

**The Meadows at Chandler Creek
Municipal Utility District**

**Financial Statements and
Supplemental Information
as of and for the Year Ended
September 30, 2022 and
Independent Auditors' Report**



The Meadows at Chandler Creek Municipal Utility District

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Annual Filing Affidavit

The State of Texas

County of Williamson

I, WALTER BERRY of the
(Name of Duly Authorized District Representative)

The Meadows at Chandler Creek Municipal Utility District

hereby swear, or affirm, that the District named above has reviewed and approved at a meeting of the Board of Directors of the District on the 17th day of October, 2023, its audit report for the year ended September 30, 2022, and that copies of the audit report have been filed in the District's office, located at c/o Holland & Knight LLP, 98 San Jacinto Boulevard, Suite 1900, Austin, TX 78701.

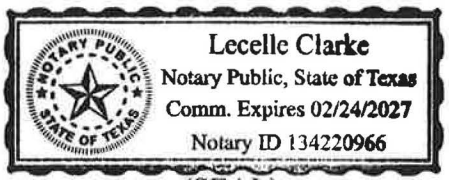
The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of all annual filing requirements within Section 49.194 of the Texas Water Code and to the Texas Comptroller of Public Accounts in satisfaction of the annual filing requirements of Section 140.008 of the Texas Local Government Code.

Date: 10/17/2023, 2023.

By: [Signature]
(Signature of District Representative)

Walter Berry, Board President
(Typed Name and Title of above District Representative)

Sworn to and subscribed to before me this 17th day of October, 2023.



(SEAL)

[Signature]
(Signature of Notary)

Lecelle Clarke
(Printed Name of Notary)

My Commission Expires On: 2/24/2027
Notary Public in and for the State of Texas.



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Round Rock, TX 78664

Independent Auditors' Report

To the Board of Directors of
The Meadows at Chandler Creek Municipal Utility District:

Opinions

We have audited the financial statements of the governmental activities and each major fund of The Meadows at Chandler Creek Municipal Utility District (the "District"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund 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 Auditors' 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.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

"A Registered Investment Advisor"

This firm is not a CPA firm

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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information required by the Texas Commission on Environmental Quality (the "TCEQ") listed in the table of contents 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 information 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 supplemental information required by the TCEQ listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the other supplemental information listed in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Maxwell Locke + Ritter LLP

Austin, Texas
October 17, 2023

The Meadows at Chandler Creek Municipal Utility District

Management's Discussion and Analysis For the Year Ended September 30, 2022

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, the management of The Meadows at Chandler Creek Municipal Utility District (the "District") offers the following narrative on the financial performance of the District for the year ended September 30, 2022. Please read it in connection with the District's financial statements that follow.

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Total Governmental Funds" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

Overview of the Basic Financial Statements

The District's reporting is comprised of two parts:

- *Management's Discussion and Analysis* (this section)
- *Basic Financial Statements*
 - *Statement of Net Position and Governmental Funds Balance Sheet*
 - *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*
 - *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund*
 - *Notes to Basic Financial Statements*

Other supplementary information is also included.

The *Basic Financial Statements* are designed to provide readers with an overview of the District's finances, in a manner similar to a private sector business.

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Total Governmental Funds") that represents a balance sheet prepared using the modified accrual basis of accounting. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances* includes a column (titled "Total Governmental Funds") that derives the change in fund balances resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private sector business.

The *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* presents a comparison statement between the District's adopted budget to its actual results.

The *Notes to Basic Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*.

Schedules required by the Texas Commission on Environmental Quality and other supplemental information are presented immediately following the *Notes to Basic Financial Statements*.

Comparative Financial Statements

Statement of Net Position

	Governmental Activities		
	2022	2021	% Change
Current assets	\$ 1,664,570	\$ 1,565,416	6%
Capital assets	8,423,821	8,831,658	(5%)
Total assets	<u>\$ 10,088,391</u>	<u>\$ 10,397,074</u>	<u>(3%)</u>
Current liabilities	\$ 692,006	\$ 713,526	(3%)
Long-term liabilities	-	645,000	(100%)
Total liabilities	<u>\$ 692,006</u>	<u>\$ 1,358,526</u>	<u>(49%)</u>
Net investment in capital assets	\$ 7,778,821	\$ 7,551,658	3%
Restricted	264,585	287,313	(8%)
Unrestricted	<u>1,352,979</u>	<u>1,199,577</u>	<u>13%</u>
Total net position	<u>\$ 9,396,385</u>	<u>\$ 9,038,548</u>	<u>4%</u>

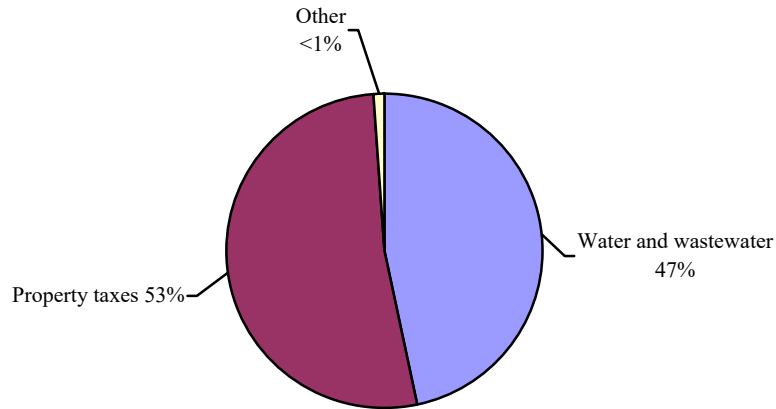
The District's total assets were approximately \$10.1 million as of September 30, 2022. Of this amount, approximately \$8.4 million is included in capital assets. The District had outstanding liabilities of approximately \$692,000 which were comprised primarily of general obligation bonds.

Statement of Activities

	Governmental Activities		
	2022	2021	% Change
Water and wastewater services	\$ 1,368,911	\$ 1,337,053	2%
Property taxes, including penalties and interest	1,535,956	1,449,904	6%
Other	<u>14,113</u>	<u>2,466</u>	<u>472%</u>
Total revenues	<u>2,918,980</u>	<u>2,789,423</u>	<u>5%</u>
Services	1,368,911	1,337,053	2%
Other	745,935	711,002	5%
Debt service costs	23,116	40,081	(42%)
Depreciation	<u>423,181</u>	<u>408,116</u>	<u>4%</u>
Total expenses	<u>2,561,143</u>	<u>2,496,252</u>	<u>3%</u>
Change in net position	357,837	293,171	22%
Beginning net position	<u>9,038,548</u>	<u>8,745,377</u>	<u>3%</u>
Ending net position	<u>\$ 9,396,385</u>	<u>\$ 9,038,548</u>	<u>4%</u>

Revenues were approximately \$2.9 million for the fiscal year ended September 30, 2022, which is a 5% increase from the prior year. This increase was mainly related to an increase in assessed valuations of property within the District during the year ended September 30, 2022. Property taxes provided approximately \$1.5 million and water and wastewater services provided approximately \$1.4 million. Expenses increased in total by approximately \$65,000 to approximately \$2.6 million for the fiscal year ended September 30, 2022, of which approximately \$1.4 million was related to water and wastewater services and approximately \$423,000 was related to depreciation expense. Net position for the fiscal year ended September 30, 2022 increased approximately \$358,000 compared to the prior year net position increase of approximately \$293,000.

Sources of Revenue



Analysis of Governmental Funds

	2022	2021
Cash	\$ 194,310	\$ 97,005
Temporary investments	1,455,620	1,449,428
Receivables	13,880	12,348
Prepaid items	760	6,635
Interfund receivable	1,311	775
Total assets	\$ 1,665,881	\$ 1,566,191
Accounts payable	\$ 23,333	\$ 50,299
Refundable deposits	20,735	22,436
Interfund payable	1,311	775
Total liabilities	45,379	73,510
Deferred inflows of resources - property tax revenue	7,278	4,105
Nonspendable fund balance	760	6,635
Restricted fund balance	264,498	291,396
Assigned fund balance	-	134,032
Unassigned fund balance	1,347,966	1,056,513
Total fund balances	1,613,224	1,488,576
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,665,881	\$ 1,566,191

The *General Fund* pays for daily operating expenditures. When comparing actual figures to the budget, actual revenues were greater than budget by approximately \$51,000 mostly due to higher water and wastewater service revenue than expected. Actual expenditures were lower than final budget by approximately \$235,000 mostly due to lower than expected capital outlay expenditures. More detailed information about the District’s budgetary comparison is presented in the *Basic Financial Statements*.

The *Debt Service Fund* remitted bond principal of \$635,000 and interest of \$25,969. More detailed information about the District’s debt is presented in the *Notes to Basic Financial Statements*.

Capital Assets

	2022	2021
Land	\$ 411,060	\$ 411,060
Water and wastewater facilities	12,807,082	12,807,082
Park improvements	2,302,707	2,287,363
Other capital assets	355,430	355,430
Subtotal	15,876,279	15,860,935
Accumulated depreciation	(7,452,458)	(7,029,277)
Total	\$ 8,423,821	\$ 8,831,658

More detailed information about the District’s capital assets is presented in the *Notes to Basic Financial Statements*.

Long-Term Debt Activity

	2022	2021
Series 2005 Bonds	\$ 100,000	\$ 190,000
Series 2012 Bonds	545,000	1,090,000
Total	\$ 645,000	\$ 1,280,000

At September 30, 2022, unlimited tax bonds of \$1,835,000 were authorized by the District, but unissued. More detailed information about the District’s long-term debt is presented in the *Notes to Basic Financial Statements*.

Currently Known Facts, Decisions, or Conditions

For fiscal year 2023, which is the tax year 2022, the tax rate is \$0.2402 per \$100 of assessed valuation for maintenance and operating expenditures and the tax rate is \$0.0690 per \$100 of assessed valuation for payment of principal and interest associated with outstanding bonds. The adopted budget for 2023 projects an approximate \$227,000 increase in fund balance of the General Fund. When compared to the 2022 budget, revenues are expected to increase by approximately 21%, and expenditures are expected to increase by approximately 5%.

Requests for Information

This financial report is designed to provide a general overview of the District’s finances and to demonstrate the District’s accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District c/o Holland & Knight LLP, 98 San Jacinto Boulevard, Suite 1900, Austin, TX 78701.

The Meadows at Chandler Creek Municipal Utility District

Statement of Net Position and Governmental Funds Balance Sheet September 30, 2022

	General Fund	Debt Service Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Net Position
Assets:					
Cash	\$ 194,310	-	194,310	-	194,310
Temporary investments	1,189,811	265,809	1,455,620	-	1,455,620
Accounts receivable:					
Property tax receivable	4,253	3,025	7,278	-	7,278
Other receivables	6,602	-	6,602	-	6,602
Prepays	760	-	760	-	760
Due from other funds	1,311	-	1,311	(1,311)	-
Capital assets (net of accumulated depreciation):					
Land	-	-	-	411,060	411,060
Infrastructure	-	-	-	6,734,031	6,734,031
Park improvements	-	-	-	1,278,730	1,278,730
Total assets	<u>\$ 1,397,047</u>	<u>268,834</u>	<u>1,665,881</u>	<u>8,422,510</u>	<u>10,088,391</u>
Liabilities:					
Accounts payable	\$ 23,333	-	23,333	-	23,333
Refundable deposits	20,735	-	20,735	-	20,735
Due to other funds	-	1,311	1,311	(1,311)	-
Bond interest payable	-	-	-	2,938	2,938
Long-term liabilities-					
Due within one year	-	-	-	645,000	645,000
Total liabilities	<u>44,068</u>	<u>1,311</u>	<u>45,379</u>	<u>646,627</u>	<u>692,006</u>
Deferred Inflows of Resources-					
Property taxes	4,253	3,025	7,278	(7,278)	-
Total deferred inflows of resources	<u>4,253</u>	<u>3,025</u>	<u>7,278</u>	<u>(7,278)</u>	<u>-</u>
Fund Balances/Net Position:					
Fund balances:					
Nonspendable	760	-	760	(760)	-
Restricted for debt service	-	264,498	264,498	(264,498)	-
Unassigned	1,347,966	-	1,347,966	(1,347,966)	-
Total fund balances	<u>1,348,726</u>	<u>264,498</u>	<u>1,613,224</u>	<u>(1,613,224)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,397,047</u>	<u>268,834</u>	<u>1,665,881</u>		
Net position:					
Net investment in capital assets				\$ 7,778,821	7,778,821
Restricted for debt service				264,585	264,585
Unrestricted				1,352,979	1,352,979
Total net position				<u>\$ 9,396,385</u>	<u>9,396,385</u>

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

The Meadows at Chandler Creek Municipal Utility District

Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances Year Ended September 30, 2022

	General Fund	Debt Service Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Activities
Expenditures/expenses:					
Service operations:					
Water and wastewater services	\$ 1,368,911	-	1,368,911	-	1,368,911
Landscaping, clearing and irrigation	130,938	-	130,938	-	130,938
Contracted services	133,966	-	133,966	-	133,966
Engineering fees	100,153	-	100,153	-	100,153
Legal fees	94,863	-	94,863	-	94,863
Park repairs and maintenance	106,267	-	106,267	-	106,267
Utilities	41,431	-	41,431	-	41,431
Directors' fees	25,736	-	25,736	-	25,736
Travel and conference registration	8,122	-	8,122	-	8,122
Audit fees	13,000	-	13,000	-	13,000
Insurance	11,261	-	11,261	-	11,261
Tax assessor/collector fees	5,469	3,202	8,671	-	8,671
TCEQ fees	6,987	-	6,987	-	6,987
Fiscal agent fees	2,500	299	2,799	-	2,799
Other	61,741	-	61,741	-	61,741
Debt service:					
Principal payments	-	635,000	635,000	(635,000)	-
Interest	-	25,969	25,969	(2,853)	23,116
Capital outlay	15,344	-	15,344	(15,344)	-
Depreciation	-	-	-	423,181	423,181
Total expenditures/expenses	<u>2,126,689</u>	<u>664,470</u>	<u>2,791,159</u>	<u>(230,016)</u>	<u>2,561,143</u>
Revenues:					
Program revenues-					
Water and wastewater services	1,368,911	-	1,368,911	-	1,368,911
Total program revenues	<u>1,368,911</u>	<u>-</u>	<u>1,368,911</u>	<u>-</u>	<u>1,368,911</u>
Net program expense					<u>(1,192,232)</u>
General revenues:					
Property taxes, including penalties and interest	897,144	635,639	1,532,783	3,173	1,535,956
Interest and other revenue	12,180	1,933	14,113	-	14,113
Total general revenues	<u>909,324</u>	<u>637,572</u>	<u>1,546,896</u>	<u>3,173</u>	<u>1,550,069</u>
Total revenues	<u>2,278,235</u>	<u>637,572</u>	<u>2,915,807</u>	<u>3,173</u>	<u>2,918,980</u>
Excess (deficiency) of revenues over (under) expenditures	151,546	(26,898)	124,648	(124,648)	-
Change in net position	-	-	-	357,837	357,837
Fund balances/net position:					
Beginning of year	1,197,180	291,396	1,488,576	7,549,972	9,038,548
End of year	<u>\$ 1,348,726</u>	<u>264,498</u>	<u>1,613,224</u>	<u>7,783,161</u>	<u>9,396,385</u>

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

The Meadows at Chandler Creek Municipal Utility District

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund Year Ended September 30, 2022

	Original and Final Budget	Actual	Variance
Revenues:			
Water and wastewater services	\$ 1,335,000	1,368,911	33,911
Property taxes, including penalties and interest	890,348	897,144	6,796
Interest and other revenue	2,000	12,180	10,180
Total revenues	<u>2,227,348</u>	<u>2,278,235</u>	<u>50,887</u>
Expenditures:			
Service operations:			
Water and wastewater services	1,335,000	1,368,911	(33,911)
Landscaping, clearing and irrigation	131,700	130,938	762
Contracted services	135,751	133,966	1,785
Engineering fees	80,000	100,153	(20,153)
Legal fees	81,500	94,863	(13,363)
Park repairs and maintenance	208,000	106,267	101,733
Utilities	41,625	41,431	194
Directors' fees	38,754	25,736	13,018
Travel and conference registration	17,000	8,122	8,878
Audit fees	13,500	13,000	500
Insurance	11,500	11,261	239
Tax assessor/collector fees	5,500	5,469	31
TCEQ fees	7,000	6,987	13
Fiscal agent fees	2,500	2,500	-
Other	21,050	61,741	(40,691)
Capital outlay	231,000	15,344	215,656
Total expenditures	<u>2,361,380</u>	<u>2,126,689</u>	<u>234,691</u>
Excess (deficiency) of revenues over (under) expenditures	(134,032)	151,546	285,578
Fund balance:			
Beginning of year	<u>1,197,180</u>	<u>1,197,180</u>	-
End of year	<u>\$ 1,063,148</u>	<u>1,348,726</u>	<u>285,578</u>

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

The Meadows at Chandler Creek Municipal Utility District

Notes to Basic Financial Statements Year Ended September 30, 2022

1. Summary of Significant Accounting Policies

The Meadows at Chandler Creek Municipal Utility District (the “District”) was created, organized and established on May 14, 1985, by the Texas Commission on Environmental Quality pursuant to Chapter 54 of the Texas Water Code.

The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is governed by a five member Board of Directors (the “Board”) which has been elected by District residents or appointed by the Board. The District is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board (“GASB”), since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units included in the District’s reporting entity.

Government-wide and Fund Financial Statements

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the “Total Governmental Funds” column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the statement of net position and the statement of activities.

The government-wide financial statements report information on all of the activities of the District. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the expenses are offset by program revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Major revenue sources considered susceptible to accrual include interest income. No accrual for property taxes to be collected within sixty days of year end has been made as such amounts are deemed immaterial; delinquent property taxes at year end are reported as deferred inflows of resources.

The District reports the following major governmental funds:

The General Fund includes financial resources used for general operations. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

The Debt Service Fund includes debt service taxes and other revenues collected to retire bond principal and to pay interest due.

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

Budgets and Budgetary Accounting

Formal budgetary integration is employed as a management control device for the General Fund. The budget is proposed by the District Manager for the fiscal year commencing the following October 1, and is adopted on the modified accrual basis, which is consistent with generally accepted accounting principles.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Investments - Temporary investments throughout the year consisted of investments in an external local government investment pool. The external local government investment pool is recognized at amortized cost as permitted by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The District is entitled to invest any and all of its funds in certificates of deposit, direct debt securities of the United States of America or the State of Texas, certain federal agency securities and other types of municipal bonds, fully collateralized repurchase agreements, commercial paper and local government investment pools. The District’s investment policies and types of investments are governed by Section 2256 of the Texas Government Code (“Public Funds Investment Act”). The District’s management believes that it complied with the requirements of the Public Funds Investment Act and the District’s investment policies. The District accrues interest on temporary investments based on the terms and effective interest rates of the specific investments.

Prepaid Items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets in both the government-wide and fund financial statements. Prepaid assets are charged to expenditures when consumed.

Capital Assets - Capital assets, which include land, infrastructure (water and wastewater facilities purchased, constructed, or donated), park improvements, and other capital assets, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of at least \$5,000. Such assets are recorded at historical cost, if purchased, or estimated acquisition value at the date of donation, if donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets’ lives are not capitalized.

Capital assets (excluding land) are depreciated using the straight line method over the following estimated useful lives:

Asset	Years
Infrastructure	34-50
Park improvements	5-30
Other	10-15

Long-Term Debt - In the government-wide financial statements, long-term debt is reported as a liability in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the period incurred.

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

Ad Valorem Property Taxes - Property taxes, penalties and interest are reported as revenue in the fiscal year in which they become available to finance expenditures of the District. Allowances for uncollectibles are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Deferred Outflows and Inflows of Resources - The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

Fund Equity - The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. See Note 10 for additional information on those fund balance classifications.

Fair Value Measurements - The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 inputs are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Use of Estimates - The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, 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.

Change in Accounting Principle for Recently Adopted Accounting Pronouncement

In June 2017, the GASB issued GASB Statement No. 87, *Leases*, effective for fiscal years beginning after June 15, 2021. The objective of GASB Statement No. 87 is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. These changes had no impact on the District’s financial statements for the year ended September 30, 2022.

2. Reconciliation of Government-Wide and Fund Financial Statements

Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds total fund balance	\$ 1,613,224
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	8,423,821
Deferred tax revenue is not available to pay for current period expenditures and, therefore, is deferred in the funds.	7,278
The following liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	(645,000)
Bond interest payable	(2,938)
	\$ 9,396,385
Total net position	\$ 9,396,385

Amounts reported for governmental activities in the statement of activities are different because:

Excess of revenues over expenditures	\$ 124,648
Governmental funds report capital outlays as expenditures.	
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:	
Capital outlay	15,344
Depreciation expense	(423,181)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in deferred tax revenue	3,173
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Repayment of bond principal	635,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in bond interest payable	2,853
Change in net position	<u>\$ 357,837</u>

3. Cash and Temporary Investments

The District's deposits are required to be secured in the manner provided by law for the security of the funds. At September 30, 2022, such deposits were entirely covered by Federal Deposit Insurance Corporation ("FDIC") insurance or secured by collateral pledged by the depository.

The Public Funds Investment Act authorizes the District to invest in funds under a written investment policy. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The primary objectives of the District's investment strategy, in order of priority, are safety, liquidity, and yield.

The District is entitled to invest in obligations of the United States, the State of Texas, and certificates of deposit of state or national banks domiciled in Texas that are insured by the FDIC. The District's investment policy is in accordance with the Public Funds Investment Act. Authorized investments of the Public Funds Investment Act include obligations of, or guaranteed by, governmental entities, certificates of deposit, fully collateralized repurchase agreements, prime domestic bankers' acceptances, commercial paper with a stated maturity of 270 days or less from the date of its issuance, no-load money market mutual funds regulated by the United States Securities and Exchange Commission, guaranteed investment contracts, and eligible public funds investment pools. The District's management believes that it complied with the requirements of the Public Funds Investment Act and the District's investment policies.

Temporary investments held at September 30, 2022 consisted of the following:

Type	Fair Value	Weighted Average Maturity (Days)	Standard & Poor's Rating
Public funds investment pool - TexPool	\$ 1,445,620	1	AAAm

At September 30, 2022, the District held investments in one external local governmental investment pool, Texas Local Governmental Investment Pool (“TexPool”).

Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC’s Rule 2a-7 of the Investment Company Act of 1940. These investments are reported by the District at amortized cost under GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. TexPool also has an advisory board to advise on TexPool’s investment policy. This board is made up equally of participants and nonparticipants who do not have a business relationship with TexPool. Federated Investors manage daily operations of TexPool under a contract with the Comptroller and is the investment manager for the pool. TexPool’s investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

In accordance with GASB Statement No. 79, the external local government investment pool does not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. This pool does not impose any liquidity fees or redemption gates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At September 30, 2022, investments were included in an external local governmental investment pool with ratings from Standard and Poor’s in compliance with the District’s investment policy.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. Information regarding investments in any one issuer that represents five percent or more of the District’s total investments must be disclosed under GASB Statement No. 40, excluding investments issued or explicitly guaranteed by the U.S. government.

Interest Rate Risk - The District considers the holdings in the external local governmental investment pool to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value.

4. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds.” The composition of interfund balances as of September 30, 2022, is as follows:

Receivable Fund	Payable Fund	Amount
General	Debt Service	\$ 1,311

5. Capital Assets

Capital assets activity for the year ended September 30, 2022, was as follows:

	Balance September 30, 2021	Additions	Retirements and Transfers	Balance September 30, 2022
Capital assets not being depreciated-				
Land	\$ 411,060	-	-	411,060
Total capital assets not being depreciated	411,060	-	-	411,060
Capital assets being depreciated:				
Water and wastewater facilities	12,807,082	-	-	12,807,082
Park improvements	2,287,363	15,344	-	2,302,707
Other capital assets	355,430	-	-	355,430
Total capital assets being depreciated	15,449,875	15,344	-	15,465,219
Less accumulated depreciation for:				
Water and wastewater facilities	(5,790,221)	(282,830)	-	(6,073,051)
Park improvements	(883,626)	(140,351)	-	(1,023,977)
Other capital assets	(355,430)	-	-	(355,430)
Total accumulated depreciation	(7,029,277)	(423,181)	-	(7,452,458)
Total capital assets being depreciated, net	8,420,598	(407,837)	-	8,012,761
Capital assets, net	\$ 8,831,658	(407,837)	-	8,423,821

6. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2022:

	Balance September 30, 2021	Additions	Reductions	Balance September 30, 2022
Series 2005	\$ 190,000	-	(90,000)	100,000
Series 2012	1,090,000	-	(545,000)	545,000
Total	<u>\$ 1,280,000</u>	<u>-</u>	<u>(635,000)</u>	<u>645,000</u>

Bonds payable at September 30, 2022, is comprised of the following:

Series	Description	Matures Through	Interest Rate %	Balance September 30, 2022	Due Within One Year
2005	Unlimited Tax and Revenue Refunding Bonds	2023	2.65% - 4.60%	\$ 100,000	\$ 100,000
2012	Unlimited Tax Refunding Bonds	2023	0.80% - 2.39%	545,000	545,000
				<u>\$ 645,000</u>	<u>\$ 645,000</u>

Debt service requirements to maturity for the District's bonds are as follows:

Fiscal Year	Principal	Interest	Total
2023	<u>\$ 645,000</u>	<u>8,813</u>	<u>653,813</u>

The bonds are payable from the proceeds of a continuing, direct, and ad valorem tax levied upon all property within the District subject to taxation 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 sewer system. The bonds are obligations solely of the District and are not obligations of the City of Round Rock, Texas (the "City"); Williamson County, Texas; the State of Texas; or any other entity other than the District.

At September 30, 2022, there were \$1,835,000 of bonds authorized by voters of the District but unissued.

7. Property Taxes

The Texas Water Code authorizes the District to levy a tax each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located within its boundaries. Assessed values are established annually by the Williamson Central Appraisal District. District property tax revenues are recognized when levied to the extent that they are collected and become available to finance expenditures of the District in the current fiscal period. The balance is reported as deferred inflows of resources. Taxes receivable are due January 1 and are delinquent if received after January 31 and are subject to penalty and interest charges.

In September 2021, the District levied a tax rate of \$0.3376 per \$100 of assessed valuation to finance the operating expenditures and debt service requirements of the District. The maintenance tax rate and the debt service tax rate were \$0.1976 and \$0.1400, respectively. The total 2021 tax levy was \$1,533,895 based on a taxable valuation of \$454,962,921.

8. Commitments and Contingent Liabilities

Under a water and wastewater rate settlement agreement dated September 22, 1991 with the City, the City agreed to set and charge the District water and wastewater rates at the same rates as the City charges its retail customers inside the city limits of Round Rock. The City agreed to collect water and wastewater revenue from the customers of the District, and shall bear all responsibility to operate, manage, maintain and repair, at the City's expense, all of the District's facilities. The City also agreed not to charge the District any other fees that it does not charge its customers in the normal course of operation.

9. Risk Management

The District's risk management program includes coverage through third party insurance providers for director and officer liability, public official position liability and general liability. Losses in excess of the various deductible levels are covered through traditional indemnity coverage. No claims were filed during the previous two years.

10. Fund Balances

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Those fund balance classifications are described below.

Nonspendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.

Assigned - For the General Fund, the Board may appropriate amounts that are to be used for a specific purpose. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.

Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The detail of the fund balances is included in the Governmental Funds Balance Sheet on page 9. Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board has the authority to assign fund balance for a specific purpose.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

The Meadows at Chandler Creek Municipal Utility District

Index of Supplemental Schedules Required by the Texas Commission on Environmental Quality Year Ended September 30, 2022

Schedule Included			
Yes	No		
<u>X</u>	<u> </u>	TSI-0	Notes Required by the Water District Accounting Manual
<u>X</u>	<u> </u>	TSI-1	Schedule of Services and Rates
<u>X</u>	<u> </u>	TSI-2	Schedule of General Fund Expenditures
<u>X</u>	<u> </u>	TSI-3	Schedule of Temporary Investments
<u>X</u>	<u> </u>	TSI-4	Analysis of Taxes Levied and Receivable
<u>X</u>	<u> </u>	TSI-5	Long-Term Debt Service Requirements by Years
<u>X</u>	<u> </u>	TSI-6	Analysis of Changes in Long-Term Bonded Debt
<u>X</u>	<u> </u>	TSI-7	Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund Five Years Ended September 30, 2022
<u>X</u>	<u> </u>	TSI-8	Board Members, Key Personnel and Consultants

The Meadows at Chandler Creek Municipal Utility District

TSI-0 Notes Required by the Water District Accounting Manual Year Ended September 30, 2022

The notes which follow are not necessarily required for fair presentation of the audited financial statements of the District which are contained in the preceding section of this report. They are presented in conformity with requirements of the Texas Commission on Environmental Quality to assure disclosure of specifically required facts.

(A) Creation of District

See Note 1 to basic financial statements.

(B) Contingent Liabilities

See Note 8 to basic financial statements.

(C) Pension Coverage

Not applicable.

(D) Pledge of Revenues

See Note 6 to basic financial statements.

(E) Compliance with Debt Service Requirements

See Note 6 to basic financial statements.

(F) Redemption of Bonds

See Note 6 to basic financial statements.

The Meadows at Chandler Creek Municipal Utility District

TSI-1 Schedule of Services and Rates Year Ended September 30, 2022

1. Services Provided by the District:

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

2. Retail Service Providers:

a. Retail Rates for a 5/8" Meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum Use	Usage Levels
Water	\$ 16.52	-	Y	\$ 2.56	0 to 15,000
				3.20	15,001 to 21,000
				3.85	21,001 to 27,000
				5.77	27,001 and above
Wastewater	\$ 13.27	-	Y	\$ 3.39	No limit
Surcharge	\$ None			\$	

District employs winter averaging for wastewater usage? Yes No

Total charges per 10,000 gallons usage: Water: \$ 42.12 Wastewater: \$ 47.17

(continued)

The Meadows at Chandler Creek Municipal Utility District

TSI-1 Schedule of Services and Rates (continued)

Year Ended September 30, 2022

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered	-	-	x 1.0	-
<=3/4"	1,577	1,577	x 1.0	1,577
3/4"	24	24	x 1.0	24
1"	10	10	x 2.5	25
1 1/2"	5	5	x 5.0	25
2"	4	4	x 8.0	32
3"	1	1	x 15.0	15
4"	1	1	x 25.0	25
6"	2	2	x 50.0	100
8"	-	-	x 80.0	-
10"	-	-	x 115.0	-
Total Water	1,624	1,624		1,823
Total Wastewater	1,624	1,624	x 1.0	1,823

3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallons pumped into system:	157,741,000	Water Accountability Ratio: (Gallons billed/Gallons pumped)
Gallons billed to customers:	157,741,000	100%

4. Standby Fees (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes No

If yes, Date of the most recent Commission Order: N/A

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

If yes, Date of the most recent Commission Order: N/A

(continued)

The Meadows at Chandler Creek Municipal Utility District

TSI-1 Schedule of Services and Rates (continued)

Year Ended September 30, 2022

5. Location of District:

County(ies) in which district is located:

Williamson

Is the District located entirely within one county?

Yes

No

Is the District located within a city?

Entirely

Partly

Not at all

City(ies) in which District is located:

N/A

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

Entirely

Partly

Not at all

ETJ's in which district is located:

Round Rock

Are Board members appointed by an office outside the District?

Yes

No

If yes, by whom?

N/A

The Meadows at Chandler Creek Municipal Utility District

TSI-2 Schedule of General Fund Expenditures Year Ended September 30, 2022

Personnel expenditures (including benefits)	\$	-
Professional fees:		
Auditing		13,000
Legal		94,863
Engineering		100,153
Financial advisor		2,500
Purchased services for resale-		
Bulk water and wastewater purchases		1,368,911
Contracted services:		
Bookkeeping		-
General manager		61,822
Tax collector		5,469
Other contracted services		72,144
Utilities		41,431
Repairs and maintenance		-
Administrative expenditures:		
Directors' fees		25,736
Office supplies		-
Insurance		11,261
Other administrative expenses		-
Capital outlay:		
Capitalized assets		15,344
Expenditures not capitalized		-
Tap connection expenditures		-
Solid waste disposal		4,484
Parks and recreation		237,205
Other expenditures		72,366
Total expenditures	\$	<u><u>2,126,689</u></u>

Number of persons employed by the District: 0 Full-Time 5 Part-Time
(Does not include independent contractors or consultants)

The Meadows at Chandler Creek Municipal Utility District

TSI-3 Schedule of Temporary Investments Year Ended September 30, 2022

Type of Investment	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at September 30, 2022	Accrued Interest Receivable at September 30, 2022
<u>General Fund</u>					
TexPool	8111800002	Various	N/A	\$ 1,189,811	-
Total General Fund				1,189,811	-
<u>Debt Service Fund</u>					
TexPool	8111800001	Various	N/A	265,772	-
TexPool Tax Account	8111800005	Various	N/A	37	-
Total Debt Service Fund				265,809	-
Total - all funds				\$ 1,455,620	-

The Meadows at Chandler Creek Municipal Utility District

TSI-4 Analysis of Taxes Levied and Receivable Year Ended September 30, 2022

	Maintenance Taxes	Debt Service Taxes		
Taxes receivable, September 30, 2021	\$ 2,397	\$ 1,708		
2021 Tax roll	897,801	636,094		
Adjustments	14	24		
Total to be accounted for	<u>900,212</u>	<u>637,826</u>		
Tax collections:				
Current year	895,583	634,522		
Prior years	376	279		
Total collections	<u>895,959</u>	<u>634,801</u>		
Taxes receivable, September 30, 2022	<u>\$ 4,253</u>	<u>\$ 3,025</u>		
Taxes receivable, by years				
2021	\$ 2,218	\$ 1,572		
2020	1,124	803		
2019	911	650		
Taxes receivable, September 30, 2022	<u>\$ 4,253</u>	<u>\$ 3,025</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Property valuations-				
Land improvements and personal property	\$ 454,962,921	\$ 393,794,126	\$ 392,483,005	\$ 371,088,342
Tax rates per \$100 valuation:				
Maintenance tax rates	\$ 0.1976	\$ 0.2100	\$ 0.2100	\$ 0.2100
Debt service tax rates	0.1400	0.1500	0.1500	0.1600
Total tax rates per \$100 valuation	<u>\$ 0.3376</u>	<u>\$ 0.3600</u>	<u>\$ 0.3600</u>	<u>\$ 0.3700</u>
Original tax levy	<u>\$ 1,533,895</u>	<u>\$ 1,450,090</u>	<u>\$ 1,432,737</u>	<u>\$ 1,392,271</u>
Percent of taxes collected to taxes levied	<u>99.8%</u>	<u>99.9%</u>	<u>99.9%</u>	<u>100.0%</u>

The Meadows at Chandler Creek Municipal Utility District

**TSI-5 Long-Term Debt Service Requirements by Years
Year Ended September 30, 2022**

Due During Fiscal Years Ending 9/30	Combination Unlimited Tax and Revenue Refunding Bonds, Series 2005			Unlimited Tax Refunding Bonds, Series 2012			Annual Requirements For All Series		
	Principal Due 2/1	Interest Due 2/1, 8/1	Total	Principal Due 2/1	Interest Due 2/1, 8/1	Total	Principal Due 2/1	Interest Due 2/1, 8/1	Total
2023	\$ 100,000	2,300	102,300	545,000	6,513	551,513	645,000	8,813	653,813
Total	\$ 100,000	2,300	102,300	545,000	6,513	551,513	645,000	8,813	653,813

The Meadows at Chandler Creek Municipal Utility District

TSI-6 Analysis of Changes in Long-Term Bonded Debt Year Ended September 30, 2022

	Series 2005	Series 2012	Totals
Interest rate	2.65% to 4.60%	0.80% to 2.39%	
Dates interest payable	2/1 ; 8/1	2/1 ; 8/1	
Maturity date	2/1/2023	2/1/2023	
Bonds outstanding, beginning of year	\$ 190,000	\$ 1,090,000	\$ 1,280,000
Bonds issued during the current year	-	-	-
Bonds retired during the current year	(90,000)	(545,000)	(635,000)
Bonds outstanding, end of year	<u>\$ 100,000</u>	<u>\$ 545,000</u>	<u>\$ 645,000</u>
Interest paid during the current year	<u>\$ 6,648</u>	<u>\$ 19,321</u>	<u>\$ 25,969</u>
Paying Agent's Name & Address:			
Series 2005-	Southside Bank, Tyler Texas 75710		
Series 2012-	The Independent Banker's Bank, Dallas, Texas 75356		
Bond Authority:	Tax Bonds	Other Bonds	Refunding Bonds
Bond authorized by voters	\$ 13,000,000	-	- (1)
Amount issued	<u>11,165,000</u>	<u>-</u>	<u>7,219,998</u>
Remaining to be issued	<u>\$ 1,835,000</u>	<u>-</u>	<u>-</u>
Debt Service Fund cash and temporary investments balances as of September 30, 2022	<u>\$ 265,809</u>		
Average annual debt service payment (principal & interest) for remaining term of all debt	<u>\$ 653,813</u>		

(1) Voter approval of refunding bonds is not required pursuant to Texas Water Code, Sec. 49.106.

The Meadows at Chandler Creek Municipal Utility District

TSI-7 Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund Five Years Ended September 30, 2022

	Amounts					Percent of Fund				
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
General Fund										
Revenues:										
Water and wastewater services	\$ 1,368,911	1,337,053	1,406,590	1,315,159	1,357,142	60.1 %	61.2	62.3	61.4	61.8
Property taxes, including penalties and interest	897,144	846,077	835,622	791,236	813,323	39.4	38.7	37.0	36.9	37.0
Interest and other revenue	12,180	2,193	14,731	35,481	26,626	0.5	0.1	0.7	1.7	1.2
Total revenues	<u>2,278,235</u>	<u>2,185,323</u>	<u>2,256,943</u>	<u>2,141,876</u>	<u>2,197,091</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Expenditures:										
Current:										
Water and wastewater services	1,368,911	1,337,053	1,406,590	1,315,159	1,357,142	60.1	61.2	62.3	61.6	61.9
Landscaping, clearing and irrigation	130,938	148,243	116,481	112,477	100,890	5.7	6.8	5.2	5.3	4.6
Contracted services	133,966	122,126	107,320	103,261	100,280	5.9	5.6	4.8	4.8	4.6
Engineering fees	100,153	86,767	58,970	79,055	58,466	4.4	4.0	2.6	3.7	2.7
Legal fees	94,863	63,701	76,462	72,234	47,596	4.2	2.9	3.4	3.4	2.2
Park repairs and maintenance	106,267	158,349	132,812	101,959	139,152	4.7	7.2	5.9	4.8	6.3
Utilities	41,431	39,727	40,195	36,673	41,148	1.8	1.8	1.8	1.7	1.9
Directors' fees	25,736	25,210	22,835	22,336	23,157	1.1	1.2	1.0	1.0	1.1
Travel and conference registration	8,122	12,806	3,681	12,855	15,584	0.4	0.6	0.2	0.6	0.7
Audit fees	13,000	13,000	12,500	12,500	12,000	0.6	0.6	0.6	0.6	0.5
Insurance	11,261	11,224	11,044	11,124	9,894	0.5	0.5	0.5	0.5	0.5
Tax assessor/collector fees	5,469	5,020	4,958	4,979	5,342	0.2	0.2	0.2	0.2	0.2
TCEQ fees	6,987	6,878	6,873	6,739	6,499	0.3	0.3	0.3	0.3	0.3
Fiscal agent fees	2,500	2,500	2,500	2,500	2,500	0.1	0.1	0.1	0.1	0.1
Other	61,741	11,565	53,672	68,483	78,013	2.7	0.5	2.4	3.2	3.6
Capital outlay	15,344	124,606	278,379	158,395	124,424	0.7	5.7	12.3	7.2	5.4
Total expenditures	<u>2,126,689</u>	<u>2,168,775</u>	<u>2,335,272</u>	<u>2,120,729</u>	<u>2,122,087</u>	<u>93.4</u>	<u>99.2</u>	<u>103.6</u>	<u>99.0</u>	<u>96.6</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 151,546</u>	<u>16,548</u>	<u>(78,329)</u>	<u>21,147</u>	<u>75,004</u>	<u>6.6 %</u>	<u>0.8</u>	<u>(3.6)</u>	<u>1.0</u>	<u>3.4</u>
Debt Service Fund										
Revenues:										
General revenues:										
Property taxes, including penalties and interest	\$ 635,639	604,333	596,940	602,811	597,624	99.7 %	99.9	99.2	98.1	98.6
Interest and other revenue	1,933	273	4,915	11,955	8,490	0.3	0.1	0.8	1.9	1.4
Total revenues	<u>637,572</u>	<u>604,606</u>	<u>601,855</u>	<u>614,766</u>	<u>606,114</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Expenditures:										
Principal	635,000	605,000	590,000	570,000	535,000	99.6	100.1	98.0	92.7	88.3
Interest and fees	25,969	42,800	58,811	74,528	89,375	4.1	7.1	9.8	12.1	14.7
Other	3,501	3,886	4,279	4,037	4,225	0.5	0.6	0.7	0.7	0.7
Total expenditures	<u>664,470</u>	<u>651,686</u>	<u>653,090</u>	<u>648,565</u>	<u>628,600</u>	<u>104.2</u>	<u>107.8</u>	<u>108.5</u>	<u>105.5</u>	<u>103.7</u>
Deficit of revenues under expenditures	<u>\$ (26,898)</u>	<u>(47,080)</u>	<u>(51,235)</u>	<u>(33,799)</u>	<u>(22,486)</u>	<u>(4.2) %</u>	<u>(7.8)</u>	<u>(8.5)</u>	<u>(5.5)</u>	<u>(3.7)</u>
Total active retail water connections	<u>1,624</u>	<u>1,601</u>	<u>1,582</u>	<u>1,584</u>	<u>1,559</u>					
Total active retail wastewater connections	<u>1,624</u>	<u>1,601</u>	<u>1,582</u>	<u>1,584</u>	<u>1,534</u>					

The Meadows at Chandler Creek Municipal Utility District

TSI-8 Board Members, Key Personnel and Consultants Year Ended September 30, 2022

Complete District Mailing Address: c/o Holland & Knight LLP
98 San Jacinto Boulevard, Suite 1900
Austin, Texas 78701

District Business Telephone Number: (512) 472-1081

Submission date of the most recent District Registration Form: May 24, 2022
(TWC Sections 36.054 and 49.054)

Limit on fees of office that a director may receive during a fiscal year: \$7,200
(Set by Board Resolution - TWC Sections 49.060)

Name	Term of Office Elected & Expires or Date Hired	Fees 9/30/2022	Expense Reimbursements 9/30/2022	Title at 9/30/2022
<u>Board Members:</u>				
Walter Berry	Elected 5/22-5/26	\$ 7,200	\$ -	President
Shelly Janda	Elected 5/20-5/24	-	2,685	Vice President
Adrian Bustillos	Elected 5/22-5/26	2,100	-	Secretary
Cassandra Brown	Elected 5/20-5/24	7,200	4,498	Treasurer
Stephen Reimund	Appointed 5/22-5/26	1,350	-	Asst. Secretary
<u>Former Member-</u>				
Robert Wohlford	Elected 5/18-5/22	3,750	-	

Note: No director is disqualified from serving on this board under the Texas Water Code.

(continued)

The Meadows at Chandler Creek Municipal Utility District

TSI-8 Board Members, Key Personnel and Consultants (continued) Year Ended September 30, 2022

<u>Name</u>	<u>Date Hired</u>	<u>Fees and Expense Reimbursements 9/30/2022</u>	<u>Title at Year End</u>
<u>Consultants:</u>			
Inframark, LLC	2004	\$ 117,130	District Manager
McGinnis Lochridge	1987	107,951	Attorney
Gray Engineering, Inc.	2008	123,748	Engineer
Maxwell Locke & Ritter LLP	2011	13,000	Auditor
Williamson Central Appraisal District	2004	8,217	Tax Appraiser

The Meadows at Chandler Creek Municipal Utility District

OSI-1 Principal Taxpayers September 30, 2022

Taxpayer	Type of Property	Tax Roll Year	
		2022	2021
Chandler Creek Partners, LLC	Land & Improvements	\$ 32,477,812	\$ 31,463,520
Chandler Creek Cottages, Ltd.	Land & Improvements	6,893,998	5,772,708
Paver Family Enterprises, LP	Land & Improvements	4,534,774	2,908,780
Oncor Electric Delivery Company	Land & Improvements	4,324,621	4,365,405
AW Grimes Commercial and Residential Condominiums LLC	Land & Improvements	3,331,877	3,053,920
Round Top State Bank	Land & Improvements	3,209,985	2,681,796
QT South LLC	Land & Improvements	2,732,461	1,353,592
CC-Commercial LLC	Land & Improvements	1,727,308	1,233,791
Khatoon Investment Inc	Land & Improvements	1,541,700	1,350,197
Homeowner	Land & Improvements	1,325,310	853,683
Total		<u>\$ 62,099,846</u>	<u>\$ 55,037,392</u>
Percent of Assessed Valuation		<u>10.8%</u>	<u>12.1%</u>

The Meadows at Chandler Creek Municipal Utility District

OSI-2 Assessed Value by Classification September 30, 2022

Type of Property	Tax Roll Years			
	2022		2021	
	Amount	%	Amount	%
Single Family	\$ 645,431,381	112.3%	\$ 423,588,954	93.1%
Multi Family	32,477,812	5.6%	31,463,520	6.8%
Vacant Platted Lots/Tracts	1,814,108	0.3%	1,302,591	0.3%
Commercial and Industrial	23,742,274	4.1%	17,070,693	3.8%
Utilities	5,000,064	0.9%	4,966,868	1.1%
Business	1,392,242	0.2%	827,321	0.2%
Exemptions	(135,028,460)	-23.4%	(24,257,026)	-5.3%
Total	\$ 574,829,421	100%	\$ 454,962,921	100%