




# **Harris County Municipal Utility District No. 489 Harris County, Texas**

**Independent Auditor's Report and  
Financial Statements**

May 31, 2024



**Harris County Municipal Utility District No. 489**  
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**May 31, 2024**

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## **Independent Auditor's Report**

Board of Directors  
Harris County Municipal Utility District No. 489  
Harris County, Texas

### ***Opinions***

We have audited the financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 489 (the District), as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of May 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance

and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules required by the Texas Commission on Environmental Quality listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the

responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Forvis Mazars, LLP**

**Houston, Texas  
October 11, 2024**

### ***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

### ***Government-Wide Financial Statements***

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets, liabilities, and deferred inflows and outflows of resources of the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's assets, liabilities, and deferred inflows and outflows of resources is labeled as net position and this difference is similar to the total stockholders' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current year.

Although the statement of activities looks different from a commercial enterprise's statement of income, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as change in net position, essentially the same thing.

### ***Fund Financial Statements***

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the general fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

**Governmental Funds**

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water, sewer and drainage systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's assets, liabilities, and deferred inflows and outflows of resources is labeled the fund balance and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in the notes to financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position, as reported in the governmental activities column in the statement of activities.

**Notes to Financial Statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data found in the government-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

The District's overall financial position and activities for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

**Summary of Net Position**

	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 33,637,126	\$ 21,020,737
Capital assets	<u>108,269,454</u>	<u>73,098,564</u>
Total assets	<u>\$ 141,906,580</u>	<u>\$ 94,119,301</u>
Long-term liabilities	\$ 223,129,080	\$ 164,095,518
Other liabilities	<u>3,414,461</u>	<u>2,452,400</u>
Total liabilities	<u>226,543,541</u>	<u>166,547,918</u>
Net position:		
Net investment in capital assets	(46,950,048)	(34,632,381)
Restricted	14,337,393	8,743,920
Unrestricted	<u>(52,024,306)</u>	<u>(46,540,156)</u>
Total net position	<u>\$ (84,636,961)</u>	<u>\$ (72,428,617)</u>

**Harris County Municipal Utility District No. 489  
Management's Discussion and Analysis  
May 31, 2024**

**(Continued)**

The total net position of the District decreased by \$12,208,344, or about 17%. The majority of the decrease in net position is related to the conveyance of capital assets to another governmental entity for ownership and maintenance as well as to the purchase of capacity from Harris County Municipal Utility District No. 418. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At May 31 2024, the net investment in capital assets was \$(46,950,048). This amount was negative because not all expenditures from long-term debt were for the acquisition of capital assets. Within Harris County, the county government assumes the maintenance and other incidents of ownership of most road facilities constructed by the District. Accordingly, these assets are not recorded in the financial statements of the District.

**Summary of Changes in Net Position**

	<u>2024</u>	<u>2023</u>
Revenues:		
Property taxes	\$ 15,814,182	\$ 11,525,061
Charges for services	6,236,008	4,956,457
Other revenues	2,055,538	1,285,363
Total revenues	<u>24,105,728</u>	<u>17,766,881</u>
Expenses:		
Services	8,315,033	6,879,094
Conveyance of capital assets	6,898,718	5,683,822
Purchase of capacity	8,070,846	-
Depreciation	4,202,020	2,014,847
Debt service	8,827,455	4,963,189
Total expenses	<u>36,314,072</u>	<u>19,540,952</u>
Change in net position	(12,208,344)	(1,774,071)
Net position, beginning of year	<u>(72,428,617)</u>	<u>(70,654,546)</u>
Net position, end of year	<u>\$ (84,636,961)</u>	<u>\$ (72,428,617)</u>

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

The District's combined fund balances as of the end of the fiscal year ended May 31, 2024, were \$31,838,830, an increase of \$12,584,024 from the prior year.

The general fund's fund balance increased by \$1,491,133, primarily due to property tax and service revenues exceeding service operations expenditures. In addition, tap connection and inspection fees revenues exceeded the related tap connections expenditures.

The debt service fund's fund balance increased by \$6,450,549 due to property tax revenues and proceeds received from the sale of bonds exceeding bond principal and interest requirements.

The capital projects fund's fund balance increased by \$4,642,342, primarily due to proceeds received from the sale of bonds exceeding debt issuance costs and capital outlay expenditures.



**General Fund Budgetary Highlights**

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property taxes, service revenues, and tap connection and inspection fee revenues and related expenditures, as well as purchased services and contracted services expenditures being greater than anticipated. In addition, interfund transfers in were not included in the current year budget and budgeted capital outlay expenditures were not incurred. The fund balance as of May 31, 2024, was expected to be \$9,185,868 and the actual end-of-year fund balance was \$9,893,693.

**Capital Assets and Related Debt**

**Capital Assets**

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

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

	<b><u>2024</u></b>	<b><u>2023</u></b>
Land	\$ 2,293,048	\$ 1,176,690
Construction in progress	-	695,621
Water facilities	12,735,894	11,285,179
Wastewater facilities	21,412,747	17,926,586
Drainage facilities	38,250,197	35,611,938
Parks and recreational facilities	33,577,568	6,402,550
Total capital assets	<b><u>\$ 108,269,454</u></b>	<b><u>\$ 73,098,564</u></b>

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

Water, wastewater and drainage facilities for Parkland Village, Sections 43, 45, 47, 49, 51, 53, 54, 55, 56, 57, 58, 60 and 61	\$ 7,823,956
Parkland Village lift station No. 8	1,457,884
Water, wastewater and drainage facilities at Copper Breaks Crossing, Section 2	44,087
Water, wastewater and drainage facilities for Parkland Village Summer Camp Drive	430,004
Landscape improvements for Parkland Village, Sections 6-12, 14, 17, 18, 20, 21, 24, 26, 28-31, 33, 34 and 35	15,861,021
Landscape improvements for Bridgeland Creek Parkway, Phase 6 Median Streetscape	1,225,183
Landscape improvements for Mason Road, Phase 2 Medians and West right-of-way, Section 5	1,126,205
Landscape improvements for Parkland Village Pipeline, Phase 2, Frog Pond, Phase 1 and Village Park	9,905,433
Recreational facilities for Parkland Village, Sections 11 and 42	1,423,945
Recreational facilities for Mason Road Street Dedication, Section 5 and Reserve Rebid	75,192
Total additions to capital assets	<b><u>\$ 39,372,910</u></b>

The developer within the District has constructed water, wastewater, drainage, road and recreational facilities on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues, subject to the approval of the Commission, if required. As of May 31, 2024, a liability for developer-constructed capital assets of \$22,645,330 was recorded in the government-wide financial statements.

***Debt***

The changes in the debt position of the District during the fiscal year ended May 31, 2024, are summarized as follows:

Long-term debt payable, beginning of year	\$ 164,095,518
Increases in long-term debt	74,086,780
Decreases in long-term debt	<u>(15,053,218)</u>
Long-term debt payable, end of year	<u>\$ 223,129,080</u>

At May 31, 2024, the District had \$220,400,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District, \$99,160,000 for financing and constructing recreational facilities, and \$21,385,000 for financing and constructing roads.

The District's bonds carry an underlying rating of "A3" from Moody's Investors Service. The Series 2019, Series 2020, Series 2020 Road, Series 2021, Series 2021A, Series 2022 Road and Series 2022 bonds carry a "AA" rating from Standard & Poor's by virtue of bond insurance issued by Build America Mutual Assurance Company. The Series 2019 Road, Series 2023, Series 2023A and Series 2023 Road bonds carry a "AA" rating from Standard & Poor's by virtue of bond insurance issued by Assured Guaranty, Inc.

***Other Relevant Factors***

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

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston (the City), the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City without the District's consent. Effective December 1, 2017, prior to annexation, the City would be required to hold an election in the District whereby the qualified voters of the District would approve the annexation. If the District is annexed, the City must assume the District's assets and obligations (including any bond indebtedness) and abolish the District within 90 days.

***Contingencies***

The developer of the District is constructing facilities within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds from future bond sales, to the extent approved by the Commission, if required. The District's engineer has stated that current construction amounts are approximately \$5,113,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

**Harris County Municipal Utility District No. 489**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**May 31, 2024**

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
<b>Assets</b>						
Cash	\$ 716,178	\$ 507,803	\$ 295	\$ 1,224,276	\$ -	\$ 1,224,276
Certificates of deposit	705,000	-	-	705,000	-	705,000
Short-term investments	8,234,181	15,813,518	5,859,111	29,906,810	-	29,906,810
Receivables:						
Property taxes	34,779	183,531	-	218,310	-	218,310
Service accounts receivable	950,967	-	-	950,967	-	950,967
Prepaid expenditures	68,548	-	-	68,548	-	68,548
Accrued interest	18,945	-	-	18,945	-	18,945
Due from others	544,270	-	-	544,270	-	544,270
Interfund receivable	232,796	-	-	232,796	(232,796)	-
Capital assets (net of accumulated depreciation):						
Land	-	-	-	-	2,293,048	2,293,048
Infrastructure	-	-	-	-	72,398,838	72,398,838
Parks and recreation	-	-	-	-	33,577,568	33,577,568
<b>Total assets</b>	<b>\$ 11,505,664</b>	<b>\$ 16,504,852</b>	<b>\$ 5,859,406</b>	<b>\$ 33,869,922</b>	<b>\$ 108,036,658</b>	<b>\$ 141,906,580</b>

**Harris County Municipal Utility District No. 489**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**May 31, 2024**

**(Continued)**

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
<b>Liabilities</b>						
Accounts payable	\$ 1,132,822	\$ 2,306	\$ 488	\$ 1,135,616	\$ -	\$ 1,135,616
Accrued interest payable	-	-	-	-	1,834,475	1,834,475
Customer deposits	436,560	-	-	436,560	-	436,560
Due to others	7,810	-	-	7,810	-	7,810
Interfund payable	-	232,796	-	232,796	(232,796)	-
Long-term liabilities:						
Due within one year	-	-	-	-	5,115,000	5,115,000
Due after one year	-	-	-	-	218,014,080	218,014,080
<b>Total liabilities</b>	<b>1,577,192</b>	<b>235,102</b>	<b>488</b>	<b>1,812,782</b>	<b>224,730,759</b>	<b>226,543,541</b>
<b>Deferred Inflows of Resources</b>						
Deferred property tax revenue	34,779	183,531	-	218,310	(218,310)	-
<b>Fund Balances/Net Position</b>						
Fund balances:						
Nonspendable, prepaid expenditures	68,548	-	-	68,548	(68,548)	-
Restricted:						
Unlimited tax bonds	-	11,763,720	-	11,763,720	(11,763,720)	-
Water, sewer and drainage	-	-	1,865,770	1,865,770	(1,865,770)	-
Parks	-	-	3,039,044	3,039,044	(3,039,044)	-
Roads	-	4,322,499	954,104	5,276,603	(5,276,603)	-
Assigned, operating reserve	544,270	-	-	544,270	(544,270)	-
Unassigned	9,280,875	-	-	9,280,875	(9,280,875)	-
<b>Total fund balances</b>	<b>9,893,693</b>	<b>16,086,219</b>	<b>5,858,918</b>	<b>31,838,830</b>	<b>(31,838,830)</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 11,505,664</b>	<b>\$ 16,504,852</b>	<b>\$ 5,859,406</b>	<b>\$ 33,869,922</b>		
Net position:						
Net investment in capital assets					(46,950,048)	(46,950,048)
Restricted for debt service					14,025,476	14,025,476
Restricted for capital projects					311,917	311,917
Unrestricted					(52,024,306)	(52,024,306)
<b>Total net position</b>					<b>\$ (84,636,961)</b>	<b>\$ (84,636,961)</b>

**Harris County Municipal Utility District No. 489**  
**Statement of Activities and Governmental Funds Revenues,**  
**Expenditures and Changes in Fund Balances**  
**Year Ended May 31, 2024**

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
<b>Revenues</b>						
Property taxes	\$ 2,067,491	\$ 13,859,382	\$ -	\$ 15,926,873	\$ (112,691)	\$ 15,814,182
Water service	1,454,484	-	-	1,454,484	-	1,454,484
Sewer service	2,554,457	-	-	2,554,457	-	2,554,457
Regional water fee	2,227,067	-	-	2,227,067	-	2,227,067
Penalty and interest	93,210	119,541	-	212,751	(44,225)	168,526
Tap connection and inspection fees	704,057	-	-	704,057	-	704,057
Investment income	418,290	485,869	229,264	1,133,423	-	1,133,423
Other income	972	48,560	-	49,532	-	49,532
<b>Total revenues</b>	<b>9,520,028</b>	<b>14,513,352</b>	<b>229,264</b>	<b>24,262,644</b>	<b>(156,916)</b>	<b>24,105,728</b>
<b>Expenditures/Expenses</b>						
Service operations:						
Purchased services	2,222,514	-	-	2,222,514	-	2,222,514
Regional water fee	1,455,667	-	-	1,455,667	-	1,455,667
Professional fees	278,861	30,830	-	309,691	23,353	333,044
Contracted services	1,736,223	151,304	-	1,887,527	-	1,887,527
Utilities	92,308	-	-	92,308	-	92,308
Repairs and maintenance	1,626,973	-	-	1,626,973	-	1,626,973
Other expenditures	276,542	12,575	95	289,212	-	289,212
Tap connections	407,788	-	-	407,788	-	407,788
Capital outlay	-	-	59,106,205	59,106,205	(59,106,205)	-
Conveyance of capital assets	-	-	-	-	6,898,718	6,898,718
Purchase of capacity	-	-	-	-	8,070,846	8,070,846
Depreciation	-	-	-	-	4,202,020	4,202,020
Debt service:						
Principal retirement	-	4,090,000	-	4,090,000	(4,090,000)	-
Interest and fees	-	5,379,054	-	5,379,054	834,151	6,213,205
Debt issuance costs	-	-	2,614,250	2,614,250	-	2,614,250
<b>Total expenditures/expenses</b>	<b>8,096,876</b>	<b>9,663,763</b>	<b>61,720,550</b>	<b>79,481,189</b>	<b>(43,167,117)</b>	<b>36,314,072</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>1,423,152</b>	<b>4,849,589</b>	<b>(61,491,286)</b>	<b>(55,218,545)</b>	<b>43,010,201</b>	

**Harris County Municipal Utility District No. 489  
Statement of Activities and Governmental Funds Revenues,  
Expenditures and Changes in Fund Balances  
Year Ended May 31, 2024**

**(Continued)**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Other Financing Sources (Uses)</b>						
Interfund transfers in (out)	\$ 67,981	\$ -	\$ (67,981)	\$ -	\$ -	
General obligation bonds issued	-	1,600,960	66,744,040	68,345,000	(68,345,000)	
Discount on debt issued	-	-	(542,431)	(542,431)	542,431	
Total other financing sources	<u>67,981</u>	<u>1,600,960</u>	<u>66,133,628</u>	<u>67,802,569</u>	<u>(67,802,569)</u>	
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	1,491,133	6,450,549	4,642,342	12,584,024	(12,584,024)	
<b>Change in Net Position</b>					(12,208,344)	\$ (12,208,344)
<b>Fund Balances/Net Position</b>						
Beginning of year	<u>8,402,560</u>	<u>9,635,670</u>	<u>1,216,576</u>	<u>19,254,806</u>	-	<u>(72,428,617)</u>
End of year	<u>\$ 9,893,693</u>	<u>\$ 16,086,219</u>	<u>\$ 5,858,918</u>	<u>\$ 31,838,830</u>	\$ -	<u>\$ (84,636,961)</u>

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

Harris County Municipal Utility District No. 489 (the District) was created by an order of the Texas Commission on Environmental Quality (the Commission), effective July 11, 2007, in accordance with the Texas Water Code, Chapter 54. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and Article XVI, Section 59, of the Constitution of the State of Texas and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own and operate waterworks, wastewater and drainage facilities and to provide such facilities and services to the customers of the District. The District is also authorized by the Texas Water Code, Chapter 49, to provide recreational facilities and has acquired the authority to provide road facilities under the Texas Water Code, Chapter 54.

The District is governed by a Board of Directors (the Board) consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments, as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

***Reporting Entity***

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the voting majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

***Government-Wide and Fund Financial Statements***

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, wastewater, drainage and other related services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

The District presents the following major governmental funds:

***General Fund*** – The general fund is the primary operating fund of the District which accounts for all financial resources not accounted for in another fund. Revenues are derived primarily from property taxes, charges for services and interest income.

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
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*Debt Service Fund* – The debt service fund is used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest related costs, as well as the financial resources being accumulated for future debt service.

*Capital Projects Fund* – The capital projects fund is used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

***Fund Balances – Governmental Funds***

The fund balances for the District's governmental funds can be displayed in up to five components:

*Nonspendable* – Amounts that are not in a spendable form or are required to be maintained intact.

*Restricted* – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

*Committed* – Amounts that can be used only for the specific purposes determined by resolution of the Board. Commitments may be changed or lifted only by issuance of a resolution by the District's Board.

*Assigned* – Amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

*Unassigned* – The residual classification for the general fund and includes all amounts not contained in the other classifications.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

***Measurement Focus and Basis of Accounting***

***Government-Wide Financial Statements***

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as liabilities. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted.



***Fund Financial Statements***

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

***Deferred Outflows and Inflows of Resources***

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period.

***Interfund Transactions***

Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay the amount and if there is the ability to repay the advance on a timely basis. Transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

***Pension Costs***

The District does not participate in a pension plan and, therefore, has no pension costs.

***Use of Estimates***

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

***Investments and Investment Income***

Investments in certificates of deposit, U.S. Government and agency securities, and certain pooled funds, which have a remaining maturity of one year or less at the date of purchase, are recorded at amortized cost. All other investments are carried at fair value. Fair value is determined using quoted market values.

Investment income includes dividends and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is credited to the fund in which the investment is recorded.

***Property Taxes***

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of the District based upon the aggregate appraisal value. Taxes are due and payable October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.

**Harris County Municipal Utility District No. 489**  
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In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended May 31, 2024, include collections during the current period or within 60 days of year-end related to the 2023 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended May 31, 2024, the 2023 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of \$5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Within Harris County, the county government assumes the maintenance and other incidents of ownership of most road facilities constructed by the District. Accordingly, these assets are not recorded in the financial statements of the District.

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

	<u>Years</u>
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45
Drainage facilities	10-45
Parks and recreational facilities	15-20

**Debt Issuance Costs**

Debt issuance costs, other than prepaid insurance, do not meet the definition of an asset or deferred outflows of resources since the costs are not applicable to a future period and, therefore, are recognized as an expense/expenditure in the period incurred.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on bonds are recognized as a component of long-term liabilities and amortized over the life of the related debt using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts on bonds during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

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***Net Position/Fund Balances***

Fund balances and net position are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

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

***Reconciliation of Government-Wide and Fund Financial Statements***

Amounts reported for net position of governmental activities in the statement of net position and fund balances in the governmental funds balance sheet are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	\$ 108,269,454
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	218,310
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.	(1,834,475)
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.	<u>(223,129,080)</u>
Adjustment to fund balances to arrive at net position.	<u>\$ (116,475,791)</u>

Amounts reported for change in net position of governmental activities in the statement of activities are different from change in fund balances in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balances.	\$ 12,584,024
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense, purchase of capacity, noncapitalized costs and conveyed capital assets in the current period.	39,911,268
Governmental funds report proceeds from the sales of bonds because they provide current financial resources to governmental funds. Principal payments on debt are recorded as expenditures. None of these transactions, however, have any effect on net position.	(64,255,000)
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas amounts are deferred and amortized in the statement of activities.	542,431

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
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Revenues collected in the current year, which have previously been reported in the statement of activities, are reported as revenues in the governmental funds.	\$ (156,916)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(834,151)</u>
Change in net position of governmental activities.	<u>\$ (12,208,344)</u>

**Note 2: Deposits, Investments and Investment Income**

***Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

At May 31, 2024, none of the District's bank balances were exposed to custodial credit risk.

***Investments***

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the State of Texas or the United States or their agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than "A," insured or collateralized certificates of deposit, and certain bankers' acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas CLASS, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Trustees, elected by the participants, has oversight of Texas CLASS. The District's investments may be redeemed at any time. Texas CLASS attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques and limits its investments in any issuer to the top two ratings issued by nationally recognized statistical rating organizations. The District's investments in Texas CLASS are reported at net asset value.

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

At May 31, 2024, the District has the following investments and maturities:

<u>Type</u>	<u>Fair Value</u>	<u>Maturities in Years</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
Texas CLASS	<u>\$ 29,906,810</u>	<u>\$ 29,906,810</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Interest Rate Risk.** As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy does not allow investments in certain mortgage-backed securities, collateralized mortgage obligations with a final maturity date in excess of 10 years and interest rate indexed collateralized mortgage obligations. The external investment pool is presented as an investment with a maturity of less than one year because it is redeemable in full immediately.

**Credit Risk.** Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At May 31, 2024, the District's investments in Texas CLASS were rated "AAAm" by Standard & Poor's.

**Summary of Carrying Values**

The carrying values of deposits and investments shown previously are included in the balance sheet at May 31, 2024, as follows:

Carrying value:	
Deposits	\$ 1,929,276
Investments	<u>29,906,810</u>
Total	<u>\$ 31,836,086</u>

Included in the following statement of net position captions:

Cash	\$ 1,224,276
Certificates of deposit	705,000
Short-term investments	<u>29,906,810</u>
Total	<u>\$ 31,836,086</u>

**Investment Income**

Investment income of \$1,133,423 for the year ended May 31, 2024, consisted of interest income.

**Fair Value Measurements**

The District has the following recurring fair value measurements as of May 31, 2024:

- Pooled investments of \$29,906,810 are valued at fair value per share of the pool's underlying portfolio.

**Note 3: Capital Assets**

A summary of changes in capital assets for the year ended May 31, 2024, is presented below.

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

<b>Governmental Activities</b>	<b>Balances, Beginning of Year</b>	<b>Additions</b>	<b>Reclassifi- cations</b>	<b>Balances, End of Year</b>
Capital assets, non-depreciable:				
Land and improvements	\$ 1,176,690	\$ 1,116,358	\$ -	\$ 2,293,048
Construction in progress	695,621	-	(695,621)	-
Total capital assets, non-depreciable	<u>1,872,311</u>	<u>1,116,358</u>	<u>(695,621)</u>	<u>2,293,048</u>
Capital assets, depreciable:				
Water production and distribution facilities	12,073,926	1,581,305	177,948	13,833,179
Wastewater collection and treatment facilities	19,125,148	3,809,691	193,910	23,128,749
Drainage facilities	38,136,374	3,248,577	323,763	41,708,714
Parks and recreational facilities	7,332,180	29,616,979	-	36,949,159
Total capital assets, depreciable	<u>76,667,628</u>	<u>38,256,552</u>	<u>695,621</u>	<u>115,619,801</u>
Less accumulated depreciation:				
Water production and distribution facilities	(788,747)	(308,538)	-	(1,097,285)
Wastewater collection and treatment facilities	(1,198,562)	(517,440)	-	(1,716,002)
Drainage facilities	(2,524,436)	(934,081)	-	(3,458,517)
Parks and recreational facilities	(929,630)	(2,441,961)	-	(3,371,591)
Total accumulated depreciation	<u>(5,441,375)</u>	<u>(4,202,020)</u>	<u>-</u>	<u>(9,643,395)</u>
Total governmental activities, net	<u>\$ 73,098,564</u>	<u>\$ 35,170,890</u>	<u>\$ -</u>	<u>\$ 108,269,454</u>

**Note 4: Long-Term Liabilities**

Changes in long-term liabilities for the year ended May 31, 2024, were as follows:

<b>Governmental Activities</b>	<b>Balances, Beginning of Year</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balances, End of Year</b>	<b>Amounts Due in One Year</b>
Bonds payable:					
General obligation bonds	\$ 138,380,000	\$ 68,345,000	\$ 4,090,000	\$ 202,635,000	\$ 5,115,000
Less discounts on bonds	1,730,190	542,431	61,371	2,211,250	-
	136,649,810	67,802,569	4,028,629	200,423,750	5,115,000
Due to developer, advances	60,000	-	-	60,000	-
Due to developer, construction	27,385,708	6,284,211	11,024,589	22,645,330	-
Total governmental activities long-term liabilities	<u>\$ 164,095,518</u>	<u>\$ 74,086,780</u>	<u>\$ 15,053,218</u>	<u>\$ 223,129,080</u>	<u>\$ 5,115,000</u>

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

**General Obligation Bonds**

	<b>Series 2018</b>	<b>Series 2018 Road</b>
Amounts outstanding, May 31, 2024	\$3,715,000	\$4,510,000
Interest rates	3.00% to 4.00%	4.00% to 4.50%
Maturity dates, serially beginning/ending	September 1, 2024/2044	September 1, 2024/2044
Interest payment dates	September 1/March 1	September 1/March 1
Callable dates*	September 1, 2024	September 1, 2024
	<b>Series 2019</b>	<b>Series 2019 Road</b>
Amounts outstanding, May 31, 2024	\$10,315,000	\$17,850,000
Interest rates	2.00% to 4.50%	2.00% to 4.50%
Maturity dates, serially beginning/ending	September 1, 2024/2045	September 1, 2024/2045
Interest payment dates	September 1/March 1	September 1/March 1
Callable dates*	September 1, 2024	September 1, 2025
	<b>Series 2020</b>	<b>Series 2020 Road</b>
Amounts outstanding, May 31, 2024	\$14,170,000	\$6,820,000
Interest rates	2.00% to 4.00%	2.00% to 4.00%
Maturity dates, serially beginning/ending	September 1, 2024/2046	September 1, 2024/2046
Interest payment dates	September 1/March 1	September 1/March 1
Callable dates*	September 1, 2025	September 1, 2025

\*Or any date thereafter; callable at par plus accrued interest to the date of redemption.

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

	<b>Series 2021</b>	<b>Series 2021A</b>
Amounts outstanding, May 31, 2024	\$31,425,000	\$7,090,000
Interest rates	2.00% to 3.00%	2.00% to 3.00%
Maturity dates, serially beginning/ending	September 1, 2024/2047	September 1, 2024/2047
Interest payment dates	September 1/March 1	September 1/March 1
Callable dates*	September 1, 2026	September 1, 2026
	<b>Series 2022 Road</b>	<b>Series 2022</b>
Amounts outstanding, May 31, 2024	\$13,845,000	\$24,550,000
Interest rates	3.00% to 4.00%	4.00% to 6.00%
Maturity dates, serially beginning/ending	September 1, 2024/2048	September 1, 2024/2048
Interest payment dates	September 1/March 1	September 1/March 1
Callable dates*	September 1, 2027	September 1, 2029
	<b>Series 2023</b>	<b>Series 2023A</b>
Amounts outstanding, May 31, 2024	\$22,525,000	\$33,475,000
Interest rates	4.00% to 6.50%	4.00% to 6.50%
Maturity dates, serially beginning/ending	September 1, 2025/2049	September 1, 2025/2049
Interest payment dates	September 1/March 1	September 1/March 1
Callable dates*	September 1, 2029	September 1, 2029
		<b>Series 2023 Road</b>
Amount outstanding, May 31, 2024		\$12,345,000
Interest rates		4.00% to 6.50%
Maturity dates, serially beginning/ending		September 1, 2025/2049
Interest payment dates		September 1/March 1
Callable date*		September 1, 2029

\*Or any date thereafter; callable at par plus accrued interest to the date of redemption.



**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

**Annual Debt Service Requirements**

The following schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at May 31, 2024:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 5,115,000	\$ 7,234,863	\$ 12,349,863
2026	7,895,000	6,947,049	14,842,049
2027	7,940,000	6,594,001	14,534,001
2028	7,990,000	6,256,382	14,246,382
2029	8,050,000	5,919,292	13,969,292
2030-2034	41,055,000	25,202,175	66,257,175
2035-2039	42,545,000	18,509,308	61,054,308
2040-2044	44,560,000	11,165,950	55,725,950
2045-2049	34,760,000	3,570,138	38,330,138
2050	2,725,000	62,146	2,787,146
Total	<u>\$ 202,635,000</u>	<u>\$ 91,461,304</u>	<u>\$ 294,096,304</u>

The bonds are payable from the proceeds of an ad valorem tax levied upon all property within the District subject to taxation, without limitation as to rate or amount.

Bonds voted:

Water, sewer and drainage facilities	\$ 331,000,000
Recreational facilities	140,000,000
Road facilities	80,000,000

Bonds sold:

Water, sewer and drainage facilities	110,600,000
Recreational facilities	40,840,000
Road facilities	58,615,000

Refunding bonds voted:

Water, sewer, drainage or recreational facilities bonds	471,000,000
Road facilities bonds	80,000,000

**Due to Developer**

The developer of the District has constructed water, wastewater, drainage, road and recreational facilities on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues, subject to the approval of the Commission, if required. As of May 31, 2024, a liability for developer-constructed capital assets of \$22,645,330 was recorded in the government-wide financial statements.

**Developer Advances**

Since inception, the developer has advanced \$60,000 to the District for operations, net of repayments. These advances have been recorded as liabilities in the government-wide financial statements.

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

- (A) The Bond Orders require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended May 31, 2024, the District levied an ad valorem debt service tax at the rate of \$0.8000 per \$100 of assessed valuation, which resulted in a tax levy of \$13,573,879 on the taxable valuation of \$1,696,734,780 for the 2023 tax year. The interest and principal requirements to be paid from the tax revenues and available resources for utility bonds are \$8,661,817, of which \$2,383,158 has been paid and \$6,278,659 is due September 1, 2024. The interest and principal requirements to be paid from the tax revenues and available resources for road bonds are \$3,370,146, of which \$864,856 has been paid and \$2,505,290 is due September 1, 2024.
- (B) In accordance with the Series 2022, 2023, 2023A and 2023 Road Bond Orders, a portion of the bond proceeds was deposited into the debt service fund and reserved for the payment of bond interest during the construction period. This bond interest reserve is reduced as the interest is paid.

Bond interest reserve, beginning of year		\$ 176,684
Additions, Series 2023	\$ 527,313	
Series 2023A	795,884	
Series 2023 Road	<u>277,763</u>	1,600,960
Deductions--Appropriation from bond interest paid:		
Series 2022	176,684	
Series 2023	389,626	
Series 2023A	588,070	
Series 2023 Road	<u>213,465</u>	<u>1,367,845</u>
Bond interest reserve, end of year		<u><u>\$ 409,799</u></u>

- (C) During the current year, the District transferred \$67,981 from the capital projects fund to the general fund. The transfer was in accordance with the rules of the Commission.

**Note 6: Maintenance Taxes**

At an election held November 5, 2013, voters authorized a maintenance tax not to exceed \$1.50 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended May 31, 2024, the District levied an ad valorem maintenance tax at the rate of \$0.11000 per \$100 of assessed valuation, which resulted in a tax levy of \$1,866,408 on the taxable valuation of \$1,696,734,780 for the 2023 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

**Note 7: Contracts With Others**

The District is served by a regional water supply and wastewater treatment system that is owned and operated by Harris County Municipal Utility District No. 418 (District No. 418), in its capacity as "Master District," pursuant to that certain Contract for Financing, Operation and Maintenance of Master Water and Sanitary Sewer Facilities, dated August 1, 2006, as amended from time to time, by and between District No. 418, the District and other participating districts. District No. 418 will acquire, construct, own, operate and/or maintain central water supply and wastewater treatment facilities, as well as major trunk lines related to said facilities necessary to serve itself, the District and other municipal utility districts that comprise the Bridgeland community.

**Harris County Municipal Utility District No. 489**  
**Notes to Financial Statements**  
**May 31, 2024**

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District No. 418 charges a connection charge to pay for the costs of constructing regional facilities. The current charge is \$5,012 per equivalent single-family connection for water supply capacity and \$3,848 for wastewater treatment capacity. District No. 418 also charges a wastewater collection connection charge, which varies based on the location of the area to be served by the system, ranging from \$0 to \$5,127 per equivalent single-family connection. These charges are subject to adjustment annually. Through May 31, 2024, the District has been credited with water and sewer connections with a value of \$30,399,382. In addition, District No. 418 is authorized, in certain circumstances, to issue contract revenue bonds sufficient to complete acquisition and construction of the facilities, as needed, to serve all districts in the service area. Once bonds are issued, each participating district would contribute to the debt service requirements of the bonds. The District's voters have approved such a contract-revenue tax proposition.

The contract requires that operations and maintenance costs and a percentage of the administrative costs be paid to the Master District on a monthly basis. Additionally, each participant is required to advance funds to the Master District to create a reserve for the benefit of such participant in an amount equal to the participant's projected share of operations and maintenance costs for a two-month period commencing at the beginning of the Master District's fiscal year (currently June 1).

During the current year, the District incurred operating charges of \$2,836,626 for water supply and \$841,555 for wastewater services. In addition, the District has contributed \$420,246 for its share of the water supply reserve and \$114,024 for its share of the wastewater treatment reserve.

During the year ended May 31, 2024, the District entered into a contract with District Nos. 418, 419, 490, 491, 492, and 493, as well as Harris County Water Control and Improvement District Nos. 158 and 159 (the WCIDs), which created the Bridgeland Water Agency. The Agency was created to facilitate and coordinate public communications, sharing of costs and expenses and to provide supporting administrative functions to the Districts and the WCIDs, and to acquire and maintain lands, buildings or office space, equipment, materials and supplies necessary to carry out the provisions of the contract. For the year ended May 31, 2024, the District incurred costs of \$31,686 and contributed \$10,000 for its share of a reserve.

**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 for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three fiscal years.

**Note 9: Contingencies**

The developer of the District is constructing facilities within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds from future bond sales, to the extent approved by the Commission, if required. The District's engineer has stated that current construction amounts are approximately \$5,113,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

***Required Supplementary Information***

**Harris County Municipal Utility District No. 489  
 Budgetary Comparison Schedule – General Fund  
 Year Ended May 31, 2024**

	<b>Original Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Property taxes	\$ 1,514,176	\$ 2,067,491	\$ 553,315
Water service	1,155,000	1,454,484	299,484
Sewer service	2,045,000	2,554,457	509,457
Regional water fee	1,725,825	2,227,067	501,242
Penalty and interest	100,000	93,210	(6,790)
Tap connection and inspection fees	470,000	704,057	234,057
Investment income	373,000	418,290	45,290
Other income	500	972	472
	<u>7,383,501</u>	<u>9,520,028</u>	<u>2,136,527</u>
<b>Expenditures</b>			
Service operations:			
Purchased services	1,176,818	2,222,514	(1,045,696)
Regional water fee	1,414,496	1,455,667	(41,171)
Professional fees	318,000	278,861	39,139
Contracted services	1,293,500	1,736,223	(442,723)
Utilities	84,000	92,308	(8,308)
Repairs and maintenance	1,572,500	1,626,973	(54,473)
Other expenditures	225,879	276,542	(50,663)
Tap connections	315,000	407,788	(92,788)
Capital outlay	200,000	-	200,000
	<u>6,600,193</u>	<u>8,096,876</u>	<u>(1,496,683)</u>
<b>Excess of Revenues Over Expenditures</b>	783,308	1,423,152	639,844
<b>Other Financing Sources</b>			
Interfund transfers in	-	67,981	67,981
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	783,308	1,491,133	707,825
<b>Fund Balance, Beginning of Year</b>	<u>8,402,560</u>	<u>8,402,560</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 9,185,868</u>	<u>\$ 9,893,693</u>	<u>\$ 707,825</u>

**Harris County Municipal Utility District No. 489**  
**Notes to Required Supplementary Information**  
**May 31, 2024**

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***Budgets and Budgetary Accounting***

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during fiscal 2024.

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

***Supplementary Information***

**Harris County Municipal Utility District No. 489**  
**Other Schedules Included Within This Report**  
**May 31, 2024**

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(Schedules included are checked or explanatory notes provided for omitted schedules.)

- [X] Notes Required by the Water District Accounting Manual  
See "Notes to Financial Statements," Pages 13-25
- [X] Schedule of Services and Rates
- [X] Schedule of General Fund Expenditures
- [X] Schedule of Temporary Investments
- [X] Analysis of Taxes Levied and Receivable
- [X] Schedule of Long-Term Debt Service Requirements by Years
- [X] Changes in Long-Term Bonded Debt
- [X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund
- [X] Board Members, Key Personnel and Consultants



**Harris County Municipal Utility District No. 489**  
**Schedule of Services and Rates**  
**Year Ended May 31, 2024**

1. Services provided by the District:

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

2. Retail service providers

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

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water:	\$ 18.00	5,000	N	\$ 1.75 \$ 2.00 \$ 2.50	5,001 to 10,000 10,001 to 20,000 20,000 to No Limit
Wastewater:	\$ 63.29	0	Y		
Regional water fee:	\$ 4.66	1	N	\$ 4.66	1,001 to No Limit
Does the District employ winter averaging for wastewater usage?					Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Total charges per 10,000 gallons usage (including fees):			Water	\$ 73.35	Wastewater \$ 63.29

b. Water and wastewater retail connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC*</u>
Unmetered	-	-	x1.0	-
≤ 3/4"	2,805	2,783	x1.0	2,783
1"	676	670	x2.5	1,675
1 1/2"	8	8	x5.0	40
2"	23	23	x8.0	184
3"	3	3	x15.0	45
4"	1	1	x25.0	25
6"	1	1	x50.0	50
8"	6	6	x80.0	480
9"	2	2	x115.0	230
Total water	3,525	3,497		5,512
Total wastewater	3,401	3,374	x1.0	3,374

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

Gallons pumped into the system:	480,304
Gallons billed to customers:	480,304
Water accountability ratio (gallons billed/gallons pumped):	100.00%

\*\*ESFC" means equivalent single-family connections

**Harris County Municipal Utility District No. 489**  
**Schedule of General Fund Expenditures**  
**Year Ended May 31, 2024**

<b>Personnel (including benefits)</b>		\$ -
<b>Professional Fees</b>		
Auditing	\$ 19,500	
Legal	84,976	
Engineering	174,385	
Financial advisor	<u>-</u>	278,861
<b>Purchased Services for Resale</b>		
Bulk water and wastewater service purchases		2,222,514
<b>Regional Water Fee</b>		1,455,667
<b>Contracted Services</b>		
Bookkeeping	94,025	
General manager	-	
Appraisal district	-	
Tax collector	-	
Security	512,583	
Other contracted services	<u>319,468</u>	926,076
<b>Utilities</b>		92,308
<b>Repairs and Maintenance</b>		1,626,973
<b>Administrative Expenditures</b>		
Directors' fees	16,796	
Office supplies	30,036	
Insurance	24,324	
Other administrative expenditures	<u>205,386</u>	276,542
<b>Capital Outlay</b>		
Capitalized assets	-	
Expenditures not capitalized	<u>-</u>	-
<b>Tap Connection Expenditures</b>		407,788
<b>Solid Waste Disposal</b>		810,147
<b>Fire Fighting</b>		-
<b>Parks and Recreation</b>		-
<b>Other Expenditures</b>		<u>-</u>
Total expenditures		<u><u>\$ 8,096,876</u></u>

**Harris County Municipal Utility District No. 489**  
**Schedule of Temporary Investments**  
**May 31, 2024**

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Face Amount</u>	<u>Accrued Interest Receivable</u>
<b>General Fund</b>				
Certificates of Deposit				
No. 91300012122266	5.50%	10/30/24	\$ 235,000	\$ 7,472
No. 440051089	5.50%	07/11/24	235,000	4,922
No. 6000050192	5.50%	11/27/24	235,000	6,551
Texas CLASS	5.43%	Demand	<u>8,234,181</u>	<u>-</u>
			<u>8,939,181</u>	<u>18,945</u>
<b>Debt Service Fund</b>				
Texas CLASS	5.43%	Demand	4,322,499	-
Texas CLASS	5.43%	Demand	<u>11,491,019</u>	<u>-</u>
			<u>15,813,518</u>	<u>-</u>
<b>Capital Projects Fund</b>				
Texas CLASS	5.43%	Demand	44	-
Texas CLASS	5.43%	Demand	282	-
Texas CLASS	5.43%	Demand	4,941	-
Texas CLASS	5.43%	Demand	86,682	-
Texas CLASS	5.43%	Demand	146,438	-
Texas CLASS	5.43%	Demand	353,313	-
Texas CLASS	5.43%	Demand	807,340	-
Texas CLASS	5.43%	Demand	1,507,709	-
Texas CLASS	5.43%	Demand	<u>2,952,362</u>	<u>-</u>
			<u>5,859,111</u>	<u>-</u>
Totals			<u><u>\$ 30,611,810</u></u>	<u><u>\$ 18,945</u></u>

**Harris County Municipal Utility District No. 489  
 Analysis of Taxes Levied and Receivable  
 Year Ended May 31, 2024**

	<u>Maintenance Taxes</u>	<u>Debt Service Taxes</u>
<b>Receivable, Beginning of Year</b>	\$ 111,345	\$ 219,656
Additions and corrections to prior years' taxes	<u>124,517</u>	<u>249,378</u>
Adjusted receivable, beginning of year	<u>235,862</u>	<u>469,034</u>
<b>2023 Original Tax Levy</b>	1,747,802	12,711,288
Additions and corrections	<u>118,606</u>	<u>862,591</u>
Adjusted tax levy	<u>1,866,408</u>	<u>13,573,879</u>
Total to be accounted for	2,102,270	14,042,913
Tax collections: Current year	(1,844,550)	(13,414,905)
Prior years	<u>(222,941)</u>	<u>(444,477)</u>
Receivable, end of year	<u>\$ 34,779</u>	<u>\$ 183,531</u>
<b>Receivable, by Years</b>		
2023	\$ 21,858	\$ 158,974
2022	9,514	19,026
2021	587	1,026
2020	<u>2,820</u>	<u>4,505</u>
Receivable, end of year	<u>\$ 34,779</u>	<u>\$ 183,531</u>

**Harris County Municipal Utility District No. 489**  
**Analysis of Taxes Levied and Receivable**  
**Year Ended May 31, 2024**

**(Continued)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Property Valuations</b>				
Land	\$ 359,338,076	\$ 276,693,108	\$ 267,024,142	\$ 174,631,876
Improvements	1,553,766,233	1,135,455,857	714,016,706	431,209,570
Personal property	16,404,401	13,317,673	5,480,658	3,557,110
Exemptions	<u>(232,773,930)</u>	<u>(178,882,095)</u>	<u>(143,663,729)</u>	<u>(135,808,093)</u>
Total property valuations	<u>\$ 1,696,734,780</u>	<u>\$ 1,246,584,543</u>	<u>\$ 842,857,777</u>	<u>\$ 473,590,463</u>
<b>Tax Rates per \$100 Valuation</b>				
Debt service tax rates	\$ 0.80000	\$ 0.62000	\$ 0.63000	\$ 0.61500
Maintenance tax rates*	<u>0.11000</u>	<u>0.31000</u>	<u>0.36000</u>	<u>0.38500</u>
Total tax rates per \$100 valuation	<u>\$ 0.9100</u>	<u>\$ 0.9300</u>	<u>\$ 0.9900</u>	<u>\$ 1.0000</u>
<b>Tax Levy</b>	<u>\$ 15,440,287</u>	<u>\$ 11,593,236</u>	<u>\$ 8,344,292</u>	<u>\$ 4,735,904</u>
<b>Percent of Taxes Collected to Taxes Levied**</b>	<u>99%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

\*Maximum tax rate approved by voters: \$1.50 on November 5, 2013

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

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2018</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 105,000	\$ 135,044	\$ 240,044
2026	110,000	131,818	241,818
2027	115,000	128,444	243,444
2028	125,000	124,766	249,766
2029	130,000	120,699	250,699
2030	135,000	116,309	251,309
2031	140,000	111,581	251,581
2032	150,000	106,506	256,506
2033	155,000	101,169	256,169
2034	165,000	95,466	260,466
2035	170,000	89,288	259,288
2036	180,000	82,725	262,725
2037	185,000	75,881	260,881
2038	195,000	68,756	263,756
2039	205,000	61,128	266,128
2040	215,000	52,991	267,991
2041	225,000	44,466	269,466
2042	235,000	35,553	270,553
2043	245,000	26,100	271,100
2044	260,000	16,000	276,000
2045	270,000	5,400	275,400
<b>Totals</b>	<b>\$ 3,715,000</b>	<b>\$ 1,730,090</b>	<b>\$ 5,445,090</b>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2018 Road</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 140,000	\$ 191,694	\$ 331,694
2026	145,000	185,994	330,994
2027	150,000	180,094	330,094
2028	155,000	173,994	328,994
2029	160,000	167,693	327,693
2030	170,000	161,094	331,094
2031	175,000	154,194	329,194
2032	185,000	146,878	331,878
2033	190,000	139,144	329,144
2034	200,000	130,974	330,974
2035	210,000	122,263	332,263
2036	215,000	113,097	328,097
2037	225,000	103,472	328,472
2038	235,000	93,262	328,262
2039	245,000	82,462	327,462
2040	255,000	71,212	326,212
2041	265,000	59,512	324,512
2042	280,000	47,250	327,250
2043	290,000	34,425	324,425
2044	305,000	21,038	326,038
2045	315,000	7,088	322,088
<b>Totals</b>	<b>\$ 4,510,000</b>	<b>\$ 2,386,834</b>	<b>\$ 6,896,834</b>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2019</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 275,000	\$ 254,569	\$ 529,569
2026	290,000	245,481	535,481
2027	305,000	239,531	544,531
2028	320,000	233,281	553,281
2029	335,000	226,731	561,731
2030	350,000	219,881	569,881
2031	365,000	212,732	577,732
2032	380,000	205,282	585,282
2033	400,000	197,481	597,481
2034	420,000	188,756	608,756
2035	440,000	179,082	619,082
2036	460,000	168,668	628,668
2037	480,000	157,507	637,507
2038	505,000	145,494	650,494
2039	525,000	132,618	657,618
2040	550,000	119,182	669,182
2041	575,000	105,118	680,118
2042	605,000	89,991	694,991
2043	635,000	72,525	707,525
2044	660,000	53,100	713,100
2045	695,000	32,775	727,775
2046	745,000	11,175	756,175
<b>Totals</b>	<b>\$ 10,315,000</b>	<b>\$ 3,490,960</b>	<b>\$ 13,805,960</b>



**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

Due During Fiscal Years Ending May 31	Series 2019 Road		
	Principal Due September 1	Interest Due September 1, March 1	Total
2025	\$ 570,000	\$ 490,425	\$ 1,060,425
2026	585,000	471,750	1,056,750
2027	605,000	459,850	1,064,850
2028	625,000	447,159	1,072,159
2029	645,000	433,263	1,078,263
2030	665,000	418,525	1,083,525
2031	690,000	402,418	1,092,418
2032	710,000	384,919	1,094,919
2033	735,000	366,397	1,101,397
2034	760,000	346,300	1,106,300
2035	780,000	325,125	1,105,125
2036	805,000	302,325	1,107,325
2037	835,000	277,725	1,112,725
2038	860,000	252,300	1,112,300
2039	890,000	226,050	1,116,050
2040	920,000	198,900	1,118,900
2041	950,000	170,850	1,120,850
2042	980,000	141,900	1,121,900
2043	1,010,000	112,050	1,122,050
2044	1,045,000	81,225	1,126,225
2045	1,075,000	49,425	1,124,425
2046	1,110,000	16,650	1,126,650
Totals	<u>\$ 17,850,000</u>	<u>\$ 6,375,531</u>	<u>\$ 24,225,531</u>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2020</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 615,000	\$ 312,675	\$ 927,675
2026	615,000	288,075	903,075
2027	615,000	269,625	884,625
2028	615,000	257,325	872,325
2029	615,000	245,025	860,025
2030	615,000	232,725	847,725
2031	615,000	220,425	835,425
2032	615,000	208,125	823,125
2033	615,000	195,825	810,825
2034	615,000	183,525	798,525
2035	615,000	171,225	786,225
2036	615,000	158,541	773,541
2037	615,000	145,472	760,472
2038	615,000	132,018	747,018
2039	615,000	118,181	733,181
2040	615,000	104,344	719,344
2041	615,000	90,506	705,506
2042	615,000	76,669	691,669
2043	620,000	62,775	682,775
2044	620,000	48,825	668,825
2045	620,000	34,875	654,875
2046	620,000	20,925	640,925
2047	620,000	6,975	626,975
<b>Totals</b>	<b>\$ 14,170,000</b>	<b>\$ 3,584,681</b>	<b>\$ 17,754,681</b>

**Harris County Municipal Utility District No. 489  
Schedule of Long-Term Debt Service Requirements by Years  
May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2020 Road</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 300,000	\$ 150,512	\$ 450,512
2026	300,000	138,512	438,512
2027	300,000	129,512	429,512
2028	300,000	123,512	423,512
2029	300,000	117,512	417,512
2030	300,000	111,512	411,512
2031	300,000	105,512	405,512
2032	295,000	99,563	394,563
2033	295,000	93,663	388,663
2034	295,000	87,763	382,763
2035	295,000	81,863	376,863
2036	295,000	75,778	370,778
2037	295,000	69,509	364,509
2038	295,000	63,056	358,056
2039	295,000	56,419	351,419
2040	295,000	49,781	344,781
2041	295,000	43,144	338,144
2042	295,000	36,506	331,506
2043	295,000	29,869	324,869
2044	295,000	23,231	318,231
2045	295,000	16,594	311,594
2046	295,000	9,956	304,956
2047	295,000	3,319	298,319
Totals	<u>\$ 6,820,000</u>	<u>\$ 1,716,598</u>	<u>\$ 8,536,598</u>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2021</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 1,300,000	\$ 681,344	\$ 1,981,344
2026	1,300,000	642,343	1,942,343
2027	1,300,000	609,844	1,909,844
2028	1,300,000	583,844	1,883,844
2029	1,300,000	557,843	1,857,843
2030	1,300,000	531,844	1,831,844
2031	1,300,000	505,844	1,805,844
2032	1,300,000	479,843	1,779,843
2033	1,300,000	453,844	1,753,844
2034	1,300,000	427,844	1,727,844
2035	1,300,000	401,843	1,701,843
2036	1,300,000	375,844	1,675,844
2037	1,300,000	349,844	1,649,844
2038	1,300,000	323,843	1,623,843
2039	1,300,000	297,031	1,597,031
2040	1,325,000	269,141	1,594,141
2041	1,325,000	240,156	1,565,156
2042	1,325,000	210,344	1,535,344
2043	1,325,000	179,703	1,504,703
2044	1,325,000	148,234	1,473,234
2045	1,325,000	115,938	1,440,938
2046	1,325,000	82,813	1,407,813
2047	1,325,000	49,688	1,374,688
2048	1,325,000	16,563	1,341,563
<b>Totals</b>	<b>\$ 31,425,000</b>	<b>\$ 8,535,422</b>	<b>\$ 39,960,422</b>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2021A</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 275,000	\$ 153,675	\$ 428,675
2026	275,000	145,425	420,425
2027	275,000	138,550	413,550
2028	275,000	133,050	408,050
2029	290,000	127,400	417,400
2030	300,000	121,500	421,500
2031	300,000	115,500	415,500
2032	300,000	109,500	409,500
2033	300,000	103,500	403,500
2034	300,000	97,500	397,500
2035	300,000	91,500	391,500
2036	300,000	85,500	385,500
2037	300,000	79,500	379,500
2038	300,000	73,500	373,500
2039	300,000	67,312	367,312
2040	300,000	60,938	360,938
2041	300,000	54,375	354,375
2042	300,000	47,625	347,625
2043	300,000	40,687	340,687
2044	300,000	33,563	333,563
2045	300,000	26,250	326,250
2046	300,000	18,750	318,750
2047	300,000	11,250	311,250
2048	300,000	3,750	303,750
Totals	<u>\$ 7,090,000</u>	<u>\$ 1,940,100</u>	<u>\$ 9,030,100</u>

**Harris County Municipal Utility District No. 489  
Schedule of Long-Term Debt Service Requirements by Years  
May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Series 2022 Road</b>		
	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ 555,000	\$ 440,200	\$ 995,200
2026	555,000	420,775	975,775
2027	555,000	398,575	953,575
2028	555,000	376,375	931,375
2029	555,000	356,950	911,950
2030	555,000	340,300	895,300
2031	555,000	323,650	878,650
2032	555,000	307,000	862,000
2033	555,000	290,350	845,350
2034	555,000	273,700	828,700
2035	555,000	257,050	812,050
2036	555,000	240,400	795,400
2037	555,000	223,750	778,750
2038	555,000	207,100	762,100
2039	555,000	190,450	745,450
2040	555,000	173,800	728,800
2041	555,000	157,150	712,150
2042	555,000	139,806	694,806
2043	555,000	121,769	676,769
2044	550,000	103,813	653,813
2045	550,000	85,937	635,937
2046	550,000	67,375	617,375
2047	550,000	48,125	598,125
2048	550,000	28,875	578,875
2049	550,000	9,625	559,625
<b>Totals</b>	<b>\$ 13,845,000</b>	<b>\$ 5,582,900</b>	<b>\$ 19,427,900</b>

Harris County Municipal Utility District No. 489  
 Schedule of Long-Term Debt Service Requirements by Years  
 May 31, 2024

(Continued)

Due During Fiscal Years Ending May 31	Series 2022		
	Principal Due September 1	Interest Due September 1, March 1	Total
2025	\$ 980,000	\$ 1,200,531	\$ 2,180,531
2026	980,000	1,141,731	2,121,731
2027	980,000	1,082,931	2,062,931
2028	980,000	1,024,131	2,004,131
2029	980,000	965,331	1,945,331
2030	980,000	906,531	1,886,531
2031	980,000	857,531	1,837,531
2032	980,000	817,719	1,797,719
2033	980,000	776,681	1,756,681
2034	980,000	735,031	1,715,031
2035	980,000	692,769	1,672,769
2036	980,000	649,281	1,629,281
2037	980,000	604,569	1,584,569
2038	980,000	558,631	1,538,631
2039	980,000	512,082	1,492,082
2040	985,000	465,413	1,450,413
2041	985,000	418,010	1,403,010
2042	985,000	369,375	1,354,375
2043	985,000	320,125	1,305,125
2044	985,000	270,875	1,255,875
2045	985,000	221,625	1,206,625
2046	985,000	172,375	1,157,375
2047	985,000	123,125	1,108,125
2048	985,000	73,875	1,058,875
2049	985,000	24,625	1,009,625
Totals	\$ 24,550,000	\$ 14,984,903	\$ 39,534,903

Harris County Municipal Utility District No. 489  
 Schedule of Long-Term Debt Service Requirements by Years  
 May 31, 2024

(Continued)

Due During Fiscal Years Ending May 31	Series 2023		
	Principal Due September 1	Interest Due September 1, March 1	Total
2025	\$ -	\$ 1,054,625	\$ 1,054,625
2026	905,000	1,025,213	1,930,213
2027	905,000	966,388	1,871,388
2028	905,000	907,563	1,812,563
2029	905,000	848,738	1,753,738
2030	905,000	789,912	1,694,912
2031	900,000	742,500	1,642,500
2032	900,000	706,500	1,606,500
2033	900,000	670,500	1,570,500
2034	900,000	634,500	1,534,500
2035	900,000	598,500	1,498,500
2036	900,000	562,500	1,462,500
2037	900,000	526,500	1,426,500
2038	900,000	490,500	1,390,500
2039	900,000	454,500	1,354,500
2040	900,000	417,375	1,317,375
2041	900,000	379,125	1,279,125
2042	900,000	340,875	1,240,875
2043	900,000	302,062	1,202,062
2044	900,000	262,687	1,162,687
2045	900,000	222,750	1,122,750
2046	900,000	182,250	1,082,250
2047	900,000	141,750	1,041,750
2048	900,000	101,250	1,001,250
2049	900,000	60,750	960,750
2050	900,000	20,250	920,250
Totals	<u>\$ 22,525,000</u>	<u>\$ 13,410,063</u>	<u>\$ 35,935,063</u>



Harris County Municipal Utility District No. 489  
 Schedule of Long-Term Debt Service Requirements by Years  
 May 31, 2024

(Continued)

Due During Fiscal Years Ending May 31	Series 2023A		
	Principal Due September 1	Interest Due September 1, March 1	Total
2025	\$ -	\$ 1,591,769	\$ 1,591,769
2026	1,340,000	1,548,219	2,888,219
2027	1,340,000	1,461,119	2,801,119
2028	1,340,000	1,374,019	2,714,019
2029	1,340,000	1,286,919	2,626,919
2030	1,340,000	1,199,819	2,539,819
2031	1,340,000	1,129,469	2,469,469
2032	1,340,000	1,075,869	2,415,869
2033	1,340,000	1,022,269	2,362,269
2034	1,340,000	968,669	2,308,669
2035	1,340,000	915,069	2,255,069
2036	1,340,000	860,631	2,200,631
2037	1,340,000	805,356	2,145,356
2038	1,340,000	749,244	2,089,244
2039	1,340,000	692,294	2,032,294
2040	1,340,000	635,344	1,975,344
2041	1,340,000	577,556	1,917,556
2042	1,340,000	518,931	1,858,931
2043	1,340,000	459,469	1,799,469
2044	1,340,000	399,169	1,739,169
2045	1,340,000	338,869	1,678,869
2046	1,335,000	277,846	1,612,846
2047	1,335,000	216,103	1,551,103
2048	1,335,000	154,359	1,489,359
2049	1,335,000	92,615	1,427,615
2050	1,335,000	30,871	1,365,871
Totals	<u>\$ 33,475,000</u>	<u>\$ 20,381,866</u>	<u>\$ 53,856,866</u>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Series 2023 Road</b>			
<b>Due During Fiscal Years Ending May 31</b>	<b>Principal Due September 1</b>	<b>Interest Due September 1, March 1</b>	<b>Total</b>
2025	\$ -	\$ 577,800	\$ 577,800
2026	495,000	561,713	1,056,713
2027	495,000	529,538	1,024,538
2028	495,000	497,363	992,363
2029	495,000	465,188	960,188
2030	495,000	433,012	928,012
2031	495,000	407,025	902,025
2032	495,000	387,225	882,225
2033	495,000	367,425	862,425
2034	495,000	347,625	842,625
2035	495,000	327,825	822,825
2036	495,000	308,025	803,025
2037	495,000	288,225	783,225
2038	495,000	268,425	763,425
2039	495,000	248,625	743,625
2040	495,000	228,206	723,206
2041	495,000	207,168	702,168
2042	495,000	186,131	681,131
2043	495,000	164,784	659,784
2044	495,000	143,128	638,128
2045	490,000	121,275	611,275
2046	490,000	99,225	589,225
2047	490,000	77,175	567,175
2048	490,000	55,125	545,125
2049	490,000	33,075	523,075
2050	490,000	11,025	501,025
Totals	<u>\$ 12,345,000</u>	<u>\$ 7,341,356</u>	<u>\$ 19,686,356</u>

**Harris County Municipal Utility District No. 489**  
**Schedule of Long-Term Debt Service Requirements by Years**  
**May 31, 2024**

**(Continued)**

<b>Due During Fiscal Years Ending May 31</b>	<b>Annual Requirements For All Series</b>		
	<b>Total Principal Due</b>	<b>Total Interest Due</b>	<b>Total Principal and Interest Due</b>
2025	\$ 5,115,000	\$ 7,234,863	\$ 12,349,863
2026	7,895,000	6,947,049	14,842,049
2027	7,940,000	6,594,001	14,534,001
2028	7,990,000	6,256,382	14,246,382
2029	8,050,000	5,919,292	13,969,292
2030	8,110,000	5,582,964	13,692,964
2031	8,155,000	5,288,381	13,443,381
2032	8,205,000	5,034,929	13,239,929
2033	8,260,000	4,778,248	13,038,248
2034	8,325,000	4,517,653	12,842,653
2035	8,380,000	4,253,402	12,633,402
2036	8,440,000	3,983,315	12,423,315
2037	8,505,000	3,707,310	12,212,310
2038	8,575,000	3,426,129	12,001,129
2039	8,645,000	3,139,152	11,784,152
2040	8,750,000	2,846,627	11,596,627
2041	8,825,000	2,547,136	11,372,136
2042	8,910,000	2,240,956	11,150,956
2043	8,995,000	1,926,343	10,921,343
2044	9,080,000	1,604,888	10,684,888
2045	9,160,000	1,278,801	10,438,801
2046	8,655,000	959,340	9,614,340
2047	6,800,000	677,510	7,477,510
2048	5,885,000	433,797	6,318,797
2049	4,260,000	220,690	4,480,690
2050	2,725,000	62,146	2,787,146
<b>Totals</b>	<b>\$ 202,635,000</b>	<b>\$ 91,461,304</b>	<b>\$ 294,096,304</b>

**Harris County Municipal Utility District No. 489**  
**Changes in Long-Term Bonded Debt**  
**Year Ended May 31, 2024**

	<b>Bond</b>			
	<b>Series 2018</b>	<b>Series 2018 Road</b>	<b>Series 2019</b>	<b>Series 2019 Road</b>
Interest rates	3.00% to 4.00%	4.00% to 4.50%	2.00% to 4.50%	2.00% to 4.50%
Dates interest payable	September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1
Maturity dates	September 1, 2024/2044	September 1, 2024/2044	September 1, 2024/2045	September 1, 2024/2045
Bonds outstanding, beginning of current year	\$ 3,815,000	\$ 4,640,000	\$ 10,580,000	\$ 18,400,000
Bonds sold during current year	-	-	-	-
Retirements, principal	100,000	130,000	265,000	550,000
Bonds outstanding, end of current year	<u>\$ 3,715,000</u>	<u>\$ 4,510,000</u>	<u>\$ 10,315,000</u>	<u>\$ 17,850,000</u>
Interest paid during current year	<u>\$ 138,119</u>	<u>\$ 197,093</u>	<u>\$ 266,719</u>	<u>\$ 515,625</u>

Paying agent's name and address:

<b>Series 2018</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2018 Road</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2019</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2019 Road</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2020</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2020 Road</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2021</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2021A</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2022 Road</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas
<b>Series 2022</b>	- The Bank of New York Mellon Trust Company, N.A., Houston, Texas

Bond authority:	<b>Tax Bonds</b>	<b>Recreational Bonds</b>	<b>Road Bonds</b>	<b>Refunding Bonds</b>
Amount authorized by voters	<u>\$ 331,000,000</u>	<u>\$ 140,000,000</u>	<u>\$ 80,000,000</u>	<u>\$ 551,000,000</u>
Amount issued	<u>\$ 110,600,000</u>	<u>\$ 40,840,000</u>	<u>\$ 58,615,000</u>	<u>\$ -</u>
Remaining to be issued	<u>\$ 220,400,000</u>	<u>\$ 99,160,000</u>	<u>\$ 21,385,000</u>	<u>\$ 551,000,000</u>

Debt service fund cash and temporary investment balances as of May 31, 2024: \$ 16,321,321

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 11,311,396

**Issues**

<b>Series 2020</b>	<b>Series 2020 Road</b>	<b>Series 2021</b>	<b>Series 2021A</b>	<b>Series 2022 Road</b>	<b>Series 2022</b>
2.00% to 4.00%	2.00% to 4.00%	2.00% to 3.00%	2.00% to 3.00%	3.00% to 4.00%	4.00% to 6.00%
September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1	September 1/ March 1
September 1, 2024/2046	September 1, 2024/2046	September 1, 2024/2047	September 1, 2024/2047	September 1, 2024/2048	September 1, 2024/2048
\$ 14,785,000	\$ 7,120,000	\$ 32,725,000	\$ 7,365,000	\$ 14,400,000	\$ 24,550,000
-	-	-	-	-	-
615,000	300,000	1,300,000	275,000	555,000	-
<u>\$ 14,170,000</u>	<u>\$ 6,820,000</u>	<u>\$ 31,425,000</u>	<u>\$ 7,090,000</u>	<u>\$ 13,845,000</u>	<u>\$ 24,550,000</u>
<u>\$ 331,125</u>	<u>\$ 162,513</u>	<u>\$ 720,344</u>	<u>\$ 161,925</u>	<u>\$ 456,850</u>	<u>\$ 1,229,931</u>

**Harris County Municipal Utility District No. 489**  
**Changes in Long-Term Bonded Debt**  
**Year Ended May 31, 2024**

**(Continued)**

	<b>Bond Issues</b>			<b>Totals</b>
	<b>Series 2023</b>	<b>Series 2023A</b>	<b>Series 2023 Road</b>	
Interest rates	4.00% to 6.50%	4.00% to 6.50%	4.00% to 6.50%	
Dates interest payable	September 1/ March 1	September 1/ March 1	September 1/ March 1	
Maturity dates	September 1, 2025/2049	September 1, 2025/2049	September 1, 2025/2049	
Bonds outstanding, beginning of current year	\$ -	\$ -	\$ -	\$ 138,380,000
Bonds sold during current year	22,525,000	33,475,000	12,345,000	68,345,000
Retirements, principal	-	-	-	4,090,000
Bonds outstanding, end of current year	<u>\$ 22,525,000</u>	<u>\$ 33,475,000</u>	<u>\$ 12,345,000</u>	<u>\$ 202,635,000</u>
Interest paid during current year	<u>\$ 389,626</u>	<u>\$ 588,070</u>	<u>\$ 213,465</u>	<u>\$ 5,371,404</u>

Paying agent's name and address:

- Series 2023** - The Bank of New York Mellon Trust Company, N.A., Houston, Texas
- Series 2023A** - The Bank of New York Mellon Trust Company, N.A., Houston, Texas
- Series 2023 Road** - The Bank of New York Mellon Trust Company, N.A., Houston, Texas

**Harris County Municipal Utility District No. 489**  
**Comparative Schedule of Revenues and Expenditures – General Fund**  
**Five Years Ended May 31,**

	Amounts				
	2024	2023	2022	2021	2020
<b>General Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 2,067,491	\$ 3,796,185	\$ 3,124,670	\$ 1,784,484	\$ 940,068
Water service	1,454,484	1,146,864	929,760	740,747	462,887
Sewer service	2,554,457	2,091,461	1,784,959	1,328,184	749,884
Regional water fee	2,227,067	1,718,132	1,228,390	959,730	587,474
Penalty and interest	93,210	90,770	72,179	40,990	24,222
Tap connection and inspection fees	704,057	605,573	934,704	1,689,081	1,107,932
Sale of capacity	-	-	-	578,699	25,483
Investment income	418,290	190,702	7,001	2,863	7,847
Other income	972	4,954	992	-	241,833
Total revenues	<u>9,520,028</u>	<u>9,644,641</u>	<u>8,082,655</u>	<u>7,124,778</u>	<u>4,147,630</u>
<b>Expenditures</b>					
Service operations:					
Purchased services	2,222,514	2,362,269	1,690,063	1,059,022	593,166
Regional water fee	1,455,667	530,334	612,071	458,212	240,436
Professional fees	278,861	231,608	261,280	261,399	256,606
Contracted services	1,736,223	1,245,864	914,861	680,508	376,526
Utilities	92,308	91,743	73,681	57,679	42,870
Repairs and maintenance	1,626,973	1,547,226	1,662,351	1,630,079	1,154,500
Other expenditures	276,542	168,805	136,220	138,497	74,325
Tap connections	407,788	400,345	473,006	755,180	423,245
Capital outlay	-	117,471	-	-	32,050
Debt service, debt issuance costs	-	71,181	37,500	-	-
Total expenditures	<u>8,096,876</u>	<u>6,766,846</u>	<u>5,861,033</u>	<u>5,040,576</u>	<u>3,193,724</u>
<b>Excess of Revenues Over Expenditures</b>	1,423,152	2,877,795	2,221,622	2,084,202	953,906
<b>Other Financing Sources</b>					
Interfund transfers in	67,981	-	-	-	-
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	1,491,133	2,877,795	2,221,622	2,084,202	953,906
<b>Fund Balance, Beginning of Year</b>	8,402,560	5,524,765	3,303,143	1,218,941	265,035
<b>Fund Balance, End of Year</b>	<u>\$ 9,893,693</u>	<u>\$ 8,402,560</u>	<u>\$ 5,524,765</u>	<u>\$ 3,303,143</u>	<u>\$ 1,218,941</u>
<b>Total Active Retail Water Connections</b>	<u>3,497</u>	<u>3,141</u>	<u>2,804</u>	<u>2,357</u>	<u>1,482</u>
<b>Total Active Retail Wastewater Connections</b>	<u>3,374</u>	<u>3,020</u>	<u>2,700</u>	<u>2,255</u>	<u>1,406</u>

**Percent of Fund Total Revenues**

<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
21.7 %	39.4 %	38.7 %	25.1 %	22.7 %
15.3	11.9	11.5	10.4	11.2
26.8	21.7	22.1	18.6	18.1
23.4	17.8	15.2	13.5	14.1
1.0	0.9	0.9	0.6	0.6
7.4	6.3	11.5	23.7	26.7
-	-	-	8.1	0.6
4.4	2.0	0.1	0.0	0.2
0.0	0.0	0.0	-	5.8
100.0	100.0	100.0	100.0	100.0
23.4	24.5	20.9	14.9	14.3
15.3	5.5	7.6	6.4	5.8
2.9	2.4	3.2	3.7	6.2
18.2	12.9	11.3	9.5	9.1
1.0	1.0	0.9	0.8	1.0
17.1	16.0	20.6	22.9	27.8
2.9	1.8	1.7	1.9	1.8
4.3	4.2	5.8	10.6	10.2
-	1.2	-	-	0.8
-	0.7	0.5	-	-
85.1	70.2	72.5	70.7	77.0
14.9 %	29.8 %	27.5 %	29.3 %	23.0 %



**Harris County Municipal Utility District No. 489**  
**Comparative Schedule of Revenues and Expenditures – Debt Service Fund**  
**Five Years Ended May 31,**

	Amounts				
	2024	2023	2022	2021	2020
<b>Debt Service Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 13,859,382	\$ 7,584,511	\$ 5,442,107	\$ 2,803,922	\$ 680,800
Penalty and interest	119,541	75,706	74,934	19,546	5,453
Investment income	485,869	232,883	11,342	3,212	15,069
Other income	48,560	2,456	-	667	632
Total revenues	<u>14,513,352</u>	<u>7,895,556</u>	<u>5,528,383</u>	<u>2,827,347</u>	<u>701,954</u>
<b>Expenditures</b>					
Current:					
Professional fees	30,830	25,685	21,848	-	774
Contracted services	151,304	112,083	83,347	52,452	25,525
Other expenditures	12,575	10,211	10,115	7,440	5,932
Debt service:					
Principal retirement	4,090,000	1,930,000	970,000	330,000	100,000
Interest and fees	5,379,054	3,308,525	2,068,589	1,426,052	618,007
Total expenditures	<u>9,663,763</u>	<u>5,386,504</u>	<u>3,153,899</u>	<u>1,815,944</u>	<u>750,238</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	4,849,589	2,509,052	2,374,484	1,011,403	(48,284)
<b>Other Financing Sources</b>					
General obligation bonds issued	1,600,960	491,000	1,138,481	530,088	875,831
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	6,450,549	3,000,052	3,512,965	1,541,491	827,547
<b>Fund Balance, Beginning of Year</b>	9,635,670	6,635,618	3,122,653	1,581,162	753,615
<b>Fund Balance, End of Year</b>	<u>\$ 16,086,219</u>	<u>\$ 9,635,670</u>	<u>\$ 6,635,618</u>	<u>\$ 3,122,653</u>	<u>\$ 1,581,162</u>

**Percent of Fund Total Revenues**

<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
95.5 %	96.1 %	98.4 %	99.2 %	97.0 %
0.8	1.0	1.4	0.7	0.8
3.4	2.9	0.2	0.1	2.1
<u>0.3</u>	<u>0.0</u>	<u>-</u>	<u>0.0</u>	<u>0.1</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
0.2	0.3	0.4	-	0.1
1.0	1.4	1.5	1.8	3.6
0.1	0.1	0.2	0.3	0.9
28.2	24.5	17.5	11.7	14.2
<u>37.1</u>	<u>41.9</u>	<u>37.4</u>	<u>50.4</u>	<u>88.0</u>
<u>66.6</u>	<u>68.2</u>	<u>57.0</u>	<u>64.2</u>	<u>106.8</u>
<u>33.4 %</u>	<u>31.8 %</u>	<u>43.0 %</u>	<u>35.8 %</u>	<u>(6.8) %</u>

**Harris County Municipal Utility District No. 489  
Board Members, Key Personnel and Consultants  
Year Ended May 31, 2024**

Complete District mailing address:	Harris County Municipal Utility District No. 489 c/o Schwartz, Page & Harding, L.L.P. 1300 Post Oak Boulevard, Suite 2400 Houston, Texas 77056
District business telephone number:	713.623.4531
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	February 20, 2024
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

<u>Board Members</u>	<u>Term of Office Elected &amp; Expires</u>	<u>Fees*</u>	<u>Expense Reimbursements</u>	<u>Title at Year-End</u>
Anthony McBride	Elected 05/24- 05/28	\$ 2,431	\$ 471	President
Christian Carroll	Elected 05/24- 05/28	6,630	901	Vice President
Trace Salazar	Elected 05/22- 05/26	3,315	34	Secretary
Madison Barrington	Elected 05/24- 05/28	1,105	620	Assistant Secretary
Arlene Harper-Veith	Appointed 07/22- 05/26	2,210	8	Assistant Secretary
Ashley Poe	Elected 11/20-** 02/24	1,105	36	Resigned

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

\*\*May 2020 director election was deferred until November 2020.

**Harris County Municipal Utility District No. 489  
Board Members, Key Personnel and Consultants  
Year Ended May 31, 2024**

**(Continued)**

<b>Consultants</b>	<b>Date Hired</b>	<b>Fees and Expense Reimbursements</b>	<b>Title</b>
B&A Municipal Tax Services, LLC	12/01/13	\$ 63,319	Tax Assessor/ Collector
BGE, Inc.	02/27/08	256,091	Engineer
FORVIS, LLP	05/15/17	81,500	Auditor
Harris Central Appraisal District	Legislative Action	106,990	Appraiser
Inframark, LLC	02/10/15	2,112,164	Operator
Masterson Advisors LLC	04/16/18	938,198	Financial Advisor
Municipal Accounts & Consulting, L.P.	02/27/08	110,669	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	01/19/16	30,830	Delinquent Tax Attorney
Schwartz, Page & Harding, L.L.P.	02/27/08	127,840 1,277,503	General Counsel/ Bond Counsel
<b>Investment Officers</b>			
Mark M. Burton and Ghia Lewis	07/31/13	N/A	Bookkeepers