
TOTAL		$ 22,149

See accompanying independent auditor’s report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED MAY 31, 2021

	2020	2019	2018	2017
PROPERTY VALUATIONS:				
Land	$ 29,854,620	$ 26,389,000	$ 25,986,930	$ 25,878,450
Improvements	127,214,565	121,956,100	116,759,680	115,651,180
Personal Property	3,033,285	3,145,657	2,700,057	2,795,070
Exemptions	(13,181,030)	(14,433,584)	(13,828,039)	(16,745,476)
TOTAL PROPERTY VALUATIONS	$ 146,921,440	$ 137,057,173	$ 131,618,628	$ 127,579,224
TAX RATES PER $100 VALUATION:				
Debt Service	$ 0.1253	$ 0.1340	$ 0.1546	$ 0.1593
ADJUSTED TAX LEVY*	$ 176,687	$ 183,661	$ 204,150	$ 203,243
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	96.12 %	99.01 %	99.08 %	99.32 %

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

Note – No maintenance tax has been approved by voters.

See accompanying independent auditor's report.

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ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2021

	S E R I E S - 2 0 1 9		
Due During Fiscal Years Ending May 31	Principal Due August 1	Interest Due	Total
2022	$ 185,000	$	$ 185,000
2023	185,000		185,000
2024	185,000		185,000
2025	185,000		185,000
2026	185,000		185,000
2027	185,000		185,000
2028	185,000		185,000
2029	185,000		185,000
2030	185,000		185,000
2031	190,000		190,000
2032	190,000		190,000
2033	190,000		190,000
2034	190,000		190,000
2035	190,000		190,000
2036	190,000		190,000
2037	190,000		190,000
2038	190,000		190,000
2039	190,000		190,000
2040	190,000		190,000
2041	190,000		190,000
2042	190,000		190,000
2043	190,000		190,000
2044	190,000		190,000
2045	190,000		190,000
2046	190,000		190,000
2047	190,000		190,000
2048	190,000		190,000
2049	190,000		190,000
2050	190,000		190,000
2051	190,000		190,000
	$ 5,655,000	$ - 0 -	$ 5,655,000

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED MUNICIPAL UTILITY DISTRICT
ANALYSIS OF CHANGES IN LONG-TERM DEBT
FOR THE YEAR ENDED MAY 31, 2021

Description	Original Bonds Issued	Bonds Outstanding May 31, 2020
Roman Forest Consolidated Municipal Utility District Unlimited Tax Bonds - Series 2019	$ 5,655,000	$ 5,655,000

Bond Authority:	Tax Bonds
Amount Authorized by Voters	$ 21,520,000
Amount Issued	10,985,000
Remaining to be Issued	$ 10,535,000 (1)

Debt Service Fund cash and investment balances as of May 31, 2021:	$ 452,523
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 188,500

See Note 3 for interest rates, interest payment dates and maturity dates.

(1) The District previously retired Roman Forest PUD 1 and 2 bonds in the amount of $1,025,000 and $1,600,000 as well as District tax bonds of $2,705,000 and District refunding bonds of $1,640,000. The authorized but unissued amount includes $120,000 of tax and revenue bonds and $10,415,000 of tax bonds.

Current Year Transactions				
	Retirements		Bonds Outstanding	
Bonds Sold	Principal	Interest	May 31, 2021	Paying Agent
$ - 0 -	$ - 0 -	$ - 0 -	$ 5,655,000	UMB Bank, N.A. Austin, TX

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND - FIVE YEARS

	Amounts		
	2021	2020	2019
REVENUES			
Water Service	$ 296,945	$ 290,456	$ 290,526
Wastewater Service	230,008	221,432	218,146
San Jacinto River Authority Fees	153,795	145,688	141,160
Penalty and Interest	12,288	10,798	12,501
Tap Connection and Inspection Fees	93,750	35,000	44,300
Grant Revenues		91,227	
Insurance proceeds			
Investment/Miscellaneous/Standby Revenues	11,479	45,242	62,529
TOTAL REVENUES	$ 798,265	$ 839,843	$ 769,162
EXPENDITURES			
Personnel	$ 336,870	$ 287,213	$ 259,925
Professional Fees	45,050	31,227	35,160
Utilities	69,376	61,918	61,975
San Jacinto River Authority Costs	188,418	185,216	178,096
Repairs and Maintenance	113,723	96,881	142,745
Other	106,275	145,167	178,751
Capital Outlay	62,430	110,029	51,124
TOTAL EXPENDITURES	$ 922,142	$ 917,651	$ 907,776
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (123,877)	$ (77,808)	$ (138,614)
OTHER FINANCING SOURCES (USES)			
Transfers In	$ 13,860	$ 138,410	$ - 0 -
NET CHANGE IN FUND BALANCE	$ (110,017)	$ 60,602	$ (138,614)
BEGINNING FUND BALANCE	156,115	95,513	234,127
ENDING FUND BALANCE	$ 46,098	$ 156,115	$ 95,513

See accompanying independent auditor’s report.

		Percentage of Total Revenues				
2018	2017	2021	2020	2019	2018	2017
$ 286,282	$ 287,680	37.3 %	34.5 %	37.7 %	34.5 %	40.0 %
215,087	206,541	28.8	26.4	28.4	25.8	28.7
141,047	135,572	19.3	17.3	18.4	16.9	18.8
12,682	12,209	1.5	1.3	1.6	1.5	1.7
45,550	46,550	11.7	4.2	5.8	5.5	6.5
			10.9			
111,680					13.4	
20,073	31,021	1.4	5.4	8.1	2.4	4.3
$ 832,401	$ 719,573	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
$ 258,344	$ 256,222	42.2 %	34.2 %	33.8 %	31.0 %	35.6 %
40,090	39,122	5.6	3.7	4.6	4.8	5.4
61,872	59,987	8.7	7.4	8.1	7.4	8.3
175,722	176,213	23.6	22.1	23.2	21.1	24.5
84,660	67,540	14.2	11.5	18.6	10.2	9.4
143,569	138,718	13.3	17.3	23.2	17.2	19.3
23,103	13,500	7.8	13.1	6.6	2.8	1.9
$ 787,360	$ 751,302	115.4 %	109.3 %	118.1 %	94.5 %	104.4 %
$ 45,041	$ (31,729)	(15.4) %	(9.3) %	(18.1) %	5.5 %	(4.4) %
$ - 0 -	$ - 0 -					
$ 45,041	$ (31,729)					
189,086	220,815					
$ 234,127	$ 189,086					

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND - FIVE YEARS

	Amounts		
	2021	2020	2019
REVENUES			
Property Taxes	$ 184,630	$ 181,211	$ 209,460
Penalty and Interest	2,165	3,787	8,249
Investment/Miscellaneous Revenues	394	5,722	5,515
TOTAL REVENUES	$ 187,189	$ 190,720	$ 223,224
EXPENDITURES			
Tax Collection	$ 2,022	$ 2,052	$ 2,189
Debt Service Principal		200,000	195,000
Debt Service Interest and Fees		4,940	18,643
TOTAL EXPENDITURES	$ 2,022	$ 206,992	$ 215,832
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 185,167	$ (16,272)	$ 7,392
OTHER FINANCING SOURCES (USES)			
Transfer in	$ - 0 -	$ 12,000	$ - 0 -
NET CHANGE IN FUND BALANCE	$ 185,167	$ (4,272)	$ 7,392
BEGINNING FUND BALANCE	267,356	271,628	264,236
ENDING FUND BALANCE	$ 452,523	$ 267,356	$ 271,628
TOTAL ACTIVE RETAIL WATER CONNECTIONS	722	698	692
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	720	696	690

See accompanying independent auditor’s report.

		Percentage of Total Revenues				
2018	2017	2021	2020	2019	2018	2017
$ 207,357	$ 203,959	98.6 %	95.0 %	93.8 %	96.6 %	97.8 %
4,294	3,371	1.2	2.0	3.7	2.0	1.6
3,078	1,197	0.2	3.0	2.5	1.4	0.6
$ 214,729	$ 208,527	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
$ 2,156	$ 2,546	1.1 %	1.1 %	1.0 %	1.0 %	1.3 %
190,000	185,000		104.9	87.4	88.5	88.7
14,450	19,893		2.6	8.4	6.7	9.5
$ 206,606	$ 207,439	1.1 %	108.6 %	96.8 %	96.2 %	99.5 %
$ 8,123	$ 1,088	98.9 %	(8.6) %	3.2 %	3.8 %	0.5 %
$ - 0 -	$ - 0 -					
$ 8,123	$ 1,088					
256,113	255,025					
$ 264,236	$ 256,113					
672	660					
670	658					

See accompanying independent auditor’s report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MAY 31, 2021

District Mailing Address	-	Roman Forest Consolidated Municipal Utility District P. O. Box 899 New Caney, TX 77357
District Telephone Number	-	(281) 689-6324

Board Members	Term of Office (Elected or Appointed)	Fees of office for the year ended May 31, 2021	Expense reimbursements for the year ended May 31, 2021	Title
Billy Goss	05/20 05/24 (Elected)	$ 3,750	$ -0-	President
Jeffrey Frederick	05/18 05/22 (Elected)	$ 2,850	$ -0-	Vice President
Jack Ryder	05/18 05/22 (Elected)	$ 3,150	$ -0-	Secretary/ Financial Officer
Roy Gene Patton, Jr.	05/20 05/24 (Elected)	$ 2,700	$ -0-	Treasurer
Terry L. Williams	05/20 05/24 (Elected)	$ 3,450	$ -0-	Director

Note: 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 Developer or with any of the District's consultants.

Submission Date of most recent District Registration Form: June 26, 2020

The limit on Fees of Office that a Director may receive during a fiscal year is $7,200 as set by Board Resolution on July 14, 2003. Fees of Office are the amounts actually paid to a Director during the District's fiscal year.

See accompanying independent auditor's report.

ROMAN FOREST CONSOLIDATED
MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MAY 31, 2021

Employees:	Date Hired	Fees/Compensation for the year ended May 31, 2021	Title
Chris Buerger	06/16	$ 66,597	Field Manager
Chastity O’Brien	11/15	$ 55,834	Office Manager/ Investment Officer
Consultants:			
Strawn & Richardson PC	07/28/16	$ 15,621	Former General Counsel
Johnson Petrov LLP	03/01/21	$ 3,329	General Counsel
McCall Gibson Swedlund Barfoot PLLC	02/07/05	$ 15,000	Auditor
LJA Engineering	09/28/06	$ 226,526	Engineer
Blitch Associates, Inc.	08/24/94	$ -0-	Financial Advisor

See accompanying independent auditor’s report.

APPENDIX B–Specimen Municipal Bond Insurance Policy

BUILD AMERICA MUTUAL

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER] Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY (“BAM”), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the “Trustee”) or paying agent (the “Paying Agent”) for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner’s right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner’s rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner’s right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. “Business Day” means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer’s Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. “Due for Payment” means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. “Nonpayment” means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. “Nonpayment” shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. “Notice” means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. “Owner” means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that “Owner” shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____________________________________

Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
1 World Financial Center, 27th floor
200 Liberty Street
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)