

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**

**HARRIS COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**SEPTEMBER 30, 2025**

# TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	9-14
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	15
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	16-17
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	18
NOTES TO THE FINANCIAL STATEMENTS	19-37
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND AND EACH SPECIAL REVENUE FUND	39-41
SUPPLEMENTARY INFORMATION REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE	
NOTES REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE (Included in the notes to the financial statements)	
SERVICES AND RATES	43-45
GENERAL FUND EXPENDITURES	46-47
INVESTMENTS	48
TAXES LEVIED AND RECEIVABLE	49-50
LONG-TERM DEBT SERVICE REQUIREMENTS	51-59
CHANGE IN LONG-TERM BOND DEBT	60-61
COMPARATIVE SCHEDULES OF REVENUES AND EXPENDITURES GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS	62-65
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	66-67

# *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, 2025, 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, 2025, 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 19, 2026

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

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, 2025. 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

**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 \$23,078,585 as of September 30, 2025.

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:

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

	Summary of Changes in the Statement of Net Position		
	2025	2024	Change Positive (Negative)
Current and Other Assets	\$ 26,025,083	\$ 24,464,938	\$ 1,560,145
Capital Assets (Net of Accumulated Depreciation)	<u>30,860,837</u>	<u>29,823,646</u>	<u>1,037,191</u>
Total Assets	<u>\$ 56,885,920</u>	<u>\$ 54,288,584</u>	<u>\$ 2,597,336</u>
Deferred Outflows of Resources	<u>\$ 354,844</u>	<u>\$ 404,138</u>	<u>\$ (49,294)</u>
Due to Developer	\$ 2,646,838	\$ 1,774,665	\$ (872,173)
Bonds Payable	29,477,273	31,114,462	1,637,189
Other Liabilities	<u>2,038,068</u>	<u>2,826,488</u>	<u>788,420</u>
Total Liabilities	<u>\$ 34,162,179</u>	<u>\$ 35,715,615</u>	<u>\$ 1,553,436</u>
Net Position:			
Net Investment in Capital Assets	\$ (873,849)	\$ (2,091,788)	\$ 1,217,939
Restricted	4,579,808	4,512,339	67,469
Unrestricted	<u>19,372,626</u>	<u>16,556,556</u>	<u>2,816,070</u>
Total Net Position	<u>\$ 23,078,585</u>	<u>\$ 18,977,107</u>	<u>\$ 4,101,478</u>

The following table provides a summary of the District's operations for the years ending September 30, 2025, and September 30, 2024. The District's net position increased by \$4,101,478 during the current fiscal year.

	Summary of Changes in the Statement of Activities		
	2025	2024	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 5,830,887	\$ 5,371,297	\$ 459,590
Charges for Services	5,516,104	4,699,965	816,139
Other Revenues	<u>1,106,179</u>	<u>1,261,013</u>	<u>(154,834)</u>
Total Revenues	<u>\$ 12,453,170</u>	<u>\$ 11,332,275</u>	<u>\$ 1,120,895</u>
Expenses for Services	<u>8,351,692</u>	<u>8,468,939</u>	<u>117,247</u>
Change in Net Position	\$ 4,101,478	\$ 2,863,336	\$ 1,238,142
Net Position, Beginning of Year	<u>18,977,107</u>	<u>16,113,771</u>	<u>2,863,336</u>
Net Position, End of Year	<u>\$ 23,078,585</u>	<u>\$ 18,977,107</u>	<u>\$ 4,101,478</u>

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS**

The District's combined fund balances as of September 30, 2025, were \$23,537,502, an increase of \$2,369,527 from the prior year.

The General Fund fund balance increased by \$2,878,808, primarily due to property taxes and service revenues exceeding operating costs.

The Debt Service Fund fund balance increased by \$40,107, primarily due to the structure of the District's outstanding debt.

The Capital Projects Fund fund balance decreased by \$549,388, 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 \$1,386,364 more than budgeted.

**CAPITAL ASSETS**

Capital assets as of September 30, 2025, total \$30,860,837 (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			
	2025	2024	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 3,341,778	\$ 2,642,826	\$ 698,952
Construction in Progress	1,630,278	1,285,763	344,515
Capital Assets, Net of Accumulated Depreciation:			
Buildings	82,590	87,292	(4,702)
Water System	7,584,015	7,743,700	(159,685)
Wastewater System	6,067,422	6,448,616	(381,194)
Drainage System	11,636,301	11,319,338	316,963
Drainage Impact Fees	19,342	20,320	(978)
Investment in Shasla Joint Water Plant	499,111	275,791	223,320
Total Net Capital Assets	<u>\$ 30,860,837</u>	<u>\$ 29,823,646</u>	<u>\$ 1,037,191</u>

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

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

**LONG-TERM DEBT ACTIVITY**

At the end of the current fiscal year, the District had total bond debt payable of \$29,255,000.

The changes in the debt position of the District during the fiscal year ended September 30, 2025, are summarized as follows:

Bond Debt Payable, October 1, 2024	\$ 30,840,000
Less: Bond Principal Paid	<u>1,585,000</u>
Bond Debt Payable, September 30, 2025	<u>\$ 29,255,000</u>

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 “A1” rating by Moody’s or “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, 2025.

**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, 2025**

	Special Revenue Funds		
	General Fund	Water Plant	Wastewater Treatment Plant
<b>ASSETS</b>			
Cash	\$ 490,852	\$ 100,427	\$ 222,865
Investments	17,257,915		570,430
Cash with Fiscal Agent			
Receivables:			
Property Taxes	63,241		
Penalty and Interest on Delinquent Taxes			
Service Accounts	660,016		
Accrued Interest	3,799		
Other	28,741		
Due from Other Funds	871,520	327,060	
Prepaid Costs	95,118	21,809	29,086
Regional Water Authority Capital Contribution			
Due from Other Governmental Units	118,765	279,214	
Advance for Water Plant Operations	158,436		
Advance for Regional Wastewater Treatment Plant Operations	222,698		
Land			
Construction in Progress			
Capital Assets (Net of Accumulated Depreciation)			
<b>TOTAL ASSETS</b>	<b>\$ 19,971,101</b>	<b>\$ 728,510</b>	<b>\$ 822,381</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charges on Refunding Bonds	\$ - 0 -	\$ - 0 -	\$ - 0 -
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 19,971,101</b>	<b>\$ 728,510</b>	<b>\$ 822,381</b>

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 111,056	\$ 1,838	\$ 927,038	\$	\$ 927,038
2,915,305	471	20,744,121		20,744,121
2,149,253		2,149,253		2,149,253
55,334		118,575		118,575
			35,320	35,320
		660,016		660,016
		3,799		3,799
		28,741		28,741
	24,687	1,223,267	(1,223,267)	
		146,013	48,550	194,563
			720,240	720,240
		397,979		397,979
		158,436	(112,998)	45,438
		222,698	(222,698)	
			3,341,778	3,341,778
			1,630,278	1,630,278
			25,888,781	25,888,781
<u>\$ 5,230,948</u>	<u>\$ 26,996</u>	<u>\$ 26,779,936</u>	<u>\$ 30,105,984</u>	<u>\$ 56,885,920</u>
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 354,844</u>	<u>\$ 354,844</u>
<u>\$ 5,230,948</u>	<u>\$ 26,996</u>	<u>\$ 26,779,936</u>	<u>\$ 30,460,828</u>	<u>\$ 57,240,764</u>

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, 2025**

	Special Revenue Funds		
	General Fund	Water Plant	Wastewater Treatment Plant
<b>LIABILITIES</b>			
Accounts Payable	\$ 383,431	\$ 89,428	\$ 105,787
Accrued Interest Payable			
Due to Other Governmental Units			192,490
Due to Developers	18,740		
Retainage Payable			89,222
Due to Other Funds	442,472	505,844	116,457
Due to Taxpayers			
Security Deposits	522,622		
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			
<b>TOTAL LIABILITIES</b>	<b>\$ 1,367,265</b>	<b>\$ 728,510</b>	<b>\$ 822,381</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	\$ 63,241	\$ - 0 -	\$ - 0 -

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 72	\$ 11,155	\$ 589,873	\$	\$ 589,873
			507,753	507,753
		192,490		192,490
	15,841	34,581	2,612,257	2,646,838
		89,222		89,222
158,494		1,223,267	(1,223,267)	
20,141		20,141		20,141
		522,622		522,622
		133,238	(112,998)	20,240
		318,425	(222,698)	95,727
			1,640,000	1,640,000
			27,837,273	27,837,273
<u>\$ 178,707</u>	<u>\$ 26,996</u>	<u>\$ 3,123,859</u>	<u>\$ 31,038,320</u>	<u>\$ 34,162,179</u>
<u>\$ 55,334</u>	<u>\$ - 0 -</u>	<u>\$ 118,575</u>	<u>\$ (118,575)</u>	<u>\$ - 0 -</u>

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, 2025**

	Special Revenue Funds		
	General Fund	Water Plant	Wastewater Treatment Plant
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid Costs	\$ 95,118	\$	\$
Advance For Water Plant Operations	158,436		
Advance For Regional Wastewater Treatment Plant Operations	222,698		
Restricted for Debt Service			
Unassigned	18,064,343		
<b>TOTAL FUND BALANCES</b>	<b>\$ 18,540,595</b>	<b>\$ - 0 -</b>	<b>\$ - 0 -</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 19,971,101</b>	<b>\$ 728,510</b>	<b>\$ 822,381</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets			
Restricted for:			
Debt Service			
Unrestricted			
<b>TOTAL NET POSITION</b>			

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$	\$	\$ 95,118	\$ (95,118)	\$
		158,436	(158,436)	
		222,698	(222,698)	
4,996,907		4,996,907	(4,996,907)	
		18,064,343	(18,064,343)	
<u>\$ 4,996,907</u>	<u>\$ - 0 -</u>	<u>\$ 23,537,502</u>	<u>\$ (23,537,502)</u>	<u>\$ - 0 -</u>
<u>\$ 5,230,948</u>	<u>\$ 26,996</u>	<u>\$ 26,779,936</u>		
			\$ (873,849)	\$ (873,849)
			4,579,808	4,579,808
			<u>19,372,626</u>	<u>19,372,626</u>
			<u>\$ 23,078,585</u>	<u>\$ 23,078,585</u>

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, 2025**

Total Fund Balances - Governmental Funds \$ 23,537,502

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. 720,240

Prepaid bond insurance is amortized over the term of the refunding bonds. 48,550

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. 30,860,837

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. 354,844

Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2024 and prior tax levies became part of recognized revenue in the governmental activities of the District. 153,895

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	\$ (2,612,257)	
Accrued Interest Payable	(507,753)	
Bonds Payable	<u>(29,477,273)</u>	<u>(32,597,283)</u>

Total Net Position - Governmental Activities \$ 23,078,585

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, 2025**

	General Fund	Special Revenue Funds	
		Water Plant	Wastewater Treatment Plant
<b>REVENUES</b>			
Property Taxes	\$ 3,289,021	\$	\$
Water Service	1,085,464	579,154	
Wastewater Service	1,491,925		1,860,896
Regional Water Authority Fees	1,187,386		
Penalty and Interest	89,998		
Tap Connection and Inspection Fees	978,940		
Investment Revenues	721,918	14	32,590
Miscellaneous Revenues	154,584		
<b>TOTAL REVENUES</b>	<b>\$ 8,999,236</b>	<b>\$ 579,168</b>	<b>\$ 1,893,486</b>
<b>EXPENDITURES/EXPENSES</b>			
Service Operations:			
Professional Fees	\$ 454,124	\$ 58,790	\$ 9,890
Contracted Services	1,187,950	149,790	239,927
Purchased Water Service	508,891	72,915	
Purchased Wastewater Service	1,315,073		
Utilities	83,152	78,762	117,163
Regional Water Authority Assessment	937,867	7	
Repairs and Maintenance	884,090	162,077	291,961
Depreciation			
Other	570,308	52,824	433,775
Capital Outlay	178,973	4,003	800,770
Debt Service:			
Bond Principal			
Bond Interest			
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 6,120,428</b>	<b>\$ 579,168</b>	<b>\$ 1,893,486</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 2,878,808</b>	<b>\$</b>	<b>\$</b>
<b>CHANGE IN NET POSITION</b>			
<b>FUND BALANCES/NET POSITION - OCTOBER 1, 2024</b>	<b>15,661,787</b>		
<b>FUND BALANCES/NET POSITION - SEPTEMBER 30, 2025</b>	<b>\$ 18,540,595</b>	<b>\$ - 0 -</b>	<b>\$ - 0 -</b>

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
\$ 2,538,023	\$	\$ 5,827,044	\$ 3,843	\$ 5,830,887
		1,664,618	(508,891)	1,155,727
		3,352,821	(1,315,073)	2,037,748
65,083		1,187,386		1,187,386
		155,081	1,222	156,303
184,943	7,634	978,940		978,940
4,496		947,099		947,099
		159,080		159,080
<u>\$ 2,792,545</u>	<u>\$ 7,634</u>	<u>\$ 14,272,069</u>	<u>\$ (1,818,899)</u>	<u>\$ 12,453,170</u>
\$ 23,752	\$	\$ 546,556	\$	\$ 546,556
90,229		1,667,896		1,667,896
		581,806	(508,891)	72,915
		1,315,073	(1,315,073)	
		279,077		279,077
		937,874	63,540	1,001,414
	4,881	1,343,009		1,343,009
			1,346,726	1,346,726
10,001	9,729	1,076,637		1,076,637
	542,412	1,526,158	(1,526,158)	
1,585,000		1,585,000	(1,585,000)	
1,043,456		1,043,456	(25,994)	1,017,462
<u>\$ 2,752,438</u>	<u>\$ 557,022</u>	<u>\$ 11,902,542</u>	<u>\$ (3,550,850)</u>	<u>\$ 8,351,692</u>
\$ 40,107	\$ (549,388)	\$ 2,369,527	\$ (2,369,527)	\$
			4,101,478	4,101,478
<u>4,956,800</u>	<u>549,388</u>	<u>21,167,975</u>	<u>(2,190,868)</u>	<u>18,977,107</u>
<u>\$ 4,996,907</u>	<u>\$ -0-</u>	<u>\$ 23,537,502</u>	<u>\$ (458,917)</u>	<u>\$ 23,078,585</u>

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, 2025**

Net Change in Fund Balances - Governmental Funds	\$ 2,369,527
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.	3,843
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.	1,222
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.	(1,346,726)
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.	1,526,158
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.	1,585,000
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.	25,994
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.	(63,540)
Change in Net Position - Governmental Activities	<u>\$ 4,101,478</u>

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

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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.

Financial Statement Presentation

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

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

- 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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, 2025, the District’s General Fund owed the wastewater treatment plant operating costs in the amount of \$90,725 and owed the water plant operating costs in the amount of \$327,060. The General Fund owed the Capital Projects Fund \$24,687 for construction costs. The Debt Service Fund owed the General Fund \$158,494 for maintenance tax collections. The water plant Special Revenue Fund owed the General Fund \$505,844 for a loan to cover operating costs and wastewater Special Revenue Fund owed the General Fund \$116,457 for construction 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**NOTE 3. LONG-TERM DEBT**

	Series 2012	Refunding Series 2013	Refunding Series 2014	Refunding Series 2015
Amount Outstanding – September 30, 2025	\$ 355,000	\$ 7,415,000	\$ 2,015,000	\$ 5,050,000
Interest Rates	2.00%-2.50%	3.00%-4.00%	3.00%-3.625%	3.00%-4.00%
Maturity Dates – Serially Beginning/Ending	October 1, 2025/2029	October 1, 2025/2033	October 1, 2025/2031	October 1, 2025/2035
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, 2025	\$ 1,595,000	\$ 3,555,000	\$ 3,125,000	\$ 6,145,000
Interest Rates	2.00%-3.00%	3.00%-3.375%	2.00%-4.00%	4.00%
Maturity Dates – Serially Beginning/Ending	October 1, 2025/2035	October 1, 2025/2037	October 1, 2025/2029	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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**NOTE 3. LONG-TERM DEBT (Continued)**

The following is a summary of transactions regarding bonds payable for the year ended September 30, 2025:

	October 1 2024	Additions	Retirements	September 30, 2025
Bonds Payable	\$ 30,840,000	\$	\$ 1,585,000	\$ 29,255,000
Unamortized Discounts	(123,452)		(11,290)	(112,162)
Unamortized Premiums	397,914		63,479	334,435
Bonds Payable, Net	\$ 31,114,462	\$ -0-	\$ 1,637,189	\$ 29,477,273
			Amount Due Within One Year	\$ 1,640,000
			Amount Due After One Year	27,837,273
			Bonds Payable, Net	\$ 29,477,273

As of September 30, 2025, the District had authorized but unissued bonds in the amount of \$18,200,000 for utility facilities.

As of September 30, 2025, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
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
2031-2035	10,175,000	2,887,559	13,062,559
2036-2040	10,335,000	921,682	11,256,682
	\$ 29,255,000	\$ 8,191,861	\$ 37,446,861

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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**NOTE 3. LONG-TERM DEBT (Continued)**

During the current fiscal year, the District levied an ad valorem debt service tax at the rate of \$0.240 per \$100 of assessed valuation, which resulted in a tax levy of \$2,559,100 on the adjusted taxable valuation of \$1,066,291,709 for the 2024 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 \$1,339,367 and the bank balance was \$1,658,931. The District was not exposed to custodial credit risk at year end.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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, 2025, as listed below:

	Cash	Certificate of Deposit	Total
GENERAL FUND	\$ 490,852	\$ 412,329	\$ 903,181
SPECIAL REVENUE FUNDS	323,292		323,292
DEBT SERVICE FUND	111,056		111,056
CAPITAL PROJECTS FUND	1,838		1,838
TOTAL DEPOSITS	<u>\$ 927,038</u>	<u>\$ 412,329</u>	<u>\$ 1,339,367</u>

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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**NOTE 5. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

As of September 30, 2025, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
TexPool	\$ 16,845,586	\$ 16,845,586
Certificate of Deposit	412,329	412,329
<u>SPECIAL REVENUE FUND</u>		
TexPool	570,430	570,430
<u>DEBT SERVICE FUND</u>		
TexPool	2,915,305	2,915,305
<u>CAPITAL PROJECTS FUND</u>		
TexPool	471	471
<b>TOTAL INVESTMENTS</b>	<b>\$ 20,744,121</b>	<b>\$ 20,744,121</b>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2025, 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2025:

	October 1, 2024	Increases	Decreases	September 30, 2025
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 2,642,826	\$ 698,952	\$	\$ 3,341,778
Construction in Progress	<u>1,285,763</u>	<u>2,383,916</u>	<u>2,039,401</u>	<u>1,630,278</u>
<b>Total Capital Assets Not Being Depreciated</b>	<u>\$ 3,928,589</u>	<u>\$ 3,082,868</u>	<u>\$ 2,039,401</u>	<u>\$ 4,972,056</u>
<b>Capital Assets Subject to Depreciation</b>				
Administration Building	\$ 188,083	\$	\$	\$ 188,083
Water System	15,556,013	317,416		15,873,429
Wastewater System	14,890,590	179,830		15,070,420
Drainage System	15,321,385	599,826		15,921,211
Drainage Impact Fees	39,101			39,101
Investment in Shasla Joint Water Plant	<u>570,272</u>	<u>243,378</u>		<u>813,650</u>
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 46,565,444</u>	<u>\$ 1,340,450</u>	<u>\$ - 0 -</u>	<u>\$ 47,905,894</u>
<b>Less Accumulated Depreciation</b>				
Administration Building	\$ 100,791	\$ 4,702	\$	\$ 105,493
Water System	7,812,313	477,101		8,289,414
Wastewater System	8,441,974	561,024		9,002,998
Drainage System	4,002,047	282,863		4,284,910
Drainage Impact Fees	18,781	978		19,759
Investment in Shasla Joint Water Plant	<u>294,481</u>	<u>20,058</u>		<u>314,539</u>
<b>Total Accumulated Depreciation</b>	<u>\$ 20,670,387</u>	<u>\$ 1,346,726</u>	<u>\$ - 0 -</u>	<u>\$ 22,017,113</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 25,895,057</u>	<u>\$ (6,276)</u>	<u>\$ - 0 -</u>	<u>\$ 25,888,781</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 29,823,646</u>	<u>\$ 3,076,592</u>	<u>\$ 2,039,401</u>	<u>\$ 30,860,837</u>

**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 \$0.311 per \$100 of assessed valuation, which resulted in a tax levy of \$3,316,167 on the adjusted taxable valuation of \$1,066,291,709 for the 2024 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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 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	<u>31.29</u>
Total	<u>100.00%</u>

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 <u>Per Day</u>	Percentage of <u>Ownership</u>
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	<u>265,000</u>	<u>14.70</u>
<b>TOTALS</b>	<u>1,800,000</u>	<u>100.00%</u>

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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, 2025, the District's share of the Plant's expenditures was \$1,315,073 of which \$23,811 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, 2025, the District's share of the joint water plant's expenditures was \$508,891. 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, 2025, 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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 \$72,915. The District has advanced Shasla \$45,438 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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<sup>th</sup>, 20<sup>th</sup>, 30<sup>th</sup> and 40<sup>th</sup> 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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 75<sup>th</sup> 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 \$2.60 per 1,000 gallons of water pumped from each well. During the current fiscal year, the Joint Water Plant recorded expenditures of \$7 related to these fees and the District’s General Fund recorded expenditures of \$937,867 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 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 \$63,540 was principal repayment. This left a balance of \$720,240 that has been recorded as Regional Water Authority Capital Contribution as of September 30, 2025.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**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, \$2,612,257 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	\$ 1,754,498
Additions	<u>857,759</u>
Due to Developers, end of year	<u>\$ 2,612,257</u>

**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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**NOTE 15. BONDS GULLY OUTFALL COST SHARING AGREEMENT (Continued)**

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.

**NOTE 17. SUBSEQUENT EVENT – BOND SALE**

On October 1, 2025, subsequent to year-end, the District closed on the sale of its \$3,050,000 Series 2025 Unlimited Tax and Revenue Bonds. 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.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2025**

**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, 2025**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 3,000,000	\$ 3,289,021	\$ 289,021
Water Service	1,100,000	1,085,464	(14,536)
Wastewater Service	1,300,000	1,491,925	191,925
Regional Water Authority Fee	1,200,000	1,187,386	(12,614)
Penalty and Interest	45,000	89,998	44,998
Tap Connection and Inspection Fees	400,000	978,940	578,940
Investment Revenues	600,000	721,918	121,918
Miscellaneous Revenues	371,700	154,584	(217,116)
<b>TOTAL REVENUES</b>	<b>\$ 8,016,700</b>	<b>\$ 8,999,236</b>	<b>\$ 982,536</b>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 336,000	\$ 454,124	\$ (118,124)
Contracted Services	1,107,000	1,187,950	(80,950)
Purchased Water Service	466,268	508,891	(42,623)
Purchased Wastewater Service	911,616	1,315,073	(403,457)
Utilities	40,000	83,152	(43,152)
Regional Water Authority Assessment	1,600,000	937,867	662,133
Repairs and Maintenance	673,000	884,090	(211,090)
Other	562,083	570,308	(8,225)
Capital Outlay	828,289	178,973	649,316
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,524,256</b>	<b>\$ 6,120,428</b>	<b>\$ 403,828</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 1,492,444</b>	<b>\$ 2,878,808</b>	<b>\$ 1,386,364</b>
<b>FUND BALANCE - OCTOBER 1, 2024</b>	<b>15,661,787</b>	<b>15,661,787</b>	
<b>FUND BALANCE - SEPTEMBER 30, 2025</b>	<b>\$ 17,154,231</b>	<b>\$ 18,540,595</b>	<b>\$ 1,386,364</b>

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, 2025**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Water Service	\$ 532,950	\$ 579,154	\$ 46,204
Investment Revenues		14	14
<b>TOTAL REVENUES</b>	<u>\$ 532,950</u>	<u>\$ 579,168</u>	<u>\$ 46,218</u>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 26,900	\$ 58,790	\$ (31,890)
Contracted Services	117,300	149,790	(32,490)
Purchased Water Service	80,000	72,915	7,085
Utilities	70,750	78,762	(8,012)
Regional Water Authority Assessment	120,000	7	119,993
Repairs and Maintenance	75,000	162,077	(87,077)
Other	43,000	52,824	(9,824)
Capital Outlay		4,003	(4,003)
<b>TOTAL EXPENDITURES</b>	<u>\$ 532,950</u>	<u>\$ 579,168</u>	<u>\$ (46,218)</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ -0-	\$ -0-	\$ -0-
<b>FUND BALANCE - OCTOBER 1, 2024</b>	_____	_____	_____
<b>FUND BALANCE - SEPTEMBER 30, 2025</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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, 2025**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Wastewater Service	\$ 1,273,700	\$ 1,860,896	\$ 587,196
Investment Revenues		32,590	32,590
<b>TOTAL REVENUES</b>	<b>\$ 1,273,700</b>	<b>\$ 1,893,486</b>	<b>\$ 619,786</b>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 28,300	\$ 9,890	\$ 18,410
Contracted Services	204,500	239,927	(35,427)
Utilities	126,000	117,163	8,837
Repairs and Maintenance	342,500	291,961	50,539
Other	412,400	433,775	(21,375)
Capital Outlay	160,000	800,770	(640,770)
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,273,700</b>	<b>\$ 1,893,486</b>	<b>\$ (619,786)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
<b>FUND BALANCE - OCTOBER 1, 2024</b>	_____	_____	_____
<b>FUND BALANCE - SEPTEMBER 30, 2025</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**SUPPLEMENTARY INFORMATION REQUIRED BY THE**  
**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**  
**SEPTEMBER 30, 2025**

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
SERVICES AND RATES  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

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

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

**2. RETAIL SERVICE PROVIDERS**

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

Based on the Rate Order Approved June 30, 2025.

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1,000 Gallons over Minimum Use</u>	<u>Usage Levels</u>
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	\$ 2.86	0001 and up
Other					

District employs winter averaging for wastewater usage?          X    
Yes                      No

Total monthly charges per 10,000 gallons usage: Water: \$19.00 Wastewater: \$30.00 Surcharge: \$28.60 Total: \$77.60

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
SERVICES AND RATES  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

**2. RETAIL SERVICE PROVIDERS (Continued)**

**b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)**

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered			x 1.0	
≤ <sup>3</sup> / <sub>4</sub> "	<u>2,618</u>	<u>2,618</u>	x 1.0	<u>2,618</u>
1"	<u>30</u>	<u>30</u>	x 2.5	<u>75</u>
1½"			x 5.0	
2"	<u>50</u>	<u>50</u>	x 8.0	<u>400</u>
3"	<u>3</u>	<u>3</u>	x 15.0	<u>45</u>
4"	<u>1</u>	<u>1</u>	x 25.0	<u>25</u>
6"	<u>5</u>	<u>5</u>	x 50.0	<u>250</u>
8"	<u>9</u>	<u>9</u>	x 80.0	<u>720</u>
10"			x 115.0	
Total Water Connections	<u><u>2,716</u></u>	<u><u>2,716</u></u>		<u><u>4,133</u></u>
Total Wastewater Connections	<u><u>2,628</u></u>	<u><u>2,628</u></u>	x 1.0	<u><u>2,628</u></u>

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

Gallons pumped into system:	413,662,000	Water Accountability Ratio: 87% (Gallons billed and sold/Gallons pumped)
Gallons billed to customers:	309,897,000	
Gallons sold:	54,805,000	To: Northwest Harris County Municipal Utility District No. 28
Gallons purchased:	7,075,000	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, 2025**

**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

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

PROFESSIONAL FEES:	
Auditing	\$ 19,250
Engineering	228,930
Legal	<u>205,944</u>
TOTAL PROFESSIONAL FEES	<u>\$ 454,124</u>
PURCHASED SERVICES FOR RESALE:	
Purchased Water Service	\$ 508,891
Purchased Wastewater Service	<u>1,315,073</u>
TOTAL PURCHASED SERVICES FOR RESALE	<u>\$ 1,823,964</u>
CONTRACTED SERVICES:	
Bookkeeping	\$ 35,500
Operations and Billing	119,681
Recording Secretary	1,105
Security	471,473
Solid Waste Disposal	<u>560,191</u>
TOTAL CONTRACTED SERVICES	<u>\$ 1,187,950</u>
UTILITIES	<u>\$ 83,152</u>
REPAIRS AND MAINTENANCE	<u>\$ 884,090</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 35,231
Dues	750
Insurance	59,617
Office Supplies and Postage	118,671
Payroll Taxes	530
Travel and Meetings	14,440
Regional Water Authority Assessment	937,867
Other	<u>12,070</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 1,179,176</u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

CAPITAL OUTLAY	\$ <u>178,973</u>
TAP CONNECTIONS	\$ <u>234,545</u>
OTHER EXPENDITURES:	
Chemicals	\$ 58,247
Permit Fees	6,725
Reconnection Fees	6,605
Inspection Fees	10,555
Regulatory Assessment	<u>12,322</u>
TOTAL OTHER EXPENDITURES	\$ <u>94,454</u>
TOTAL EXPENDITURES	\$ <u><u>6,120,428</u></u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**INVESTMENTS**  
**SEPTEMBER 30, 2025**

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
<u>GENERAL FUND</u>					
TexPool	XXXX0002	Varies	Daily	\$ 15,731,152	\$
TexPool	XXXX0006	Varies	Daily	1,114,434	
Certificate of Deposit	XXXX3431	4.25%	12/24/25	176,626	2,015
Certificate of Deposit	XXXX7840	4.25%	01/27/26	<u>235,703</u>	<u>1,784</u>
TOTAL GENERAL FUND				<u>\$ 17,257,915</u>	<u>\$ 3,799</u>
<u>SPECIAL REVENUE FUND - WASTEWATER TREATMENT PLANT</u>					
TexPool	XXXX0007	Varies	Daily	\$ 264,638	\$
TexPool	XXXX0008	Varies	Daily	<u>305,792</u>	
TOTAL SPECIAL REVENUE FUND				<u>\$ 570,430</u>	<u>\$ -0-</u>
<u>DEBT SERVICE FUND</u>					
TexPool	XXXX0001	Varies	Daily	<u>\$ 2,915,305</u>	<u>\$ -0-</u>
<u>CAPITAL PROJECTS FUND</u>					
TexPool	XXXX0005	Varies	Daily	<u>\$ 471</u>	<u>\$ -0-</u>
TOTAL - ALL FUNDS				<u><u>\$ 20,744,121</u></u>	<u><u>\$ 3,799</u></u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE -				
OCTOBER 1, 2024	\$	57,588		\$ 57,144
Adjustments to Beginning				
Balance		<u>(21,493)</u>	\$ 36,095	<u>(22,887)</u> \$ 34,257
Original 2024 Tax Levy	\$	3,213,164		\$ 2,479,612
Adjustment to 2024 Tax Levy		<u>103,003</u>	<u>3,316,167</u>	<u>79,488</u> <u>2,559,100</u>
TOTAL TO BE				
ACCOUNTED FOR			\$ 3,352,262	\$ 2,593,357
TAX COLLECTIONS:				
Prior Years	\$	4,477		\$ 3,327
Current Year		<u>3,284,544</u>	<u>3,289,021</u>	<u>2,534,696</u> <u>2,538,023</u>
TAXES RECEIVABLE -				
SEPTEMBER 30, 2025			<u>\$ 63,241</u>	<u>\$ 55,334</u>
TAXES RECEIVABLE BY				
YEAR:				
2024		\$ 31,623		\$ 24,404
2023		17,411		14,230
2022		6,309		5,914
2021		2,705		2,869
2020		2,295		2,164
2019 and Prior		<u>2,898</u>		<u>5,753</u>
TOTAL		<u>\$ 63,241</u>		<u>\$ 55,334</u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	2024	2023	2022	2021
<b>PROPERTY VALUATIONS:</b>				
Land	\$ 249,067,475	\$ 244,629,094	\$ 238,010,748	\$ 153,006,414
Improvements	915,830,165	865,499,941	749,384,096	664,925,806
Personal Property	87,113,721	66,715,828	61,414,909	53,410,763
Exemptions	<u>(185,719,652)</u>	<u>(218,823,270)</u>	<u>(185,112,004)</u>	<u>(122,920,796)</u>
<b>TOTAL PROPERTY VALUATIONS</b>	<u><b>\$1,066,291,709</b></u>	<u><b>\$ 958,021,593</b></u>	<u><b>\$ 863,697,749</b></u>	<u><b>\$ 748,422,187</b></u>
<b>TAX RATES PER \$100 VALUATION:</b>				
Debt Service	\$ 0.240	\$ 0.255	\$ 0.30	\$ 0.35
Maintenance	<u>0.311</u>	<u>\$ 0.312</u>	<u>0.32</u>	<u>0.33</u>
<b>TOTAL TAX RATES PER \$100 VALUATION</b>	<u><b>\$ 0.551</b></u>	<u><b>\$ 0.567</b></u>	<u><b>\$ 0.62</b></u>	<u><b>\$ 0.68</b></u>
<b>ADJUSTED TAX LEVY*</b>	<u><b>\$ 5,875,267</b></u>	<u><b>\$ 5,431,982</b></u>	<u><b>\$ 5,354,927</b></u>	<u><b>\$ 5,118,539</b></u>
<b>PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED</b>	<u><b>99.05 %</b></u>	<u><b>99.42 %</b></u>	<u><b>99.77 %</b></u>	<u><b>99.89 %</b></u>

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

Maintenance Tax – Maximum tax rate 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, 2025**

S E R I E S - 2 0 1 2

Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
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			
	<u>\$ 355,000</u>	<u>\$ 23,026</u>	<u>\$ 378,026</u>

See accompanying independent auditor’s report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

SERIES - 2013 REFUNDING

Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
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			
	<u>\$ 7,415,000</u>	<u>\$ 1,444,006</u>	<u>\$ 8,859,006</u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

SERIES - 2014 REFUNDING

Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
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			
	<u>\$ 2,015,000</u>	<u>\$ 320,367</u>	<u>\$ 2,335,367</u>

See accompanying independent auditor’s report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

SERIES - 2015 REFUNDING

Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
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			
	<u>\$ 5,050,000</u>	<u>\$ 1,757,050</u>	<u>\$ 6,807,050</u>

See accompanying independent auditor’s report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

S E R I E S - 2 0 1 6

Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
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			
	<u>\$ 1,595,000</u>	<u>\$ 255,524</u>	<u>\$ 1,850,524</u>

See accompanying independent auditor’s report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

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
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			
	<u>\$ 3,555,000</u>	<u>\$ 1,243,238</u>	<u>\$ 4,798,238</u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

SERIES - 2020 REFUNDING

Due During Fiscal Years Ending September 30	Principal Due October 1	Interest Due October 1/ April 1	Total
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			
	<u>\$ 3,125,000</u>	<u>\$ 171,150</u>	<u>\$ 3,296,150</u>

See accompanying independent auditor’s report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

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
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
	<u>\$ 6,145,000</u>	<u>\$ 2,977,500</u>	<u>\$ 9,122,500</u>

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**SEPTEMBER 30, 2025**

ANNUAL REQUIREMENTS  
FOR ALL SERIES

Due During Fiscal Years Ending September 30	Total Principal Due	Total Interest Due	Total Principal and Interest Due
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
	<u>\$ 29,255,000</u>	<u>\$ 8,191,861</u>	<u>\$ 37,446,861</u>

See accompanying independent auditor’s report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**CHANGE IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Description	Original Bonds Issued	Bonds Outstanding October 1, 2024
Meadowhill Regional Municipal Utility District Unlimited Tax and Revenue Bonds - Series 2012	\$ 1,220,000	\$ 420,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2013	9,760,000	7,690,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2014	3,565,000	2,195,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2015	6,180,000	5,175,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds - Series 2016	2,600,000	1,720,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds - Series 2017	3,980,000	3,620,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds - Series 2020	5,195,000	3,785,000
Meadowhill Regional Municipal Utility District Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds - Series 2023	<u>6,235,000</u>	<u>6,235,000</u>
TOTAL	<u>\$ 38,735,000</u>	<u>\$ 30,840,000</u>
Bond Authority:	<u>Tax Bonds**</u>	<u>Refunding Bonds</u>
Amount Authorized by Voters	\$ 69,265,000	\$ *
Amount Issued	<u>51,065,000</u>	<u>1,710,000</u>
Remaining to be Issued	<u>\$ 18,200,000</u>	

\* 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					Paying Agent
Bonds Sold	Retirements		Bonds Outstanding September 30, 2025		
	Principal	Interest			
\$	\$ 65,000	\$ 9,200	\$ 355,000	BOKF, N.A. Austin, TX	
	275,000	251,512	7,415,000	BOKF, N.A. Austin, TX	
	180,000	71,456	2,015,000	BOKF, N.A. Austin, TX	
	125,000	198,875	5,050,000	BOKF, N.A. Austin, TX	
	125,000	43,638	1,595,000	BOKF, N.A. Austin, TX	
	65,000	117,075	3,555,000	BOKF, N.A. Austin, TX	
	660,000	104,100	3,125,000	UMB Bank, N.A. Houston, TX	
	90,000	247,600	6,145,000	UMB Bank, N.A. Houston, TX	
<u>\$ - 0 -</u>	<u>\$ 1,585,000</u>	<u>\$ 1,043,456</u>	<u>\$ 29,255,000</u>		

Debt Service Fund cash, investments and cash with paying agents balance as of September 30, 2025: \$ 5,175,614

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 2,496,457

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		
	2025	2024	2023
<b>REVENUES</b>			
Property Taxes	\$ 3,289,021	\$ 2,939,157	\$ 2,713,517
Water Service	1,085,464	992,835	901,461
Wastewater Service	1,491,925	1,381,420	1,282,383
Regional Water Authority Fees	1,187,386	1,071,459	1,216,869
Penalty and Interest	89,998	76,097	51,197
Tap Connection and Inspection Fees	978,940	604,040	535,985
Investment Revenues	721,918	770,014	553,973
Miscellaneous Revenues	154,584	162,700	171,155
<b>TOTAL REVENUES</b>	<b>\$ 8,999,236</b>	<b>\$ 7,997,722</b>	<b>\$ 7,426,540</b>
<b>EXPENDITURES</b>			
Professional Fees	\$ 454,124	\$ 270,174	\$ 527,948
Contracted Services	1,187,950	1,093,191	1,064,820
Purchased Water Service	508,891	618,257	430,845
Purchased Wastewater Service	1,315,073	1,053,217	851,699
Utilities	83,152	81,234	69,924
Regional Water Authority Assessment	937,867	1,154,283	1,392,336
Repairs and Maintenance	884,090	913,530	525,045
Other	570,308	560,188	488,505
Capital Outlay	178,973	136,102	315,280
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,120,428</b>	<b>\$ 5,880,176</b>	<b>\$ 5,666,402</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 2,878,808</b>	<b>\$ 2,117,546</b>	<b>\$ 1,760,138</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	\$	\$	\$ 8,297
Contributed by Other Governmental Unit			
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ - 0 -</b>	<b>\$ - 0 -</b>	<b>\$ 8,297</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 2,878,808</b>	<b>\$ 2,117,546</b>	<b>\$ 1,768,435</b>
<b>BEGINNING FUND BALANCE</b>	<b>15,661,787</b>	<b>13,544,241</b>	<b>11,775,806</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 18,540,595</b>	<b>\$ 15,661,787</b>	<b>\$ 13,544,241</b>

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2022	2021	2025	2024	2023	2022	2021
\$ 2,484,303	\$ 2,377,875	36.5 %	36.7 %	36.5 %	38.6 %	40.7 %
957,683	846,870	12.1	12.4	12.1	14.9	14.5
1,309,029	1,281,027	16.6	17.3	17.3	20.3	21.9
1,362,309	1,137,785	13.2	13.4	16.4	21.1	19.5
64,238	57,033	1.0	1.0	0.7	1.0	1.0
38,395	48,470	10.9	7.6	7.2	0.6	0.8
65,859	4,538	8.0	9.6	7.5	1.0	0.1
161,326	84,924	1.7	2.0	2.3	2.5	1.5
<u>\$ 6,443,142</u>	<u>\$ 5,838,522</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 294,327	\$ 213,325	5.0 %	3.4 %	7.1 %	4.6 %	3.7 %
1,022,512	965,064	13.2	13.7	14.3	15.9	16.5
361,536	920,370	5.7	7.7	5.8	5.6	15.8
625,493	608,235	14.6	13.2	11.5	9.7	10.4
132,450	117,775	0.9	1.0	0.9	2.1	2.0
1,186,515	593,322	10.4	14.4	18.7	18.4	10.2
451,776	367,860	9.8	11.4	7.1	7.0	6.3
248,138	233,983	6.3	7.0	6.6	3.9	4.0
224,986	4,468	2.0	1.7	4.2	3.5	0.1
<u>\$ 4,547,733</u>	<u>\$ 4,024,402</u>	<u>67.9 %</u>	<u>73.5 %</u>	<u>76.2 %</u>	<u>70.7 %</u>	<u>69.0 %</u>
<u>\$ 1,895,409</u>	<u>\$ 1,814,120</u>	<u>32.1 %</u>	<u>26.5 %</u>	<u>23.8 %</u>	<u>29.3 %</u>	<u>31.0 %</u>
\$	\$					
<u>1,358,810</u>	<u>                    </u>					
<u>\$ 1,358,810</u>	<u>\$ - 0 -</u>					
\$ 3,254,219	\$ 1,814,120					
<u>8,521,587</u>	<u>6,707,467</u>					
<u>\$ 11,775,806</u>	<u>\$ 8,521,587</u>					

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2025	2024	2023
<b>REVENUES</b>			
Property Taxes	\$ 2,538,023	\$ 2,400,451	\$ 2,541,525
Penalty and Interest	65,083	50,028	43,746
Interest on Investments	184,943	228,716	190,504
Miscellaneous Revenues	4,496	5,552	555
<b>TOTAL REVENUES</b>	<b>\$ 2,792,545</b>	<b>\$ 2,684,747</b>	<b>\$ 2,776,330</b>
<b>EXPENDITURES</b>			
Tax Collection Expenditures	\$ 119,482	\$ 118,643	\$ 109,800
Debt Service Principal	1,585,000	1,445,000	1,400,000
Debt Service Interest and Fees	1,047,956	988,619	898,007
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,752,438</b>	<b>\$ 2,552,262</b>	<b>\$ 2,407,807</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 40,107</b>	<b>\$ 132,485</b>	<b>\$ 368,523</b>
<b>BEGINNING FUND BALANCE</b>	4,956,800	4,824,315	4,455,792
<b>ENDING FUND BALANCE</b>	<b>\$ 4,996,907</b>	<b>\$ 4,956,800</b>	<b>\$ 4,824,315</b>
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	2,716	2,692	2,625
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	2,628	2,604	2,554

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2022	2021	2025	2024	2023	2022	2021
\$ 2,636,858	\$ 2,234,764	90.9 %	89.4 %	91.5 %	97.5 %	97.5 %
38,484	55,542	2.3	1.9	1.6	1.4	2.4
29,975	1,415	6.6	8.5	6.9	1.1	0.1
388	789	0.2	0.2			
<u>\$ 2,705,705</u>	<u>\$ 2,292,510</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 103,497	\$ 95,553	4.3 %	4.4 %	4.0 %	3.8 %	4.2 %
775,000	1,965,000	56.8	53.8	50.4	28.6	85.7
928,706	901,207	37.5	36.8	32.3	34.3	39.3
<u>\$ 1,807,203</u>	<u>\$ 2,961,760</u>	<u>98.6 %</u>	<u>95.0 %</u>	<u>86.7 %</u>	<u>66.7 %</u>	<u>129.2 %</u>
\$ 898,502	\$ (669,250)	<u>1.4 %</u>	<u>5.0 %</u>	<u>13.3 %</u>	<u>33.3 %</u>	<u>(29.2) %</u>
<u>3,557,290</u>	<u>4,226,540</u>					
<u>\$ 4,455,792</u>	<u>\$ 3,557,290</u>					
<u>2,637</u>	<u>2,617</u>					
<u>2,610</u>	<u>2,607</u>					

See accompanying independent auditor's report.

**MEADOWHILL REGIONAL MUNICIPAL UTILITY DISTRICT  
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS  
SEPTEMBER 30, 2025**

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

<b>Board Members</b>	Term of Office (Elected or Appointed)	Fees of Office for the year ended September 30, 2025	Expense Reimbursements for the year ended September 30, 2025	Title
Alan E. Liczwek	05/2022 05/2026 (Elected)	\$ 7,200	\$ 7,432	President
Douglas Larkins	05/2024 05/2028 (Elected)	\$ 7,200	\$ -0-	Vice President
Edward Varosky	05/2024 05/2028 (Elected)	\$ 7,200	\$ 2,854	Secretary/ Treasurer
Michael Gleason	05/2022 05/2026 (Elected)	\$ 7,200	\$ 4,628	Assistant Secretary/ Assistant Treasurer
Cassandra Woods	05/2022 05/2026 (Elected)	\$ 6,400	\$ 1,460	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: July 17, 2024

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, 2025**

<b>Consultants:</b>	<u>Date Hired</u>	<u>District Fees for the year ended September 30, 2025</u>	<u>Water Plant and Wastewater Treatment Plant Fees for the year ended September 30, 2025</u>	<u>Title</u>
Johnson Petrov LLP	05/91	\$ 207,531	\$ 2,033	Attorney
McCall Gibson Swedlund Barfoot Ellis PLLC	09/28/96	\$ 19,250	\$ 11,500	Auditor
Myrtle Cruz, Inc.	06/81	\$ 40,497	\$ 29,787	Bookkeeper/ Investment Officer
Perdue Brandon Fielder Collins & Mott, L.L.P.	05/99	\$ 18,652	\$ -0-	Delinquent Tax Attorney
IDS Engineering, Inc.	09/24/02	\$ 316,128	\$ 156,085	Engineer
Blitch Associates, Inc.	09/90	\$ -0-	\$ -0-	Financial Advisor
TNG Utility Corp.	09/24/02	\$ 1,314,151	\$ 1,240,026	Operator
Bob Leared Interests	10/15/90	\$ 51,966	\$ -0-	Tax Assessor/ Collector

See accompanying independent auditor's report.