

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
MONTGOMERY COUNTY, TEXAS
ANNUAL AUDIT REPORT
SEPTEMBER 30, 2025

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January 19, 2026

INDEPENDENT AUDITOR'S REPORT

Board of Directors
River Plantation Municipal
Utility District
Montgomery County, Texas

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the River Plantation Municipal Utility District as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise River Plantation Municipal Utility District's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the River Plantation Municipal Utility District, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows there of for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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. I 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 River Plantation Municipal Utility District's internal control. Accordingly, no such opinion is expressed. I 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. I conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about River Plantation Municipal Utility District's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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. I 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 I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITOR'S REPORT (Continued)**Supplementary Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise River Plantation Municipal Utility District's basic financial statements. The supplementary information on Pages 23 to 40 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Except for the portion marked "unaudited," the information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The supplementary information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on it. The accompanying supplementary information includes financial data excerpted from prior year financial statements which were audited by my firm.

A handwritten signature in dark ink, appearing to read "M. G. J.", is located in the lower right quadrant of the page.

Management's Discussion and Analysis

Using this Annual Report

Within this section of the River Plantation Municipal Utility District (the "District") annual report, the District's Board of Directors provides narrative discussion and analysis of the financial activities of the District for the fiscal year ended September 30, 2025.

The annual report consists of a series of financial statements plus additional supplemental information to the financial statements as required by its state oversight agency, the Texas Commission on Environmental Quality. In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program. In the District's case, the single governmental program is provision of water and sewer services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements, and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-Wide Financial Statements

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

The difference between the District's total assets and total liabilities is labeled as *net position* and this difference is similar to the total owners' equity presented by a commercial enterprise.

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

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

Fund Financial Statements

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

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

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

Because the focus of the government-wide and fund financial statements are different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in Note 3 of the notes to the financial statements that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in Note 3 of the notes to the financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

Financial Analysis of the District as a Whole

Financial Analysis of the District as a Whole begins with an understanding of how financial resources flow through the District's funds. Resources in the Capital Projects Fund are derived principally from proceeds of the sale of bonds, and expenditures from this fund are subject to the Rules of the Texas Commission on Environmental Quality. Resources in the Debt Service Fund are derived principally from the collection of property taxes and are used for the payment of tax collection costs and bond principal and interest. Resources in the General Fund are derived principally from property taxes and billings for water and sewer services and are used to operate and maintain the system and to pay costs of administration of the District.

Management has financial objectives for each of the District's funds. The financial objective for the Capital Projects Fund is to spend the funds as necessary in accordance with the Rules of the Texas Commission on Environmental Quality. The financial objective for the General Fund is to keep the fund's expenditures as low as possible while ensuring that revenues are adequate to cover expenditures and maintaining the fund balance that Management believes is prudent. Management believes that these financial objectives were met during the fiscal year.

Management believes that the required method of accounting for certain elements of the government-wide financial statements makes the government-wide financial statements as a whole not useful for financial analysis. In the government-wide financial statements, capital assets and depreciation expense have been required to be recorded at historical cost. Management's policy is to maintain the District's capital assets in a condition greater than or equal to the condition required by regulatory authorities, and management does not believe that depreciation expense is relevant to the management of the District. In the government-wide financial statements, property tax revenues are required to be recorded in the fiscal year for which the taxes are levied, regardless of the year of collection. Management believes that the cash basis method of accounting for property taxes in the funds provides more useful financial information.

The following required summaries of the District’s overall financial position and operations for the past two years are based on the information included in the government-wide financial statements. For the reasons described in the preceding paragraph, a separate analysis of the summaries is not presented.

Summary of Net Position

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Current and other assets	\$ 10,438,533	\$ 4,663,954	\$ 5,774,579
Capital assets	<u>10,388,975</u>	<u>9,000,156</u>	<u>1,388,819</u>
Total assets	<u>20,827,508</u>	<u>13,664,110</u>	<u>7,163,398</u>
Long-term liabilities	16,058,490	8,404,121	7,654,369
Other liabilities	<u>586,089</u>	<u>1,007,918</u>	<u>(421,829)</u>
Total liabilities	<u>16,644,579</u>	<u>9,412,039</u>	<u>7,232,540</u>
Net position:			
Invested in capital assets, net of related debt	(5,164,349)	431,686	(5,596,035)
Restricted	7,689,934	2,730,867	4,959,067
Unrestricted	<u>1,657,344</u>	<u>1,089,518</u>	<u>567,826</u>
Total net position	<u>\$ 4,182,929</u>	<u>\$ 4,252,071</u>	<u>\$ (69,142)</u>

Summary of Changes in Net Position

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Revenues:			
Property taxes, including related penalty and interest	\$ 1,549,630	\$ 1,455,894	\$ 93,736
Charges for services	1,048,103	997,139	50,964
Other revenues	<u>211,793</u>	<u>287,558</u>	<u>(75,765)</u>
Total revenues	<u>2,809,526</u>	<u>2,740,591</u>	<u>68,935</u>
Expenses:			
Service operations	2,545,444	2,479,762	65,682
Debt service	<u>909,224</u>	<u>339,487</u>	<u>569,737</u>
Total expenses	<u>3,454,668</u>	<u>2,819,249</u>	<u>635,419</u>
Excess revenues (expenditures)	(645,142)	(78,658)	(566,484)
Special Item:			
Litigation settlement proceeds	<u>576,000</u>	<u>0</u>	<u>576,000</u>
Change in net position	(69,142)	(78,658)	9,516
Net position, beginning of year	<u>4,252,071</u>	<u>4,330,729</u>	<u>(78,658)</u>
Net position, end of year	<u>\$ 4,182,929</u>	<u>\$ 4,252,071</u>	<u>\$ (69,142)</u>

Financial Analysis of the District’s Funds

The District’s combined fund balances as of the end of the fiscal year ended September 30, 2025, were \$10,030,367, an increase of \$6,236,514 from the prior year.

The General Fund balance increased by \$556,253, primarily due to litigation settlement proceeds received for contractor damages caused to District utility infrastructure.

The Special Revenue Fund balance increased by \$24,072 due to District's contribution of \$24,072.

The Debt Service Fund balance increased by \$549,648, in accordance with the District's financial plan.

The Capital Projects Fund balance increased by \$5,106,541, as Series 2025 bond proceeds and interest earnings on deposits and investments exceeded authorized expenditures.

General Fund Budgetary Highlights

The Board of Directors did not amend the budget during the fiscal year. The District's budget is primarily a planning tool. Accordingly, actual results varied from the budgeted amounts. A comparison of actual to budgeted amounts is presented on Page 21 of this report. The budgetary fund balance as of September 30, 2025, was expected to be \$1,160,743 and the actual end of year fund balance was \$1,592,634.

Capital Asset and Debt Administration

Capital Assets

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

	<u>Capital Assets (Net of Accumulated Depreciation)</u>		
	<u>2025</u>	<u>2024</u>	<u>Change</u>
Land	\$ 1,444,898	\$ 1,444,898	\$ 0
Construction in progress	870,587	991,065	(120,478)
Buildings and improvements	32,757	38,563	(5,806)
Machinery and equipment	3,023	3,239	(216)
Infrastructure	<u>8,037,710</u>	<u>6,522,391</u>	<u>1,515,319</u>
Totals	<u>\$ 10,388,975</u>	<u>\$ 9,000,156</u>	<u>\$ 1,388,819</u>

Changes to capital assets during the fiscal year ended September 30, 2025, are summarized as follows:

Additions:		
Infrastructure improvements		\$ 1,754,728
Decreases:		
Depreciation		<u>(365,909)</u>
Net change to capital assets		<u>\$ 1,388,819</u>

Debt

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

Bonded debt payable, beginning of year	\$ 8,415,000
Bonds sold	8,050,000
Bonds paid	<u>(155,000)</u>
Bonded debt payable, end of year	<u>\$ 16,310,000</u>

At September 30, 2025, the District had no bonds authorized but unissued for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage system within the District and \$325,943 of bonds authorized but unissued for parks and recreational facilities.

The District's Series 2022 and 2025 utility bonds and Series 2022 park bonds are insured by Build America Mutual Assurance Company. The insured rating of the Series 2022 and 2025 utility bonds and Series 2022 park bonds is AA by Standard & Poor's. There were no changes in the bond ratings during the fiscal year ended September 30, 2025.

RELEVANT FACTORS AND WATER SUPPLY ISSUES

Property Tax Base

The District's tax base increased approximately \$10,940,000 for the 2024 tax year (approximately 5%), due to the increase in the average assessed valuations on existing properties.

Relationship to the City of Conroe

Under existing Texas law, since the District lies totally within the extraterritorial jurisdiction of the City of Conroe ("City"), the District must conform to a City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City. If the District is annexed, the City will assume the District's assets and obligations (including the bonded indebtedness) and dissolve the District within ninety (90) days.

Utilizing a provision of Texas law, the City and the District entered into a Strategic Partnership Agreement ("SPA") effective as of November 14, 2014. The SPA continues through December 31, 2034 and provides guarantees against municipal annexation for the portions of the District located to the East of Interstate 45 in exchange for the District's exclusion of certain commercial and undeveloped non-residential territory located to the West of Interstate 45 in order to facilitate the annexation of such territory by the City.

Water Supply Issues

The District is within the boundaries of the Lone Star Groundwater Conservation District ("LSGCD"). The LSGCD was created by the Legislature of the State of Texas in Acts 2001, 77th Legislature, Regular Session. The LSGCD is a political subdivision of the State of Texas, governed by an elected seven member board of directors. The purpose of the LSGCD is to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, and the control of subsidence caused by the withdrawal of water from those groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution. Rule 8.1 of the rules of the LSGCD authorizes the board of directors of the LSGCD to establish by resolution a regulatory water use fee to accomplish the purposes of the LSGCD. In accordance with this rule, as of September 30, 2025, the LSGCD had established a regulatory water use fee of \$0.085 per 1,000 gallons of water pumped from each regulated well.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET

SEPTEMBER 30, 2025

	General	Special Revenue Fund	Debt Service	Capital Projects	Total	Adjustments (Note 3)	Statement of Net Position
ASSETS							
Cash, including interest-bearing accounts, Note 7	\$ 151,723	\$ 41,647	\$ 33,425	\$ 7,532	\$ 234,327	\$	\$ 234,327
Temporary investments, at cost, Note 7	1,397,919		986,218	7,296,619	9,680,756		9,680,756
Receivables:							
Property taxes	64,710		33,360		98,070		98,070
Service accounts	71,745				71,745		71,745
Due from East Plantation Utility District, Note 9		51,330		302,305	353,635		353,635
Maintenance taxes collected not yet transferred from other fund	33,956				33,956	(33,956)	0
Due from other funds	176,698	79,939		2,791	259,428	(259,428)	0
Operating reserve at joint facilities, Note 9	49,072				49,072	(49,072)	0
Capital assets, net of accumulated depreciation, Note 4:							
Capital assets not being depreciated					0	2,315,485	2,315,485
Depreciable capital assets					0	8,073,490	8,073,490
Total assets	<u>\$ 1,945,823</u>	<u>\$ 172,916</u>	<u>\$ 1,053,003</u>	<u>\$ 7,609,247</u>	<u>\$ 10,780,989</u>	<u>10,046,519</u>	<u>20,827,508</u>
LIABILITIES							
Accounts payable	\$ 85,966	\$ 69,472	\$	\$ 11,056	\$ 166,494		166,494
Construction contracts payable				70,100	70,100		70,100
Accrued interest payable					0	72,400	72,400
Customer and builder deposits	122,574				122,574		122,574
Maintenance taxes collected not yet transferred to other fund			33,956		33,956	(33,956)	0
Due to other funds	79,939	54,372		125,117	259,428	(259,428)	0
Long-term liabilities, Note 5:							
Due within one year					0	154,521	154,521
Due in more than one year					0	16,058,490	16,058,490
Total liabilities	<u>288,479</u>	<u>123,844</u>	<u>33,956</u>	<u>206,273</u>	<u>652,552</u>	<u>15,992,027</u>	<u>16,644,579</u>
DEFERRED INFLOWS OF RESOURCES							
Property tax revenues	64,710	0	33,360	0	98,070	(98,070)	0
FUND BALANCES / NET POSITION							
Fund balances:							
Nonspendable:							
Operating reserve at joint facilities, Note 9	49,072				49,072	(49,072)	0
Restricted for bond interest, Note 5			422,625		422,625	(422,625)	0
Committed to construction contracts in progress				237,062	237,062	(237,062)	0
Assigned to:							
Debt service			563,062		563,062	(563,062)	0
Capital projects				7,165,912	7,165,912	(7,165,912)	0
Operating reserve at joint facilities, Note 9		49,072			49,072	(49,072)	0
Unassigned	1,543,562				1,543,562	(1,543,562)	0
Total fund balances	<u>1,592,634</u>	<u>49,072</u>	<u>985,687</u>	<u>7,402,974</u>	<u>10,030,367</u>	<u>(10,030,367)</u>	<u>0</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,945,823</u>	<u>\$ 172,916</u>	<u>\$ 1,053,003</u>	<u>\$ 7,609,247</u>	<u>\$ 10,780,989</u>		
Net position:							
Invested in capital assets, net of related debt, Note 4						(5,164,349)	(5,164,349)
Restricted for debt service						524,022	524,022
Restricted for capital projects						7,165,912	7,165,912
Unrestricted						1,657,344	1,657,344
Total net position						<u>\$ 4,182,929</u>	<u>\$ 4,182,929</u>

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

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments (Note 3)	Statement of Activities
REVENUES							
Property taxes	\$ 933,604		\$ 569,362		\$ 1,502,966	\$ 18,300	\$ 1,521,266
Water service	339,575				339,575		339,575
Sewer service	406,154				406,154		406,154
Surface water fees, Note 10	7,577				7,577		7,577
From participants in joint facilities		597,227			597,227	(350,094)	247,133
Penalty and interest	47,664		28,364		76,028		76,028
Interest on deposits and investments	45,765		32,924	120,769	199,458		199,458
Other revenues	12,335				12,335		12,335
Total revenues	1,792,674	597,227	630,650	120,769	3,141,320	(331,794)	2,809,526
EXPENDITURES / EXPENSES							
Service operations:							
Purchased services, Note 9	350,094				350,094	(350,094)	0
Professional fees	425,472	48,253	8,904		482,629		482,629
Contracted services	200,492	31,591	497		232,580		232,580
Utilities	69,601	49,202			118,803		118,803
Surface water fees, Note 10	19,199				19,199		19,199
Repairs and maintenance	617,230	401,094		110,210	1,128,534		1,128,534
Other operating expenditures	30,767	66,722			97,489		97,489
Administrative expenditures	95,116	365	370		95,851		95,851
Depreciation					0	365,909	365,909
Capital outlay / non-capital outlay	4,450			1,754,728	1,759,178	(1,754,728)	4,450
Debt service:							
Principal retirement			155,000		155,000	(155,000)	0
Bond issuance expenditures				535,555	535,555		535,555
Interest and fees			338,856		338,856	34,813	373,669
Total expenditures / expenses	1,812,421	597,227	503,627	2,400,493	5,313,768	(1,859,100)	3,454,668
Excess (deficiency) of revenues over expenditures	(19,747)	0	127,023	(2,279,724)	(2,172,448)	1,527,306	(645,142)
OTHER FINANCING SOURCES (USES)							
Bonds issued, Note 5			663,735	7,386,265	8,050,000	(8,050,000)	0
Bond issuance discount, Note 5			(241,110)		(241,110)	241,110	0
Increase (decrease) in operating reserve		24,072			24,072	(24,072)	0
Contractor damages litigation proceeds	576,000				576,000	(576,000)	0
Total other financing sources (uses)	576,000	24,072	422,625	7,386,265	8,408,962	(8,408,962)	0
SPECIAL ITEMS							
Contractor damages litigation proceeds	0				0	576,000	576,000
Total special items	0	0	0	0	0	576,000	576,000
Net change in fund balances / net position	556,253	24,072	549,648	5,106,541	6,236,514	(6,305,656)	(69,142)
Beginning of year	1,036,381	25,000	436,039	2,296,433	3,793,853	458,218	4,252,071
End of year	\$ 1,592,634	\$ 49,072	\$ 985,687	\$ 7,402,974	\$ 10,030,367	\$ (5,847,438)	\$ 4,182,929

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

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 1: REPORTING ENTITY

River Plantation Municipal Utility District (the "District") was created by the Texas Legislature in 1963 as a fresh water supply district and converted to a municipal utility district in 1978. The District operates in accordance with Texas Water Code Chapters 49 and 54. The first bonds were sold on April 15, 1966. The District is a political subdivision of the State of Texas, governed by an elected five member Board of Directors. The District is subject to the continuing supervision of the Texas Commission on Environmental Quality.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply of water; the collection, transportation and treatment of wastewater; and the control and diversion of storm water. The District may provide garbage disposal and collection services. In addition, the District is empowered, if approved by the electorate, the Texas Commission on Environmental Quality and other governmental entities having jurisdiction, to establish, operate and maintain a fire department, either independently or jointly with certain other districts.

Under existing Texas law, since the District lies totally within the extraterritorial jurisdiction of the City of Conroe ("City"), the District must conform to a City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City without the District's consent. If the District is annexed, the City will assume the District's assets and obligations (including the bonded indebtedness) and dissolve the District within ninety (90) days.

Utilizing a provision of Texas law, the City and the District entered into a Strategic Partnership Agreement ("SPA") effective as of November 14, 2014. The SPA continues through December 31, 2034 and provides guarantees against municipal annexation for the portions of the District located to the East of Interstate 45 in exchange for the District's exclusion of certain commercial and undeveloped non-residential territory located to the West of Interstate 45 in order to facilitate the annexation of such territory by the City.

In evaluating how to define the District for financial reporting purposes, the Board of Directors of the District has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there were no other entities which were included as a component unit in the District's financial statements.

The District is the manager of the joint facilities with East Plantation Utility District. Oversight of the joint facilities is exercised by the Board of Directors of the District and financial activity of the Plant has been included as a component unit in the financial statements of the District. The Plant's General Fund has been reported as the Special Revenue Fund of the District. Transactions of the joint facilities are described in Note 9.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board (the "GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board issued through November 30, 1989 (when applicable), that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

Basic Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and governmental fund financial statements (reporting the District's funds). Because the District is a single-program government as defined by the GASB, the District has combined the government-wide statements and the fund financial statements using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements. An additional reconciliation between the fund and the government-wide financial data is presented in Note 3.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's net position is reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The government-wide statement of activities reports the components of the changes in net position during the reporting period.

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for in a separate set of self-balancing accounts that comprises its assets, liabilities, fund balances, revenues and expenditures and changes in fund balances. The District's fund balances are reported as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balances are either not in spendable form or are contractually required to remain intact. Restricted fund balances include amounts that can only be used for the specific purposes stipulated by constitutional provisions, external resource providers or enabling legislation. Committed fund balances include amounts that can only be used for the specific purposes determined by formal action of the District's Board of Directors. Assigned fund balances are intended for a specific purpose but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. The transactions of the District are accounted for in the following funds:

General Fund -- To account for all revenues and expenditures not required to be accounted for in other funds.

Special Revenue Fund -- To account for all revenues and expenditures of the general operations of the joint wastewater and drainage facilities with East Plantation Utility District.

Debt Service Fund -- To account for the accumulation of financial resources for, and the payment of, bond principal and interest, paid principally from property taxes levied by the District.

Capital Projects Fund -- To account for financial resources designated to construct or acquire capital assets. Such resources are derived principally from proceeds of the sale of bonds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Basis of Accounting

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting which recognizes all long-term assets and receivables as well as long-term debt and obligations. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem property taxes are recognized as revenues in the fiscal year for which they have been levied and related penalties and interest are recognized in the fiscal year in which they are imposed. An allowance for uncollectibles is estimated for delinquent property taxes and reported separately in the 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 if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred except for principal and interest on bonds payable which are recorded only when payment is due.

Interfund Activity

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is reported as interfund receivables or payables, as appropriate, as are all other outstanding balances between funds. Operating transfers between funds represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Receivables

Service accounts receivable as reported are considered collectible. The District uses the direct write off method for uncollectible service accounts. Unbilled water and sewer revenues are not material and are not recorded at year end. The District considers service accounts revenues to be available if they are to be collected within 60 days after the end of the fiscal year.

In the fund financial statements, ad valorem taxes and penalties and interest are reported as revenues in the fiscal year in which they become available to finance expenditures of the fiscal year for which they have been levied. Property taxes which have been levied and are not yet collected (or have been collected in advance of the fiscal year for which they have been levied) are recorded as deferred inflow of resources. Property taxes collected after the end of the fiscal year are not included in revenues.

Inventory

Inventory is valued at cost. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased and significant inventories on hand at the balance sheet date are reported as an asset in the balance sheet. Reported inventory is equally offset by a fund balance reserve which indicates that it does not constitute "available spendable resources."

Capital Assets

Capital assets, which include property, plant, equipment, and immovable public domain or "infrastructure" assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,000 (including installation costs, if any, and associated professional fees) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed by the District. Donated capital assets are recorded at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset or increase the value of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

Plant and equipment	10-45 years
Underground lines	45 years

Long-term Liabilities

Long-term debt and other long-term obligations are reported in the government-wide financial statements. Bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable premium or discount. If bonds are refunded and the carrying amount of the new debt is different than the net carrying amount of the old debt, the difference is netted against the new debt and amortized using the effective interest method over the shorter of the remaining life of the refunded debt or the life of the new debt issued.

In the fund financial statements, governmental funds 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 of the fund from which they are paid.

NOTE 3: RECONCILIATION OF FUND TO GOVERNMENT-WIDE FINANCIAL STATEMENTS

Reconciliation of year end fund balances to net position:

Total fund balances, end of year		\$ 10,030,367
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Total capital assets, net		10,388,975
Some long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Bonds payable	\$ (16,310,000)	
Issuance discounts (to be amortized as interest expense)	<u>96,989</u>	(16,213,011)
The assets in the special revenue fund are owned by the District and other participants in the joint venture:		
The District's equity		(49,072)
Some receivables that do not provide current financial resources are not reported as receivables in the funds:		
Uncollected property taxes		98,070
Some liabilities that do not require the use of current financial resources are not reported as liabilities in the funds:		
Accrued interest		<u>(72,400)</u>
Net position, end of year		<u>\$ 4,182,929</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Reconciliation of net change in fund balances to change in net position:

Total net change in fund balances		\$ 6,236,514
<p>The funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>		
Capital outlay	\$ 1,754,728	
Depreciation	<u>(365,909)</u>	1,388,819
<p>The issuance of long-term debt (bonds payable) provides current financial resources to the funds, while the repayment of the principal of long-term debt consumes the current financial resources of the funds. Neither transaction, however, has any effect on net position. The effect of these differences in the treatment of long-term debt:</p>		
Bonds issued	(8,050,000)	
Principal reduction	<u>155,000</u>	(7,895,000)
<p>The funds report the effect of bond issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of these items:</p>		
Issuance discounts, net of premiums		250,459
<p>Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in the funds:</p>		
Uncollected property taxes		18,300
<p>Some changes in the in the special revenue fund reserve are due to contributions by participants in the Joint Venture.</p>		
		(24,072)
<p>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 the funds:</p>		
Accrued interest		<u>(44,162)</u>
Change in net position		<u>\$ (69,142)</u>

NOTE 4: CAPITAL ASSETS

At September 30, 2025, "Invested in capital assets, net of related debt" was \$(5,164,349). This amount was negative primarily because not all expenditures from bond proceeds (such as bond issuance costs) were for the acquisition of capital assets. Within Montgomery County, the county government assumes the maintenance and other incidents of ownership of most storm sewer facilities constructed by the District. Accordingly, these assets are not recorded in the financial statements of the District. In addition, some expenditures from bond proceeds were for the acquisition of capital assets beneath the capitalization threshold of \$5,000 (see Note 2) and some authorized expenditures were not for capital assets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Capital asset activity for the fiscal year ended September 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 1,444,898	\$	\$	\$ 1,444,898
Construction in progress	<u>991,065</u>	<u>1,489,618</u>	<u>1,610,096</u>	<u>870,587</u>
Total capital assets not being depreciated	<u>2,435,963</u>	<u>1,489,618</u>	<u>1,610,096</u>	<u>2,315,485</u>
Depreciable capital assets:				
Buildings and improvements	238,122			238,122
Machinery and equipment	170,326			170,326
Infrastructures	<u>15,966,411</u>	<u>1,875,206</u>		<u>17,841,617</u>
Total depreciable capital assets	<u>16,374,859</u>	<u>1,875,206</u>	<u>0</u>	<u>18,250,065</u>
Less accumulated depreciation for:				
Buildings and improvements	(199,559)	(5,806)		(205,365)
Machinery and equipment	(167,087)	(216)		(167,303)
Infrastructures	<u>(9,444,020)</u>	<u>(359,887)</u>		<u>(9,803,907)</u>
Total accumulated depreciation	<u>(9,810,666)</u>	<u>(365,909)</u>	<u>0</u>	<u>(10,176,575)</u>
Total depreciable capital assets, net	<u>6,564,193</u>	<u>1,509,297</u>	<u>0</u>	<u>8,073,490</u>
Total capital assets, net	<u>\$ 9,000,156</u>	<u>\$ 2,998,915</u>	<u>\$ 1,610,096</u>	<u>\$ 10,388,975</u>
Changes to capital assets:				
Capital outlay		\$ 1,754,728	\$	
Assets transferred to depreciable assets		1,610,096	1,610,096	
Depreciation expense for the fiscal year		<u>(365,909)</u>		
Net increases / decreases to capital assets		<u>\$ 2,998,915</u>	<u>\$ 1,610,096</u>	

NOTE 5: LONG-TERM LIABILITIES

Long-term liability activity for the fiscal year ended September 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Bonds payable	\$ 8,415,000	\$ 8,050,000	\$ 155,000	\$ 16,310,000	\$ 160,000
Deferred amounts:					
For issuance (discounts) premiums	<u>153,470</u>	<u>(241,110)</u>	<u>9,349</u>	<u>(96,989)</u>	<u>(5,479)</u>
Total bonds payable	<u>8,568,470</u>	<u>7,808,890</u>	<u>164,349</u>	<u>16,213,011</u>	<u>154,521</u>
Total long-term liabilities	<u>\$ 8,568,470</u>	<u>\$ 7,808,890</u>	<u>\$ 164,349</u>	<u>\$ 16,213,011</u>	<u>\$ 154,521</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Fiscal Year	Principal	Interest	Total
2026	\$ 160,000	\$ 796,336	\$ 956,336
2027	290,000	713,244	1,003,244
2028	305,000	693,794	998,794
2029	330,000	673,470	1,003,470
2030	345,000	651,756	996,756
2031 - 2035	1,980,000	3,015,022	4,995,022
2036 - 2040	2,450,000	2,588,580	5,038,580
2041 - 2045	3,030,000	2,043,075	5,073,075
2046 - 2050	3,765,000	1,351,030	5,116,030
2051 - 2054	<u>3,655,000</u>	<u>450,868</u>	<u>4,105,868</u>
	<u>\$ 16,310,000</u>	<u>\$ 12,977,175</u>	<u>\$ 29,287,175</u>

Bonds voted for financing facilities	\$ 21,470,000
Bonds for financing facilities approved for sale and sold	21,470,000
Bonds voted for financing facilities and not issued	0
Bonds voted for financing parks and recreational facilities	\$ 2,000,943
Bonds voted for financing parks and recreational facilities and issued	1,675,000
Bonds voted for financing parks and recreational facilities and not issued	325,943

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.

The bond issues payable at September 30, 2025, were as follows:

	<u>Series 2022</u>	<u>Series 2022 Park</u>	<u>Series 2025</u>
Amounts outstanding, September 30, 2025	\$6,685,000	\$1,575,000	\$8,050,000
Interest rates	3.25% to 7.25%	2.75% to 4.00%	4.25% to 6.75%
Maturity dates, serially beginning/ending	September 1, 2026/2052	September 1, 2026/2051	September 1, 2027/2054
Interest payment dates	March 1/September 1	March 1/September 1	March 1/September 1
Callable dates	September 1, 2028*	September 1, 2028*	September 1, 2030*

*Or any date thereafter at par plus accrued interest to the date of redemption, in whole or in part at the option of the District.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

In accordance with the Series 2025 Bond Order, a portion of the bond proceeds were deposited into the debt service fund and reserved for the payment of bond interest. This bond interest reserve is reduced as the interest is paid. Transactions for the current year are summarized as follows:

12 months' interest from sale of Series 2025 utility bonds	<u>\$ 422,625</u>
Bond interest reserve, end of year	<u>\$ 422,625</u>

Developer Construction Commitments and Liabilities

At September 30, 2025, there were no developer construction commitments or liabilities.

NOTE 6: PROPERTY TAXES

The Montgomery Central Appraisal District has the responsibility for appraising property for all taxing units within the county as of January 1 of each year, subject to review and change by the county Appraisal Review Board. The appraisal roll, as approved by the Appraisal Review Board, must be used by the District in establishing its tax roll and tax rate. The District's taxes are usually levied in the fall, are due when billed and become delinquent after September 30 of the following year or 30 days after the date billed, whichever is later. On January 1 of each year, a statutory tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property.

At an election held on November 6, 2007, the voters within the District authorized a maintenance tax without limit as to rate or amount on all property subject to taxation within the District. This maintenance tax is being used by the General Fund to pay expenditures of operating the District.

On September 16, 2024, the District levied the following ad valorem taxes for the 2024 tax year on the adjusted taxable valuation of \$231,097,926:

	Rate	Amount
Debt service	\$ 0.2500	\$ 577,776
Maintenance	0.4100	947,553
	\$ 0.6600	\$ 1,525,329

A reconciliation of the tax levy to property tax revenues on the Statement of Activities is as follows:

2024 tax year total property tax levy	\$ 1,525,329
Appraisal district adjustments to prior year taxes	<u>(4,063)</u>
Statement of Activities property tax revenues	<u>\$ 1,521,266</u>

NOTE 7: DEPOSITS

The District complied with the requirements of the Public Funds Investment Act during the current fiscal year including the preparation of quarterly investment reports required by the Act.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

State statutes authorize the District to invest and reinvest in direct or indirect obligations of the United States, the State of Texas, any county, city, school district, or other political subdivision of the state, or in local government investment pools authorized under the Public Funds Investment Act. Funds of the District may be placed in certificates of deposit of state or national banks or savings and loan associations within the state provided that they are secured in the manner provided for the security of the funds under the laws of the State of Texas. In accordance with the District's investment policies, during the current year the District's funds were invested in interest bearing accounts at authorized financial institutions and an authorized private sector investment pool. The private sector investment pool is rated AAAM by Standard & Poor's.

In accordance with state statutes and the District's investment policies, the District requires that insurance or security be provided by depositories for all funds held by them. At the balance sheet date, the District's deposits were covered by federal insurance.

At the balance sheet date the carrying value and market value of the investments in the authorized private sector investment pool was \$9,680,756.

Deposits and temporary investments restricted by state statutes and the Bond Orders:

Debt Service Fund

For payment of debt principal and interest, paying agent fees and costs of assessing and collecting taxes:

Cash	\$ 33,425
Temporary investments	<u>986,218</u>
	<u>\$ 1,019,643</u>

Capital Projects Fund

For construction of capital assets:

Cash	\$ 7,532
Temporary investments	<u>7,296,619</u>
	<u>\$ 7,304,151</u>

NOTE 8: RISK MANAGEMENT

The District is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions; personal injuries and natural disasters. Significant losses are covered by insurance as described below. There were no significant reductions in insurance coverage from the prior fiscal year. There have been no settlements which have exceeded the insurance coverage for each of the past three fiscal years.

At September 30, 2025, the District had physical damage and boiler and machinery coverage of \$15,585,960, mobile equipment coverage of \$6,655, general liability coverage with a per occurrence limit of \$5,000,000 and \$10,000,000 general aggregate and employee's crime coverage of \$50,000.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 9: CONTRACT WITH EAST PLANTATION UTILITY DISTRICT

On March 28, 2019, the District entered into a ten year agreement with the East Plantation Utility District ("EPUD") upon the expiration of the original 1979 agreement. Under the terms of the agreement, the District owns 59% of the District's sewage treatment facilities and EPUD owns 41%. In addition the districts each own half of the joint sewage trunkline improvements serving EPUD. Costs of operating the sewage treatment facilities are divided based upon the number of connections served by each district and are billed to EPUD monthly. Capital improvements are billed based upon capacity owned by each district. The agreement also provides that each district will provide water to the other district in event of emergency at cost.

Each participant is responsible only for its share of the operating costs of the Plant. Participants are billed a monthly amount which is based upon actual costs incurred during the prior month as allocated based upon capacity owned and the number of equivalent connections within each participating district. The District has contributed \$49,072 for the operating reserve. The District's share of operating costs was \$350,094 for the year ended September 30, 2025.

NOTE 10: GROUNDWATER CONSERVATION DISTRICT

The District is within the boundaries of the Lone Star Groundwater Conservation District ("LSGCD"). The LSGCD was created by the Legislature of the State of Texas in Acts 2001, 77th Legislature, Regular Session. The LSGCD is a political subdivision of the State of Texas, governed by an elected seven member board of directors. The purpose of the LSGCD is to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, and the control of subsidence caused by the withdrawal of water from those groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution. Rule 8.1 of the rules of the LSGCD authorizes the board of directors of the LSGCD to establish by resolution a regulatory water use fee to accomplish the purposes of the LSGCD. In accordance with this rule, as of September 30, 2025, the LSGCD had established a regulatory water use fee of \$0.085 per 1,000 gallons of water pumped from each regulated well. The District's well regulatory water use fees payable to the LSGCD for the fiscal year ended September 30, 2025, were \$19,199. The District billed its customers \$7,577 during the fiscal year to pay for the fees charged by the LSGCD.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE, BUDGET AND ACTUAL, GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Property taxes	\$ 953,200	\$ 953,200	\$ 933,604	\$ (19,596)
Water service	317,365	317,365	339,575	22,210
Sewer service	416,750	416,750	406,154	(10,596)
Surface water fees	7,350	7,350	7,577	227
Penalty and interest	51,500	51,500	47,664	(3,836)
Interest on deposits	50,000	50,000	45,765	(4,235)
Other revenues	<u>35,700</u>	<u>35,700</u>	<u>12,335</u>	<u>(23,365)</u>
TOTAL REVENUES	<u>1,831,865</u>	<u>1,831,865</u>	<u>1,792,674</u>	<u>(39,191)</u>
EXPENDITURES				
Service operations:				
Purchased services	290,801	290,801	350,094	59,293
Professional fees	297,300	297,300	425,472	128,172
Contracted services	229,600	229,600	200,492	(29,108)
Utilities	61,100	61,100	69,601	8,501
Surface water fees	20,500	20,500	19,199	(1,301)
Repairs, maintenance and other operating expenditures	685,677	685,677	647,997	(37,680)
Administrative expenditures	91,525	91,525	95,116	3,591
Capital outlay	<u>31,000</u>	<u>31,000</u>	<u>4,450</u>	<u>(26,550)</u>
TOTAL EXPENDITURES	<u>1,707,503</u>	<u>1,707,503</u>	<u>1,812,421</u>	<u>104,918</u>
EXCESS REVENUES (EXPENDITURES)	<u>124,362</u>	<u>124,362</u>	<u>(19,747)</u>	<u>(144,109)</u>
OTHER FINANCING SOURCES (USES)				
Contractor damages litigation proceeds	<u>0</u>	<u>0</u>	<u>576,000</u>	<u>576,000</u>
TOTAL OTHER FINANCIAL SOURCES (USES)	<u>0</u>	<u>0</u>	<u>576,000</u>	<u>576,000</u>
EXCESS SOURCES (USES)	124,362	124,362	556,253	431,891
FUND BALANCE, BEGINNING OF YEAR	<u>1,036,381</u>	<u>1,036,381</u>	<u>1,036,381</u>	<u>0</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,160,743</u>	<u>\$ 1,160,743</u>	<u>\$ 1,592,634</u>	<u>\$ 431,891</u>

The District's Board of Directors adopts an annual nonappropriated budget. This budget may be amended throughout the fiscal year and is prepared on a basis consistent with generally accepted accounting principles.

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE, BUDGET AND ACTUAL, SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
From participants in plant:				
River Plantation Municipal Utility District	\$ 290,801	\$ 290,801	\$ 350,093	\$ 59,292
East Plantation Utility District	195,119	195,119	247,134	52,015
Interest on deposits	100	100	0	(100)
TOTAL REVENUES	<u>486,020</u>	<u>486,020</u>	<u>597,227</u>	<u>111,207</u>
EXPENDITURES				
Service operations:				
Professional fees	60,000	60,000	48,253	(11,747)
Contracted services	37,800	37,800	31,591	(6,209)
Utilities	49,050	49,050	49,202	152
Repairs and maintenance	230,900	230,900	401,094	170,194
Other operating expenditures	69,070	69,070	66,722	(2,348)
Administrative expenditures	39,200	39,200	365	(38,835)
Capital outlay	0	0	0	0
TOTAL EXPENDITURES	<u>486,020</u>	<u>486,020</u>	<u>597,227</u>	<u>111,207</u>
EXCESS REVENUES (EXPENDITURES)	0	0	0	0
OTHER FINANCING SOURCES (USES)				
Increase (Decrease) in operating reserve	0	0	24,072	24,072
TOTAL OTHER FINANCIAL SOURCES (USES)	0	0	24,072	24,072
EXCESS SOURCES (USES)	0	0	24,072	24,072
FUND BALANCE, BEGINNING OF YEAR	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
FUND BALANCE, END OF YEAR	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 49,072</u>	<u>\$ 24,072</u>

The District's Board of Directors adopts an annual nonappropriated budget. This budget may be amended throughout the fiscal year and is prepared on a basis consistent with generally accepted accounting principles.

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

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
SCHEDULE OF TEXAS SUPPLEMENTARY INFORMATION
REQUIRED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
SEPTEMBER 30, 2025

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

- [X] TSI-1. Services and Rates
- [X] TSI-2. General Fund Expenditures
- [X] TSI-3. Temporary Investments
- [X] TSI-4. Taxes Levied and Receivable
- [X] TSI-5. Long-Term Debt Service Requirements by Years
- [X] TSI-6. Changes in Long-Term Bonded Debt
- [X] TSI-7. Comparative Schedule of Revenues and Expenditures -
General Fund and Debt Service Fund - Five Year
- [X] TSI-8. Board Members, Key Personnel and Consultants

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

SCHEDULE OF SERVICES AND RATES

SEPTEMBER 30, 2025

1. Services Provided by the District during the Fiscal Year:

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

2. Retail Service Providers

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

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1000 Gallons Over Minimum</u>	<u>Usage Levels</u>
WATER:	\$12.75	under 3,000	N	\$2.85	3,001 to 10,000
				3.15	10,001 to 20,000
				3.55	20,001 to 30,000
				4.00	30,001 to 40,000
				4.75	40,001 to 50,000
				6.00	Over 50,000
WASTEWATER:	\$31.00	under 3,000	Y	\$0.00	
	39.00	over 3,000	Y	0.00	

SURCHARGE: 0.50 % of monthly billing -- TCEQ assessment fees.
 \$0.085 per 1,000 gallons of water used. – LSGCD surface water fees.

District employs winter averaging for wastewater usage: Yes No

Total charges per 10,000 gallons usage: Water: \$32.70 Wastewater: \$39.00 Surcharge: \$1.21

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

SCHEDULE OF SERVICES AND RATES (Continued)

SEPTEMBER 30, 2025

b. Water and Wastewater Retail Connections (unaudited):

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC*</u> <u>Factor</u>	<u>Active ESFCs</u>
Unmetered	0	0	1.0	0
< or = 3/4"	941	905	1.0	905
1"	18	18	2.5	45
1-1/2"	1	1	5.0	5
2"	7	7	8.0	56
3"	0	0	15.0	0
4"	0	0	25.0	0
6"	0	0	50.0	0
8"	0	0	80.0	0
10"	0	0	115.0	0
Total Water	<u>967</u>	<u>931</u>		<u>1,011</u>
Total Wastewater**	<u>946</u>	<u>910</u>	1.0	<u>910</u>

*Single family equivalents

**Does not include the approximately 550 sewer connections in East Plantation Utility District.

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

Gallons pumped into system (unaudited): 108,636
 Gallons billed to customers (unaudited): 96,942

Water Accountability Ratio
 (Gallons billed/ gallons pumped): 89%

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: _____

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

If yes, date of the most recent Commission Order: _____

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

EXPENDITURES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Totals (Memorandum Only)</u>
CURRENT					
Purchased services:					
Wastewater	\$ 285,630	\$	\$	\$	\$ 285,630
Drainage	64,464				64,464
	<u>350,094</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>350,094</u>
Professional fees:					
Auditing	12,300	2,500			14,800
Legal	320,226		8,904		329,130
Engineering	92,946	45,753			138,699
	<u>425,472</u>	<u>48,253</u>	<u>8,904</u>	<u>0</u>	<u>482,629</u>
Contracted services:					
Operation and billing	136,389	18,732			155,121
Bookkeeping	50,719	12,859			63,578
Tax assessor-collector			497		497
Central appraisal district	13,384				13,384
	<u>200,492</u>	<u>31,591</u>	<u>497</u>	<u>0</u>	<u>232,580</u>
Utilities	<u>69,601</u>	<u>49,202</u>	<u>0</u>	<u>0</u>	<u>118,803</u>
Surface water fees	<u>19,199</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,199</u>
Repairs and maintenance	<u>617,230</u>	<u>401,094</u>	<u>0</u>	<u>110,210</u>	<u>1,128,534</u>
Other operating expenditures:					
Sludge hauling	2,736	30,685			33,421
Chemicals	8,070	15,915			23,985
Laboratory costs	17,604	17,031			34,635
Security	440				440
Sewer inspections	1,917				1,917
Other		3,091			3,091
	<u>30,767</u>	<u>66,722</u>	<u>0</u>	<u>0</u>	<u>97,489</u>
Administrative expenditures:					
Director's fees	11,439				11,439
Office supplies and postage	8,262				8,262
Insurance	39,002				39,002
Election costs	14,069				14,069
Permit fees	5,174				5,174
Other	17,170	365	370		17,905
	<u>95,116</u>	<u>365</u>	<u>370</u>	<u>0</u>	<u>95,851</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

EXPENDITURES (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Totals (Memorandum Only)</u>
CAPITAL OUTLAY					
Authorized expenditures	\$	\$	\$	\$1,754,728	\$1,754,728
Tap connection fees	4,450				4,450
	<u>4,450</u>	<u>0</u>	<u>0</u>	<u>1,754,728</u>	<u>1,759,178</u>
DEBT SERVICE					
Principal retirement	<u>0</u>	<u>0</u>	<u>155,000</u>	<u>0</u>	<u>155,000</u>
Bond issuance expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>535,555</u>	<u>535,555</u>
Interest	<u>0</u>	<u>0</u>	<u>338,856</u>	<u>0</u>	<u>338,856</u>
TOTAL EXPENDITURES	<u><u>\$1,812,421</u></u>	<u><u>\$ 597,227</u></u>	<u><u>\$ 503,627</u></u>	<u><u>\$2,400,493</u></u>	<u><u>\$5,313,768</u></u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

ANALYSIS OF CHANGES IN DEPOSITS
ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Totals (Memorandum Only)</u>
SOURCES OF DEPOSITS AND TEMPORARY INVESTMENTS					
Cash receipts from revenues excluding maintenance taxes	\$ 874,665	\$ 594,897	\$ 630,650	\$ 120,769	\$ 2,220,981
Maintenance tax collections			933,604		933,604
Maintenance tax transfers	927,314				927,314
Bond proceeds			422,625	7,386,265	7,808,890
Contractor damages litigation proceeds	576,000				576,000
Increase in customer and builder deposits	4,195				4,195
Increase in operating reserve		24,072			24,072
Reimbursement from other fund				5,371	5,371
TOTAL DEPOSITS AND TEMPORARY INVESTMENTS PROVIDED	<u>2,382,174</u>	<u>618,969</u>	<u>1,986,879</u>	<u>7,512,405</u>	<u>12,500,427</u>
APPLICATIONS OF DEPOSITS AND TEMPORARY INVESTMENTS					
Cash disbursements for:					
Current expenditures	1,857,568	600,063	9,771	110,210	2,577,612
Capital outlay	4,450			2,045,358	2,049,808
Debt service			493,856	535,555	1,029,411
Other district				169,955	169,955
Other fund	74,721			2,791	77,512
Increase in operating reserve	24,072				24,072
Reimbursement to other fund	5,371				5,371
Maintenance tax transfers			927,314		927,314
TOTAL DEPOSITS AND TEMPORARY INVESTMENTS APPLIED	<u>1,966,182</u>	<u>600,063</u>	<u>1,430,941</u>	<u>2,863,869</u>	<u>6,861,055</u>
INCREASE (DECREASE) IN DEPOSITS AND TEMPORARY INVESTMENTS	415,992	18,906	555,938	4,648,536	5,639,372
DEPOSITS AND TEMPORARY INVESTMENTS BALANCES, BEGINNING OF YEAR	<u>1,133,650</u>	<u>22,741</u>	<u>463,705</u>	<u>2,655,615</u>	<u>4,275,711</u>
DEPOSITS AND TEMPORARY INVESTMENTS BALANCES, END OF YEAR	<u>\$ 1,549,642</u>	<u>\$ 41,647</u>	<u>\$ 1,019,643</u>	<u>\$ 7,304,151</u>	<u>\$ 9,915,083</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

SCHEDULE OF TEMPORARY INVESTMENTS

SEPTEMBER 30, 2025

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Year End Balance</u>	<u>Accrued Interest Receivable</u>
GENERAL FUND				
Texas CLASS				
No. TX-01-0752-0001	Market	On demand	\$ 1,397,919	\$ 0
DEBT SERVICE FUND				
Texas CLASS				
No. TX-01-0752-0005	Market	On demand	\$ 986,218	\$ 0
CAPITAL PROJECTS FUND				
Texas CLASS				
No. TX-01-0752-0004	Market	On demand	\$ 7,296,619	\$ 0
Total – All Funds			\$ 9,680,756	\$ 0

See accompanying independent auditor’s report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

TAXES LEVIED AND RECEIVABLE

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Maintenance Taxes</u>	<u>Debt Service Taxes</u>
RECEIVABLE, BEGINNING OF YEAR	\$ 53,137	\$ 26,633
Additions and corrections to prior year taxes	<u>(2,376)</u>	<u>(1,687)</u>
Adjusted receivable, beginning of year	50,761	24,946
2024 ADJUSTED TAX ROLL	<u>947,553</u>	<u>577,776</u>
Total to be accounted for	998,314	602,722
Tax collections: Current tax year	(919,385)	(560,601)
Prior tax years	<u>(14,219)</u>	<u>(8,761)</u>
RECEIVABLE, END OF YEAR	<u>\$ 64,710</u>	<u>\$ 33,360</u>
RECEIVABLE, BY TAX YEAR		
2014 and prior	\$ 643	\$ 17
2015	660	
2016	1,120	
2017	1,416	
2018	1,703	
2019	2,050	
2020	2,538	
2021	3,671	
2022	6,496	6,015
2023	16,245	10,153
2024	<u>28,168</u>	<u>17,175</u>
RECEIVABLE, END OF YEAR	<u>\$ 64,710</u>	<u>\$ 33,360</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

TAXES LEVIED AND RECEIVABLE (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

ADJUSTED PROPERTY VALUATIONS
AS OF JANUARY 1 OF TAX YEAR

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Land	\$ 27,793,300	\$ 27,513,253	\$ 42,456,878	\$ 24,233,854
Improvements	239,639,666	235,003,719	205,649,102	163,177,670
Personal property	5,667,761	5,572,954	4,873,281	4,182,021
Less exemptions	<u>(42,002,801)</u>	<u>(47,933,126)</u>	<u>(49,792,144)</u>	<u>(22,852,551)</u>
 TOTAL PROPERTY VALUATIONS	 <u>\$ 231,097,926</u>	 <u>\$ 220,156,800</u>	 <u>\$ 203,187,117</u>	 <u>\$ 168,740,994</u>

TAX RATES PER \$100 VALUATION

Debt service tax rates	\$ 0.25000	\$ 0.25000	\$ 0.25000	\$ 0.00000
Maintenance tax rates*	<u>0.41000</u>	<u>0.40000</u>	<u>0.27000</u>	<u>0.31602</u>

TOTAL TAX RATES PER
\$100 VALUATION

	<u>\$ 0.66000</u>	<u>\$ 0.65000</u>	<u>\$ 0.52000</u>	<u>\$ 0.31602</u>
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TAX ROLLS

	<u>\$ 1,525,329</u>	<u>\$ 1,434,815</u>	<u>\$ 1,059,835</u>	<u>\$ 533,697</u>
--	---------------------	---------------------	---------------------	-------------------

PERCENT OF TAXES COLLECTED
TO TAXES LEVIED

	<u>97.0 %</u>	<u>98.2 %</u>	<u>98.8 %</u>	<u>99.3 %</u>
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*Maximum tax rate approved by voters on November 6, 2007: Unlimited

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS
SEPTEMBER 30, 2025

<u>Due During Fiscal Years Ending September 30</u>	<u>Series 2022</u>		
	<u>Principal Due September 1</u>	<u>Interest Due March 1, September 1</u>	<u>Total</u>
2026	\$ 130,000	\$ 283,012	\$ 413,012
2027	140,000	273,588	413,588
2028	140,000	263,438	403,438
2029	150,000	253,288	403,288
2030	160,000	242,412	402,412
2031	165,000	236,012	401,012
2032	170,000	229,412	399,412
2033	175,000	223,888	398,888
2034	185,000	218,200	403,200
2035	190,000	210,800	400,800
2036	205,000	203,200	408,200
2037	210,000	195,000	405,000
2038	220,000	186,600	406,600
2039	230,000	177,800	407,800
2040	240,000	168,600	408,600
2041	250,000	159,000	409,000
2042	265,000	149,000	414,000
2043	275,000	138,400	413,400
2044	285,000	127,400	412,400
2045	295,000	116,000	411,000
2046	315,000	104,200	419,200
2047	325,000	91,600	416,600
2048	340,000	78,600	418,600
2049	355,000	65,000	420,000
2050	370,000	50,800	420,800
2051	385,000	36,000	421,000
2052	515,000	20,600	535,600
TOTALS	<u>\$ 6,685,000</u>	<u>\$ 4,501,850</u>	<u>\$ 11,186,850</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)
SEPTEMBER 30, 2025

<u>Due During Fiscal Years Ending September 30</u>	<u>Series 2022 Park</u>		
	<u>Principal Due September 1</u>	<u>Interest Due March 1, September 1</u>	<u>Total</u>
2026	\$ 30,000	\$ 45,581	\$ 75,581
2027	30,000	44,381	74,381
2028	35,000	43,181	78,181
2029	35,000	41,782	76,782
2030	35,000	40,732	75,732
2031	40,000	39,682	79,682
2032	40,000	38,482	78,482
2033	45,000	37,282	82,282
2034	45,000	35,932	80,932
2035	50,000	34,694	84,694
2036	50,000	33,318	83,318
2037	55,000	31,944	86,944
2038	55,000	30,432	85,432
2039	60,000	28,918	88,918
2040	60,000	27,268	87,268
2041	65,000	25,618	90,618
2042	65,000	23,832	88,832
2043	70,000	22,044	92,044
2044	75,000	20,118	95,118
2045	80,000	18,056	98,056
2046	80,000	15,856	95,856
2047	85,000	13,656	98,656
2048	90,000	11,212	101,212
2049	95,000	8,626	103,626
2050	100,000	5,894	105,894
2051	105,000	3,018	108,018
TOTALS	<u>\$ 1,575,000</u>	<u>\$ 721,539</u>	<u>\$ 2,296,539</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)
SEPTEMBER 30, 2025

<u>Due During Fiscal Years Ending September 30</u>	<u>Series 2025</u>		
	<u>Principal Due September 1</u>	<u>Interest Due March 1, September 1</u>	<u>Total</u>
2026	\$	\$ 467,743	\$ 467,743
2027	120,000	395,275	515,275
2028	130,000	387,175	517,175
2029	145,000	378,400	523,400
2030	150,000	368,612	518,612
2031	160,000	358,488	518,488
2032	170,000	349,088	519,088
2033	175,000	341,862	516,862
2034	180,000	334,425	514,425
2035	190,000	326,775	516,775
2036	195,000	318,700	513,700
2037	205,000	310,412	515,412
2038	215,000	301,700	516,700
2039	220,000	292,294	512,294
2040	230,000	282,394	512,394
2041	240,000	272,044	512,044
2042	250,000	260,944	510,944
2043	260,000	249,381	509,381
2044	270,000	237,032	507,032
2045	285,000	224,206	509,206
2046	295,000	210,668	505,668
2047	310,000	196,656	506,656
2048	320,000	181,931	501,931
2049	335,000	166,331	501,331
2050	350,000	150,000	500,000
2051	365,000	132,500	497,500
2052	375,000	114,250	489,250
2053	930,000	95,500	1,025,500
2054	980,000	49,000	1,029,000
TOTALS	<u>\$ 8,050,000</u>	<u>\$ 7,753,786</u>	<u>\$ 15,803,786</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)
SEPTEMBER 30, 2025

<u>Due During Fiscal Years Ending September 30</u>	<u>Annual Requirements for All Series</u>		
	<u>Total Principal Due</u>	<u>Total Interest Due</u>	<u>Total</u>
2026	\$ 160,000	\$ 796,336	\$ 956,336
2027	290,000	713,244	1,003,244
2028	305,000	693,794	998,794
2029	330,000	673,470	1,003,470
2030	345,000	651,756	996,756
2031	365,000	634,182	999,182
2032	380,000	616,982	996,982
2033	395,000	603,032	998,032
2034	410,000	588,557	998,557
2035	430,000	572,269	1,002,269
2036	450,000	555,218	1,005,218
2037	470,000	537,356	1,007,356
2038	490,000	518,732	1,008,732
2039	510,000	499,012	1,009,012
2040	530,000	478,262	1,008,262
2041	555,000	456,662	1,011,662
2042	580,000	433,776	1,013,776
2043	605,000	409,825	1,014,825
2044	630,000	384,550	1,014,550
2045	660,000	358,262	1,018,262
2046	690,000	330,724	1,020,724
2047	720,000	301,912	1,021,912
2048	750,000	271,743	1,021,743
2049	785,000	239,957	1,024,957
2050	820,000	206,694	1,026,694
2051	855,000	171,518	1,026,518
2052	890,000	134,850	1,024,850
2053	930,000	95,500	1,025,500
2054	980,000	49,000	1,029,000
	<u>\$ 16,310,000</u>	<u>\$ 12,977,175</u>	<u>\$ 29,287,175</u>
TOTALS	<u>\$ 16,310,000</u>	<u>\$ 12,977,175</u>	<u>\$ 29,287,175</u>

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
ANALYSIS OF CHANGES IN LONG-TERM BONDED DEBT
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>Totals</u>
Bond Series:	2022	2022 Park	2025	
Interest Rate:	3.25% to 7.25%	2.75% to 4.00%	4.25% to 6.75%	
Dates Interest Payable:	March1/ September 1	March1/ September 1	March1/ September 1	
Maturity Dates:	September 1, 2026/2052	September 1, 2026/2051	September 1, 2027/2054	
Bonds Outstanding at Beginning of Current Year	\$ 6,810,000	\$ 1,605,000	\$	\$ 8,415,000
Less Retirements:			8,050,000	8,050,000
Less Retirements:	<u>(125,000)</u>	<u>(30,000)</u>	<u>0</u>	<u>(155,000)</u>
Bonds Outstanding at End of Current Year	<u>\$ 6,685,000</u>	<u>\$ 1,575,000</u>	<u>\$ 8,050,000</u>	<u>\$ 16,310,000</u>
Current Year Interest Paid:	<u>\$ 292,075</u>	<u>\$ 46,781</u>	<u>\$ 0</u>	<u>\$ 338,856</u>

Bond Descriptions and Original Amount of Issue

- (1) River Plantation Municipal Utility District Unlimited Tax Bonds, Series 2022 (\$6,950,000)
(2) River Plantation Municipal Utility District Unlimited Tax Park Bonds, Series 2022 (\$1,675,000)
(3) River Plantation Municipal Utility District Unlimited Tax Bonds, Series 2025 (\$8,050,000)

Paying Agent/Registrar

(1) (2) (3) The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

<u>Bond Authority</u>	<u>Tax Bonds</u>	<u>Other Bonds</u>	<u>Refunding Bonds</u>
Amount Authorized by Voters:	\$ 21,470,000	\$ 2,000,943	\$ 0
Amount Issued:	21,470,000	1,675,000	
Remaining to be Issued:	0	325,943	

Net Debt Service Fund deposits and investments balances as of September 30, 2025: \$ 985,687
Average annual debt service payment for remaining term of all debt: 1,009,903

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
COMPARATIVE STATEMENTS OF REVENUES AND EXPENDITURES,
GENERAL FUND
FOR YEARS ENDED SEPTEMBER 30

	AMOUNT					PERCENT OF TOTAL REVENUES				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
REVENUES										
Property taxes	\$ 933,604	\$ 868,379	\$ 545,241	\$ 529,376	\$ 518,885	52.0 %	49.4 %	34.9 %	34.7 %	40.3 %
Water and sewer service	745,729	758,703	891,797	809,606	610,506	41.6	43.1	57.0	52.9	47.5
Service to East Plantation Utility District		0	0	85,413	95,559	0.0	0.0	0.0	5.6	7.4
Surface water fees	7,577	7,753	10,097	14,096	15,026	0.4	0.4	0.6	0.9	1.2
Penalty and interest	47,664	54,069	26,839	22,746	25,642	2.7	3.1	1.7	1.5	2.0
Interest on deposits	45,765	55,451	49,266	8,774	501	2.6	3.2	3.1	0.6	0.0
Other revenues	12,335	14,525	42,482	58,601	20,228	0.7	0.8	2.7	3.8	1.6
TOTAL REVENUES	1,792,674	1,758,880	1,565,722	1,528,612	1,286,347	100.0	100.0	100.0	100.0	100.0
EXPENDITURES										
Current:										
Personnel salaries and benefits	0	0	0	202,424	298,775	0.0	0.0	0.0	13.2	23.2
Purchased services	350,094	257,659	235,930	0	0	19.5	14.6	15.1	0.0	0.0
Professional fees	425,472	364,600	349,956	277,416	332,041	23.7	20.7	22.4	18.1	25.8
Contracted services	200,492	245,608	219,448	90,208	26,047	11.2	14.0	14.0	5.9	2.0
Utilities	69,601	52,059	73,751	122,861	112,588	3.9	3.0	4.7	8.0	8.8
Surface water fees	19,199	19,199	19,199	18,341	19,199	1.1	1.1	1.2	1.2	1.5
Repairs, maintenance and other operating expenditures	647,997	820,606	649,090	489,064	219,107	36.2	46.7	41.4	32.0	17.0
Administrative expenditures	95,116	118,496	102,698	85,417	71,974	5.3	6.7	6.6	5.6	5.6
Capital outlay	4,450	0	0	0	535,085	0.2	0.0	0.0	0.0	41.6
TOTAL EXPENDITURES	1,812,421	1,878,227	1,650,072	1,285,731	1,614,816	101.1	106.8	105.4	84.0	125.5
EXCESS REVENUES (EXPENDITURES)	\$ (19,747)	\$ (119,347)	\$ (84,350)	\$ 242,881	\$ (328,469)	(1.1) %	(6.8) %	(5.4) %	16.0 %	(25.5) %
TOTAL ACTIVE RETAIL WATER CONNECTIONS	931	930	955	952	933					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	910	915	935	952	924					

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
COMPARATIVE STATEMENTS OF REVENUES AND EXPENDITURES,
DEBT SERVICE FUND
FOR YEARS ENDED SEPTEMBER 30

	<u>AMOUNT</u>					<u>PERCENT OF TOTAL REVENUES</u>				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022*</u>	<u>2021</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
REVENUES										
Property taxes	\$ 569,362	\$ 542,135	\$ 491,485	\$ 0		90.3 %	91.6 %	95.0 %	0.0 %	%
Penalty and interest	28,364	23,782	3,136	2,310		4.5	4.0	0.6	100.0	
Interest on deposits and investments	32,924	25,896	22,800	0		5.2	4.4	4.4	0.0	
TOTAL REVENUES	630,650	591,813	517,421	2,310		100.0	100.0	100.0	100.0	
EXPENDITURES										
Current:										
Professional fees	8,904	8,313	0	0		1.4	1.4	0.0	0.0	
Contracted services	497	472	0	0		0.1	0.1	0.0	0.0	
Other expenditures	370	0	0	0		0.1	0.0	0.0	0.0	
Debt service:										
Principal retirement	155,000	145,000	50,000	15,000		24.6	24.5	9.7	649.4	
Interest and fees	338,856	349,894	432,710	25,962		53.7	59.1	83.6	1123.9	
TOTAL EXPENDITURES	503,627	503,679	482,710	40,962		79.9	85.1	93.3	1773.3	
EXCESS REVENUES (EXPENDITURES)	\$ 127,023	\$ 88,134	\$ 34,711	\$ (38,652)		20.1 %	14.9 %	6.7 %	(1,673.3 %)	%

*First year of financial activity.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS

SEPTEMBER 30, 2025

Complete District Mailing Address: River Plantation Municipal Utility District
P.O. Box 747
Conroe, Texas 77305

District Business Telephone No.: 936-273-4641

Submission date of the most recent District Registration Form: July 26, 2024

Limit on Fees of Office that a Director may receive during a fiscal year: \$7,200

BOARD MEMBERS

<u>Name and Address</u>	<u>Term of Office (Elected/ Appointed)</u>	<u>Fees of Office Paid</u>	<u>Expense Reimb.</u>	<u>Title at Year End</u>
Julie Gilmer P.O. Box 747 Conroe, Texas 77305	Elected 5/07/22- 5/02/26	\$ 4,113	\$ 397	President
Timothy Goodman P.O. Box 747 Conroe, Texas 77305	Elected 5/07/22- 5/02/26	963	531	Vice President
Karl Sakocius P.O. Box 747 Conroe, Texas 77305	Elected 5/07/22- 5/02/26	2,700	0	Secretary
Thomas Vandever P.O. Box 747 Conroe, Texas 77305	Elected 5/04/24- 5/06/28	2,400	0	Treasurer/ Investment Officer
Mark Denham P.O. Box 747 Conroe, Texas 77305	Elected 5/04/24- 5/06/28	1,263	329	Assistant Secretary

See accompanying independent auditor's report.

RIVER PLANTATION MUNICIPAL UTILITY DISTRICTBOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS (Continued)SEPTEMBER 30, 2025CONSULTANTS

<u>Name and Address</u>	<u>Date Hired</u>	<u>Fees and Expense Reimbursements</u>	<u>Title at Year End</u>
Smith, Murdaugh, Little & Bonham, L.L.P. 2727 Allen Parkway, Suite 1100 Houston, Texas 77019	2008	\$ 108,450 243,142 Bonds	Attorney
Perdue, Brandon, Fielder, Collins & Mott, L.L.P. 1235 N. Loop West, Suite 600 Houston, Texas 77008	Prior to 2012	8,904	Delinquent Tax Attorney
The Radich Law Firm, PLLC 7670 Woodway Dr Ste 357 Houston, TX 77063-6507		209,976	Litigation Attorney
L & S District Services, LLC P.O. Box 170 Tomball, Texas 77377	12/18/23	63,578 1,200 Bonds	Bookkeeper
Municipal Operations & Consulting, Inc. 27316 Spectrum Way Oak Ridge, Texas 77385	4/28/22	539,979	Operator
Vogler & Spencer Engineering, Inc. 777 North Eldridge Parkway, Suite 500 Houston, Texas 77079	1/11/21	370,474 60,000 Bonds	Engineer
Tammy J. McRae Montgomery County TAC 400 N. San Jacinto Conroe, Texas 77301	2/01/96	497	Tax Assessor- Collector
Montgomery Central Appraisal District P.O. Box 2233 Conroe, Texas 77305	Legislative Action	13,384	Central Appraisal District
Rathmann & Associates, L.P. 8584 Katy Freeway, Suite 250 Houston, Texas 77024	7/25/24	162,500 Bonds	Financial Advisor
Mark C. Eyring, CPA, PLLC 12702 Century Drive, Suite C2 Stafford, Texas 77477	9/27/12	14,800	Independent Auditor

See accompanying independent auditor's report.