This Preliminary Official Statement and the information contained herein are subject to completion or amendment in a Final Official Statement. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the applicable securities laws of any such jurisdiction. Final written confirmation of the sale shall not be conclusive unless the Final Official Statement is delivered to the purchaser.

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 30, 2025

IN THE OPINION OF BOND COUNSEL (AS DEFINED HEREIN), BASED UPON AN ANALYSIS OF EXISTING LAWS, REGULATIONS, RULINGS AND COURT DECISIONS, AND ASSUMING, AMONG OTHER MATTERS, THE ACCURACY OF CERTAIN REPRESENTATIONS AND COMPLIANCE WITH CERTAIN COVENANTS, INTEREST ON THE BONDS (AS DEFINED HEREIN) IS EXCLUDED FROM GROSS INCOME OF THE OWNERS THEREOF FOR FEDERAL INCOME TAX PURPOSES UNDER EXISTING LAW, AND INTEREST ON THE BONDS IS NOT SUBJECT TO THE ALTERNATIVE MINIMUM TAX ON INDIVIDUALS; HOWEVER, SUCH INTEREST IS TAKEN INTO ACCOUNT IN DETERMINING THE ANNUAL ADJUSTED FINANCIAL STATEMENT INCOME OF APPLICABLE CORPORATIONS (AS DEFINED IN SECTION 59(K) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")) FOR PURPOSES OF DETERMINING THE ALTERNATIVE MINIMUM TAX IMPOSED ON CORPORATIONS. BOND COUNSEL EXPRESSES NO OPINION REGARDING ANY OTHER TAX CONSEQUENCES RELATED TO THE OWNERSHIP OR DISPOSITION OF, OR THE AMOUNT, ACCRUAL OR RECEIPT OF INTEREST ON, THE BONDS. SEE "TAX MATTERS" HEREIN.

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

NEW ISSUE | **RATINGS: (Moody's– underlying) "A1"**
BOOK-ENTRY ONLY
CUSIP No. 58320L

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT

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

$3,050,000

WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE BONDS, SERIES 2025

Bonds Dated: October 1, 2025 | **Due: October 1, as shown on inside cover**

The $3,050,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025 (the "Bonds") are obligations solely of Meadowhill Regional Municipal Utility District (the "District") and are not obligations of the State of Texas; Harris County, Texas; the City of Houston, Texas; or any other political subdivision or agency. See "THE BONDS--Source of and Security for Payment."

Interest on the Bonds will accrue from October 1, 2025, will be payable April 1, 2026 and each October 1 and April 1 thereafter, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds are issuable only in fully registered form in principal denominations of $5,000 or integral multiples thereof initially registered solely in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), acting as securities depository for the Bonds, until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, the Bonds shall be payable to Cede & Co., which will in turn, remit such amount to DTC participants for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS--Book-Entry-Only System."

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

SEE INSIDE COVER PAGE FOR MATURITY SCHEDULE

The Bonds, when issued, will constitute valid and legally binding obligations of the District and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District and from certain Net Revenues (as defined herein) of the District's water, sanitary sewer and drainage system (the "System"). See "THE BONDS--Source of and Security for Payment." The Bonds are subject to special investment considerations described herein. See "RISK FACTORS." **Neither the State of Texas, Harris County, Texas, the City of Houston, Texas, nor any political subdivision other than the District shall be obligated to pay the principal of and interest on the Bonds.**

The Bonds will be delivered when, as, and if issued by the District and accepted by the initial purchaser of the Bonds (the "Underwriter"), subject, amongst other things, to the approval of the Bonds by the Attorney General of the State of Texas and by the approval of certain legal matters by Johnson Petrov LLP, Houston, Texas, Bond Counsel and Orrick, Herrington & Sutcliffe LLP, Disclosure Counsel, Houston, Texas. Delivery of the Bonds is expected on October 1, 2025.

Receiving Bids Until: 11:00 a.m., Central Time, Tuesday, August 26, 2025

MATURITY SCHEDULE

Bonds Dated: October 1, 2025 **Due: October 1, as shown below**

Maturity	***Amount***	***Interest Rate***	***Initial Yield(a)***
2038(a)	$880,000	%	%
2039(a)	925,000	%	%
2040(a)	1,245,000	%	%

(a) Initial yield represents the initial reoffering yield to the public which has been established by the Underwriter for public offerings and which subsequently may be changed. The initial yields indicated above represent the lower of the yields resulting when priced to maturity or to the first call date. Accrued interest from October 1, 2025 is to be added to the price.

(b) Bonds maturing on or after October 1, 2038, are subject to redemption prior to maturity at the option of the District, as a whole or, from time to time, in part, on October 1, 2031, or on any date thereafter, at par plus accrued interest from the most recent interest payment date to the date fixed for redemption. See "THE BONDS–Optional Redemption."

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USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission ("Rule 15c2-12"), this document may be treated as an Official Statement of the District with respect to the Bonds described herein that has been deemed "final" by the District as of its date except for the omission of no more than the information permitted by Rule 15c2-12(b)(1).

This Official Statement, when further supplemented by adding information specifying the interest rates and certain other information relating to the Bonds, shall constitute a "Final Official Statement" of the District with respect to the Bonds, as that term is defined in Rule 15c2-12.

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

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

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

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

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

SALE AND DISTRIBUTION OF THE BONDS

Prices and Marketability

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

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

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

Securities Laws

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

Underwriter

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

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

Municipal Bond Rating

In connection with the sale of the Bonds, the District made application to Moody's Investors Service, Inc. ("Moody's"), which has assigned a rating of "A1" to the Bonds. An explanation of the significance of such rating may be obtained from Moody's. The rating reflects only the view of Moody's, and the District makes no representation as to the appropriateness of such rating.

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

SUMMARY

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

- The District -

Issuer/Description	Meadowhill Regional Municipal Utility District (the “District”), a political subdivision of the State of Texas, was created by the Texas Legislature as Dove Meadows Municipal Utility District in 1971 and changed its name to its current form, effective September 24, 2001. The District is located in Harris County, Texas, approximately 25 miles northwest of Houston's central business district, 12 miles northwest of the Houston Intercontinental Airport, and encompasses approximately 914.9182 acres. The District’s 2025 population is estimated at 11,100. The District is located within the exclusive extraterritorial jurisdiction of the City of Houston, Texas. See “THE DISTRICT–Description.”
Authority	The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including particularly Chapters 49 and 54 of the Texas Water Code, as amended. See "THE DISTRICT--Authority."
Development Within The District	Land within the District has been developed as the completed residential subdivisions of Dove Meadows, Sections 1-6; Windsor Forest; Covington Bridge, Sections 1-2; Spring Landing, Sections 1-2; Hannover Village, Sections 1-4; Meadowhill Run; Forest Ridge, Sections 1-3; and the Park at Meadowhill Run, Sections 1-5. As of June 2025, there were approximately 2,530 single family homes constructed in the District. The District also contains significant commercial and multifamily developments located along the three major thoroughfares traversing the District. The District contains six apartment complexes (with approximately 1,988 units), two hotels, one large office building, and a number of retail and restaurant buildings. There are two other apartment complexes under construction. In addition, there are approximately 94 commercial connections located within the District. See “THE DISTRICT–Development.”

- The Bonds -

Description	The $3,050,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025 (the “Bonds”) bear interest at the rates per annum set forth on the inside cover page hereof, from October 1, 2025, and are payable April 1, 2026 and each October 1 and April 1 thereafter until the earlier of maturity or prior redemption. The Bonds mature serially on October 1 in the years 2038 through 2040, inclusive, in the principal amounts set forth on the inside cover page hereof. Bonds scheduled to mature on or after October 1, 2038, are subject to optional redemption at the option of the District on any date on or after October 1, 2031, at a price of par plus accrued interest to the date of redemption. See "THE BONDS--Description” and “--Optional Redemption."
Source of Payment	Principal of and interest on the Bonds are payable from (a) the proceeds of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, levied against taxable property within the District and (b) a pledge of the Net Revenues (as defined herein), if any, of the District’s waterworks and sewer system. The Bonds are obligations of the District and are not obligations of Harris County, Texas; the State of Texas; the City of

	Houston, Texas; or any political subdivision other than the District. See "THE BONDS — Source of and Security for Payment."
Use of Proceeds	Proceeds of the Bonds will be used to reimburse Camelot 2920, LLC for clearing and grubbing, detention facilities, water and sewer facilities and drainage impact analysis for the Camelot 2920 tract; to reimburse Atlantic Urbana II-C Spring West, LLC for the costs associated with the drainage impact analysis to serve the Urbana Springs tract; and to pay for land costs and tax payments for the Camelot 2920 Detention Land. Proceeds will also be used to pay up to two years' interest on funds advanced by developers, associated engineering costs, contingencies and to pay the costs of issuance of the Bonds. See "THE BONDS — Use and Distribution of Bond Proceeds."
Qualified Tax-Exempt Obligations	The District will designate the Bonds as "qualified tax-exempt obligations" pursuant to section 265(b) of the Internal Revenue Code of 1986, as amended, and represents that the total amount of tax-exempt bonds (including the Bonds) issued by it during the calendar year 2025 is not reasonably expected to exceed $10,000,000. See "TAX MATTERS--Qualified Tax-Exempt Obligations."
Payment Record	The District has never defaulted on the payment of any bond obligation. See "DISTRICT DEBT."
Book-Entry Only System	The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry Only System described herein. Beneficial ownership of the Bonds may be acquired in principal denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal and interest on the Bonds will be payable by the UMB Bank N.A., Houston, Texas, the initial Paying Agent/Registrar, to Cede & Co. and Cede & Co. will make distribution of the amounts so paid to the beneficial owners of the Bonds (see "THE BONDS--Book-Entry Only System").
Bond Counsel	Johnson Petrov LLP, Houston, Texas. See "LEGAL MATTERS" and "TAX MATTERS."
Disclosure Counsel	Orrick, Herrington & Sutcliffe LLP, Houston, Texas.
Financial Advisor	Blitch Associates, Inc., Houston, Texas.
Municipal Bond Rating	The District made application to Moody's Investors Service, Inc., which has assigned a rating of "A1" to the Bonds based upon the District's underlying credit. See "SALE AND DISTRIBUTION OF THE BONDS–Municipal Bond Rating."

RISK FACTORS

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

- Financial Highlights -
(Unaudited)

2024 Taxable Assessed Valuation (100% of Market Value)		$1,092,701,93	(a)
Direct Debt			
Outstanding Bonds (As of August 1, 2025)		$29,255,000	
The Bonds		3,050,000	
Total Direct Debt		$32,305,000	
Estimated Overlapping Debt		59,647,296	(b)
Total Direct and Estimated Overlapping Debt		$91,952,296	
Direct Debt Ratios:			
Direct Debt to Value		2.96%	
Direct & Estimated Overlapping Debt to Value		8.42%	
2024 Tax Rate per $100 of Assessed Value			
Debt Service		$0.240	
Maintenance		0.311	
Total		$0.551	
	Current	***Total***	
2023 Tax Collection Percentage	98.94%	99.89%	(c)
Five-Year Average (2019/2023) Collection Percentage	99.25%	99.25%	
Estimated Average Annual Debt Service Requirements (2026/2040)		$2,701,004	(d)
Estimated Maximum Annual Debt Service Requirements (2026)		$2,817,815	(d)
Tax Rate Required to pay such Requirements at 98% Collection			
Estimated Average (2026/2040)		$0.253	
Estimated Maximum (2026)		$0.264	
Fund Balances as of July 21, 2025 (Cash & Investments)			
General Fund		$17,342,924	
Debt Service Fund		$4,907,437	
Capital Projects Fund		$2,561	

(a) Represents the taxable assessed valuation in the District as of January 1, 2024, as certified by the Harris Central Appraisal District (the "Appraisal District"). See "TAX PROCEDURES."
(b) See "DISTRICT DEBT--Estimated Overlapping Debt."
(c) 2024 tax collections still in progress; see "TAX DATA–Tax Collection History."
(d) Such requirements are on the Bonds and the Outstanding Bonds (defined herein).

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
(A political subdivision of the State of Texas located within Harris County, Texas)
$3,050,000
WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE BONDS, SERIES 2025

This Official Statement of Meadowhill Regional Municipal Utility District (the "District") is provided to furnish certain information with respect to the sale by the District of its $3,050,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025 (the "Bonds") to the winning bidder for the Bonds (the "Underwriter"). The Bonds are issued pursuant to the Texas Constitution, the general laws of the State of Texas, an order of the Texas Commission on Environmental Quality ("TCEQ"), and an order authorizing the issuance of the Bonds (the "Bond Order") adopted by the Board of Directors of the District (the "Board"), Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, as amended, and various elections held within the District. See "THE BONDS."

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

THE BONDS

Description

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

The Bonds will mature on October 1 of the years and in principal amounts, and will bear interest from October 1, 2025, at the rates per annum, set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable on April 1, 2026, and semiannually thereafter on each October 1 and April 1 thereafter until the earlier of maturity or redemption. Principal of and interest on the Bonds will be payable to Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), by the paying agent/registrar, initially UMB Bank N.A., Houston, Texas (the "Paying Agent/Registrar"). Cede & Co. will make distribution of the principal and interest so paid to the beneficial owners of the Bonds. For so long as DTC shall continue to serve as securities depository for the Bonds, all transfers of beneficial ownership interest will be made by book-entry only and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of the Bonds is to receive, hold or deliver any Bond certificate.

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

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

Book-Entry-Only System

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

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

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

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

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

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

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

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

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

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

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

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

Use of Certain Terms in Other Sections of this Official Statement. In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Bond Order will be given only to DTC. Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the District, the Financial Advisor, nor the Underwriter.

Use of Proceeds

Proceeds of the Bonds will be used to reimburse Camelot 2920, LLC for clearing and grubbing, detention facilities, water and sewer facilities and drainage impact analysis for the Camelot 2920 tract; to reimburse Atlantic Urbana II-C Spring West, LLC for the costs associated with the drainage impact analysis to serve the Urbana Springs tract; and to pay for land costs and tax payments for the Camelot 2920 Detention Land. Proceeds will also be used to pay up to two years' interest on funds advanced by developers, associated engineering costs, contingencies and to pay the costs of issuance of the Bonds.

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

Construction Costs	
Developer Projects	
Camelot 2920 Clearing & Grubbing	$128,240
Detention Facilities–Camelot 2920	496,427
Water & Storm Sewer–Camelot 2920	770,863
Drainage Impact Analysis for Camelot 2920	19,350
Drainage Impact Analysis for Urbana	39,050
Engineering & Surveying	287,236
Subtotal Developer Projects	$1,741,166
District Projects	
Camelot 2920 Detention Land Costs	$535,838
Ad Valorem Tax Payments	212,340
Subtotal District Projects	$748,178
Total Construction Costs	$2,489,344
Non-Construction Costs	
Bond Application Cost	$70,000
Bond Counsel	61,000
Developer Interest (5.00% for 2 Years)	203,179
Financial Advisor	45,625
Discount (3.00%)	91,500
TCEQ Fee (0.25%)	7,625
Attorney General (0.10%)	3,050
Other Issuance Costs	78,677
Total Non-Construction Costs	$560,656
The Bonds	$3,050,000

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

Registration and Transfer

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

Optional Redemption

The District reserves the right, at its option, to redeem the Bonds maturing on or after October 1, 2038, in whole or in part in principal amounts of $5,000 or any integral multiple thereof on October 1, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed, the Paying Agent/Registrar shall select by lot those Bonds to be redeemed.

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

Ownership

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

Source of and Security for Payment

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

The Bonds are further payable from and secured by a pledge of and lien on certain Net Revenues, if any, of the District's waterworks, sanitary sewer and drainage system (the "System"). "Net Revenues" are defined in the Bond Order as all income or increment which may grow out of the ownership and operation of the District's System, less such funds as reasonably may be required to provide for the administration, efficient operation and adequate maintenance of the District's plants, facilities and improvements. It is not expected that the Net Revenues from the District's System will ever be used to pay debt service on the Bonds. The Net Revenues are dependent upon the sale of water and sewer services to users in the District, and no Net Revenues will be available if the costs of administering the District and the operations and maintenance costs of the System exceed the gross revenues from such sales.

Replacement of Paying Agent/Registrar

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

Authority for Issuance

The District has previously issued eighteen installments of bonds in the aggregate principal amount of $51,065,000 for waterworks, sanitary sewer and drainage facilities authorized at various elections held within the District for that purpose in 1971, 1981, 1999 and 2003. Following issuance of the Bonds, an aggregate of $15,150,000 principal amount of unlimited tax and revenue bonds will remain authorized but unissued. Additionally, unlimited tax and revenue refunding bonds in the amount of 150% of the remaining outstanding bonds have been authorized by the District's voters. See "Issuance of Additional Debt."

The Bonds are issued pursuant to the Bond Order; Chapters 49 and 54 of the Texas Water Code, as amended; Chapter 1201, Texas Government Code, as amended; and Article XVI, Section 59 of the Texas Constitution.

Outstanding Debt

In addition to bonds issued by the District that have been retired or refunded, the District has previously issued $1,220,000 Unlimited Tax and Revenue Bonds, Series 2012 (the "Series 2012 Bonds); $9,760,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2013 (the "Series 2013 Refunding Bonds"); $3,565,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2014 (the "Series 2014 Refunding Bonds"); $6,180,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2015 (the "Series 2015 Refunding Bonds"); $2,600,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2016 (the "Series 2016 Bonds"); $3,980,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2017 (the "Series 2017 Bonds"); $5,195,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2020 (the "Series 2020 Refunding Bonds"); and $6,235,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2023 (the "Series 2023 Bonds").

As of August 1, 2025, $355,000 of the Series 2012 Bonds; $7,415,000 of the Series 2013 Refunding Bonds; $2,015,000 of the Series 2014 Refunding Bonds; $5,050,000 of the Series 2015 Refunding Bonds; $1,595,000 of the Series 2016 Bonds; $3,555,000 of the Series 2017 Bonds; $3,125,000 of the Series 2020 Refunding Bonds; and $6,145,000 of the Series 2023 Bonds remain outstanding (collectively, the "Outstanding Bonds"). The District has timely made payments due on the Outstanding Bonds.

Issuance of Additional Debt

The District may issue additional bonds to provide those improvements for which the District was created. Following the issuance of the Bonds, $15,150,000 unlimited tax and revenue bonds authorized by the District's voters will remain unissued. The District does not expect to issue additional bonds within the next year.

According to the District's Engineer, the remaining authorized but unissued bonds will be sufficient to extend the utility system to the remaining undeveloped acres within the District. Depending upon the rate of development and increases in assessed valuation of taxable property within the District and the amount, maturity schedule and time of issuance of such additional bonds, increases in the District's annual tax rate may be required to provide for the payment of the principal of and interest on such additional bonds, the Outstanding Bonds and the Bonds. Additional tax bonds and/or tax and revenue bonds may be voted in the future. The Board is further empowered to borrow money for any lawful purpose and pledge the revenues of the waterworks and sewer system therefor and to issue bond anticipation notes and tax anticipation notes.

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

Defeasance

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

Mutilated, Lost, Stolen or Destroyed Bonds

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

Annexation and Consolidation

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

The District lies within the ETJ of the City of Houston, Texas (the "City"), a home rule municipality. The District may not be annexed for full purposes by the City except as may be specifically authorized by Chapter 43, Local Government Code, as amended. Any authorized annexation is subject to compliance by the City with various requirements of Chapter 43, Local Government Code. Such requirements include the requirement that the City hold an election in the District whereby the qualified voters of the District approve the proposed annexation. Further, if the voters in the area to be annexed do not own more than 50% of the land in the area, a petition signed by more than 50% of the landowners consenting to the annexation is also required. If the District is annexed, the City must assume the District's assets and obligations (e.g., the Bonds and the Outstanding Bonds) and abolish the District within ninety (90) days of the date of annexation. Annexation of territory by the City is a policy-making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that the City will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City to make debt service payments should the annexation occur.

Amendments to the Bond Order

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

Registered Owners' Remedies and Effects of Bankruptcy

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

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

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

Bankruptcy Limitation to Registered Owners' Rights

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

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

Legal Investment and Eligibility to Secure Public Funds in Texas

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

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

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

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

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

THE DISTRICT

Authority

Meadowhill Regional Municipal Utility District was created as Dove Meadows Municipal Utility District pursuant to Article XVI, Section 59 of the Texas Constitution by special act of the 62nd Legislature of Texas, 1971 Regular Session, Art. 8280-525, V.A.C.S. On September 24, 2001, the Texas Natural Resource Conservation Commission (predecessor to the TCEQ) issued *An Order Approving A Request By Dove Meadows Municipal Utility District To Change Its Name To Meadowhill Regional Municipal Utility District*, effective as of that date. The District is vested with all of the rights, privileges, authority, and functions conferred by the general laws of the State applicable to municipal utility districts, including without limitation those conferred by Chapter 54, Texas Water Code, as amended. The District is empowered to purchase, construct, operate, acquire, own, and maintain all water and wastewater facilities, improvements and the control and diversion of storm water. The District is additionally empowered to establish, operate and maintain a fire department, independently or with one or more other conservation and reclamation districts, and to issue bonds for such purposes, after approval by the City of Houston, Texas and the TCEQ and the District's voters. The District is subject to the continuing supervisory jurisdiction of the TCEQ.

Description

Originally created with 191.7686 acres, through various annexations, the District currently encompasses approximately 914.9182 acres. The District is located approximately 25 miles northwest of Houston's central business district, two miles west of U.S. Interstate Highway 45 and approximately 12 miles northwest of Houston's Intercontinental Airport. The northern boundary of the District, except for the approximately 64-acre Forest Ridge subdivision and the 4.4 acre Lindsey Tract, is Spring-Stuebner Road. Property in the District fronts on both the north and south sides of FM 2920. The southern border of the District is located south of Spring Cypress Road east of Falvel Road. The District lies entirely within the exclusive extraterritorial jurisdiction of the City of Houston and is located within the Klein Independent School District.

Land within the District is primarily single-family residential in nature, but also includes significant commercial and multifamily development along the major thoroughfares. Undeveloped acreage generally consists of partially open fields with small clusters of trees and underlying brush. The District lies in an elevated area between Spring and Cypress Creeks, and according to the Federal Emergency Management Agency's Flood Insurance Rate Maps for Harris County effective June 18, 2007, all of the land located within the District lies outside the 100-year flood plain except for small areas located within the drainage channels, right of way, or immediately adjacent to it, of the Harris County Flood Control District Channel No. K-124-02-00 and No. K-120-03-00. The average ground elevation varies from 139 feet mean sea level ("msl") to approximately 128 feet msl, and has a natural drainage toward the Harris County Flood Control District's drainage ditches.

Management of the District

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

Name	Title	Term Expires
Alan E. Liczwek	President	May, 2026
Douglas Larkins	Vice President	May, 2028
Edward Varosky	Secretary/Treasurer	May, 2028
Michael Gleason	Assistant Secretary/Treasurer	May, 2028
Cassandra Woods	Director	May, 2026

The District contracts for the services indicated below:

Auditor - The District's audited financial statements for the year ended September 30, 2024, were prepared by McCall Gibson Swedlund Barfoot Ellis PLLC, Houston, Texas, Certified Public Accountants. A copy of such audit appears herein as Appendix A–Financial Statement of the District.

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

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

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

Engineer - The consulting engineer for the District is IDS Engineering Group, Inc.

Operator - The District's System is operated by TNG Utility Corp., Spring, Texas.

Tax Assessor/Collector - The District's Tax Assessor/Collector is Bob Leared Interests, Inc., Houston, Texas.

Development

Land within the District has been developed as the completed residential subdivisions of Dove Meadows, Sections 1-6; Windsor Forest; Covington Bridge, Sections 1-2; Spring Landing, Sections 1-2; Hannover Village, Sections 1-4; Meadowhill Run; Forest Ridge, Sections 1-3; and the Park at Meadowhill Run, Sections 1-5. As of June 2025, there were approximately 2,585 single family homes constructed in the District.

The District also contains significant commercial and multifamily developments located along the three major thoroughfares traversing the District. The District contains six apartment complexes (with approximately 2,007 units), two hotels, one large office building, and a number of retail and restaurant buildings. There are two other apartment complexes under construction. In addition, there are approximately 94 commercial connections located within the District.

Summary of Acreage

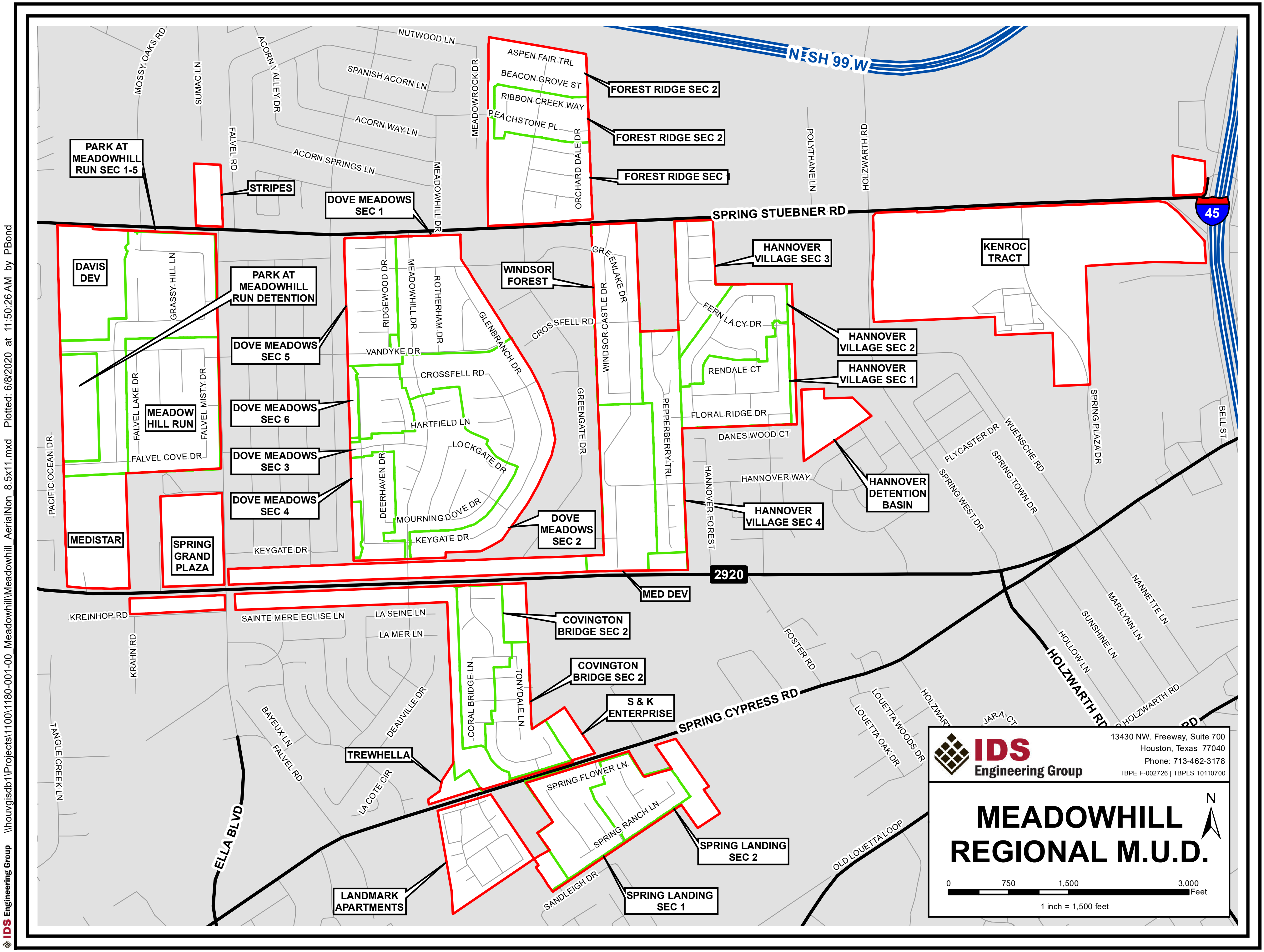
	Acres (Approx.)
Developed from Proceeds of the Outstanding Bonds	836.45
To be Developed from the Bonds	25.29
Currently Developed to be Financed by Future Bonds	28.87
Remaining Developable Acreage	5.87
Plant and Detention Sites	13.44
Streets and Easements	5.00
Total Acres in District	914.92

The Developers

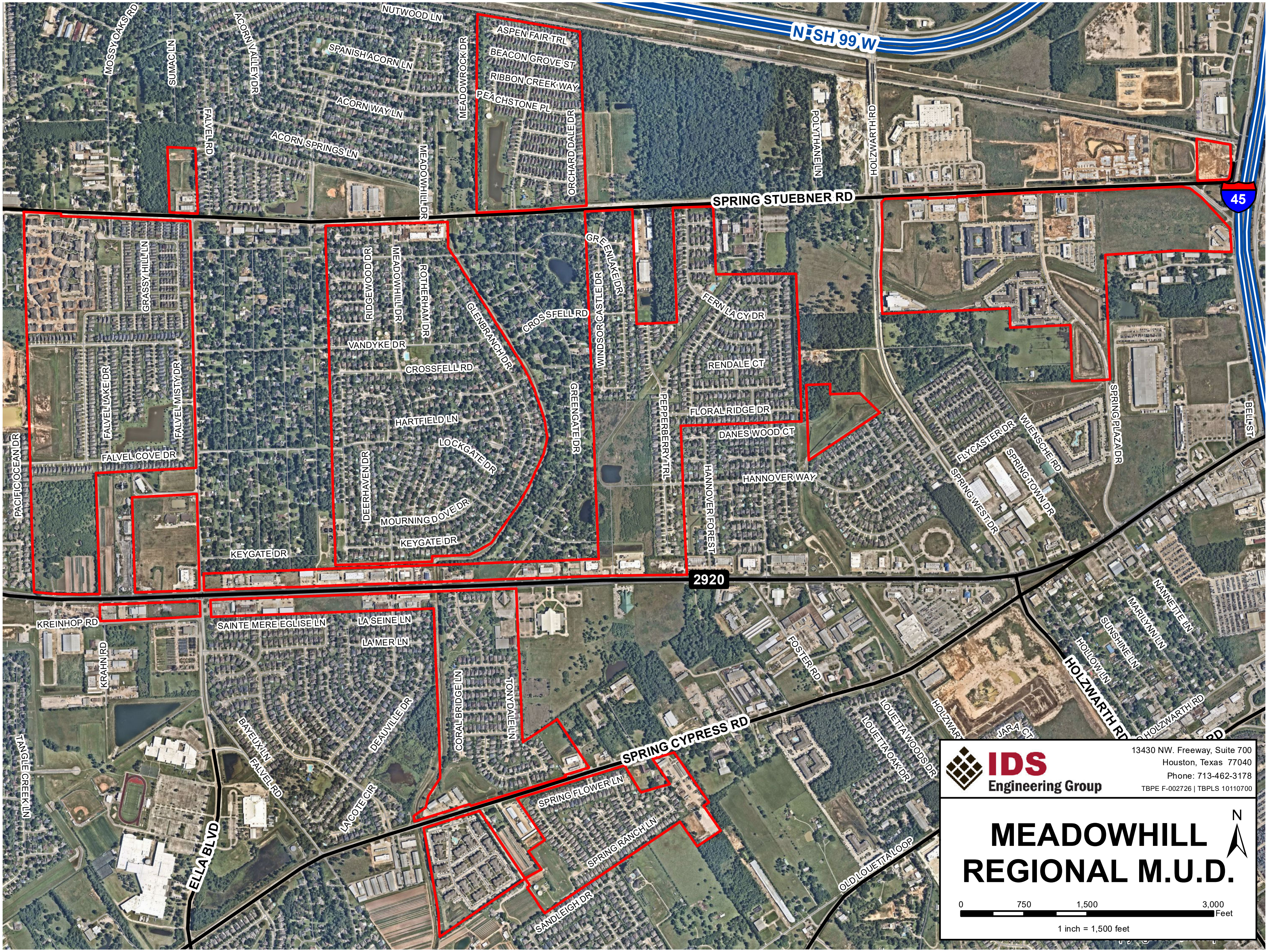
All planned single family residential subdivisions are complete and built out. The Kenroc commercial subdivision utilities are mostly complete. Individual building construction within Kenroc continues and currently includes the 288-unit Northwoods Apartments. Camelot 2920 Development has recently completed their 314-unit Virtuo Apartments on FM 2920. Urbana Springs LCC is nearing completion of their Urbana Townhomes development on FM 2920.

Prospective purchasers of the Bonds should note that the prior real estate experience of a developer should not be construed as an indication that further development within the District will occur, construction of taxable improvements upon property within the District will occur, or that marketing or leasing of taxable improvements constructed upon property within the District will be successful. Circumstances surrounding development within the District may differ from circumstances surrounding development of other land in several respects, including the existence of different economic conditions, financial arrangements, homebuilders, geographic location, market conditions, and regulatory climate.

Map of the District



Aerial Map of the District



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IDS Engineering Group

Photographs Taken in the District (June 2025)







Bass Pro Shops
OUTDOOR WORLD
ASCEND


2209
AT&T


VCA
FOUR SEASONS
ANIMAL HOSPITAL


CVS pharmacy
CVS pharmacy


GREASE MONKEY
GREASE MONKEY


Vale


TERRITORY 2920

DISTRICT DEBT

Debt Statement

2024 Taxable Assessed Valuation (100% of Market Value)	$1,092,701,93	(a)
Direct Debt		
Outstanding Bonds (As of August 1, 2025)	$29,255,000	
The Bonds	3,050,000	
Total Direct Debt	$32,305,000	
Estimated Overlapping Debt	59,647,296	(b)
Total Direct and Estimated Overlapping Debt	$91,952,296	
Direct Debt Ratios:		
Direct Debt to Value	2.96%	
Direct & Estimated Overlapping Debt to Value	8.42%	
Estimated Average Annual Debt Service Requirements (2026/2040)	$2,701,004	(c)
Estimated Maximum Annual Debt Service Requirements (2026)	$2,817,815	(c)
Fund Balances as of July 21, 2025 (Cash & Investments)		
General Fund	$17,342,924	
Debt Service Fund	$4,907,437	
Capital Projects Fund	$2,561	

(a) Represents the taxable assessed valuation in the District as of January 1, 2024, as certified by the Appraisal District. See "TAX PROCEDURES."
(b) See "Estimated Overlapping Debt," below.
(c) Such requirements are on the Bonds and the Outstanding Bonds.

Estimated Overlapping Debt

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

Jurisdiction	***Debt As Of August 1, 2025***	***Overlapping Percent***	***Overlapping Amount***	
Harris County (a)	$2,424,019,039	0.164%	$3,975,391	
Harris Co Department of Education	28,960,000	0.164%	47,494	
Harris Co Flood Control District	968,445,000	0.164%	1,588,250	
Harris Co Hospital District	867,820,000	0.164%	1,423,225	
Klein Independent School District	1,338,185,000	3.101%	41,497,117	
Lone Star College System	471,270,000	0.333%	1,569,329	
Port of Houston Authority	406,509,397	0.164%	666,675	
Spring Independent School District	822,205,000	1.080%	8,879,814	
Estimated Overlapping Debt			$59,647,296	
The District			32,305,000	
Total Direct & Estimated Overlapping Debt			$91,952,296	(b)

(a) Includes $252,230,000 Flood Control Contract Bonds, payable from Harris County tax funds.
(b) The Total Direct & Estimated Overlapping Debt attributable to District residents within the Klein Independent School District is $83,072,482 and to those within the Spring Independent School District, $50,455,179.

Historical Operations of the Debt Service Fund

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

	Fiscal Years Ended September 30,				
	2024	***2023***	***2022***	***2021***	***2020***
Revenues					
Property Tax	$2,400,451	$2,541,525	$2,636,858	$2,234,764	$2,343,016
Penalty & Interest	50,028	43,746	38,484	55,542	37,759
Interest & Other Income	234,268	191,059	30,363	2,204	22,909
Total Revenues	$2,684,747	$2,776,330	$2,705,705	$2,292,510	$2,403,684
Expenditures					
Principal	$1,445,000	$1,400,000	$775,000	$1,965,000	$1,310,000
Interest & Fees	985,119	894,207	925,206	897,657	1,042,962
Cost of Collection	122,143	113,600	106,997	99,103	97,611
Total Expenditures	$2,552,262	$2,407,807	$1,807,203	$2,961,760	$2,450,573
Net Revenues (Expenditures)	$132,485	$368,523	$898,502	($669,250)	($46,889)
Fund Balance (October 1)	4,824,315	4,455,792	3,557,290	4,226,540	4,281,591
Proceeds of Bonds (Net)	0	0	0	0	(8,162)
Fund Balance (September 30)	$4,956,800	$4,824,315	$4,455,792	$3,557,290	$4,226,540
Cash & Investments (Sep 30)(a)	$5,127,379	$5,006,577	$4,614,472	$3,744,311	$4,252,053

(a) The Auditor has adjusted the Debt Service Fund to record the October 1 debt service payment in the period due rather than when paid. Accordingly, both the Fund Balance and the Cash & Investments at September 30 include the October 1 payment.

Pro Forma Debt Service Schedule

The following sets forth the debt service requirements on the District's Outstanding Bonds and assumes an interest rate of 5.00% on the Bonds (*Note: Totals may not add due to rounding*):

Year	*Outstanding Debt Service*	*The Bonds Principal*	*The Bonds Interest*	*The Bonds Total*	*Grand Total Debt Service*
2025	$2,655,506				$2,655,506
2026	2,652,606		$165,208	$165,208	2,817,815
2027	2,652,181		152,500	152,500	2,804,681
2028	2,653,888		152,500	152,500	2,806,388
2029	2,649,056		152,500	152,500	2,801,556
2030	2,649,269		152,500	152,500	2,801,769
2031	2,646,606		152,500	152,500	2,799,106
2032	2,648,713		152,500	152,500	2,801,213
2033	2,646,513		152,500	152,500	2,799,013
2034	2,647,363		152,500	152,500	2,799,862
2035	2,647,463		152,500	152,500	2,799,963
2036	2,644,263		152,500	152,500	2,796,763
2037	2,640,788		152,500	152,500	2,793,288
2038	1,762,800	$880,000	152,500	1,032,500	2,795,300
2039	1,757,600	925,000	108,500	1,033,500	2,791,100
2040	0	1,245,000	62,250	1,307,250	1,307,250
	$37,954,613	$3,050,000	$2,165,958	$5,215,958	$43,170,571

Estimated Combined Average Annual Debt Service (2026/2040)	$2,701,004
Estimated Combined Maximum Annual Debt Service (2026)	$2,817,815

TAX PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in sufficient amount to pay the principal of and interest on the District's Outstanding Bonds, the Bonds and any additional bonds payable from taxes which the District may hereafter issue, and to pay the expenses of assessing and collecting such taxes. The Board is also authorized to levy and collect annual ad valorem taxes for the administration, operation and maintenance of the District and its properties and for the payment of certain contractual obligations other than bonds if such taxes are authorized by vote of the District's electors at an election. At an election held within the District on November 29, 1971, the voters in the District authorized the levy of a maintenance and operation tax without limitation as to rate. Currently, a maintenance and operation tax of $0.311 per $100 assessed value is levied within the District.

Property Tax Code and County-Wide Appraisal Districts

Title I of the Texas Tax Code (the "Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Tax Code are complex and are not fully summarized here. The Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units within a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Appraisal District has the responsibility of appraising property for all taxing units within the County including the District. Such appraisal values will be subject to review and change by the Harris Central Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes, and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to: property owned by the State of Texas or its political subdivisions, if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies and personal effects; certain goods, wares, and merchandise in transit; certain farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; and most individually-owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons 65 years or older and certain disabled persons, to the extent deemed advisable by the Board of Directors of the District. The District currently grants a homestead exemption of $100,000 to persons who are 65 years of age or older and to disabled homestead owners; however such exemption will increase to $120,000 for the 2025 tax roll. The District may be required to offer such exemptions if a majority of voters approve same at an election. The District would be required to call an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans or the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces, if requested, but only to the maximum extent of between $5,000 and $12,000 depending upon the disability rating of the veteran claiming the exemption. A veteran who receives a disability rating of 100% is entitled to an exemption for the full value of the veteran's residence homestead. Furthermore, qualifying surviving spouses of persons 65 years of age and older are entitled to receive a resident homestead exemption equal to the exemption received by the deceased spouse. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization. This exemption will also apply to a residence homestead that was donated by a charitable organization at some cost to such veterans. Also, the surviving spouse of a member of the armed forces who was killed in action is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the service member's death and said property was the service member's residence homestead at the time of death. Such exemption may be transferred to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

The surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the first responder's death, and said property was the first responder's residence homestead at the time of death. Such exemption would be transferred to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

Residential Homestead Exemption: The Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. The District currently grants the 20% homestead exemption.

Freeport Goods Exemption: A "Freeport Exemption" applies to goods, wares, ores, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating for less than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to the same categories of tangible personal property which are covered by the Freeport Exemption, if, for tax year 2012 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2013 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in-transit personal property for all prior and subsequent years.

Tax Abatement

The County or the City may designate all or part of the area within the District as a reinvestment zone. Thereafter, the City (after annexation of the land within the District), the County, and the District, at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions. Currently, no part of the District has been designated as a reinvestment zone.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Tax Code. Nevertheless, certain land may be appraised at less than market value, as such is defined in the Tax Code. The Texas Constitution limits increases in the appraised value of residence homesteads to 10 percent annually regardless of the market value of the property.

The Tax Code permits land designated for agricultural use, open space or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price all of such property would bring if sold as a unit to a purchaser who would continue the business. Provisions of the Tax Code are complex and are not fully summarized here. Landowners wishing to avail themselves of the agricultural use, open space or timberland designation or residential real property inventory designation must apply for the designation and the appraiser is required by the Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it as to another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous five years for agricultural use and taxes for the previous five years for open space land and timberland.

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

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the District, may appeal orders of the Appraisal Review Board by filing a timely petition for review in district court. In such event, the property value in question may be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Code.

The Property Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. For those taxes billed at a later date and that become delinquent on or after June 1, they will also incur an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, may be rejected by taxing units. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement in writing and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in equal monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) sixty-five (65) years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continues to accrue during the period of deferral.

Rollback of Operation and Maintenance Tax Rate

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

Special Taxing Units

Special Taxing Units that adopt a total tax rate that would impose more than1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts

Developed Districts that adopt a total tax rate that would impose more than1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts

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

The District

A determination as to a district's status as a Special Taxing Unit, Developed District or Developing District will be made by the Board of Directors on an annual basis. For the 2024 tax rate, a determination has been made by the District's Board of Directors that the District be classified as a Developing District. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

District's Rights in the Event of Tax Delinquencies

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

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

Reappraisal of Property after Disaster

The Texas Tax Code provides that the governing body of a taxing unit located within an area declared to be a disaster area by the governor of the State of Texas may authorize reappraisal of all property damaged in the disaster at its market value immediately after the disaster. For reappraised property, the taxes are pro rated for the year in which the disaster occurred. The taxing unit assesses taxes prior to the date the disaster occurred based upon market value as of January 1 of that year. Beginning on the date of the disaster and for the remainder of the year, the taxing unit assesses taxes on the reappraised market value of the property. Although the Texas governor declared Harris County (and therefore the District) a disaster area after Hurricane Harvey, the District did not authorize a reappraisal of property in the District.

Tax Payment Installments after Disaster

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

TAX DATA

General

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

Tax Collection History

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

Tax Year	Assessed Valuation	Debt Tax Rate	M&O Tax Rate	Total Tax Rate	Tax Levy	Percent Current	Percent Total	Yr. End Sept. 30
2009	$291,058,395	$0.725	$0.215	$0.940	$2,683,853	98.40%	99.77%	2010
2010	287,565,809	0.725	0.215	0.940	2,697,053	97.72%	99.54%	2011
2011	287,861,877	0.712	0.228	0.940	2,699,980	99.02%	106.11%	2012
2012	272,802,856	0.772	0.168	0.940	2,569,982	98.91%	99.88%	2013
2013	289,503,175	0.700	0.175	0.875	2,516,883	99.12%	101.96%	2014
2014	329,226,487	0.500	0.290	0.790	2,599,459	99.15%	100.52%	2015
2015	323,512,973	0.620	0.170	0.790	2,553,882	99.32%	100.23%	2016
2016	392,607,083	0.620	0.170	0.790	3,092,055	99.00%	99.41%	2017
2017	503,789,318	0.490	0.260	0.750	3,798,230	98.22%	99.32%	2018
2018	546,170,582	0.450	0.270	0.720	3,953,237	99.26%	100.38%	2019
2019	608,351,903	0.380	0.315	0.695	4,296,430	99.24%	99.65%	2020
2020	685,541,641	0.350	0.330	0.680	4,682,543	99.49%	98.51%	2021
2021	739,092,560	0.350	0.330	0.680	5,118,539	99.50%	100.05%	2022
2022	850,570,014	0.300	0.320	0.620	5,354,927	99.05%	98.13%	2023
2023	957,126,220	0.255	0.312	0.567	5,440,202	98.94%	99.89%	2024
2024	1,092,701,93	0.240	0.311	0.551	5,971,101	98.18%	99.33%	2025(a)

(a) Collections through June 5, 2025 only.

Estimated Overlapping Taxes

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

	2 024 Tax Rates (a)	
Taxing Entities	***Spring I.S.D.***	***Klein I.S.D.***
Harris County	$0.385290	$0.385290
Harris Co. Department of Education	0.004799	0.004799
Harris Co. Emergency Service District No. 7	0.095775	0.095775
Harris Co. Emergency Service District No. 11	0.038294	0.038294
Harris Co. Flood Control District	0.048970	0.048970
Harris Co. Hospital District	0.163480	0.163480
Klein Independent School District (b)		1.011900
Lone Star College System	0.107600	0.107600
Port of Houston Authority	0.006150	0.006150
Spring Independent School District (b)	1.106900	
Total Overlapping Taxes	$2.021116	$1.996516
The District	0..551000	0.551000
Total Direct and Overlapping Taxes	$2.641116	$2.616516

(a) Combined Maintenance and Operations and Interest and Sinking Fund tax rates.
(b) The District lies within two separate independent school districts–Spring Independent School District and Klein Independent School District. The Overlapping Tax rates differ according to the school district in which a particular property is located.

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of assessed valuation which would be required to meet certain debt service requirements if no growth in the District's tax base occurs beyond the 2024 Taxable Value ($1,092,701,930). The calculations assume collection of 98% of taxes levied and the sale of no additional bonds (other than the Bonds) by the District.

Estimated Average Combined Annual Debt Service Requirements (2026-2040)	$2,701,004
Tax Rate of $0.253 on the 2024 Taxable Value produces	$2,709,245
Estimated Maximum Combined Annual Debt Service Requirements (2026)	$2,817,815
Tax Rate of $0.264 on the 2024 Taxable Value produces	$2,827,038

Analysis of Tax Base

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

	2024 Tax Year			2023 Tax Year		
	Amount		***Prct***	***Amount***		***Prct***
Land	$247,814,556		19.54%	$244,629,094		20.77%
Improvement	933,640,660		73.60%	865,369,167		73.48%
Personal	87,075,953		6.86%	67,767,532		5.75%
Total Appraised Value		$1,268,531,169			$1,177,765,793	
Less: Exemptions						
20% H/S Exempt	($90,325,985)			($84,357,650)		
Tax Exempt	(18,038,290)			(17,816,618)		
Over 65	(43,608,370)			(33,149,600)		
Disabled	(3,934,000)			(3,183,584)		
Other	(28,942,105)	(184,846,750)		(81,178,261)	(219,685,713)	
		$1,083,684,419			$958,080,080	

	2022 Tax Year			2021 Tax Year		
	Amount	***Amount***	***Prct***	***Amount***	***Amount***	***Prct***
Land	$236,940,565		22.65%	$151,491,505		17.56%
Improvements	747,906,965		71.48%	656,428,905		76.07%
Personal	61,444,536		5.87%	54,990,854		6.37%
Total Appraised Value		$1,046,292,066			$862,911,264	
Less: Exemptions						
20% H/S Exempt	$75,007,400			$68,869,509		
Tax Exempt	17,672,762			13,163,969		
Over 65	31,709,600			26,290,284		
Disabled	6,607,763			5,713,095		
Other	54,771,025	(185,768,550)		11,875,995	(125,912,852)	
		$860,523,516			$736,998,412	

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

Principal Taxpayers

Name of Taxpayer	*Type of Property*	*2024 Taxable Ass'd Value*	*% of Total*	*2023 Taxable Ass'd Value*	*% of Total*
Vale Luxury Apartments	Apartments	$68,507,880	6.27%	$58,500,000	6.11%
EAN Holdings LLC	Vehicles	58,494,139	5.35%	43,781,124	4.57%
QR Berkshire Spring LLC	Apartments	57,966,492	5.30%	54,000,000	5.64%
Camelot 2920 LLC	Commercial	49,158,643	4.50%	(a)	
Spring Cypress Apartments	Apartments	49,009,494	4.49%	50,400,000	5.27%
Falvel Apartments LLC	Apartments	41,516,620	3.80%	(a)	
Spring Crossing Associates	Apartments	40,000,000	3.66%	53,800,000	5.62%
Star 2022 Development Grp	Commercial	13,646,241	1.25%	(a)	
K-Kies VII Ltd	Mini-Warehouses	11,240,659	1.03%	10,550,000	1.10%
Kenroc Tr 1 LP	Acreage	9,722,087	0.89%	7,300,000	0.76%
GRR Spring Village LLC	Shopping Center	(a)		6,858,495	0.72%
Amcal Equities LLC	Acreage	(a)		5,525,366	0.58%
Clarus Springwoods Partners	Hotel	a)		5,300,000	0.55%
Totals		$399,262,255	36.54%	$296,014,985	30.90%

(a) Not among top ten this year.

THE SYSTEM

Regulation

The water, wastewater and storm water drainage facilities serving land within the District were designed in conformance with accepted engineering practices and the requirements of certain governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, among others, the TCEQ, Harris County Engineering Department, Harris County Flood Control District and the City of Houston, Texas. During construction, facilities are subject to inspection by the District's Engineer and the foregoing governmental agencies.

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

Description of the System

According to the District's Engineer, the total number of connections projected for the District at full development of approximately 914.9182 acres is approximately 4,523 equivalent single family connections ("ESFC"). Following the issuance of the Bonds, there will be $15,150,000 remaining in authorized but unissued bonds, which in the opinion of the Engineer, will be sufficient to serve the District at current projected build-out. A description of the primary components of the System follows and is based upon information supplied by the Engineer based in part on drawings and data furnished by others.

Proceeds of the sale of the District's outstanding bonds were used to finance the construction or acquisition of underground water supply, water distribution lines, wastewater collection lines, wastewater treatment plant, storm water drainage facilities, and the District's share of surface water conversion capital outlay (see "*Conversion to Surface Water*," below).

-Water Supply and Distribution-

The District's water supply is provided from three water wells. The District's Water Plant No. 1 obtains water from an onsite well currently producing approximately 1,083 gallons per minute ("gpm") and can serve up to 1,963 ESFCs. The District entered into a Water Supply Agreement with Shasla Public Utility District ("Shasla") dated February 14, 2002, in which the District agreed to purchase 50% of the capacity in a new well drilled by Shasla. The Shasla Joint Well, located on the Shasla Water Plant Site, is currently being rehabilitated to produce approximately 1,500 gpm. Northwest Harris County Municipal Utility District No. 28 ("NW 28") owns capacity in Water Plant No. 1 and the Shasla Joint Well (see paragraph below). The District's Water Plant No. 2 uses 656 gpm from the Shasla well (equal to 88% of the District's share in the Shasla Well) and can serve up to 1,093 ESFCs. The District's Water Plant No. 3, which includes a 1,809 gpm on-site well, can serve up to 2,615 ESFCs. Thus, the District's combined water plant capacity is equivalent to 5,670 ESFCs, and the District's share of this capacity is 5,105 ESFCs.

In 1994 NW 28 contracted with the District to purchase water supply in Water Plant No. 1. After subsequent amendments, NW 28 currently owns, in most cases, 25% of the Water Plant No. 1 components and 12.6% of the District's share of the Shasla Joint Well capacity, which together can serve up to 565 ESFCs. NW 28's portion of its service area served by the District's Water System has a projected build-out of 563 ESFCs.

Water lines have been extended to serve all of the lots within Dove Meadows, Sections 1-6; Windsor Forest; Covington Bridge, Sections 1-2; Spring Landing, Sections 1-2; Hannover Village, Sections 1-4; Meadow Hill Run; Forest Ridge, Sections 1-3; and The Park at Meadowhill Run, Sections 1-5; and approximately 190 acres of commercial reserves.

The District and Shasla have constructed an emergency water supply interconnect between the systems of the two districts for use during emergencies. Utilization of this interconnect is governed by the terms of the Amended and Restated Emergency Water Supply Contract, dated October 11, 2012. The District and Spring West Municipal Utility District have constructed an emergency water supply interconnect between the systems of the two districts for use during emergencies. Utilization of this interconnect is governed by the terms of an Emergency Interconnect Agreement, dated June 19, 2000. The District and Harris County Improvement District No. 18 have constructed an emergency water supply interconnect between the systems of the two districts for use during emergencies. Utilization of this interconnect is governed by the terms of an Emergency Interconnect Agreement, dated October 17, 2016.

According to the District's Engineer, the District's water supply and distribution facilities, including the capacity purchased from Shasla, will be sufficient to serve the District at anticipated build-out.

-Conversion to Surface Water-

The District is located within the boundaries of the Harris-Galveston Subsidence District ("Subsidence District") and the North Harris County Regional Water Authority ("NHCRWA"). The NHCRWA was created to provide for conversion of the area within its boundaries from groundwater usage to alternative sources of water supply (e.g., surface water). The NHCRWA covers an area located in northern Harris County and adjacent to the City of Houston. Pursuant to the Subsidence District's Regulatory Plan last amended in 2013 and the NHCRWA's Groundwater Reduction Plan (as approved by the Subsidence District), the area within the boundaries of the NHCRWA was converted to at least 30% alternate source (e.g., surface) water use in 2010, and must be converted to at least 60% alternate source water use by 2025, and 80% alternate source water use by 2035. To implement the required conversion to alternate source water use in accordance with such schedule, the NHCRWA has constructed and is operating a network of transmission and distribution lines, storage tanks, and pumping stations to transport and distribute water within the NHCRWA (the "NHCRWA System"). In addition, the NHCRWA has entered into a water supply contract to secure a long-term supply of treated surface water from the City of Houston.

The District is subject to and participates in the NHCRWA's Groundwater Reduction Plan. Accordingly, the District must pay a capital contribution to the NHCRWA to cover the District's proportionate share of the costs associated with the acquisition and construction of the NHCRWA System (including the costs associated with the acquisition of alternate sources of water supply). The District may alternatively elect to pay its share of such costs over time through payment of higher fees to the NHCRWA. Payment of such costs will entitle the District to participate in the NHCRWA surface water conversion project and to purchase water from or through the facilities of the NHCRWA. Surface water is not anticipated to be available for purchase by the District until 2028. Noncompliance with the NHCRWA's Groundwater Reduction Plan and nonparticipation in the NHCRWA's surface water conversion project could result in the District's exclusion from the NHCRWA's Groundwater Reduction Plan and assessment of the Subsidence District's disincentive fee (currently $12.12 per 1,000 gallons) against groundwater pumped from wells located within the District.

Groundwater pumped from wells located within the District is not currently subject to the Subsidence District's groundwater disincentive fee. However, groundwater pumped from wells located within the District is currently subject to a $2.60 per 1,000 gallon pumpage fee (the "Pumpage Fee "), that is assessed and collected by the NHCRWA pursuant to the NHCRWA's Groundwater Reduction Plan. The Pumpage Fee is expected to increase in the future. The issuance of additional bonds by the District in an undetermined amount may be necessary at some time in the future to finance the acquisition and construction of surface water infrastructure (whether such costs are incurred directly by the District or through projects undertaken by the NHCRWA). The NHCRWA has issued Senior Lien Revenue Bonds, currently outstanding in the aggregate principal amount of $2,193,990,000, to finance costs related to the design, acquisition and construction of Phase I of the Surface Water Facilities. Such bonds are secured by revenues of the NHCRWA, including the pumpage fee.

-Wastewater Collection and Treatment-

The District's wastewater is being treated at a 1,800,000 gallon per day ("gpd") regional wastewater treatment plant owned jointly with NW 28 and Shasla. The District owns 1,282,500 gpd of capacity in such plant, which is sufficient to serve approximately 4,932 equivalent single family connections based on 260 gallons per day per equivalent connection. The participants also share in the cost of operating and maintaining the wastewater treatment plant.

Sanitary sewer lines have been extended to serve all of the lots within Dove Meadows, Sections 1-6; Windsor Forest; Covington Bridge, Sections 1-2; Spring Landing, Sections 1-2; Hannover Village, Sections 1-4; Meadow Hill Run; Forest Ridge, Sections 1-3; The Park at Meadowhill Run, Sections 1-5; and approximately 171 acres of commercial reserves. The District's wastewater collection and treatment facilities are sufficient to serve the District at currently anticipated full development, according to the District's Engineer.

- Stormwater Drainage -

Storm sewer lines have been extended to serve all of the lots within Dove Meadows, Sections 1-6; Windsor Forest; Covington Bridge, Sections 1-2; Spring Landing, Sections 1-2; Hannover Village, Sections 1-4; Meadow Hill Run; Forest Ridge, Sections 1-3; The Park at Meadowhill Run, Sections 1-5; and approximately 150 acres of commercial reserves. All of these subdivisions and commercial reserves drain to one of the following HCFCD channels: Kothman Gully, HCFCD Channel K-124-02-00l; Bonds Gulley, HCFCD Channel K-124-05-00; Senger Gulley, HCFCD Channel K-120-01-00; or Wunsche Gulley, HCFCD Channel K-120-03-00. Depending on the HCFCD design criteria in effect at the time of development, some of these developments are served by either private or public stormwater detention basins.

According to the Federal Emergency Management Agency's Flood Insurance Rate Maps for Harris County effective June 18, 2007, all of the land located within the District lies outside the 100-year flood plain except for small areas located within or immediately adjacent to HCFCD drainage channel rights of way, except for the Kenroc Tract.

Rate Order

The District's utility rate order, which is subject to change from time to time by the Board, is summarized in part below and was approved on January 3, 2023:

-Water Rates-

Single Family Homes	
First 5,000 gallons	$14.00 (minimum)
Next 5,000 gallons	$1.00 per 1,000 gallons
Next 10,000 gallons	$1.25 per 1,000 gallons
Next 10,000 gallons	$1.50 per 1,000 gallons
Over 30,000 gallons	$2.00 per 1,000 gallons
Commercial	
First 10,000 gallons	$32.00 (minimum)
Next 10,000 gallons	$1.25 per 1,000 gallons
Next 10,000 gallons	$1.50 per 1,000 gallons
Next 10,000 gallons	$2.50 per 1,000 gallons
Next 20,000 gallons	$5.00 per 1,000 gallons
Over 60,000 gallons	$7.50 per 1,000 gallons

In addition, each water customer will pay 110% of the NHCRWA pumpage fee per 1,000 gallons of usage.

-Sewer Rates-

Single Family Homes	
First 10,000 gallons	$30.00 (minimum)
Next 15,000 gallons	$1.25 per 1,000 gallons
Over 25,000 gallons	$1.50 per 1,000 gallons
Commercial	
First 5,000 gallons	$12.00 (minimum)
Next 20,000 gallons	$1.25 per 1,000 gallons
Next 20,000 gallons	$2.00 per 1,000 gallons
Next 20,000 gallons	$5.00 per 1,000 gallons
Over 65,000 gallons	$7.00 per 1,000 gallons

Historical Operations of the General Operating Fund

The following statement sets forth in condensed form the historical operations of the District's General Operating Fund. Accounting principles customarily employed in the determination of net revenues have been observed and in all instances exclude depreciation. Such information has been prepared based upon information obtained from the District's audited financial statements (except for the nine-month period ended June 30, 2025, which was extracted from unaudited District records), reference to which is made for further and complete information.

	10/1/2024 to	*Fiscal Year Ended September 30,*				
	6/30/25(a)	*2024*	*2023*	*2022*	*2021*	*2020*
Revenues						
Utility Revenue	$2,103,666	$3,445,714	$3,400,713	$3,629,021	$3,265,682	$3,051,280
Maintenance Tax	3,245,336	2,939,157	2,713,517	2,484,303	2,377,875	1,938,331
Tap Connection	635,590	604,040	535,985	38,395	48,470	22,170
Other	539,607	1,008,811	776,325	291,423	146,495	137,059
Total Revenues	$6,524,199	$7,997,722	$7,426,540	$6,443,142	$5,838,522	$5,148,840
Expenditures						
Contracted Services	$760,226	$1,093,191	$1,064,820	$1,022,512	$965,064	$893,375
Purchased Sewer Service	1,516,302	2,825,757	2,674,880	2,173,544	2,121,927	2,003,915
Repairs & Maintenance	530,903	913,530	525,045	451,776	367,860	326,281
Operating Expenditures	478,030	560,188	488,505	248,138	233,983	183,525
Utilities	13,014	81,234	69,924	132,450	117,775	93,972
Professional Fees	235,639	270,174	527,948	294,327	213,325	365,214
Total Expenditures	$3,534,115	$5,744,074	$5,351,122	$4,322,747	$4,019,934	$3,866,282
Net Operating Revenues	$2,990,084	$2,253,648	$2,075,418	$2,120,395	$1,818,588	$1,282,558
Bonds Gully Cost Sharing		0	0	1,358,810	0	0
Capital Outlay (b)		(136,102)	(315,280)	(224,986)	(4,468)	(1,976,520)
Developer Interest		0	0	0	0	(216,595)
From Capital Projects Fund		0	8,297	0	0	54,177
Net Changes to Fund Balance		$2,117,546	$1,768,435	$3,254,219	$1,814,120	($856,380)
Fund Balance - October 1		13,544,241	11,775,806	8,521,587	6,707,467	7,563,847
Fund Balance - September 30		$15,661,787	$13,544,241	$11,775,806	$8,521,587	$6,707,467
Cash & Inv.–September 30		$15,156,422	$13,029,570	$11,115,718	$7,911,646	$6,151,160
% of Expenses (net of capital)		263.86%	243.49%	257.14%	196.81%	159.10%
Customers - September 30		2,692	2,625	2,637	2,617	2,637

(a) Unaudited.
(b) Capital Outlay in Fiscal Year Ended 9/30/2020 reflects developer reimbursement..

RISK FACTORS

General

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

Factors Affecting Taxable Values and Tax Payments

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

Maximum Impact on District Rates: Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2024 Taxable Valuation is $1,092,701,930. See “TAX DATA.” After issuance of the Bonds, the combined estimated maximum annual debt service requirement (2026) is $2,817,815 and the combined estimated average annual debt service requirements (2026/2040) is $2,701,004. Assuming no increase or decrease from the 2024 Taxable Valuation and no use of funds other than tax collections, tax rates of $0.264 and $0.253 per $100 assessed valuation at a 98% collection rate against the 2024 Assessed Valuation would be necessary to pay the combined maximum and combined annual debt service requirements, respectively. The Board levied a 2024 tax rate of $0.240 for debt service purposes and $0.311 for maintenance purposes. See "DISTRICT DEBT–Pro Forma Debt Service Schedule" and "TAX DATA--Tax Rate Calculations."

Natural Disaster Declarations: The Governor of the State of Texas, Greg Abbott, issued a Severe Weather Disaster Declaration on April 30, 2024, which was subsequently amended on May 2, 2024, May 7, 2024, May 15, 2024, and May 20, 2024, certifying the severe storms and flooding that began on April 26, 2024 caused widespread and severe property damage, injury, or loss of life and declaring a disaster in several counties throughout the State of Texas, including Harris County, Texas, in which the District is located. Additionally, the President of the United States of America at that time, Joe Biden, issued a Major Disaster Declaration declaring a major disaster exists in the State of Texas as a result of severe weather and flooding beginning April 26, 2024 and making federal funding available to affected individuals in seven counties in the State of Texas, including Harris County, Texas, in which the District is located. Property in the District damaged by natural disasters in a declared disaster area may impact the taxable values of the property and the timing of tax payments by the tax payer. See “TAX PROCEDURES – Temporary Tax Exemptions for Property Damaged by Disaster” and “TAX PROCEDURES – Tax Payment Installments after Disaster” and “Extreme Weather Events.”

Extreme Weather Events

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

The greater Houston area has experienced multiple storms exceeding a 0.2% probability (i.e., a "500-year flood" event) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 25, 2017, and brought historic levels of rainfall during the successive four days. According to the District, eight homes within the District flooded from rising water from the lake, all of which are currently occupied; one home burned down.

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

The heavy rainstorms that began April 26, 2024 through May 20, 2024 and Hurricane Beryl resulted in flooding in the Harris County, Texas area, including the District. To the District's best knowledge, the District reports no homes were flooded, water and sewer service was not interrupted and no System operations were interrupted.

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

Specific Flood Type Risks

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

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

National Weather Service Atlas 14 Rainfall Study: The National Weather Service recently completed a rainfall study known as NOAA Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States ("Atlas 14"). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in interim floodplain regulations applying to a larger number of properties and consequently leaving less developable property within the District. Such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain.

Tax Exemption for Property Damaged by Disaster

The Texas Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised. See “TAX PROCEDURES–Tax Exemption for Property Damaged by Disaster.”

Potential Effects of Oil Price Volatility on the Houston Area

The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. The District cannot predict the impact that negative conditions in the oil industry could have on property values in the District.

Overlapping Tax Rates

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

Tax Collection Limitations

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

Registered Owners' Remedies

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

Bankruptcy Limitation to Registered Owners' Rights

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

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

The District may not be placed into bankruptcy involuntarily.

Environmental Regulations

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

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

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

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

The HGB Area is currently designated as a "severe" nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2027. If the EPA ultimately determines that the HGB Area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels.

The HGB Area is currently designated as a "serious" nonattainment area under the 2015 Ozone Standard, with an attainment deadline of August 3, 2027. For purposes of the 2015 Ozone Standard, the HGB Area consists of only six counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

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

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

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

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal management district's provision of water for human consumption is subject to extensive regulation as a public water system. Municipal management districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future. Further, the EPA has established a NPDWR for six (6) Per- and Polyflouroalkyl Substances ("PFAS"), which requires public water systems to perform certain monitoring and remediation measures. Public water systems may be subject to additional PFAS regulation in the future, which could increase the cost of constructing, operating, and maintaining water production and distribution facilities.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000) ("CGP"), with an effective date of March 5, 2023, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain non-stormwater discharges into surface water in the state. The CGP has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The TCEQ issued the General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit") on August 15, 2024. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. While the District is currently not subject to the MS4 Permit, if the District's inclusion were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff in order to comply with the MS4 Permit.

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

On May 25, 2023, the Supreme Court of the United States issued its decision in *Sackett v. EPA*, which clarified the definition of "waters of the United States" and significantly restricted the reach of federal jurisdiction under the CWA. Under the *Sackett* decision, "waters of the United States" includes only geographical features that are described in ordinary parlance as "streams, oceans, rivers, and lakes" and to adjacent wetlands that are indistinguishable from such bodies of water due to a continuous surface connection. Subsequently, the EPA and USACE issued a final rule amending the definition of "waters of the United States" under the CWA to conform with the Supreme Court's decision.

While the *Sackett* decision and subsequent regulatory actions removed a great deal of uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements, in the future.

Changes inTax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed, pending or future legislation.

During the 2^{nd} Special Session, convened on June 27, 2023, the Texas Legislature passed Senate Bill 2 ("SB 2"), which, among other things, includes provisions that prohibit an appraisal district from increasing the appraised value of real property during the 2024 tax year on non-homestead properties (the "Subjected Property") whose appraised values are not more than $5,000,000 (the "Maximum Property Value") to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property. After the 2024 tax year, through December 31, 2026, the Appraisal Cap may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in consumer price index, as applicable, to the Maximum Property Value. SB 2 was signed into law by the Governor on July 22, 2023. The provisions described hereinabove took effect January 1, 2024, after the constitutional amendment proposed by H.J.R. 2, 88^{th} Legislature, 2^{nd} Called Session, 2023, was approved by voters at an election held on November 7, 2023.

During the 89^{th} Regular Legislative Session that concluded on June 2, 2025, the Texas Legislature passed house and senate joint resolutions to submit to the voters of the State of Texas certain amendments to the Texas Constitution to authorize several exemptions from ad valorem taxes, including, tangible personal property that is used for the production of income up to $125,000 of the market value, animal feed that is held for sale at retail, the residence homestead of the surviving spouse of a veteran of the armed forces of the United States who dies as a result of a condition or disease that is presumed under federal law to have been service-connected if the surviving spouse has not remarried, and a temporary exemption of a residential homestead destroyed by fire. Propositions for amendments to the Texas Constitution to allow these certain ad valorem tax exemptions, in addition to other amendments, are expected to be on the November 4, 2025 ballot for Texas voters. If approved, such exemptions will become effective January 1, 2026.

2025 Legislative Session

The 89th Regular Legislative Session convened on January 14, 2025, and concluded on June 2, 2025. The Legislature meets in regular session in odd numbered years for 140 days. When the Legislature is not in session, the Governor of Texas (the "Governor") may call one or more special sessions, at the Governor's discretion, each lasting no more than 30 days, and for which the Governor sets the agenda. During this time, the Legislature may enact laws that materially change current laws affecting ad valorem tax matters, including rollback elections for maintenance tax increases, and other matters which could adversely affect the marketability or market value of the Bonds. On June 23, 2025, the Governor called a special session to begin on July 21, 2025, which will end no later than August 20, 2025. The agenda released by the Governor for the special session includes, in part, "[l]egislation reducing the property tax burden on Texans and legislation imposing spending limits on entities authorized to impose property taxes." The District can make no representations or predictions regarding any actions the Texas Legislature may take or the effect of any such actions.

Continuing Compliance with Certain Covenants

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

Marketability

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

Financing Parks and Recreational Facilities

The District is authorized by statute to develop parks and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) preparation of a detailed park plan; (b) authorization of park bonds by the qualified voters in the District; (c) approval of the park project and bonds by the TCEQ; and (d) approval of the bonds by the Attorney General of Texas. If the District does issue park bonds, the outstanding principal amount of such bonds may not exceed an amount equal to one percent (1%) of the value of the taxable property in the District, unless the District meets certain feasibility, requirements under the TCEQ rules in which case the outstanding principal amounts of such bonds issued by the District may exceed an amount equal to one percent (1%) but not three percent (3%) of the value of the taxable property in the District. The Board has not considered authorizing the preparation of a park plan or calling a park bond election at this time.

Current law may be changed in a manner to increase the amount of bonds that may be issued as related to a percentage of the value of taxable property or to allow a higher or lower maintenance tax rate for such purposes. The levy of taxes for such purposes may dilute the security for the Bonds.

Tax Payment Installments after Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction such as the District if the tax payer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

Additionally, the Texas Tax Code authorizes a taxing jurisdiction such as the District, solely at the jurisdiction's discretion, to adopt a similar installment payment option for taxes imposed on property that is located within a designated disaster area or emergency area, and is owned or leased by certain qualified business entities, regardless of whether the property has been damaged as a direct result of the disaster or emergency.

Increase in Costs of Building Materials and Labor Shortages

As a result of low supply and high demand, shipping constraints, and the ongoing trade war (including tariffs and retaliatory tariffs), there may be substantial increases in the cost of lumber and other materials, causing developers, homebuilders, and general contractors to experience budget overruns. Further, the federal administration's impositions and threatened impositions of tariffs and the imposition or threatened impositions of retaliatory tariffs against the United States will impact the ability of developers, homebuilders, general contractors, and district consultants to estimate costs, which could have a direct effect on the District's ability to finance water, sanitary, and detention facilities. Furthermore, the federal administration's immigration policies may impact the Texas workforce.

Competition: The demand for and construction of taxable improvements in the District could be affected by competition from other developments near the District. In addition to competition for new single-family home sales from other developments, there are numerous previously-owned single-family homes in more established commercial centers and neighborhoods closer to the City of Houston, Texas that are for sale. Such existing developments could represent additional competition for new development proposed to be constructed within the District. The competitive position of the Developer or the principal landowners in the sale of land, and the sale or leasing of residences is affected by most of the factors discussed in this section. Such a competitive position is directly related to the growth and maintenance of taxable values in the District and tax revenues to be received by the District. The District can give no assurance that building and marketing programs in the District by the Developer will be implemented or, if implemented, will be successful.

Cybersecurity

The District's consultants use digital technologies to collect taxes, hold funds and process disbursements. These systems necessarily hold sensitive protected information that is valued on the black market. As a result, the electronic systems and networks of organizations like the District's consultants are considered targets for cyber-attacks and other potential breaches of their systems. To the extent the District is determined to be the party responsible for various electronic systems or suffers a loss of funds due to a security breach, there could be a material adverse effect on the District's finances. Insurance to protect against such breaches is limited.

Approval of the Bonds

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

LEGAL MATTERS

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

Legal Review

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

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

No-Litigation Certificate

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

No Material Adverse Change

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

Legal Opinions

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

TAX MATTERS

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes under existing law, and interest on the Bonds is not subject to the alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code")) for purposes of determining the alternative minimum tax imposed on corporations.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

Payments on the Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of the Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Qualified Tax-Exempt Obligations for Financial Institutions

The District will designate the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended. Pursuant to that section of the Code, a qualifying financial institution will be allowed a deduction from its own federal corporate income tax for the portion of interest expense the financial institution is able to allocate to designated "bank-qualified" investments.

CONTINUING DISCLOSURE OF INFORMATION

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

Annual Reports

The District will provide certain financial information and operating data annually. The information to be updated includes the quantitative financial information and operating data of the general type included in this Official Statement under the headings "DISTRICT DEBT," "TAX DATA," "THE SYSTEM- Historical Operations of the General Operating Fund," and the District's audited financial statements and supplemental schedules as found in "APPENDIX A- Financial Statements of the District." The District will update and provide this information within six (6) months after the end of each of its fiscal years ending in or after 2025. The District will provide the updated information to the MSRB or any successor to its functions as a repository through its EMMA system. Any information concerning the District so provided shall be prepared in accordance with generally accepted auditing standards or other such principles as the District may be required to employ from time to time pursuant to state law or regulation, and audited if the audit report is completed within the period during which it must be provided. If the audit report of the District is not complete within such period, then the District shall provide unaudited financial statements for the applicable entity and fiscal year to the MSRB within such six month period, and audited financial statements when the audit report becomes available.

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

Event Notices

The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten (10) business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of beneficial owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person within the meaning of CFR §240.15c2-12 (the "Rule"); (13) consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect Security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties. The term "material" when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Order makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

For these purposes, any event described in (12) in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District; and the District intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this subcaption to have the same meanings ascribed to it under federal securities laws including meaning a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term "financial obligation" does not include municipal securities for which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Availability of Information from EMMA

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

Limitations and Amendments

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

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

Compliance with Prior Undertakings

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

PREPARATION OF OFFICIAL STATEMENT

General

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

Consultants

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

The information contained in this Official Statement relating to assessed valuations of property generally and, in particular, that information concerning historical breakdown of District valuations, principal taxpayers and collection rates contained in the sections captioned "TAX DATA" and "DISTRICT DEBT" has been provided by the Appraisal District and the District's Tax Assessor/Collector and has been included herein in reliance upon their authority as experts in the field of tax assessing and collecting.

The information contained in this Official Statement in the section captioned "THE DEVELOPERS" has been provided by the developers named in that section.

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

Updating the Official Statement

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

Certification of Official Statement

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

/s/ ________________
President, Board of Directors
Meadowhill Regional Municipal Utility District

ATTEST:
/s/ ____________________
Secretary, Board of Directors
Meadowhill Regional Municipal Utility District

APPENDIX A–Financial Statements of the District

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2024

McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC
Certified Public Accountants

TABLE OF CONTENTS

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants

Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin

Mike M. McCall
(retired)
Debbie Gibson
(retired)

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Meadowhill Regional Municipal Utility District
Harris County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadowhill Regional Municipal Utility District (the "District") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Board of Directors
Meadowhill Regional Municipal Utility District

Supplementary Information

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

McCall Gibson Swedlund Barfoot Ellis PLLC

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

January 27, 2025

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Management's discussion and analysis of Meadowhill Regional Municipal Utility District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2024. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has five governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service revenues, operating costs and general expenditures. The Special Revenue Funds account for financial resources collected and administered by the District for the operations of a joint water plant and a regional sewage treatment plant. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

FUND FINANCIAL STATEMENTS (Continued)

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

OTHER INFORMATION

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities by $18,977,107 as of September 30, 2024.

A portion of the District's net position reflects its net investment in capital assets (e.g. water, wastewater and drainage facilities, less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide water and wastewater services.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2024	2023	Change Positive (Negative)
Current and Other Assets	$ 24,464,938	$ 25,513,763	$ (1,048,825)
Capital Assets (Net of Accumulated Depreciation)	29,823,646	28,388,706	1,434,940
Total Assets	$ 54,288,584	$ 53,902,469	$ 386,115
Deferred Outflows of Resources	$ 404,138	$ 453,567	$ (49,429)
Due to Developer	$ 1,774,665	$ 3,236,282	$ 1,461,617
Bonds Payable	31,114,462	32,611,793	1,497,331
Other Liabilities	2,826,488	2,394,190	(432,298)
Total Liabilities	$ 35,715,615	$ 38,242,265	$ 2,526,650
Net Position:			
Net Investment in Capital Assets	$ (2,091,788)	$ (2,816,273)	$ 724,485
Restricted	4,512,339	4,444,452	67,887
Unrestricted	16,556,556	14,485,592	2,070,964
Total Net Position	$ 18,977,107	$ 16,113,771	$ 2,863,336

The following table provides a summary of the District's operations for the years ending September 30, 2024, and September 30, 2023. The District's net position increased by $2,863,336 during the current fiscal year.

	Summary of Changes in the Statement of Activities		
	2024	2023	Change Positive (Negative)
Revenues:			
Property Taxes	$ 5,371,297	$ 5,277,372	$ 93,925
Charges for Services	4,699,965	4,345,445	354,520
Other Revenues	1,261,013	934,392	326,621
Total Revenues	$ 11,332,275	$ 10,557,209	$ 775,066
Expenses for Services	8,468,939	8,684,949	216,010
Change in Net Position	$ 2,863,336	$ 1,872,260	$ 991,076
Net Position, Beginning of Year	16,113,771	14,241,511	1,872,260
Net Position, End of Year	$ 18,977,107	$ 16,113,771	$ 2,863,336

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of September 30, 2024, were $21,167,975, an increase of $1,357,823 from the prior year.

The General Fund fund balance increased by $2,117,546, primarily due to property taxes and service revenues exceeding operating costs.

The Debt Service Fund fund balance increased by $132,485, primarily due to the structure of the District's outstanding debt.

The Capital Projects Fund fund balance decreased by $3,607,854, primarily due to capital outlays exceeding investment revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors did not amend the budget during the current fiscal. Actual excess revenues over expenditures were $1,720,552 more than budgeted.

CAPITAL ASSETS

Capital assets as of September 30, 2024, total $29,823,646 (net of accumulated depreciation) and include land and the administration building, as well as the water, wastewater and drainage systems.

Capital Assets At Year-End, Net of Accumulated Depreciation

	2024	2023	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	$ 2,642,826	$ 2,642,826	$
Construction in Progress	1,285,763	177,070	1,108,693
Capital Assets, Net of Accumulated Depreciation:			
Buildings	87,292	92,007	(4,715)
Water System	7,743,700	7,753,757	(10,057)
Wastewater System	6,448,616	6,952,084	(503,468)
Drainage System	11,319,338	10,459,575	859,763
Drainage Impact Fees	20,320	21,300	(980)
Investment in Shasla Joint Water Plant	275,791	290,087	(14,296)
Total Net Capital Assets	$ 29,823,646	$ 28,388,706	$ 1,434,940

Additional information on the District's capital assets can be found in Note 6 of this report.

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the District had total bond debt payable of $30,840,000.

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

Bond Debt Payable, October 1, 2023	$	32,285,000
Less: Bond Principal Paid		1,445,000
Bond Debt Payable, September 30, 2024	$	30,840,000

The District's bonds carry an underlying rating of "A1" by Moody's. The Series 2012, 2013 Refunding, 2015 Refunding and Series 2020 Refunding bonds carry an "AA" rating by Standard and Poor's by virtue of bond insurance issued by Assured Guaranty Municipal Corporation. The Series 2014 Refunding, Series 2016, Series 2017 and Series 2023 bonds carry an "AA" rating by Standard and Poor's by virtue of bond insurance issued by Build America Mutual Assurance Company. Credit enhanced ratings provided through bond insurance policies are subject to change based on the rating of the bond insurance company. The ratings above include all ratings changes of bond insurers through September 30, 2024.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Meadowhill Regional Municipal Utility District, c/o Johnson Petrov LLP, 2929 Allen Parkway, Suite 3150, Houston, TX 77019-7100.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024

		Special Revenue Funds	
	General Fund	Water Plant	Wastewater Treatment Plant
ASSETS			
Cash	$ 484,889	$ 94,850	$ 192,772
Investments	14,671,533		1,155,791
Cash with Fiscal Agent			
Receivables:			
Property Taxes	57,588		
Penalty and Interest on Delinquent Taxes			
Service Accounts	370,200		
Accrued Interest	2,365		
Other	26,810		
Due from Other Funds	1,325,839	531,820	
Prepaid Costs	124,619	19,911	26,554
Regional Water Authority Capital Contribution			
Due from Other Governmental Units	122,807	264,769	
Advance for Water Plant Operations	199,279		
Advance for Regional Wastewater Treatment Plant Operations	222,698		
Land			
Construction in Progress			
Capital Assets (Net of Accumulated Depreciation)			
TOTAL ASSETS	$ 17,608,627	$ 911,350	$ 1,375,117
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refunding Bonds	$ - 0 -	$ - 0 -	$ - 0 -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 17,608,627	$ 911,350	$ 1,375,117

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
$ 113,858	$ 2,059	$ 888,428	$	$ 888,428
2,890,818	705,338	19,423,480		19,423,480
2,122,703		2,122,703		2,122,703
57,144		114,732		114,732
			34,098	34,098
		370,200		370,200
		2,365		2,365
		26,810		26,810
		1,857,659	(1,857,659)	
		171,084	53,401	224,485
			783,780	783,780
		387,576		387,576
		199,279	(112,998)	86,281
		222,698	(222,698)	
			2,642,826	2,642,826
			1,285,763	1,285,763
			25,895,057	25,895,057
$ 5,184,523	$ 707,397	$ 25,787,014	$ 28,501,570	$ 54,288,584
$ - 0 -	$ - 0 -	$ - 0 -	$ 404,138	$ 404,138
$ 5,184,523	$ 707,397	$ 25,787,014	$ 28,905,708	$ 54,692,722

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

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024

		Special Revenue Funds	
	General Fund	Water Plant	Wastewater Treatment Plant
LIABILITIES			
Accounts Payable	$ 397,023	$ 313,112	$ 351,266
Accrued Interest Payable			
Due to Other Governmental Units			110,341
Due to Developers	4,326		
Retainage Payable			33,375
Due to Other Funds	673,319	465,000	561,710
Due to Taxpayers			
Security Deposits	497,689		
Unearned Tap Revenue	316,895		
Reserved for Water Plant Operations		133,238	
Reserved for Regional Wastewater Treatment Plant Operations			318,425
Long-Term Liabilities:			
Due Within One Year			
Due After One Year			
TOTAL LIABILITIES	$ 1,889,252	$ 911,350	$ 1,375,117
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	$ 57,588	$ - 0 -	$ - 0 -

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
$ 73	$ 110,450	$ 1,171,924	$	$ 1,171,924
			535,703	535,703
		110,341		110,341
	15,841	20,167	1,754,498	1,774,665
	17,924	51,299		51,299
143,836	13,794	1,857,659	(1,857,659)	
26,670		26,670		26,670
		497,689		497,689
		316,895		316,895
		133,238	(112,998)	20,240
		318,425	(222,698)	95,727
			1,585,000	1,585,000
			29,529,462	29,529,462
$ 170,579	$ 158,009	$ 4,504,307	$ 31,211,308	$ 35,715,615
$ 57,144	$ - 0 -	$ 114,732	$ (114,732)	$ - 0 -

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

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024

	General Fund	Special Revenue Funds: Water Plant	Special Revenue Funds: Wastewater Treatment Plant
FUND BALANCES			
Nonspendable:			
Prepaid Costs	$ 124,619	$	$
Advance For Water Plant Operations	199,279		
Advance For Regional Wastewater Treatment Plant Operations	222,698		
Restricted for Authorized Construction			
Restricted for Debt Service			
Unassigned	15,115,191		
TOTAL FUND BALANCES	$ 15,661,787	$ - 0 -	$ - 0 -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 17,608,627	$ 911,350	$ 1,375,117
NET POSITION			
Net Investment in Capital Assets			
Restricted for:			
Debt Service			
Unrestricted			
TOTAL NET POSITION			

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
$	$	$ 124,619	$ (124,619)	$
		199,279	(199,279)	
		222,698	(222,698)	
	549,388	549,388	(549,388)	
4,956,800		4,956,800	(4,956,800)	
		15,115,191	(15,115,191)	
$ 4,956,800	$ 549,388	$ 21,167,975	$ (21,167,975)	$ - 0 -
$ 5,184,523	$ 707,397	$ 25,787,014		
			$ (2,091,788)	$ (2,091,788)
			4,512,339	4,512,339
			16,556,556	16,556,556
			$ 18,977,107	$ 18,977,107

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

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds			$ 21,167,975
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital contributions to the North Harris County Regional Water Authority are not current financial resources and, therefore, are not reported as assets in the governmental funds.			783,780
Prepaid bond insurance is amortized over the term of the refunding bonds.			53,401
Land, construction in progress and capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.			29,823,646
Interest paid in advance as part of a refunding bond sale is recorded as a deferred outflow in the governmental activities and systematically charged to interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.			404,138
Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2023 and prior tax levies became part of recognized revenue in the governmental activities of the District.			148,830
Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:			
Due to Developer	$ (1,754,498)		
Accrued Interest Payable	(535,703)		
Bonds Payable	(31,114,462)		(33,404,663)
Total Net Position - Governmental Activities			$ 18,977,107

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

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

		Special Revenue Funds	
	General Fund	Water Plant	Wastewater Treatment Plant
REVENUES			
Property Taxes	$ 2,939,157	$	$
Water Service	992,835	705,738	
Wastewater Service	1,381,420		1,481,675
Regional Water Authority Fees	1,071,459		
Penalty and Interest	76,097		
Tap Connection and Inspection Fees	604,040		
Investment Revenues	770,014		11,899
Miscellaneous Revenues	162,700		
TOTAL REVENUES	$ 7,997,722	$ 705,738	$ 1,493,574
EXPENDITURES/EXPENSES			
Service Operations:			
Professional Fees	$ 270,174	$ 13,833	$ 17,042
Contracted Services	1,093,191	175,704	238,072
Purchased Water Service	618,257	52,039	
Purchased Wastewater Service	1,053,217		
Utilities	81,234	80,397	111,793
Regional Water Authority Assessment	1,154,283	32	
Repairs and Maintenance	913,530	98,875	310,376
Depreciation			
Other	560,188	45,483	332,170
Capital Outlay	136,102	239,375	484,121
Developer Interest			
Debt Service:			
Bond Principal			
Bond Interest			
TOTAL EXPENDITURES/EXPENSES	$ 5,880,176	$ 705,738	$ 1,493,574
NET CHANGE IN FUND BALANCES	$ 2,117,546	$	$
CHANGE IN NET POSITION			
FUND BALANCES/NET POSITION - OCTOBER 1, 2023	13,544,241		
FUND BALANCES/NET POSITION - SEPTEMBER 30, 2024	$ 15,661,787	$ - 0 -	$ - 0 -

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

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
$ 2,400,451	$	$ 5,339,608	$ 31,689	$ 5,371,297
		1,698,573	(618,257)	1,080,316
		2,863,095	(1,053,217)	1,809,878
		1,071,459		1,071,459
50,028		126,125	8,147	134,272
		604,040		604,040
228,716	82,132	1,092,761		1,092,761
5,552		168,252		168,252
$ 2,684,747	$ 82,132	$ 12,963,913	$ (1,631,638)	$ 11,332,275
$ 21,337	$	$ 322,386	$	$ 322,386
90,133		1,597,100		1,597,100
		670,296	(618,257)	52,039
		1,053,217	(1,053,217)	
		273,424		273,424
		1,154,315	59,863	1,214,178
	14,220	1,337,001		1,337,001
			1,309,812	1,309,812
10,673	15,086	963,600		963,600
	3,334,651	4,194,249	(4,194,249)	
	326,029	326,029		326,029
1,445,000		1,445,000	(1,445,000)	
985,119		985,119	88,251	1,073,370
$ 2,552,262	$ 3,689,986	$ 14,321,736	$ (5,852,797)	$ 8,468,939
$ 132,485	$ (3,607,854)	$ (1,357,823)	$ 1,357,823	$
			2,863,336	2,863,336
4,824,315	4,157,242	22,525,798	(6,412,027)	16,113,771
$ 4,956,800	$ 549,388	$ 21,167,975	$ (2,190,868)	$ 18,977,107

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

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Net Change in Fund Balances - Governmental Funds	$ (1,357,823)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.	31,689
Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.	8,147
Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.	(1,309,812)
Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.	4,194,249
Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities.	1,445,000
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.	(88,251)
Governmental funds report the return of principal from capital contributions to the water authority as income. However, in the Statement of Net Position, the return of principal reduces long-term assets.	(59,863)
Change in Net Position - Governmental Activities	$ 2,863,336

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

NOTE 1. CREATION OF DISTRICT

Meadowhill Regional Municipal Utility District of Harris County, Texas (the "District") was created by an Order of the Texas Commission on Environmental Quality (the "Commission"). Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, parks and recreational facilities for the residents of the District. The District is also empowered to contract for or employ its own peace officers with powers to make arrests and to establish, operate and maintain a fire department to perform all fire-fighting activities within the District. The Board of Directors held its first meeting in 1973, and the first bonds were sold on December 20, 1973.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

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

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

The District has entered into an agreement with Shasla Public Utility District and Northwest Harris County Municipal Utility District No. 28 for wastewater disposal through the Meadowhill Regional Wastewater Treatment Plant. The District has oversight responsibility over the sewage treatment plant. Additional disclosure concerning this agreement is provided in Note 8. Separate financial statements of the Meadowhill Regional Wastewater Treatment Plant are available by contacting the District's Auditor.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District has entered into an agreement with Northwest Harris County Municipal Utility District No. 28 for water service through the Meadowhill Joint Water Plant. The District has oversight responsibility over the water plant. Additional disclosure concerning this agreement is provided in Note 9. Separate financial statements of the Meadowhill Joint Water Plant are available by contacting the District's Auditor.

The District has entered into an agreement with Shasla Public Utility District for water service through the Shasla Joint Water Plant. Shasla has oversight responsibility over the water plant. Additional disclosure concerning this agreement is provided in Note 9. Separate financial statements for Shasla Public Utility District are available by contacting the District's auditor.

<u>Financial Statement Presentation</u>

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

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

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements

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

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

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Items such as purchased water service and purchased wastewater service are eliminated to eliminate an overstatement of overall District operating costs and to eliminate an overstatement of revenues for water and wastewater services.

Fund Financial Statements

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

Governmental Funds

The District has five governmental fund types and considers each of them to be a major fund.

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

Special Revenue Funds – To account for financial resources collected and administered by the District for the operation of the joint wastewater treatment plant and a joint water plant which are joint ventures of the District.

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

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

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

Amounts transferred from one fund to another fund are reported as another financing source or use. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis. As of September 30, 2024, the District's General Fund owed the wastewater treatment plant operating costs in the amount of $141,498 and owed the water plant operating costs in the amount of $531,821. The Debt Service Fund owed the General Fund $143,836 for maintenance tax collections. The water plant Special Revenue Fund owed the General Fund $465,000 for a loan to cover operating costs and wasterwater Special Revenue Fund owed the General Fund $561,710 for construction costs. The Capital Projects Fund owed the General Fund $13,794 for engineering costs.

Capital Assets

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Assets are capitalized, including infrastructure assets, if they have an original cost greater than $5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

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

Budgeting

An annual unappropriated budget is adopted for the General Fund and each Special Revenue Fund by the District's Board of Directors. The budgets are prepared using the same method of accounting as for financial reporting. The original General Fund and Special Revenue Fund budgets for the current year were not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund and Special Revenue Funds present the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Pensions

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

Measurement Focus

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

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

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

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

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

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

Accounting Estimates

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

NOTE 3. LONG-TERM DEBT

	Series 2012	Refunding Series 2013	Refunding Series 2014	Refunding Series 2015
Amount Outstanding – September 30, 2024	$ 420,000	$ 7,690,000	$ 2,195,000	$ 5,175,000
Interest Rates	2.00%-2.50%	3.25%-4.00%	3.00%-3.625%	3.00%-4.00%
Maturity Dates – Serially Beginning/Ending	October 1, 2024/2029	October 1, 2024/2033	October 1, 2023/2031	October 1, 2024/2035
Interest Payment Dates	October 1/ April 1	October 1/ April 1	October 1/ April 1	October 1/ April 1
Callable Dates	October 1, 2021*	October 1, 2021*	October 1, 2022*	October 1, 2022*

	Series 2016	Series 2017	Refunding Series 2020	Series 2023
Amount Outstanding – September 30, 2024	$ 1,720,000	$ 3,620,000	$ 3,785,000	$ 6,235,000
Interest Rates	2.00%-3.00%	3.00%-3.375%	2.00%-4.00%	4.00%
Maturity Dates – Serially Beginning/Ending	October 1, 2024/2035	October 1, 2024/2037	October 1, 2024/2029	October 1, 2025/2039
Interest Payment Dates	October 1/ April 1	October 1/ April 1	October 1/ April 1	October 1/ April 1
Callable Dates	October 1, 2023*	October 1, 2024*	October 1, 2026*	October 1, 2030*

* Or any date thereafter in such order as the District may determine, callable at par plus unpaid accrued interest, in whole or in part, at the option of the District. Series 2012 term bonds maturing October 1, 2025, and October 1, 2029, are subject to mandatory redemption beginning October 1, 2022, and October 1, 2026, respectively. Series 2013 Refunding term bonds maturing October 1, 2021, and October 1, 2030, are subject to mandatory redemption beginning October 1, 2020 and October 1, 2029, respectively. Series 2014 Refunding term bonds maturing October 1, 2025, are subject to mandatory redemption beginning October 1, 2024. Series 2015 Refunding term bonds maturing October 1, 2024, October 1, 2028, October 1, 2030, October 1, 2032, and October 1, 2034, and are subject to mandatory redemption beginning October 1, 2023, October 1, 2025, October 1, 2029, October 1, 2031, and October 1, 2033, respectively. Series 2016 term bonds maturing October 1, 2026, October 1, 2028, October 1, 2030, October 1, 2033, and October 1, 2035, and are subject to mandatory redemption beginning October 1, 2025, October 1, 2027, October 1, 2029, October 1, 2031, and October 1, 2034, respectively. Series 2017 term bonds maturing October 1, 2031, and October 1, 2035, and are subject to mandatory redemption beginning October 1, 2028, and October 1, 2032, respectively. Series 2023 term bonds maturing October 1, 2035 are subject to mandatory redemption beginning October 1, 2031.

NOTE 3. LONG-TERM DEBT (Continued)

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

	October 1 2023	Additions	Retirements	September 30, 2024
Bonds Payable	$ 32,285,000	$	$ 1,445,000	$ 30,840,000
Unamortized Discounts	(134,773)		(11,321)	(123,452)
Unamortized Premiums	461,566		63,652	397,914
Bonds Payable, Net	$ 32,611,793	$ -0-	$ 1,497,331	$ 31,114,462

Amount Due Within One Year	$ 1,585,000
Amount Due After One Year	29,529,462
Bonds Payable, Net	$ 31,114,462

As of September 30, 2024, the District had authorized but unissued bonds in the amount of $18,200,000 for utility facilities.

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

Fiscal Year	Principal	Interest	Total
2025	1,585,000	1,043,457	2,628,457
2026	1,640,000	986,556	2,626,556
2027	1,695,000	927,396	2,622,396
2028	1,755,000	873,033	2,628,033
2029	1,805,000	823,972	2,628,972
2030-2034	9,855,000	3,224,310	13,079,310
2035-2039	10,815,000	1,322,794	12,137,794
2040	1,690,000	33,800	1,723,800
	$ 30,840,000	$ 9,235,318	$ 40,075,318

The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount, and are further payable from and secured by a lien on and pledge of the net revenues to be received from the operation of the District's waterworks and wastewater system.

NOTE 3. LONG-TERM DEBT (Continued)

During the current fiscal year, the District levied an ad valorem debt service tax at the rate of $0.255 per $100 of assessed valuation, which resulted in a tax levy of $2,442,955 on the adjusted taxable valuation of $958,021,593 for the 2023 tax year. 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 and the cost of assessing and collecting taxes. See Note 7 for the maintenance tax levy.

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

NOTE 4. SIGNIFICANT BOND ORDER AND LEGAL REQUIREMENTS

The Bond Orders state that to the extent prudent and ordinary for political subdivisions of types and operating properties similar to the District, the District will maintain its properties in good condition and repair, ordinary wear and tear and obsolescence excepted, and operate such properties in an efficient manner and at a reasonable cost. The District agreed to maintain insurance on its properties of a kind and in an amount, which usually would be carried by private companies operating similar properties, and engaged in a similar type of business, but considering any governmental immunities to which the District may be entitled.

NOTE 5. DEPOSITS AND INVESTMENTS

Deposits

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

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District deposits was $1,056,221 and the bank balance was $1,215,650. The District was not exposed to custodial credit risk at year end.

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at September 30, 2024, as listed below:

	Cash	Certificate of Deposit	Total
GENERAL FUND	$ 484,889	$ 167,793	$ 652,682
SPECIAL REVENUE FUNDS	287,622		287,622
DEBT SERVICE FUND	113,858		113,858
CAPITAL PROJECTS FUND	2,059		2,059
TOTAL DEPOSITS	$ 888,428	$ 167,793	$ 1,056,221

Investments

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

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

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

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
GENERAL FUND		
TexPool	$ 14,503,740	$ 14,503,740
Certificate of Deposit	167,793	167,793
SPECIAL REVENUE FUND		
TexPool	1,155,791	1,155,791
DEBT SERVICE FUND		
TexPool	2,890,818	2,890,818
CAPITAL PROJECTS FUND		
TexPool	705,338	705,338
TOTAL INVESTMENTS	$ 19,423,480	$ 19,423,480

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2024, the District's investment in TexPool was rated AAAm by Standard and Poor's. The District also manages credit risk by investing in certificates of deposits insured by the FDIC.

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

Restrictions

All cash and investments of the Special Revenue Funds are restricted for the water plant and wastewater treatment plant operations. All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

NOTE 6. CAPITAL ASSETS

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

	October 1, 2023	Increases	Decreases	September 30, 2024
Capital Assets Not Being Depreciated				
Land and Land Improvements	$ 2,642,826	$	$	$ 2,642,826
Construction in Progress	177,070	2,744,752	1,636,059	1,285,763
Total Capital Assets Not Being Depreciated	$ 2,819,896	$ 2,744,752	$ 1,636,059	$ 3,928,589
Capital Assets Subject to Depreciation				
Administration Building	$ 188,083	$	$	$ 188,083
Water System	15,102,708	453,305		15,556,013
Wastewater System	14,851,237	39,353		14,890,590
Drainage System	14,177,984	1,143,401		15,321,385
Drainage Impact Fees	39,101			39,101
Investment in Shasla Joint Water Plant	570,272			570,272
Total Capital Assets Subject to Depreciation	$ 44,929,385	$ 1,636,059	$ - 0 -	$ 46,565,444
Less Accumulated Depreciation				
Administration Building	$ 96,076	$ 4,715	$	$ 100,791
Water System	7,348,951	463,362		7,812,313
Wastewater System	7,899,153	542,821		8,441,974
Drainage System	3,718,409	283,638		4,002,047
Drainage Impact Fees	17,801	980		18,781
Investment in Shasla Joint Water Plant	280,185	14,296		294,481
Total Accumulated Depreciation	$ 19,360,575	$ 1,309,812	$ - 0 -	$ 20,670,387
Total Depreciable Capital Assets, Net of Accumulated Depreciation	$ 25,568,810	$ 326,247	$ - 0 -	$ 25,895,057
Total Capital Assets, Net of Accumulated Depreciation	$ 28,388,706	$ 3,070,999	$ 1,636,059	$ 29,823,646

NOTE 7. MAINTENANCE TAX

On November 29, 1971, the voters of the District approved the levy and collection of a maintenance tax which was unlimited in amount, to be assessed per $100 of assessed valuation of taxable property within the District. During the current fiscal year, the District levied an ad valorem maintenance tax at the rate of $0.312 per $100 of assessed valuation, which resulted in a tax levy of $2,989,027 on the adjusted taxable valuation of $958,021,593 for the 2023 tax year. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District's waterworks and wastewater system.

NOTE 8. JOINT WASTEWATER TREATMENT PLANT OPERATIONS

On June 1, 1994, the District, Shasla Public Utility District (Shasla) and Northwest Harris County Municipal Utility District No. 28 (District No. 28) executed a Wastewater Treatment Facilities Agreement; this agreement supersedes and replaces all previous agreements relating to permanent waste disposal and in particular the Agreement for Expansion of Joint Sewage Treatment Facility dated March 19, 1981. On August 27, 1996, the parties executed a first Amendment to the contract and September 17, 2000, a second amendment was approved. This agreement allowed for any above named participants to expand the existing wastewater treatment plant.

Any future expansion of the plant is at the option of each participant and will be accounted for by the initiating participant. The second amendment to the contract provides for the rehabilitation of the existing plant and expansion of the plant to 1.2 million gallons per day (mgd). The expansion was completed in a prior fiscal year at a total cost of $2,775,104. Contributions to the Phase I expansion were based upon the following percentages:

Meadowhill Regional Municipal Utility District	58.81%
Shasla Public Utility District	9.90
Northwest Harris County Municipal Utility District No. 28	31.29
Total	100.00%

During a prior fiscal year, the District completed the expansion of the plant to 1.8 million gallons per day. The additional 600,000 gallons per day of capacity created by the expansion was paid by the District and is owned by the District.

The following percentage of ownership and capacity was effective upon completion of the Plant expansion to 1.8 million gallons per day:

	Capacity In Gallons Per Day	Percentage of Ownership
Meadowhill Regional Municipal Utility District	1,282,500	71.30%
Shasla Public Utility District	252,500	14.00
Northwest Harris County Municipal Utility District No. 28	265,000	14.70
TOTALS	1,800,000	100.00%

NOTE 8. JOINT WASTEWATER TREATMENT PLANT OPERATIONS (Continued)

The agreement provides for a three-month operating reserve based upon an annual budget and for all operation costs to be billed based upon fixed and variable costs of operating the system with fixed costs defined in the agreement based upon owned capacity and variable costs based upon each participant's equivalent single family connections. The term of the agreement is 40 years.

During the year ended September 30, 2024, the District's share of the Plant's expenditures was $1,053,217 of which $14,933 was payable at year end. The District has also made an advance for operations of the plant under the terms of the agreement. Total operating advances from all participants is $318,425 and the District's share is $222,698.

NOTE 9. CONSTRUCTION AND SHARED FACILITY AGREEMENTS – JOINT WATER PLANT

Meadowhill Facilities

On June 1, 1994, the District and Northwest Harris County Municipal Utility District No. 28 (District No. 28) agreed to jointly participate in the construction of a new water well and to grant certain rights of expansion of the District's water production facilities to each district. The 1,200 gpm water well has been completed and is located on the District's water plant site. The District owns 75% and District No. 28 owns 25% of the production capacity. On January 17, 2005, the District entered into the Second Amended and Restated Water Production Facilities Agreement. Per this agreement, District No. 28 purchased an additional 63 equivalent single family connection from the District for $140,490.

The District charges District No. 28 a pro rata share of monthly operating and maintenance costs of the District's water plant. The agreement provides for a three month operating reserve and for all operation costs to be billed based upon fixed and variable costs of operating the system. Fixed costs are based upon capacity owned and variable costs based upon each participant's equivalent single family connections. The term of the agreement is 40 years.

During the year ended September 30, 2024, the District's share of the joint water plant's expenditures was $618,257. The District has made an advance to the reserve of the joint water plant of $112,998. The total reserve from all participants is $133,238.

As of September 30, 2024, and through the date of this report, the District has a dispute with District No. 28 over the payment of District No. 28's share of costs under this agreement. The District believes District No. 28 has underpaid amounts due to the District under these agreements. District No. 28 has made some good faith payments to the District, but the District believes those payments fall short of what is owed to the District. The total sum due to the District is still under investigation and undeterminable at the date of this report.

NOTE 9. CONSTRUCTION AND SHARED FACILITY AGREEMENTS – JOINT WATER PLANT (Continued)

Shasla Facilities

On February 14, 2002, the District and Shasla Public Utility District (Shasla) entered into a Water Supply Agreement. The agreement called for each District to jointly participate in the construction of the new water well (Well No. 2). Upon completion of the anticipated 1,500 gallons per minute (gpm) water well, which is located at Shasla's water plant site, the District owns 33.33% and Shasla owns 66.67% of the production capacity. Its production has exceeded 2,000 gpm. With the increase in anticipated production, by agreement, the allocation of cost changed to a 50/50 basis.

During a prior year, the District issued bonds to pay for its 33.33% share of the costs related to the new water well. In accordance with the agreement, the District transferred $308,333 to Shasla for its pro-rata share of the construction costs. Due to the cost basis change to 50/50, the District incurred an additional cost of $152,963 related to this project. The District was responsible for the costs of the water interconnect line necessary for it to receive its pro-rata share of the water capacity from the District. The operation of the plant as a joint venture began March, 2005.

Shasla charges the District for its pro-rata share of operating and maintenance costs of the water plant. The agreement also provides for a three month operating reserve. During the current fiscal year, the District's share of operating and maintenance costs were $52,039. The District has advanced Shasla $86,281 for its share of the reserve. The term of the contract is 40 years and shall thereafter automatically renew for successive one year terms.

NOTE 10. EMERGENCY WATER SUPPLY CONTRACTS

On June 19, 2000 the District executed an Emergency Water Supply Contract with the Spring West Municipal Utility District (Spring West). The agreement provides for Spring West to design and construct the facilities necessary to reach the District's facilities. The District's pro-rata share shall be limited to the engineering and construction costs associated with that portion of the interconnect line from the current terminus of the District's water supply system to the eastern boundary of the Eastwood tract. The District agreed to execute a reimbursement agreement with a developer within the boundaries of Spring West to reimburse the developer from funds available from the District's next bond issue following the commencement of development along the most easterly portion of the line.

NOTE 10. EMERGENCY WATER SUPPLY CONTRACTS (Continued)

The agreement provides for verbal and written notification of emergency conditions causing the use of the interconnect. The rate for water sold is $1.00 per thousand gallons of water used, however, in the event that the supplying District purchased all or a portion of the water supplied during such emergency from an adjoining district due to an inability of such supplying District to meet the water demand of its in-district customers and the receiving District solely through utilization of its own water production facilities, the receiving District shall pay the supplying District for water received at a rate per 1,000 gallons equal to the rate paid by the supplying District for such water in the event that such rate is greater than the rate above provided. For those districts that have converted to surface water the rate will be the actual cost of water per thousand gallons.

The agreement is for a term of 20 years and shall automatically renew for one year terms.

On October 11, 2012 the District and Shasla approved an Amended and Restated Emergency Water Supply Contract to reflect changes in circumstances. The agreement replaces the previous Emergency Water Supply Agreement dated March 19, 1981. The price to be paid for water delivered during an emergency shall be sixty cents ($0.60) per thousand gallons of water usage. The parties hereby agree that said rate shall be reviewed on the 10^{th}, 20^{th}, 30^{th} and 40^{th} anniversary dates of this agreement and may then be adjusted upward or downward in accordance with the mutual agreement of the parties. Should the parties fail to reach an agreement with respect to a proposed adjustment to said rate, then either party may terminate this agreement upon six (6) months written notice to the other party. In the event that the supplying party purchased all or a portion of the water supplied during such emergency from an adjoining district due to an inability of such supplying party to meet the water demand of its in-district customers and the receiving party solely through utilization of its own water production facilities, the receiving party shall pay the supplying party for water received at a rate per 1,000 gallons equal to the rate paid by the supplying party for such water in the event that such rate is greater than the rate provided above.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, error and omission and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 12. NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

The District is located within the boundaries of the North Harris County Regional Water Authority (the "Authority"). The Authority was created under Article 16, Section 59 of the Texas Constitution by House Bill 2965 (the "Act"), as passed by the 75th Texas Legislature, in 1999. The Act empowers the Authority to provide for the conservation, preservation, protection, recharge and prevention of waste of groundwater, and for the reduction of groundwater withdrawals. The Authority has entered into a contract for purchase of surface water from the City of Houston, Texas to assure that its participants comply with the Harris-Galveston Subsidence District ("HGSD") pumpage requirements, which mandate that districts within HGSD boundaries, including the District, to convert a percentage of its water use to surface water over a period of time.

A five-member board of directors governs the Authority. The directors serve staggered four-year terms.

The Authority currently charges a fee, based on the amount of water pumped from a well, to the owner of wells located within the boundaries of the Authority, unless exempted. This fee enables the Authority to fulfill its purpose and regulatory functions. The fee being charged is $4.10 per 1,000 gallons of water pumped from each well. During the current fiscal year, the Joint Water Plant recorded expenditures of $32 related to these fees and the District's General Fund recorded expenditures of $1,154,283 related to these fees.

On July 7, 2003, the District entered into a Capital Contribution Contract with the Authority and on October 2, 2003, approved the First Amendment to the Capital Contribution Contract. The District agreed to pay $898,711 to the Authority for the District's share of the construction of Phase I of the 2010 Surface Water Distribution and Transmission System. The District will receive capital contribution credits to be applied to the quarterly pumpage fees which the Authority assesses, applied to any water purchased by the District from the Authority, or to be paid to the District in cash. The Authority will calculate the credit by amortizing the Capital Contribution over the life of the Authority's bonds after the Authority issues its bonds for this project. During a prior fiscal year, the District transferred $898,711 to the Authority in accordance with this agreement. During a prior fiscal year, the District transferred $530,533 to the Authority as an additional capital contribution. The total capital contributions to date total $1,429,244. Total credits received in the current fiscal year were $101,677, of which $59,863 was principal repayment. This left a balance of $783,080 that has been recorded as Regional Water Authority Capital Contribution as of September 30, 2024.

NOTE 13. DUE TO DEVELOPER

The District has executed developer financing agreements with Developers within the District. The agreements call for the Developers to fund costs associated with water, sewer, and drainage facilities until such time as the District can sell bonds. As reflected in the Statement of Net Position, $1,754,498 has been recorded as a liability for facilities financed by the Developers which the District now operates and maintains. Reimbursement to the Developers will come from future bond sales.

The following table summarizes the current year activity related to unreimbursed developer costs for completed projects:

Due to Developers, beginning of year	$ 3,203,995
Additions	1,539,737
Reimbursements	(2,989,234)
Due to Developers, end of year	$ 1,754,498

NOTE 14. BONDS GULLY IMPROVEMENTS COST SHARING AGREEMENT

Effective July 10, 2018, the District, Bridgestone Municipal Utility District ("Bridgestone"), Klein Independent School District ("KISD") and Champion Forest Baptist Church ("CFBC") (collectively the "Parties") entered into a cost sharing agreement for the improvements Bridgestone constructed to the Bonds Gully, which directly benefit property located in Bridgestone and the District, as well as an approximately 68.5815-acre tract of land owned by KISD and the portion of the approximately 44.7317-acre tract of land owned by CFBC that drains generally southward toward Bonds Gully, which totals approximately 28 acres. The District, KISD and CFBC desire to construct drainage improvements (Modified Option C-2 Improvements) to send additional stormwater drainage outfall to Bonds Gully. The Parties have agreed that the District, KISD and CFBC should reimburse Bridgestone $1,500,000 for improvements made by Bridgestone because the improvements directly benefit the District, KISD and CFBC and as consideration for Bridgestone agreeing to the additional outfall from the Modified Option C-2 Improvements into the Bonds Gully. During a previous fiscal year, the District contributed their share totaling $790,800.

NOTE 15. BONDS GULLY OUTFALL COST SHARING AGREEMENT

On July 10, 2018, the District, KISD and CFBC entered in to the Bonds Gully Outfall Cost Sharing Agreement (collectively the "Parties") for drainage improvements to the Bonds Gully. See Note 15. The Parties agree to cooperate to acquire necessary rights-of-way and easements, design, construct, and provide for maintenance for the drainage improvements. ("Modified Option C-2 Improvements"). Subject to payment by the District and CFBC, KISD is responsible for the design and construction of the Modified Option C-2 Improvements pursuant to the plans and specifications approved by Bridgestone. After construction, KISD will convey ownership of the Modified Option C-2 Improvements to the District. The District will maintain the Modified Option C-2 Improvements and KISD and CFBC will reimburse the District for their share per this agreement. The term of this agreement is 10 years. During a previous fiscal year, the District contributed $249,923 to KISD.

NOTE 16. INTERLOCAL AGREEMENT WITH HARRIS COUNTY FLOOD CONTROL DISTRICT

On August 2, 2022, the District entered into a Cost Sharing Agreement with the Harris County Flood Control District ("HCFCD") for the use and benefit of the public to reduce flooding in the area. The District has previously paid a prorata share of the project costs to construct Bonds Gully channel improvements to Bridgestone MUD to discharge upstream flows from the District which was Phase 1 and is designing detention outfall improvements in the Meadow Hill Run subdivision, detention outfall improvements and a detention basin in the Camelot Tract which will serve both communities, which is Phase 2. HCFCD has agreed to contribute half of the estimated cost of the easement acquisition, design and construction of the detention outfalls for Phase 1 and all of the estimated cost of the design and construction of the detention outfall and detention capacity for Phase 2. The estimated combined cost of Phase 1 and Phase 2 is $2,717,620. The district will pay $1,358,810 and HCFCD will contribute a maximum of $1,358,810. This contribution was made on September 23, 2022.

The District will own and maintain both the Phase 1 and Phase 2 detention outfall easements and drainage improvements and accepted the Bonds Gully rights-of-way for maintenance on July 30, 2019.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Property Taxes	$ 3,000,000	$ 2,939,157	$ (60,843)
Water Service	1,100,000	992,835	(107,165)
Wastewater Service	1,300,000	1,381,420	81,420
Regional Water Authority Fee	1,200,000	1,071,459	(128,541)
Penalty and Interest	45,000	76,097	31,097
Tap Connection and Inspection Fees	400,000	604,040	204,040
Investment Revenues	350,000	770,014	420,014
Miscellaneous Revenues	351,700	162,700	(189,000)
TOTAL REVENUES	$ 7,746,700	$ 7,997,722	$ 251,022
EXPENDITURES			
Service Operations:			
Professional Fees	$ 338,500	$ 270,174	$ 68,326
Contracted Services	1,110,000	1,093,191	16,809
Purchased Water Service	466,268	618,257	(151,989)
Purchased Wastewater Service	911,616	1,053,217	(141,601)
Utilities	30,000	81,234	(51,234)
Regional Water Authority Assessment	1,600,000	1,154,283	445,717
Repairs and Maintenance	673,000	913,530	(240,530)
Other	572,083	560,188	11,895
Capital Outlay	1,648,239	136,102	1,512,137
TOTAL EXPENDITURES	$ 7,349,706	$ 5,880,176	$ 1,469,530
NET CHANGE IN FUND BALANCE	$ 396,994	$ 2,117,546	$ 1,720,552
FUND BALANCE - OCTOBER 1, 2023	13,544,241	13,544,241	
FUND BALANCE - SEPTEMBER 30, 2024	$ 13,941,235	$ 15,661,787	$ 1,720,552

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - WATER PLANT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Water Service	$ 530,200	$ 705,738	$ 175,538
TOTAL REVENUES	$ 530,200	$ 705,738	$ 175,538
EXPENDITURES			
Service Operations:			
Professional Fees	$ 26,550	$ 13,833	$ 12,717
Contracted Services	117,300	175,704	(58,404)
Purchased Water Service	80,000	52,039	27,961
Utilities	70,750	80,397	(9,647)
Regional Water Authority Assessment	120,000	32	119,968
Repairs and Maintenance	75,000	98,875	(23,875)
Other	40,600	45,483	(4,883)
Capital Outlay		239,375	(239,375)
TOTAL EXPENDITURES	$ 530,200	$ 705,738	$ (175,538)
NET CHANGE IN FUND BALANCE	$ -0-	$ -0-	$ -0-
FUND BALANCE - OCTOBER 1, 2023			
FUND BALANCE - SEPTEMBER 30, 2024	$ -0-	$ -0-	$ -0-

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - WASTEWATER TREATMENT PLANT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Wastewater Service	$ 1,262,900	$ 1,481,675	$ 218,775
Investment Revenues		11,899	11,899
TOTAL REVENUES	$ 1,262,900	$ 1,493,574	$ 230,674
EXPENDITURES			
Service Operations:			
Professional Fees	$ 28,000	$ 17,042	$ 10,958
Contracted Services	204,500	238,072	(33,572)
Utilities	126,000	111,793	14,207
Repairs and Maintenance	332,000	310,376	21,624
Other	412,400	332,170	80,230
Capital Outlay	160,000	484,121	(324,121)
TOTAL EXPENDITURES	$ 1,262,900	$ 1,493,574	$ (230,674)
NET CHANGE IN FUND BALANCE	$ -0-	$ -0-	$ -0-
FUND BALANCE - OCTOBER 1, 2023			
FUND BALANCE - SEPTEMBER 30, 2024	$ -0-	$ -0-	$ -0-

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT

SUPPLEMENTARY INFORMATION REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

SEPTEMBER 30, 2024

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

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

2. RETAIL SERVICE PROVIDERS

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

Based on the Rate Order Approved January 3, 2023.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	$ 14.00	5,000	N	$ 1.00	5,000 to 10,000
				$ 1.25	10,001 – 20,000
				$ 1.50	20,001 – 30,000
				$ 2.00	30,001 and up
WASTEWATER:	$ 30.00	10,000	N	$ 1.25	10,001 to 25,000
				$ 1.50	25,001 and up
SURCHARGE:					
Solid Waste/ Garbage					
Commission Regulatory Assessments					
Regional Water Authority Fees			N	$ 3.96	0001 and up
Other					

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

Total monthly charges per 10,000 gallons usage: Water: $19.00 Wastewater: $30.00 Surcharge: $39.60 Total: $88.60

See accompanying independent auditor's report.

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered			x 1.0	
≤¾"	2,570	2,570	x 1.0	2,570
1"	26	26	x 2.5	65
1½"	22	22	x 5.0	110
2"	57	57	x 8.0	456
3"	4	4	x 15.0	60
4"	1	1	x 25.0	25
6"	5	5	x 50.0	250
8"	7	7	x 80.0	560
10"			x 115.0	
Total Water Connections	2,692	2,692		4,096
Total Wastewater Connections	2,604	2,604	x 1.0	2,604

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

Gallons pumped into system:	368,307,000	Water Accountability Ratio: 91% (Gallons billed and sold/Gallons pumped)
Gallons billed to customers:	274,640,000	
Gallons sold:	57,505,000	To: Northwest Harris County Municipal Utility District No. 28
Gallons purchased:	164,000	From: Shasla Public Utility District

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

Does the District have Debt Service standby fees? Yes __ No __X__

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

5. **LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes __X__ No _____

County or Counties in which District is located:

Harris County, Texas

Is the District located within a city?

Entirely _____ Partly _______ Not at all __X__

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

Entirely __X__ Partly _______ Not at all _____

ETJ's in which District is located:

City of Houston, Texas.

Are Board Members appointed by an office outside the District?

Yes _____ No __X__

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

PROFESSIONAL FEES:		
Auditing	$	18,750
Engineering		137,030
Legal		114,394
TOTAL PROFESSIONAL FEES	$	270,174
PURCHASED SERVICES FOR RESALE:		
Purchased Water Service	$	618,257
Purchased Wastewater Service		1,053,217
TOTAL PURCHASED SERVICES FOR RESALE	$	1,671,474
CONTRACTED SERVICES:		
Bookkeeping	$	36,300
Operations and Billing		119,785
Recording Secretary		1,650
Security		407,953
Solid Waste Disposal		527,503
TOTAL CONTRACTED SERVICES	$	1,093,191
UTILITIES	$	81,234
REPAIRS AND MAINTENANCE	$	913,530
ADMINISTRATIVE EXPENDITURES:		
Director Fees	$	35,600
Dues		750
Insurance		49,587
Office Supplies and Postage		69,548
Payroll Taxes		2,744
Travel and Meetings		19,241
Regional Water Authority Assessment		1,154,283
Other		3,548
TOTAL ADMINISTRATIVE EXPENDITURES	$	1,335,301

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

CAPITAL OUTLAY	$	136,102
TAP CONNECTIONS	$	199,000
OTHER EXPENDITURES:		
Chemicals	$	58,325
Laboratory Fees		5,800
Permit Fees		6,725
Reconnection Fees		83,700
Inspection Fees		14,466
Regulatory Assessment		11,154
TOTAL OTHER EXPENDITURES	$	180,170
TOTAL EXPENDITURES	$	5,880,176

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
INVESTMENTS
SEPTEMBER 30, 2024

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
GENERAL FUND					
TexPool	XXXX0002	Varies	Daily	$ 13,437,462	$
TexPool	XXXX0006	Varies	Daily	1,066,278	
Certificate of Deposit	XXXX3431	5.25%	06/24/25	167,793	2,365
TOTAL GENERAL FUND				$ 14,671,533	$ 2,365
SPECIAL REVENUE FUND - WASTEWATER TREATMENT PLANT					
TexPool	XXXX0007	Varies	Daily	$ 49	$
TexPool	XXXX0008	Varies	Daily	1,155,742	
TOTAL SPECIAL REVENUE FUND				$ 1,155,791	$ -0-
DEBT SERVICE FUND					
TexPool	XXXX0001	Varies	Daily	$ 2,890,818	$ -0-
CAPITAL PROJECTS FUND					
TexPool	XXXX0005	Varies	Daily	$ 705,338	$ -0-
TOTAL - ALL FUNDS				$ 19,423,480	$ 2,365

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE - OCTOBER 1, 2023	$ 39,442		$ 43,601	
Adjustments to Beginning Balance	(31,724)	$ 7,718	(28,961)	$ 14,640
Original 2023 Tax Levy	$ 2,667,089		$ 2,179,832	
Adjustment to 2023 Tax Levy	321,938	2,989,027	263,123	2,442,955
TOTAL TO BE ACCOUNTED FOR		$ 2,996,745		$ 2,457,595
TAX COLLECTIONS:				
Prior Years	$ (17,659)		$ (16,178)	
Current Year	2,956,816	2,939,157	2,416,629	2,400,451
TAXES RECEIVABLE - SEPTEMBER 30, 2024		$ 57,588		$ 57,144
TAXES RECEIVABLE BY YEAR:				
2023		$ 32,211		$ 26,326
2022		6,438		6,035
2021		10,016		10,623
2020		2,802		2,642
2019		2,010		2,424
2018 and Prior		4,111		9,094
TOTAL		$ 57,588		$ 57,144

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	2023	2022	2021	2020
PROPERTY VALUATIONS:				
Land	$ 244,629,094	$ 238,010,748	$ 153,006,414	$ 156,385,938
Improvements	865,499,941	749,384,096	664,925,806	589,041,919
Personal Property	66,715,828	61,414,909	53,410,763	58,584,359
Exemptions	(218,823,270)	(185,112,004)	(122,920,796)	(115,402,981)
TOTAL PROPERTY VALUATIONS	$ 958,021,593	$ 863,697,749	$ 748,422,187	$ 688,609,235
TAX RATES PER $100 VALUATION:				
Debt Service	$ 0.255	$ 0.30	$ 0.35	$ 0.33
Maintenance	0.312	0.32	0.33	0.35
TOTAL TAX RATES PER $100 VALUATION	$ 0.567	$ 0.62	$ 0.68	$ 0.68
ADJUSTED TAX LEVY*	$ 5,431,982	$ 5,354,927	$ 5,118,539	$ 4,682,543
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	98.92 %	99.77 %	99.60 %	99.88 %

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

Maintenance Tax – Maximum tax rate is unlimited in amount as approved by voters on November 29, 1971.

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	SERIES - 2012		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 65,000	$ 9,200	$ 74,200
2026	65,000	7,900	72,900
2027	65,000	6,438	71,438
2028	70,000	4,750	74,750
2029	75,000	2,938	77,938
2030	80,000	1,000	81,000
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	$ 420,000	$ 32,226	$ 452,226

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	SERIES-2013 REFUNDING		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 275,000	$ 251,513	$ 526,513
2026	285,000	240,312	525,312
2027	295,000	228,713	523,713
2028	300,000	216,812	516,812
2029	630,000	201,363	831,363
2030	655,000	181,269	836,269
2031	1,285,000	149,744	1,434,744
2032	680,000	117,812	797,812
2033	1,605,000	80,681	1,685,681
2034	1,680,000	27,300	1,707,300
2035			
2036			
2037			
2038			
2039			
2040			
	$ 7,690,000	$ 1,695,519	$ 9,385,519

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	S E R I E S - 2 0 1 4 R E F U N D I N G		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 180,000	$ 71,456	$ 251,456
2026	185,000	65,981	250,981
2027	185,000	60,432	245,432
2028	195,000	54,487	249,487
2029	200,000	48,069	248,069
2030	195,000	41,407	236,407
2031	200,000	34,494	234,494
2032	855,000	15,497	870,497
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	$ 2,195,000	$ 391,823	$ 2,586,823

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	SERIES-2015 REFUNDING		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 125,000	$ 198,875	$ 323,875
2026	120,000	195,200	315,200
2027	125,000	191,525	316,525
2028	125,000	187,775	312,775
2029	130,000	183,950	313,950
2030	135,000	179,300	314,300
2031	135,000	173,900	308,900
2032	140,000	168,400	308,400
2033	140,000	162,800	302,800
2034	120,000	157,600	277,600
2035	1,905,000	117,100	2,022,100
2036	1,975,000	39,500	2,014,500
2037			
2038			
2039			
2040			
	$ 5,175,000	$ 1,955,925	$ 7,130,925

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	SERIES - 2016		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 125,000	$ 43,638	$ 168,638
2026	135,000	41,038	176,038
2027	130,000	38,388	168,388
2028	135,000	35,484	170,484
2029	135,000	32,277	167,277
2030	140,000	28,837	168,837
2031	160,000	24,900	184,900
2032	165,000	20,325	185,325
2033	160,000	15,450	175,450
2034	165,000	10,575	175,575
2035	130,000	6,150	136,150
2036	140,000	2,100	142,100
2037			
2038			
2039			
2040			
	$ 1,720,000	$ 299,162	$ 2,019,162

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	S E R I E S - 2 0 1 7		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 65,000	$ 117,075	$ 182,075
2026	65,000	115,125	180,125
2027	70,000	113,100	183,100
2028	65,000	111,075	176,075
2029	65,000	109,125	174,125
2030	70,000	107,100	177,100
2031	70,000	105,000	175,000
2032	75,000	102,825	177,825
2033	75,000	100,481	175,481
2034	80,000	97,963	177,963
2035	80,000	95,362	175,362
2036	80,000	92,763	172,763
2037	1,350,000	69,525	1,419,525
2038	1,410,000	23,794	1,433,794
2039			
2040			
	$ 3,620,000	$ 1,360,313	$ 4,980,313

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	SERIES-2020 REFUNDING		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 660,000	$ 104,100	$ 764,100
2026	690,000	77,100	767,100
2027	730,000	48,700	778,700
2028	765,000	26,450	791,450
2029	465,000	14,150	479,150
2030	475,000	4,750	479,750
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	$ 3,785,000	$ 275,250	$ 4,060,250

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	S E R I E S - 2 0 2 3		
Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
2025	$ 90,000	$ 247,600	$ 337,600
2026	95,000	243,900	338,900
2027	95,000	240,100	335,100
2028	100,000	236,200	336,200
2029	105,000	232,100	337,100
2030	100,000	228,000	328,000
2031	55,000	224,900	279,900
2032	50,000	222,800	272,800
2033	55,000	220,700	275,700
2034	55,000	218,500	273,500
2035	55,000	216,300	271,300
2036	60,000	214,000	274,000
2037	990,000	193,000	1,183,000
2038	1,010,000	153,000	1,163,000
2039	1,630,000	100,200	1,730,200
2040	1,690,000	33,800	1,723,800
	$ 6,235,000	$ 3,225,100	$ 9,460,100

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2024

	ANNUAL REQUIREMENTS FOR ALL SERIES		
Due During Fiscal Years Ending September 30	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2025	$ 1,585,000	$ 1,043,457	$ 2,628,457
2026	1,640,000	986,556	2,626,556
2027	1,695,000	927,396	2,622,396
2028	1,755,000	873,033	2,628,033
2029	1,805,000	823,972	2,628,972
2030	1,850,000	771,663	2,621,663
2031	1,905,000	712,938	2,617,938
2032	1,965,000	647,659	2,612,659
2033	2,035,000	580,112	2,615,112
2034	2,100,000	511,938	2,611,938
2035	2,170,000	434,912	2,604,912
2036	2,255,000	348,363	2,603,363
2037	2,340,000	262,525	2,602,525
2038	2,420,000	176,794	2,596,794
2039	1,630,000	100,200	1,730,200
2040	1,690,000	33,800	1,723,800
	$ 30,840,000	$ 9,235,318	$ 40,075,318

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
CHANGE IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Description	Original Bonds Issued	Bonds Outstanding October 1, 2023
Meadowhill Regional Municipal Utility District Unlimited Tax and Revenue Bonds - Series 2012	$ 1,220,000	$ 480,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2013	9,760,000	7,960,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2014	3,565,000	2,370,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2015	6,180,000	5,295,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds - Series 2016	2,600,000	1,845,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds - Series 2017	3,980,000	3,685,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2020	5,195,000	4,415,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds - Series 2023	6,235,000	6,235,000
TOTAL	$ 38,735,000	$ 32,285,000

Bond Authority:	Tax Bonds**	Refunding Bonds
Amount Authorized by Voters	$ 69,265,000	$ *
Amount Issued	51,065,000	1,710,000
Remaining to be Issued	$ 18,200,000	

* One-hundred-fifty percent of outstanding bonds payable.

** Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

See accompanying independent auditor's report.

Current Year Transactions				
	Retirements		Bonds Outstanding	
Bonds Sold	Principal	Interest	September 30, 2024	Paying Agent
$	$ 60,000	$ 10,450	$ 420,000	BOKF, N.A. Austin, TX
	270,000	262,412	7,690,000	BOKF, N.A. Austin, TX
	175,000	76,782	2,195,000	BOKF, N.A. Austin, TX
	120,000	202,550	5,175,000	BOKF, N.A. Austin, TX
	125,000	46,137	1,720,000	BOKF, N.A. Austin, TX
	65,000	119,025	3,620,000	BOKF, N.A. Austin, TX
	630,000	129,900	3,785,000	UMB Bank, N.A. Houston, TX
		137,863	6,235,000	UMB Bank, N.A. Houston, TX
$ - 0 -	$ 1,445,000	$ 985,119	$ 30,840,000	

Debt Service Fund cash, investments and cash with paying agents balance as of September 30, 2024:	$ 5,127,379
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 2,504,707

For interest rates, interest payment dates and maturity dates, see Note 3.

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND - FIVE YEARS

	Amounts		
	2024	2023	2022
REVENUES			
Property Taxes	$ 2,939,157	$ 2,713,517	$ 2,484,303
Water Service	992,835	901,461	957,683
Wastewater Service	1,381,420	1,282,383	1,309,029
Regional Water Authority Fees	1,071,459	1,216,869	1,362,309
Penalty and Interest	76,097	51,197	64,238
Tap Connection and Inspection Fees	604,040	535,985	38,395
Investment Revenues	770,014	553,973	65,859
Miscellaneous Revenues	162,700	171,155	161,326
TOTAL REVENUES	$ 7,997,722	$ 7,426,540	$ 6,443,142
EXPENDITURES			
Professional Fees	$ 270,174	$ 527,948	$ 294,327
Contracted Services	1,093,191	1,064,820	1,022,512
Purchased Water Service	618,257	430,845	361,536
Purchased Wastewater Service	1,053,217	851,699	625,493
Utilities	81,234	69,924	132,450
Regional Water Authority Assessment	1,154,283	1,392,336	1,186,515
Repairs and Maintenance	913,530	525,045	451,776
Other	560,188	488,505	248,138
Capital Outlay	136,102	315,280	224,986
Developer Interest			
TOTAL EXPENDITURES	$ 5,880,176	$ 5,666,402	$ 4,547,733
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 2,117,546	$ 1,760,138	$ 1,895,409
OTHER FINANCING SOURCES (USES)			
Transfers In	$	$ 8,297	$
Contributed by Other Governmental Unit			1,358,810
TOTAL OTHER FINANCING SOURCES (USES)	$ - 0 -	$ 8,297	$ 1,358,810
NET CHANGE IN FUND BALANCE	$ 2,117,546	$ 1,768,435	$ 3,254,219
BEGINNING FUND BALANCE	13,544,241	11,775,806	8,521,587
ENDING FUND BALANCE	$ 15,661,787	$ 13,544,241	$ 11,775,806

See accompanying independent auditor’s report.

2021	2020	Percentage of Total Revenue 2024	2023	2022	2021	2020
$ 2,377,875	$ 1,938,331	36.7 %	36.5 %	38.6 %	40.7 %	37.8 %
846,870	831,041	12.4	12.1	14.9	14.5	16.1
1,281,027	1,203,581	17.3	17.3	20.3	21.9	23.4
1,137,785	1,016,658	13.4	16.4	21.1	19.5	19.7
57,033	51,575	1.0	0.7	1.0	1.0	1.0
48,470	22,170	7.6	7.2	0.6	0.8	0.4
4,538	46,921	9.6	7.5	1.0	0.1	0.9
84,924	38,563	2.0	2.3	2.5	1.5	0.7
$ 5,838,522	$ 5,148,840	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
$ 213,325	$ 365,214	3.4 %	7.1 %	4.6 %	3.7 %	7.1 %
965,064	893,375	13.7	14.3	15.9	16.5	17.4
920,370	1,371,266	7.7	5.8	5.6	15.8	26.6
608,235	632,649	13.2	11.5	9.7	10.4	12.3
117,775	93,972	1.0	0.9	2.1	2.0	1.8
593,322		14.4	18.7	18.4	10.2	
367,860	326,281	11.4	7.1	7.0	6.3	6.3
233,983	183,525	7.0	6.6	3.9	4.0	3.6
4,468	1,976,520	1.7	4.2	3.5	0.1	38.4
	216,595					4.2
$ 4,024,402	$ 6,059,397	73.5 %	76.2 %	70.7 %	69.0 %	117.7 %
$ 1,814,120	$ (910,557)	26.5 %	23.8 %	29.3 %	31.0 %	(17.7) %
$	$ 54,177					
$ - 0 -	$ 54,177					
$ 1,814,120	$ (856,380)					
6,707,467	7,563,847					
$ 8,521,587	$ 6,707,467					

See accompanying independent auditor’s report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT

COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND - FIVE YEARS

	Amounts		
	2024	2023	2022
REVENUES			
Property Taxes	$ 2,400,451	$ 2,541,525	$ 2,636,858
Penalty and Interest	50,028	43,746	38,484
Interest on Investments	228,716	190,504	29,975
Miscellaneous Revenues	5,552	555	388
TOTAL REVENUES	$ 2,684,747	$ 2,776,330	$ 2,705,705
EXPENDITURES			
Tax Collection Expenditures	$ 118,643	$ 109,800	$ 103,497
Debt Service Principal	1,445,000	1,400,000	775,000
Debt Service Interest and Fees	988,619	898,007	928,706
Bond Issuance Costs			
TOTAL EXPENDITURES	$ 2,552,262	$ 2,407,807	$ 1,807,203
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 132,485	$ 368,523	$ 898,502
OTHER FINANCING SOURCES (USES)			
Transfer to Refunded Bond Escrow Agent	$	$	$
Long-Term Debt Issued			
Bond Premium			
TOTAL OTHER FINANCING SOURCES (USES)	$ -0-	$ -0-	$ -0-
NET CHANGE IN FUND BALANCE	$ 132,485	$ 368,523	$ 898,502
BEGINNING FUND BALANCE	4,824,315	4,455,792	3,557,290
ENDING FUND BALANCE	$ 4,956,800	$ 4,824,315	$ 4,455,792
TOTAL ACTIVE RETAIL WATER CONNECTIONS	2,692	2,625	2,637
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	2,604	2,554	2,610

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2021	2020	2024	2023	2022	2021	2020
$ 2,234,764	$ 2,343,016	89.4 %	91.5 %	97.5 %	97.5 %	97.4 %
55,542	37,759	1.9	1.6	1.4	2.4	1.6
1,415	22,909	8.5	6.9	1.1	0.1	1.0
789		0.2				
$ 2,292,510	$ 2,403,684	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
$ 95,553	$ 93,611	4.4 %	4.0 %	3.8 %	4.2 %	3.9 %
1,965,000	1,310,000	53.8	50.4	28.6	85.7	54.5
901,207	1,046,962	36.8	32.3	34.3	39.3	43.6
	244,945					10.2
$ 2,961,760	$ 2,695,518	95.0 %	86.7 %	66.7 %	129.2 %	112.2 %
$ (669,250)	$ (291,834)	5.0 %	13.3 %	33.3 %	(29.2) %	(12.2) %
$	$(5,419,987)					
	5,195,000					
	461,770					
$ - 0 -	$ 236,783					
$ (669,250)	$ (55,051)					
4,226,540	4,281,591					
$ 3,557,290	$ 4,226,540					
2,617	2,637					
2,607	2,586					

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2024

District Mailing Address - Meadowhill Regional Municipal Utility District
c/o Johnson Petrov LLP
2929 Allen Parkway, Suite 3150
Houston, TX 77019-6100

District Telephone Number - (713) 489-8977

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended September 30, 2024	Expense Reimbursements for the year ended September 30, 2024	Title
Alan E. Liczwek	05/2022 05/2026 (Elected)	$ 7,200	$ 5,199	President
Douglas Larkins	05/2024 05/2028 (Elected)	$ 7,200	$ 5	Vice President
Edward Varosky	05/2024 05/2028 (Elected)	$ 7,200	$ 4,622	Secretary/ Treasurer
Michael Gleason	05/2022 05/2026 (Elected)	$ 7,200	$ 5,361	Assistant Secretary/ Assistant Treasurer
Cassandra Woods	05/2022 05/2026 (Elected)	$ 6,800	$ 3,713	Director

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

Submission date of most recent District Registration Form: June 15, 2022

The limit on Fees of Office that a Director may receive during a fiscal year is $7,200 as set by Board Resolution on July 30, 2003. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2024

Consultants:	Date Hired	District Fees for the year ended September 30, 2024	Water Plant and Wastewater Treatment Plant Fees for the year ended September 30, 2024	Title
Johnson Petrov LLP	05/91	$ 115,690	$ 1,973	Attorney
McCall Gibson Swedlund Barfoot Ellis PLLC	09/28/96	$ 18,750 $ 16,500	$ 10,500 $ -0-	Auditor Bond Related
Myrtle Cruz, Inc.	06/81	$ 40,749	$ 32,394	Bookkeeper/ Investment Officer
Perdue Brandon Fielder Collins & Mott, L.L.P.	05/99	$ 15,226	$ -0-	Delinquent Tax Attorney
IDS Engineering, Inc.	09/24/02	$ 353,476	$ 164,463	Engineer
Blitch Associates, Inc.	09/90	$ -0-	$ -0-	Financial Advisor
TNG Utility Corp.	09/24/02	$ 1,341,241	$ 1,057,831	Operator
Bob Leared Interests	10/15/90	$ 44,979	$ -0-	Tax Assessor/ Collector

See accompanying independent auditor's report.