

MOODY'S

RATINGS

Rating Action: Moody's Ratings assigns Baa2 issuer rating to Meyer Ranch MUD, TX; confirms GOs at Baa2 and assigns Baa2 to GOULT Series 2026 bonds

27 Feb 2026

New York, February 27, 2026 -- Moody's Ratings (Moody's) has assigned a Baa2 issuer rating to Meyer Ranch Municipal Utility District, TX. At the same time, we have confirmed the district's general obligation unlimited tax (GOULT) debt at Baa2 and have assigned a Baa2 to the district's upcoming sale of Unlimited Tax Road Bonds, Series 2026 in the anticipated par amount of \$6.5 million. This action concludes a review for possible downgrade that was initiated on Dec. 9, 2025 in conjunction with the release of the US Special Purpose Districts methodology. The district has about \$60.2 million of debt outstanding inclusive of the Series 2026 bonds.

RATINGS RATIONALE

The Baa2 issuer rating reflects the district's moderate reserves relative to revenue with available fund balance and liquidity expected to remain over 60% of revenue through fiscal 2026 (September 30 year-end). The district has a limited scale of operations with total revenue of about \$4.2 million across all of funds. The district's nominally small reserves are somewhat mitigated by limited scope of operations of only sewer utilities being provided by the district.

Available fund balance to long-term liabilities is very narrow at about 3.2% and will remain limited given significant funds due to the developer that will be issued over time. Future issuance will also keep the district's long-term liabilities stable though elevated at 14.5% of the December 2025 full value estimate of \$415 million. This increases to an even higher 21.1% when including what is owed to the developer.

The Baa2 GOULT rating is at the same level as the issuer rating based on the pledge of an unlimited property tax that is dedicated for debt service and levied upon all taxable property within the district.

RATING OUTLOOK

We do not assign outlooks to local governments with this amount of debt.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Increase in available fund balance approaching 12.5% of long-term liabilities
- Increase in available fund balance and liquidity to over 100% of revenue
- Sustained decline in long-term liabilities to below 12% of full value

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Increase in long-term liabilities to over 25% of full value on a forward-looking basis
- Deficit operations leading to a decline in reserves and lower available fund balance to long term liabilities

PROFILE

Meyer Ranch MUD encompasses 736 acres within Comal County, TX roughly 10 miles northwest of the City of New Braunfels and within Comal Independent School District. The district has an estimated population of 2,900.

METHODOLOGY

The principal methodology used in these ratings was US Special Purpose Districts published in December 2025 and available at <https://ratings.moodys.com/rmc-documents/455982>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of this methodology.

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