OFFICIAL STATEMENT DATED JANUARY 20, 2022

IN THE OPINION OF BOND COUNSEL, THE BONDS ARE VALID OBLIGATIONS OF WEST PARK MUNICIPAL UTILITY DISTRICT AND INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION UNDER STATUTES, REGULATIONS, PUBLISHED RULINGS AND COURT DECISIONS EXISTING ON THE DATE OF SUCH OPINION. SEE "LEGAL MATTERS" HEREIN FOR A DISCUSSION OF THE OPINION OF BOND COUNSEL.

THE BONDS HAVE BEEN DESIGNATED "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS. SEE "LEGAL MATTERS—Qualified Tax Exempt Obligations."

NEW ISSUE-Book-Entry Only

Insured Rating (AGM): S&P "AA" (stable outlook)
Underlying Rating: S&P "A-"
See "MUNICIPAL BOND RATING" and "MUNICIPAL BOND INSURANCE" herein.

$4,015,000

WEST PARK MUNICIPAL UTILITY DISTRICT
(A political subdivision of the State of Texas located within Harris County)
UNLIMITED TAX REFUNDING BONDS, SERIES 2022

Dated Date: February 1, 2022 **Due: May 1, as shown below**
Interest Accrual Date: Date of Delivery

Principal of the Bonds will be payable at maturity or earlier redemption at the principal payment office of the Paying Agent/Registrar, initially, The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"). Interest on the Bonds will accrue from the initial date of delivery (expected to be February 24, 2022) (the "Date of Delivery"), will be payable on May 1 and November 1 of each year commencing May 1, 2022, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be issued in fully registered form only in denominations of $5,000 each or integral multiples thereof. The Bonds mature and are subject to redemption prior to their maturity as shown below.

The Bonds will be registered and delivered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. So long as Cede & Co. is the registered owner of the Bonds, Beneficial Owners (as defined herein under "BOOK-ENTRY-ONLY SYSTEM") of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the DTC participants. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent/Registrar, as herein defined, directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners. See "BOOK-ENTRY-ONLY SYSTEM."

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY MUNICIPAL CORP. ("AGM" or the "Insurer") See "MUNICIPAL BOND INSURANCE" herein.

MATURITY SCHEDULE

Due (May 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP Number (b)	Due (May 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP Number (b)
2023	$ 385,000	4.00 %	0.60 %	955190 HQ9	2028	$ 465,000 (c)	3.00 %	1.50 %	955190 HV8
2024	395,000	4.00	0.90	955190 HR7	2029	480,000 (c)	2.00	1.73	955190 HW6
2025	415,000	4.00	1.08	955190 HS5	2030	490,000 (c)	2.00	1.85	955190 HX4
2026	435,000	4.00	1.28	955190 HT3	2031	500,000 (c)	2.00	2.00	955190 HY2
2027	450,000	4.00	1.40	955190 HU0					

(a) Initial reoffering yield represents the initial offering yield to the public which has been established by the Underwriter (as herein defined) for offers to the public and which may be subsequently changed by the Underwriter and is the sole responsibility of the Underwriter. The initial reoffering yields indicated above represent the lower of the yields resulting when priced at maturity or to the first call date.

(b) CUSIP Numbers have been assigned to the Bonds by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association and are included solely for the convenience of the purchasers of the Bonds. Neither the District nor the Underwriter shall be responsible for the selection or correctness of the CUSIP Numbers set forth herein.

(c) Bonds maturing on or after May 1, 2028, are subject to redemption at the option of the District prior to their maturity dates in whole, or from time to time in part, on May 1, 2027, or on any date thereafter at a price of par value plus unpaid accrued interest from the most recent Interest Payment Date (as herein defined) to the date fixed for redemption. See "THE BONDS—Redemption Provisions."

The Bonds, when issued, will constitute valid and legally binding obligations of West Park Municipal Utility District (the "District") and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. The Bonds are obligations solely of the District and are not obligations of the State of Texas, Harris County, the City of Houston or any entity other than the District. The Bonds are subject to special investment considerations described herein. See "INVESTMENT CONSIDERATIONS."

The Bonds are offered when, as and if issued by the District, subject, among other things, to the approval of the Bonds by the Attorney General of Texas and the approval of certain legal matters by Marks Richardson PC, Bond Counsel, Houston, Texas. Certain legal matters will be passed on for the Underwriter by McCall, Parkhurst & Horton L.L.P., Houston, Texas, Underwriter's Counsel. Delivery of the Bonds in book-entry form through DTC is expected on or about February 24, 2022.

SAMCO CAPITAL

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USE OF INFORMATION IN OFFICIAL STATEMENT

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

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

All of the summaries of the statutes, orders, contracts, audited financial statements, engineering and other related reports set forth in this OFFICIAL STATEMENT are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Marks Richardson PC, Bond Counsel, 3700 Buffalo Speedway, Suite 830, Houston, Texas, 77098 upon payment of the costs of duplication therefor.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12, as amended.

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

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this OFFICIAL STATEMENT or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX B—Specimen Municipal Bond Insurance Policy."

OFFICIAL STATEMENT SUMMARY

The following is a brief summary of certain information contained herein which is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this OFFICIAL STATEMENT. The summary should not be detached and should be used in conjunction with more complete information contained herein. A full review should be made of the entire Official Statement and of the documents summarized or described therein.

INFECTIOUS DISEASE OUTBREAK (COVID-19)

General… In March 2020, the World Health Organization and the President of the United States separately declared the outbreak of a respiratory disease caused by a novel coronavirus ("COVID-19") to be a public health emergency. On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State of Texas (the "State") because of the effects of COVID-19. Subsequently, in response to a rise in COVID-19 infections in the State and pursuant to the Chapter 418 of the Texas Government Code, the Governor issued a number of executive orders intended to help limit the spread of COVID-19 and mitigate injury and the loss of life, including limitations imposed on business operations, social gatherings, and other activities.

Impact… Over the ensuing year, COVID-19 negatively affected commerce, travel and businesses locally and globally, and negatively affected economic growth worldwide and within the State. Following the widespread release and distribution of various COVID-19 vaccines in 2021 and a decrease in active COVID-19 cases generally in the United States, state governments (including Texas) have started to lift business and social limitations associated with COVID-19. Beginning in March 2021, the Governor issued various executive orders, which, among other things, rescinded and superseded prior executive orders and provide that there are currently no COVID-19 related operating limits for any business or other establishment. The Governor retains the right to impose additional restrictions on activities if needed to mitigate the effects of COVID-19. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at https://gov.texas.gov/. Neither the information on, nor accessed through, such website of the Governor is incorporated by reference into this Official Statement.

With the easing or removal of governmental restrictions, economic activity has increased. However, there are no assurances that such increased economic activity will continue or continue at the same rate, especially if there are future outbreaks of COVID-19. The District has not experienced any decrease in property values, unusual tax delinquencies, or interruptions to service as a result of COVID-19; however the District cannot predict the long-term economic effect of COVID-19 or a similar virus should there be a reversal of economic activity and re-imposition of restrictions. See "INVESTMENT CONSIDERATIONS—Infectious Disease Outlook (COVID-19)."

THE DISTRICT

Description... West Park Municipal Utility District (the "District") is a political subdivision of the State of Texas, created by order of the Texas Water Commission, a predecessor to the Texas Commission on Environmental Quality (the "TCEQ") on October 31, 1978, and operates pursuant to Chapters 49 and 54 of the Texas Water Code, as amended. The District currently consists of approximately 442 acres of land. See "THE DISTRICT."

Location... The District is located approximately 20 miles west of the central downtown business district of the City of Houston and lies wholly within the exclusive extraterritorial jurisdiction of the City of Houston and Katy Independent School District. The District is bordered on the south by Interstate Highway 10 and access to the District is provided by Interstate Highway 10 to Fry Road and Greenhouse Road.

Principal Property Owners... The ten (10) principal taxpayers within the District comprise 57.90% of the District's 2021 Certified Taxable Assessed Valuation. See "THE DISTRICT—Status of Development," "TAX DATA—Principal Taxpayers," and "INVESTMENT CONSIDERATIONS— Dependence on Principal Taxpayers for Payment of Taxes."

Status of Development... The District includes approximately 344 acres of land developed for existing or proposed commercial/retail development, and multi-family residential development, and approximately 98 acres of drainage and pipeline easements, street rights-of-way, and utility sites. Commercial development in the District includes a 106,554 square foot three story atrium office building; two office/warehouse buildings aggregating 97,350 square feet; 118,900 square feet of office/warehouse space; a 266,969 square foot variety retail establishment; a LA Fitness; an Ashley Furniture Home Store; a Christian bookstore; a Panera Bread; Game Stop; a Dollar Tree; Five Guy's; an At Home Store; an Urgent Care Facility; a Veterinary Specialist facility; an Applebee's restaurant; an 118,900 square foot office-warehouse facility; a mini storage facility; an office/retail development; a gas station; a brake repair shop; three restaurants; a Walgreen's pharmacy; a Taco Bell; a Raising Cane's; a Pep Boys tire shop; a 104,174 square foot retail center with a 75,657 square foot HEB grocery store (including gas station and car wash) as the anchor tenant; an 18,666 square foot retail center occupied by seven tenants; a 9,851 square foot building occupied by retail establishments, including a MOD Pizza, Today's Vision, a Smoothie King and a nail salon; 151,864 square foot building occupied by Kohl's department store, Super Nova Furniture, a Mattress Firm, and a small retail establishment; a 10,000 square foot building occupied by a Men's Warehouse, and Verizon Cellular; a 9,655 square foot building occupied by Chase Bank; a 10,000 square foot building occupied by Jimmy John's, Bedrock City Comics and Chipotle Mexican Grill; a Houston Community College campus; an Extra Space Storage center; a 22,444 square foot variety retail establishment; seventeen medical offices totaling 267,791 square feet; a gas station; a 26,560 square foot variety retail establishment; and a church, which is exempt from ad valorem taxation, on approximately 7 acres.

There are also 8 apartment complexes constructed on approximately 89 acres of land and consisting of approximately 2,600 units located within the District.

See "THE DISTRICT—Status of Development" and "—Future Development."

THE BONDS

The Issuer… The District, a political subdivision of the State of Texas, is located in Harris County, Texas. See "THE DISTRICT."

The Issue... $4,015,000 Unlimited Tax Refunding Bonds, Series 2022, (the "Bonds") are being issued as fully registered bonds pursuant to an order authorizing the issuance of the Bonds adopted by the District's Board of Directors (the "Board"), including the pricing certificate authorized thereby (collectively, the "Bond Order"). Interest on the Bonds will accrue from the Date of Delivery and will be payable on May 1 and November 1 of each year commencing May 1, 2022, until maturity or prior redemption. The Bonds mature serially on May 1 in each of the years from 2023 through 2031, both inclusive, in the respective principal amounts and bear interest at the rates for each maturity shown on the cover page hereof. The Bonds maturing on or after May 1, 2028, are subject to redemption at the option of the District, in whole or, from time to time, in part, on May 1, 2027, or on any date thereafter, at a price equal to the principal amount of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption. The Bonds will be issued in fully registered form only, in principal denominations of $5,000 or any integral multiple thereof. See "THE BONDS."

Book-Entry Only… The Bonds will be registered in the name of, and delivered only to, Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in principal denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the Beneficial Owners. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the Beneficial Owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM."

Use of Proceeds… Proceeds from the sale of the Bonds and lawfully available debt service funds will be used to pay certain costs incurred in connection with the issuance of the Bonds and to refund $4,040,000 principal amount of the Outstanding Bonds (as hereinafter defined) in order to achieve net savings in the District's annual debt service expense. After issuance of the Bonds, $19,870,000 principal amount of the Outstanding Bonds will remain outstanding (the "Remaining Outstanding Bonds"). See "PLAN OF FINANCING."

Authority for Issuance…	The Bonds are the fifth series of bonds issued out of an aggregate of $25,450,000 principal amount of unlimited tax bonds authorized by the District's voters on October 8, 1988, for the purpose of refunding outstanding water, wastewater and drainage bonds. The Bonds are issued by the District pursuant to said election and the terms and provisions of the Bond Order (as hereinafter defined), the Texas Constitution, the general laws of the State of Texas, particularly Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 1207 of the Texas Government Code, as amended, Article XVI, Section 59 of the Texas Constitution, as amended, , and City of Houston Ordinance No. 97-416. See "THE BONDS—Authority for Issuance" and "—Issuance of Additional Debt" and "INVESTMENT CONSIDERATIONS—Future Debt."
Source of Payment…	The Bonds are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District (see "TAX PROCEDURES"). The Bonds are obligations of the District and are not obligations of the State of Texas, Harris County, the City of Houston or any other political subdivision or entity other than the District. See "THE BONDS—Source of and Security for Payment."
Payment Record...	The District has previously issued eight series of unlimited tax bonds and four series of unlimited tax refunding bonds. As of January 1, 2022, the District has an aggregate of $11,505,000 principal amount of unlimited tax bonds outstanding and $12,405,000 in principal amount of unlimited tax refunding bonds outstanding (collectively, the "Outstanding Bonds"). The District has never defaulted in the payment of principal and interest on any bonds issued by the District.
Qualified Tax-Exempt Obligations…	The District has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended. See "LEGAL MATTERS—Qualified Tax-Exempt Obligations."
Municipal Bond Insurance and Municipal Bond Rating…	S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, ("S&P") has assigned a municipal bond rating of "AA" (stable outlook) to the Bonds with the understanding that, upon delivery of the Bonds, a Policy insuring the timely payment of the principal of and interest on the Bonds will be issued by ASSURED GUARANTY MUNICIPAL CORP. ("AGM" or the "Insurer") for the Bonds. S&P has also assigned an underlying rating of "A-" to the Bonds. An explanation of the ratings may be obtained from S&P. See "INVESTMENT CONSIDERATIONS—Risk Factors Related to the Purchase of Municipal Bond Insurance," "MUNICIPAL BOND RATING," "MUNICIPAL BOND INSURANCE" and "APPENDIX B."
Bond Counsel…	Marks Richardson PC, Bond Counsel, Houston, Texas. See "MANAGEMENT" and "LEGAL MATTERS."
Underwriter's Counsel…	McCall, Parkhurst & Horton L.L.P., Houston, Texas.
Paying Agent/Registrar…	The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. See "THE BONDS—Method of Payment of Principal and Interest."
Escrow Agent…	The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. See "PLAN OF FINANCING—Escrow Agreement."
Paying Agent/Registrar on the Series 2014 Refunded Bonds…	Wells Fargo Bank, N.A., Minneapolis, Minnesota.
Verification Agent…	Public Finance Partners LLC, Rockford, Minnesota.

INVESTMENT CONSIDERATIONS

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

SELECTED FINANCIAL INFORMATION (UNAUDITED)

2021 Certified Taxable Assessed Valuation	$613,445,357	(a)
Gross Direct Debt Outstanding	$23,885,000	(b)
Estimated Overlapping Debt	27,576,977	(c)
Gross Direct Debt and Estimated Overlapping Debt	$51,461,977	
Ratio of Gross Direct Debt to:		
2021 Certified Taxable Assessed Valuation	3.89%	
Ratio of Gross Direct Debt and Estimated Overlapping Debt to:		
2021 Certified Taxable Assessed Valuation	8.39%	
Funds Available in the Debt Service Fund as of January 10, 2022	$2,363,671	(d)
Funds Available in the General Operating Fund as of January 10, 2022	$3,773,634	
Funds Available in the Capital Projects Fund as of January 10, 2022	$408,621	
2021 Debt Service Tax Rate	$0.295	
2021 Maintenance Tax Rate	0.080	
2021 Total Tax Rate	$0.375	
Average Annual Debt Service Requirement (2022-2039)	$1,660,288	(e)
Maximum Annual Debt Service Requirement (2034)	$1,822,338	(e)
Tax Rates Required to Pay Average Annual Debt Service (2022-2039) at a 95% Collection Rate		
Based upon 2021 Certified Taxable Assessed Valuation	$0.29	(f)
Tax Rates Required to Pay Maximum Annual Debt Service (2034) at a 95% Collection Rate		
Based upon 2021 Certified Taxable Assessed Valuation	$0.32	(f)

(a) As certified by the Harris County Appraisal District (the "Appraisal District").
(b) After issuance of the Bonds and excludes the Refunded Bonds. See "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)—Outstanding Bonds."
(c) See "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)—Estimated Overlapping Debt" and "—Overlapping Taxes."
(d) $29,500 will be applied toward the Bonds. Neither the Bond Order nor Texas law requires that the District maintain any particular balance in the Debt Service Fund.
(e) See "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)—Debt Service Requirements."
(f) See "TAX DATA—Tax Adequacy for Debt Service."

OFFICIAL STATEMENT

$4,015,000

WEST PARK MUNICIPAL UTILITY DISTRICT

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

UNLIMITED TAX REFUNDING BONDS, SERIES 2022

This OFFICIAL STATEMENT provides certain information in connection with the issuance by West Park Municipal Utility District (the "District") of its $4,015,000 Unlimited Tax Refunding Bonds, Series 2022 (the "Bonds").

The Bonds are issued pursuant to the Texas Constitution, the general laws of the State of Texas, particularly Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 1207 of the Texas Government Code, as amended, and Article XVI, Section 59 of the Texas Constitution, as amended, City of Houston Ordinance No. 97-416, an election held within the District, and an order authorizing the issuance of the Bonds, including the pricing certificate authorized thereby (collectively, the "Bond Order"), adopted by the Board of Directors of the District (the "Board").

This Official Statement includes descriptions, among others, of the Bonds and the Bond Order, and certain other information about the District. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of documents may be obtained from the District c/o Marks Richardson PC, 3700 Buffalo Speedway, Suite 830, Houston, Texas, 77098, upon payment of the cost of duplication.

PLAN OF FINANCING

Purpose

At an election held within the District on October 8, 1988, voters of the District authorized a total of $25,450,000 in principal amount of unlimited tax bonds for the purpose of refunding outstanding water, wastewater and drainage bonds of the District. The Bonds constitute the fifth issuance of refunding bonds from such authorization. The District has previously issued eight series of unlimited tax bonds and four series of unlimited tax refunding bonds. As of January 1, 2022, the District has an aggregate of $11,505,000 principal amount of unlimited tax bonds outstanding and $12,405,000 in principal amount of unlimited tax refunding bonds outstanding (collectively, the "Outstanding Bonds"). See "THE BONDS—Issuance of Additional Debt."

The proceeds of the Bonds and lawfully available debt service funds are being used to refund a portion of the District's Outstanding Bonds totaling $4,040,000 (collectively, the "Refunded Bonds") in order to reduce the District's debt service expense and result in net present value savings. Such funds will also be used to pay the costs of issuance of the Bonds. See "Sources and Uses of Funds" in this section. A total of $19,870,000 in principal amount of the Outstanding Bonds will remain outstanding after the issuance of the Bonds (the "Remaining Outstanding Bonds"). See "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)—Outstanding Bonds" and "—Debt Service Requirements."

Refunded Bonds

The following table lists the principal amounts and maturity dates of the Refunded Bonds and the Redemption Date on which the Refunded Bonds will be redeemed.

Maturity Date May 1	Series 2014 REF
2023	$ 390,000
2024	400,000
2025	415,000
2026	430,000
2027	445,000
2028	460,000
2029	480,000
2030	500,000
2031	520,000
	$ 4,040,000
Redemption Date:	May 1, 2022

Sources and Uses of Funds

The proceeds derived from the sale of the Bonds and lawfully available debt service funds will be applied as follows:

Sources of Funds:	
Principal Amount of the Bonds	$4,015,000.00
Premium on the Bonds	230,790.30
Transfer from Debt Service Fund	29,500.00
Total Sources of Funds	$4,275,290.30
Uses of Funds:	
Deposit to Escrow Fund	$4,112,687.55
Issuance Expenses and Underwriters' Discount (a)	162,602.75
Total Uses of Funds	$4,275,290.30

(a) Includes municipal bond insurance premium.

Escrow Agreement

The Refunded Bonds, and the interest due thereon, are to be paid on their scheduled interest payment dates until final payment or their redemption date from funds to be deposited with The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, as escrow agent (the "Escrow Agent").

The Bond Order provides that the District and the Escrow Agent will enter into an escrow agreement (the "Escrow Agreement") to provide for the discharge and defeasance of the Refunded Bonds. The Bond Order further provides that from the proceeds of the sale of the Bonds and lawfully available debt service funds of the District, the District will deposit with the Escrow Agent the amount necessary to accomplish the discharge and final payment of the Refunded Bonds. Such funds will be held by the Escrow Agent in a segregated escrow account (the "Escrow Fund") and used to purchase United States Treasury Obligations or other investments authorized by Chapter 1207, Texas Government Code (the "Escrowed Securities"). At the time of delivery of the Bonds, Public Finance Partners LLC, will verify to the District, the Escrow Agent and the Underwriter that the Escrowed Securities are sufficient in principal amount and are scheduled to mature at such times and to yield interest in such amounts, together with uninvested funds in the Escrow Fund, to pay, when due, the principal of and interest on the Refunded Bonds. See "VERIFICATION OF MATHEMATICAL CALCULATIONS." Under the Escrow Agreement, the Escrow Fund is irrevocably pledged to the payment of principal of and interest on the Refunded Bonds and will not be available to pay principal of and interest on the Bonds. By the deposit of the Escrowed Securities and cash, with the Escrow Agent pursuant to the Escrow Agreement, and the making of irrevocable arrangements for the giving of notice of redemption of the Refunded Bonds, the terms of the prior order of the District securing payment of the Refunded Bonds shall have been satisfied and such Refunded Bonds will no longer be considered outstanding except for the payment out of amounts so deposited, and the amounts so deposited and invested in the Escrow Fund will constitute firm banking arrangements under Texas law for the discharge and final payment of the Refunded Bonds.

THE BONDS

General

The following is a description of some of the terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Order, a copy of which is available from Bond Counsel upon payment of the costs of duplication therefor. The Bond Order authorizes the issuance and sale of the Bonds and prescribes the terms, conditions and provisions for the payment of the principal of and interest on the Bonds by the District.

Description

The Bonds will be dated February 1, 2022, with interest payable on May 1, 2022, and on each November 1 and May 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or redemption. Interest on the Bonds initially accrues from the Date of Delivery, and thereafter, from the most recent Interest Payment Date. The Bonds mature on May 1 in each of the years and in the principal amounts and accrue interest at the rates shown under "MATURITY SCHEDULE" on the cover page hereof. The Bonds are issued in fully registered form only in principal denominations of $5,000 or any integral multiple of $5,000 for any one stated maturity. The Bonds will be registered and delivered only to The Depository Trust Company, New York, New York ("DTC"), in its nominee name of Cede & Co., pursuant to the book-entry system described herein ("Registered Owners"). No physical delivery of the Bonds will be made to the purchasers thereof. See "BOOK-ENTRY-ONLY SYSTEM." Interest calculations are based upon a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months.

Authority for Issuance

At an election held within the District on October 8, 1988, voters of the District authorized a total of $25,450,000 in principal amount of unlimited tax bonds for the purpose of refunding outstanding water, wastewater and drainage bonds of the District. The Bonds constitute the fifth issuance of bonds from such refunding authorization. After issuance of the Bonds, a total of $18,660,000 in principal amount of unlimited tax refunding bonds for water, wastewater and drainage facilities will remain authorized but unissued.

The Bonds are issued by the District pursuant to said election; the terms and provisions of the Bond Order; Article XVI, Section 59 of the Texas Constitution; the general laws of the State of Texas (including Chapter 1207 of the Texas Government Code, as amended), and Chapters 49 and 54 of the Texas Water Code, as amended; and City of Houston Ordinance No. 97-416;

Source of and Security for Payment

The Bonds, together with the Remaining Outstanding Bonds and any additional bonds payable from ad valorem taxes, are secured by and payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property located within the District. See "TAX PROCEDURES." Investment in the Bonds involves certain elements of risk, and all prospective purchasers are urged to examine carefully this Official Statement with respect to the investment security of the Bonds. See "INVESTMENT CONSIDERATIONS." The Bonds are obligations solely of the District and are not obligations of the City of Houston, Harris County, the State of Texas, or any political subdivision or entity other than the District.

Funds

The Bond Order confirms the establishment of the District's Bond Fund (the "Bond Fund"), which Bond Fund was created and established pursuant to the orders of the Board of Directors of the District authorizing the issuance of its previously issued bonds. The Bond Fund, which constitutes a trust fund for the benefit of the owners of the Bonds, the Remaining Outstanding Bonds and any additional tax bonds issued by the District, is to be kept separate from all other funds of the District and is to be used for payment of debt service on the Bonds, the Remaining Outstanding Bonds and any of the District's duly authorized additional bonds payable in whole or in part from taxes. Amounts on deposit in the Bond Fund may also be used to pay the fees and expenses of the Paying Agent/Registrar, to defray the expenses of assessing and collecting taxes levied for payment of interest on and principal of the Bonds, the Remaining Outstanding Bonds and any additional bonds payable in whole or in part from taxes, and to pay any tax anticipation notes issued, together with interest thereon, as such tax anticipation notes become due.

Record Date

The record date for payment of the interest on any regularly scheduled Interest Payment Date is defined as the 15th day of the month (whether or not a business day) preceding such Interest Payment Date.

Redemption Provisions

The District reserves the right, at its option, to redeem the Bonds maturing on or after May 1, 2028, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of $5,000, on May 1, 2027, or any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption. If fewer than all of the Bonds are to be redeemed, the particular maturity or maturities and the amounts thereof to be redeemed shall be determined by the District. If fewer than all of the Bonds of the same maturity are to be redeemed, the particular Bonds shall be selected by DTC in accordance with its procedures. See "BOOK-ENTRY- ONLY SYSTEM." Notice of each exercise of the reserved right of optional redemption shall be given by the Paying Agent/Registrar at least thirty (30) calendar days prior to the redemption date, in the manner specified in the Bond Order.

By the redemption date, due provision shall be made with the Paying Agent/Registrar for payment of the principal of the Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Method of Payment of Principal and Interest

The Board has appointed The Bank of New York Mellon Trust Company, N.A., having its principal corporate trust office and its principal payment office in Dallas, Texas, as the initial Paying Agent/Registrar for the Bonds. The principal of and interest on the Bonds shall be paid to DTC, which will make distribution of the amounts so paid. See "BOOK- ENTRY-ONLY SYSTEM."

Registration

The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. pursuant to the Book-Entry-Only System described herein. One fully-registered Bond will be issued for each stated maturity of the Bonds and will be deposited with DTC. See "BOOK-ENTRY-ONLY SYSTEM." So long as any Bonds remain outstanding, the District will maintain at least one paying agent/registrar in the State of Texas for the purpose of maintaining the Register on behalf of the District.

Replacement of Paying Agent/Registrar

Provision is made in the Bond Order for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall be required to accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any paying agent/registrar selected by the District shall be a duly qualified and competent trust or banking corporation or organization organized and doing business under the laws of the United States of America or of any State thereof, with a combined capital and surplus of at least $25,000,000, which is subject to supervision of or examination by federal or state banking authorities, and which is a transfer agent duly registered with the United States Securities and Exchange Commission.

Legal Investment and Eligibility to Secure Public Funds in Texas

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

"(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic."

"(b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them."

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

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

Issuance of Additional Debt

The District may issue additional bonds, with the approval of the TCEQ, necessary to provide and maintain improvements and facilities consistent with the purposes for which the District was created. The District has $45,520,000 principal amount of unlimited tax bonds authorized but unissued for acquiring or constructing water, wastewater and drainage facilities, $9,900,000 principal amount of unlimited tax bonds authorized but unissued for acquiring or constructing recreational facilities, and after the issuance of the Bonds, will have $18,660,000 principal amount of unlimited tax bonds authorized but unissued for refunding outstanding bonds. See "—Authority for Issuance" and "THE DISTRICT—General."

The Bond Order imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately issued by the District. Issuance of additional bonds could dilute the investment security for the Bonds.

The District also is authorized by statute to engage in fire-fighting activities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue fire-fighting bonds payable from taxes, the following actions would be required: (a) authorization of a detailed master plan and bonds for such purpose by the qualified voters in the District; (b) approval of the master plan and issuance of bonds by the Texas Commission on Environmental Quality (the "TCEQ" or "Commission"); and (c) approval of bonds by the Attorney General of Texas. The District does not provide fire protection service, and the Board has not considered calling such an election at this time. Issuance of bonds for fire-fighting activities could dilute the investment security for the Bonds.

Financing Road Facilities

Pursuant to Chapter 8002, Texas Special District Local Laws Code, the District is authorized to develop and finance with property taxes certain road facilities. Before the District issues bonds supported by property taxes to finance road facilities, the District must receive the authorization of the District's voters to issue such bonds, and approval of the bonds by the Attorney General of Texas. To date, the District's voters have not authorized the District to issue such bonds.

Financing Recreational Facilities

Conservation and reclamation districts in certain counties are authorized to develop and finance with property taxes certain recreational facilities after a district election has been successfully held to approve the issuance of bonds payable from taxes and/or a maintenance tax to support recreational facilities.

The District is authorized to issue bonds payable from an ad valorem tax to pay for the development and maintenance of recreational facilities if (i) the District duly adopts a plan for the facilities; (ii) the bonds are authorized at an election; (iii) the bonds payable from any source do not exceed 1% of the value of the taxable property in the District at the time of issuance of the bonds, or, in the event the District meets certain conditions, 3% of the value of the taxable property in the District at the time of issuance of the bonds, but in no event in an amount greater than the estimated cost in the plan; (iv) the District obtains any necessary governmental consents allowing the issuance of such bonds; (v) the issuance of the bonds is approved by the TCEQ in accordance with its rules with respect to same; and (vi) the bonds are approved by the Attorney General of Texas. The District may issue bonds for such purposes payable solely from net operating revenues without an election. In addition, the District is authorized to levy an operation and maintenance tax to support recreational facilities at a rate not to exceed 10 cents per $100 of assessed valuation of taxable property in the District, after such tax is approved at an election. Said maintenance tax is in addition to any other maintenance tax authorized to be levied by the District.

At an election held within the District on May 14, 2011, voters of the District authorized a total of $9,900,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing recreational facilities, all of which remains authorized but unissued and could authorize additional amounts. Issuance of bonds for recreational facilities could dilute the investment security for the Bonds.

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

Annexation

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston, the District may be annexed for full purposes by the City of Houston, subject to compliance by the City of Houston with various requirements of Chapter 43 of the Texas Local Government Code, as amended. Such requirements may include the requirement that the City of Houston hold an election in the District to be annexed whereby the qualified voters of the District to be annexed approve the proposed annexation. If the District is annexed, the City of Houston must assume the District's assets and obligations (including the Bonds and the Remaining Outstanding Bonds) and abolish the District within ninety (90) days of the date of annexation. Annexation of territory by the City of Houston is a policy-making matter within the discretion of the Mayor and City Council of the City of Houston, and, therefore, the District makes no representation that the City of Houston will ever attempt to annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City of Houston to make debt service payments should annexation occur. Under the terms of the SPA (as hereinafter defined under "THE BONDS—Strategic Partnership Agreement") between the District and the City of Houston, however, the City has agreed not to annex the District for full purposes (a traditional municipal annexation) for at least thirty (30) years from the effective date of the SPA. See "THE DISTRICT—Strategic Partnership Agreement." The District could consent to a full purpose annexation prior to that time by agreeing to amend the SPA to such effect, however, the District currently has no intention to do so.

Consolidation

The District has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its water and wastewater systems with the water and wastewater systems of the district or districts with which it is consolidating, subject to voter approval. In their consolidation agreement, the consolidating districts may agree to assume each other's bonds, notes and other obligations. If each district assumes the other's bonds, notes and other obligations, taxes may be levied uniformly on all taxable property within the consolidated district in payment of same. If the districts do not assume each other's bonds, notes and other obligations, each district's taxes are levied on property in each of the original districts to pay said debts created by the respective original district as if no consolidation had taken place. No representation is made concerning whether the District will consolidate with any other district, but the District currently has no plans to do so.

Strategic Partnership Agreement

The District has entered into a Strategic Partnership Agreement ("SPA") with the City of the Houston (the "City") whereby the tracts of land containing commercial development are annexed into the City for the limited purpose of applying certain of the City's Planning, Zoning, Health and Safety Ordinances to the commercial businesses. The City imposes a Sales and Use Tax within the annexed tracts on the receipts from the sales and use at retail of taxable items at the rate of one percent or such other rate as may be imposed by the City from time to time. Under the SPA, one-half or 50% of the sales tax revenue generated by the commercial business will be paid to the District, and the District can use the sales tax for purposes for which the District is lawfully authorized to use its ad valorem tax revenues or other revenues. Amounts paid to the District under the SPA are not pledged to the payment of the Bonds but are lawfully available for the payment of the Bonds.

In consideration of the services provided by the City, in lieu of full purpose annexation, the District is required to pay the City an annual fee of $100 on each anniversary of the date the SPA was approved by City Council of the City. Under the SPA, the City agrees that it will not annex all or part of the District for a period of thirty years from the date of execution of the SPA (November 22, 2002).

The Bonds are not obligations of the City and the SPA does not obligate the City, either directly or indirectly to pay the principal of or interest on the Bonds.

Remedies in Event of Default

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Order, or defaults in the observance or performance of any other covenants, conditions, or obligations set forth in the Bond Order, the Registered Owners have the right to seek a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Order. Except for mandamus, the Bond Order does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Certain traditional legal remedies may also not be available. See "INVESTMENT CONSIDERATIONS—Registered Owners' Remedies and Bankruptcy Limitations."

Defeasance

The Bond Order provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) for obligations of the District being discharged, or certain commercial bank or trust companies designated in the proceedings authorizing such discharge, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The foregoing obligations may be in book entry form and shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds. If any of such Bonds are to be redeemed prior to their respective dates of maturity, provision must have been made for giving notice of redemption as provided in the Bond Order.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Bond Order does not contractually limit such investments, Registered Owners may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as currently permitted under Texas law.

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof The District cannot and does not give any assurances that DTC, DTC Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Direct Participants are on file with DTC.

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

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and

Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

Principal, premium, if any, interest payments and redemption proceeds on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, interest payments and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

THE DISTRICT

General

The District is a municipal utility district created by an order of the Texas Water Commission, a predecessor to the TCEQ, dated October 31, 1978 under Article XVI, Section 59 of the Texas Constitution, and operates under the provisions of Chapter 49 and Chapter 54 of the Texas Water Code, as amended, and other general statutes of Texas applicable to municipal utility districts. The District, which lies wholly within the extraterritorial jurisdiction of the City of Houston, is subject to the continuing supervisory jurisdiction of the TCEQ.

The District is empowered, among other things, to finance purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water. The District may issue bonds and other forms of indebtedness to purchase or construct such facilities. The District may also provide solid waste collection and disposal services. The District is also empowered to establish, operate and maintain fire-fighting facilities, independently or with one or more conservation and reclamation districts, after approval by the City of Houston, the TCEQ and the voters of the District. Additionally, the District may, subject to certain limitations, develop and finance parks and recreational facilities and may also, subject to granting of road powers by the TCEQ and certain limitations, develop and finance roads. See "THE BONDS—Issuance of Additional Debt," "—Financing Road Facilities," and "—Financing Recreational Facilities."

The District is required to observe certain requirements of the City of Houston which limit the purposes for which the District may sell bonds to the acquisition, constriction, and improvement of waterworks, wastewater, and drainage, recreational, road and fire-fighting facilities and the refunding of outstanding debt obligations; limit the net effective interest rate on such bonds and other terms of such bonds; require approval by the City of Houston of District construction plans; and permit connections only to lots and reserves described in a plat that has been approved by the City of Houston and filed in the real property records of Harris County. Construction and operation of the District's drainage system is subject to the regulatory jurisdiction of additional State of Texas and local agencies. Construction and operation of the District's water and wastewater system is subject to the regulatory jurisdiction of the TCEQ and additional governmental agencies. See "THE SYSTEM—Regulation."

Description and Location

The District consists of approximately 442 acres of land in west Harris County. The District is located approximately 20 miles west of the central downtown business district of the City of Houston and lies wholly within the extraterritorial jurisdiction of the City of Houston and within the boundaries of the Katy Independent School District. The District is bordered on the south by Interstate Highway 10, which provides access to the District at Fry Road and Greenhouse Road.

Status of Development

Commercial: The District includes approximately 344 acres of land developed for existing or proposed commercial/retail development, and multi-family residential development, and approximately 98 acres of drainage and pipeline easements, street rights-of-way, and utility sites. Commercial development in the District includes a 106,554 square foot three story atrium office building; two office/warehouse buildings aggregating 97,350 square feet; 118,900 square feet of office/warehouse space; a 266,969 square foot variety retail establishment; a LA Fitness; an Ashley Furniture Home Store; a Christian bookstore; a Panera Bread; Game Stop; a Dollar Tree; Five Guy's; an At Home Store; an Urgent Care Facility; a Veterinary Specialist facility; an Applebee's restaurant; an 118,900 square foot office-warehouse facility; a mini storage facility; an office/retail development; a gas station; a brake repair shop; three restaurants; a Walgreen's pharmacy; a Taco Bell; a Raising Cane's; a Pep Boys tire shop; a 104,174 square foot retail center with a 75,657 square foot HEB grocery store (including gas station and car wash) as the anchor tenant; an 18,666 square foot retail center occupied by seven tenants; a 9,851 square foot building occupied by retail establishments, including a MOD Pizza, Today's Vision, a Smoothie King and a nail salon; 151,864 square foot building occupied by Kohl's department store, Super Nova Furniture, a Mattress Firm, and a small retail establishment; a 10,000 square foot building occupied by a Men's Warehouse, and Verizon Cellular; a 9,655 square foot building occupied by Chase Bank; a 10,000 square foot building occupied by Jimmy John's, Bedrock City Comics and Chipotle Mexican Grill; a Houston Community College campus; an Extra Space Storage center; a 22,444 square foot variety retail establishment; seventeen medical offices totaling 267,791 square feet; a gas station; a 26,560 square foot variety retail establishment; and a church, which is exempt from ad valorem taxation, on approximately 7 acres.

Multi-Family:, There are currently 8 apartment complexes constructed on approximately 89 acres of land and consisting of approximately 2,600 units located within the District

Future Development

Approximately 55 developable acres of land in the District are served with water, sanitary sewer and drainage facilities, but do not have any improvements located on the land. While the District anticipates future improvements to be located on this land, there can be no assurances if and when any of such improvements will be constructed. The District may issue additional bonds to accomplish full development of the District. The Engineer has stated that under current development plans, the remaining authorized but unissued bonds ($45,520,000 principal amount of unlimited tax bonds for water, wastewater and drainage facilities and $9,900,000 principal amount of unlimited tax bonds for recreational facilities) will be sufficient to finance the construction of the District's remaining water, wastewater and storm drainage facilities and recreational facilities required for full development of the District. See "THE BONDS—Authority for Issuance," "THE SYSTEM," and "INVESTMENT CONSIDERATIONS—Future Debt."

MANAGEMENT OF THE DISTRICT

Board of Directors

The District is governed by the Board, consisting of five (5) directors, which has control over and management supervision of all affairs of the District. Directors are elected to four-year staggered terms and elections are held in November of even numbered years. None of the Board members resides within the District; however, each of the Board members owns land within the District. The current members and officers of the Board, along with their titles and terms, are listed as follows:

Name	Title	Term Expires
H. Brock Hudson	President	November 2024
George Marshall	Vice President	November 2024
Natalie Garza	Secretary	November 2024
Kevin M. Kirton	Asst. Secretary	November 2022
W. Bryant Patrick	Director	November 2022

While the District does not employ any full-time employees, it has contracted for certain services as follows:

Tax Assessor/Collector

Land and improvements within the District are appraised for ad valorem taxation purposes by Harris County Appraisal District. The District has appointed an independent tax assessor/collector to perform the tax collection function. B&A Municipal Tax Service (the "Tax Assessor/Collector") has been employed by the District to serve in this capacity.

Bookkeeper

The District has contracted with Municipal Accounts & Consulting, L.P. (the "Bookkeeper") for bookkeeping services.

System Operator

The District contracts with H2O Innovation (the "Operator") for maintenance and operation of the District's system.

Engineer

The District's consulting engineer is IDS Engineering Group (the "Engineer").

Attorney

The District engages Marks Richardson PC as general counsel and as Bond Counsel in connection with the issuance of the Bonds. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent on the sale and delivery of the Bonds.

Financial Advisor

Masterson Advisors LLC (the "Financial Advisor") serves as financial advisor to the District. The fees to be paid the Financial Advisor for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent on the sale and delivery of the Bonds.

Auditor

As required by the Texas Water Code, the District retains an independent auditor to audit the District's financial statements annually, which annual audited financial statements are filed with the TCEQ. The financial statements of the District as of April 30, 2021, and for the year then ended, included in this Official Statement, have been audited by BKD, LLP, independent auditors, as stated in their report appearing herein. See "APPENDIX A" for a copy of the audited financial statements of the District as of April 30, 2021.

THE SYSTEM

Regulation

According to the District Engineer, the District's water supply and distribution, wastewater collection, and storm drainage facilities (collectively, the "System") have been designed in accordance with accepted engineering practices and the then current requirements of various entities having regulatory or supervisory jurisdiction over the construction and operation of such facilities. The construction of the System is required to be accomplished in accordance with the standards and specifications of such entities and is subject to inspection by each such entity. Operation of the System must be accomplished in accordance with the standards and requirements of such entities. The TCEQ exercises continuing supervisory authority over the District. Discharge of treated sewage is subject to the regulatory authority of the TCEQ and the U.S. Environmental Protection Agency. Construction of drainage facilities is subject to the regulatory authority of the City, Harris County, and, in some instances, the TCEQ. Harris County and the City also exercise regulatory jurisdiction over the System. The regulations and requirements of entities exercising regulatory jurisdiction over the System are subject to further development and revision which, in tum, could require additional expenditures by the District in order to achieve compliance. In particular, additional or revised requirements in connection with any permit for the wastewater treatment plant utilized by the District beyond the criteria existing at the time of construction of such plant could result in the need to construct additional facilities in the future. The following descriptions are based upon information supplied by the District's Engineer.

Water Supply and Storage

Water supply within the District is currently provided by two water plants with well capacity of 2,000 gallon per minute ("gpm"), ground storage tank capacity of 1,220,000 gallons, booster pump capacity of 6,750 gpm, hydropneumatics tank capacity of 80,000 gallons and related appurtenances. According to the District's Engineer, the District has sufficient water supply capacity to serve 3,333 equivalent single-family connections. The District currently serves approximately 1,927 equivalent single-family connections. The District currently has two active water wells at its second water plant. The District has four emergency water supply interconnects; two with Westlake Municipal Utility District No. 1; one with Fry Road Municipal Utility District; and one with Harris County Municipal Utility District No. 345. The District is currently in the process of obtaining an additional emergency water supply interconnect with the City of Houston.

Subsidence District Requirements

The District is within the boundaries of the Harris Galveston Subsidence District (the "Subsidence District") which regulates groundwater withdrawal. The Subsidence District has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in certain areas within the Subsidence District's jurisdiction, including the area within the District. In 2001, the Texas legislature created the West Harris County Regional Water Authority ("Authority") to, among other things, reduce groundwater usage in, and to provide surface water to, the western portion of Harris County and a small portion of Fort Bend County. The District is not located within the boundaries of the Authority, but participates in the Authority's GRP as a contract member. The Authority has entered into a Water Supply Contract with the City of Houston, Texas ("Houston") to obtain treated surface water from Houston. The Authority has developed a groundwater reduction plan ("GRP") and obtained Subsidence District approval of its GRP. The Authority's GRP sets forth the Authority's plan to comply with Subsidence District regulations, construct surface water facilities, and convert users from groundwater to alternate source water (e.g., surface water). The District's groundwater well(s) are included within the Authority's GRP.

The District's authority to pump groundwater is subject to an annual permit issued by the Subsidence District to the Authority, which permit includes all groundwater wells that are included in the Authority's GRP. The Authority, among other powers, has the power to: (i) issue debt supported by the revenues pledged for the payment of its obligations; (ii) establish fees (including fees to be paid by the District for groundwater pumped by the District or for surface water received by the District from the Authority), user fees, rates, charges and special assessments as necessary to accomplish its purposes; and (iii) mandate water users, including the District, to convert from groundwater to surface water. The Authority currently charges the District, and other major groundwater users, a fee per 1,000 gallons based on the amount of groundwater pumped by the District and the amount of surface water, if any, received by the District from the Authority. The Authority has issued revenue bonds to fund, among other things, Authority surface water project costs. It is expected that the Authority will continue to issue a substantial amount of bonds by the year 2035 to finance the Authority's project costs, and it is expected that the fees charged by the Authority will increase substantially over such period.

Under the Subsidence District regulations and the GRP, the Authority is required: (i) through the year 2024, to limit groundwater withdrawals to no more than 70% of the total annual water demand of the water users within the Authority's GRP; (ii) beginning in the year 2025, to limit groundwater withdrawals to no more than 40% of the total annual water demand of the water users within the Authority's GRP; and (iii) beginning in the year 2035, and continuing thereafter, to limit groundwater withdrawals to no more than 20% of the total annual water demand of the water users within the Authority's GRP. If the Authority fails to comply with the above Subsidence District regulations or its GRP, the Authority is subject to a disincentive fee penalty of $9.80 per 1,000 gallons ("Disincentive Fees") imposed by the Subsidence District for any groundwater withdrawn in excess of 20% of the total water demand in the Authority's GRP. In the event of such Authority failure to comply, the Subsidence District may also seek to collect Disincentive Fees from the District. If the District failed to comply with surface water conversion requirements mandated by the Authority, the Authority would likely impose monetary or other penalties against the District.

The District cannot predict the amount or level of fees and charges, which may be due the Authority in the future, but anticipates the need to pass such fees through to its customers: (i) through higher water rates and/or (ii) with portions of maintenance tax proceeds, if any. In addition, conversion to surface water could necessitate improvements to the System which could require the issuance of additional bonds by the District. No representation is made that the Authority: (i) will build the necessary facilities to meet the requirements of the Subsidence District for conversion to surface water, (ii) will comply with the Subsidence District's surface water conversion requirements, or (iii) will comply with its GRP.

Wastewater Treatment

The District owns a 990,000 gallon per day ("gpd") plant that serves approximately 3,300 equivalent single- family connections and ultimate build-out of the District based on current land use projections. The District currently serves approximately 1,927 equivalent single family connections.

Water Distribution, Wastewater Collection and Storm Drainage Facilities

Water distribution, sanitary sewer collection, storm drainage facilities and related paving have been constructed in the District to serve approximately 442 acres of land developed for proposed or existing commercial/retail development or multi-family residential (of which approximately 55 acres are served with water, sanitary sewer and storm drainage facilities, but do not have any improvements located on the land). See "THE DISTRICT—Planned Land Use," "—Status of Development," and "—Future Development."

Flood Protection

"Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency (FEMA) has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100-year flood plain" or (1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rainstorm of such intensity to statistically have one percent chance of occurring in any given year. Generally, homes must be built above the 100-year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. An engineering or regulatory determination that an area is above the 100-year flood plain is no assurance that structures built in such area will not be flooded. The District's drainage system has been designed and constructed to meet all applicable standards.

According to the Engineer, approximately 15 acres of land within the District is currently within the 100 year floodplain. The land is owned by the District and is used as detention basins that serve the District and a future park. Development within the floodplain can be accomplished with a mitigation plan, which must be approved by the local flood plain administrator. See "INVESTMENT CONSIDERATIONS—Recent Extreme Weather Events; Hurricane Harvey."

Atlas 14

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

Waterworks and Sewer System Operating Statement

The following statement sets forth in condensed form the historical results of operation of the District's General Fund. Accounting principles customarily employed in the determination of net revenues have been observed and in all instances exclude depreciation. Such summary is based upon information obtained from the District's audited financial statements for fiscal years April 30, 2018 through 2021 and an unaudited summary for the seven month period ended November 30, 2021, provided by the District's bookkeeper. Reference is made to such statements and records for further and more complete information.

		Fiscal Year Ended April 30			
	5/1/2021 to 11/30/2021 (a)	2021	2020	2019	2018
Revenues					
Sales Tax Rebates	$ 340,283	$ 464,772	$ 505,992	$ 487,485	$ 446,870
Water Service	252,733	396,213	364,838	289,326	259,981
Sewer Service	209,005	318,643	290,579	221,435	186,482
Bulk Water Sales	-	104,675	-	-	51,206
Regional Water Fee	301,832	445,787	360,112	294,811	457,419
Penalty and Interest	2,646	6,577	2,310	7,092	3,039
Tap Connection and Inspection Fees	-	-	349,223	639,034	328,850
Investment Income	6,718	93,702	154,758	134,909	97,873
Other	79,418	451	8,014	1,168	35
Total Revenues	$ 1,192,635	$ 1,830,820	$ 2,035,826	$ 2,075,260	$ 1,831,755
Expenditures					
Regional Water Fee	$ 378,158	$ 666,319	$ 543,052	$ 342,699	$ 457,681
Professional Fees	87,388	89,020	101,842	138,680	112,083
Contracted Services	49,546	67,493	64,630	60,521	59,233
Utilities	70,248	109,942	108,085	103,382	110,740
Repairs and Maintenance	414,174	838,196	603,122	378,239	446,557
Other Expenditures	27,043	61,104	70,215	66,383	61,168
Tap Connections	-	-	152,379	251,999	152,513
Capital Outlay	110,381	223,528 (b)	879,586 (c)	12,940	17,107
Total Expenditures	$ 1,136,938	$ 2,055,602	$ 2,522,911	$ 1,354,843	$ 1,417,082
Revenues Over (Under) Expenditures	$ 55,697	$ (224,782)	$ (487,085)	$ 720,417	$ 414,673
Other Sources (Uses)					
Return of Capital	$ -	$ 74,746	$ 71,459	$ 68,319	$ 65,315
Interfund Transfers	$ -	$ -	$ -	$ -	$ (50,000)
Fund Balance (Beginning of Year)	$ 3,589,769	$ 3,739,805	$ 4,155,431	$ 3,366,695	$ 2,936,707
Fund Balance (End of Year)	$ 3,645,466	$ 3,589,769	$ 3,739,805	$ 4,155,431	$ 3,366,695

(a) Unaudited. Provided by the District's bookkeeper.
(b) Represents expenditures related to park facilities design and engineering.
(c) Represents expenditures related to park facilities design, engineering and approximately $758,225 in land acquisition.

FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)

2021 Certified Taxable Assessed Valuation	$613,445,357	(a)
District Debt:		
Outstanding Bonds (as of January 1, 2022)	$23,910,000	
Less: The Refunded Bonds	(4,040,000)	
Plus: The Bonds	4,015,000	
Gross Debt Outstanding (after issuance of the Bonds)	$23,885,000	(b)
Ratio of Gross Direct Debt to: 2021 Certified Taxable Assessed Valuation	3.89%	
Funds Available in the Debt Service Fund as of January 10, 2022	$2,363,671	(c)
Funds Available in the General Operating Fund as of January 10, 2022	$3,773,634	
Funds Available in the Capital Projects Fund as of January 10, 2022	$408,621	

(a) As certified by the Harris County Appraisal District (the "Appraisal District"). See "TAX PROCEDURES."
(b) After the issuance of the Bonds and excludes the Refunded Bonds. See "Outstanding Bonds" herein.
(c) $29,500 will be applied toward the Bonds. Neither the Bond Order nor Texas law requires that the District maintain any particular balance in the Debt Service Fund.

Investments of the District

The District has adopted an Investment Policy as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended. The District's goal is to preserve principal and maintain liquidity while securing a competitive yield on its portfolio. Funds of the District will be invested in short term U.S. Treasuries, certificates of deposit insured by the Federal Deposit Insurance Corporation ("FDIC") or secured by collateral evidenced by perfected safekeeping receipts held by a third-party bank, and public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate, the inclusion of long term securities or derivative products in the District portfolio.

Outstanding Bonds

The following table lists the original principal amount and the current principal balance of the Outstanding Bonds as of January 1, 2022, the Refunded Bonds and the Remaining Outstanding Bonds.

Series		Original Principal Amount	Outstanding Bonds (as of 1/1/22)	Refunded Bonds	Remaining Outstanding Bonds
2014	(a)	$ 7,565,000	$ 4,410,000	$ 4,040,000	$ 370,000
2016		14,280,000	11,505,000	-	11,505,000
2016A	(a)	8,615,000	7,995,000	-	7,995,000
Total		$ 30,460,000	$ 23,910,000	$ 4,040,000	$ 19,870,000
The Bonds					4,015,000
The Bonds and the Remaining Outstanding Bonds					$ 23,885,000

(a) Unlimited Tax Refunding Bonds.

Debt Service Requirements

The following sets forth the debt service requirements for the Outstanding Bonds, less the debt service on the Refunded Bonds, plus the debt service on the Bonds ($4,015,000 principal amount).

Year	Outstanding Bonds Debt Service Requirements	Less: Debt Service on the Refunded Bonds	Plus: Debt Service on the Bonds			Total Debt Service
			Principal	Interest	Total	
2022	$ 1,821,306	$ 146,119		$ 86,827	$ 86,827	1,762,015
2023	1,822,781	530,269	$ 385,000	118,850	503,850	1,796,363
2024	1,812,231	528,169	395,000	103,250	498,250	1,782,313
2025	1,806,713	530,175	415,000	87,050	502,050	1,778,588
2026	1,805,794	530,906	435,000	70,050	505,050	1,779,938
2027	1,807,903	530,316	450,000	52,350	502,350	1,779,938
2028	1,802,469	528,625	465,000	36,375	501,375	1,775,219
2029	1,799,075	530,400	480,000	24,600	504,600	1,773,275
2030	1,797,775	530,800	490,000	14,900	504,900	1,771,875
2031	1,789,106	530,400	500,000	5,000	505,000	1,763,706
2032	1,806,119	-	-	-	-	1,806,119
2033	1,803,050	-	-	-	-	1,803,050
2034	1,822,338	-	-	-	-	1,822,338
2035	1,789,625	-	-	-	-	1,789,625
2036	1,750,725	-	-	-	-	1,750,725
2037	1,681,975	-	-	-	-	1,681,975
2038	732,250	-	-	-	-	732,250
2039	735,875	-	-	-	-	735,875
Total	$ 30,187,109	$ 4,916,178	$4,015,000	$ 599,252	$4,614,252	$ 29,885,184

Maximum Annual Debt Service Requirement (2034) $1,822,338
Average Annual Debt Service Requirement (2022-2039) $1,660,288

Estimated Overlapping Debt Statement

Expenditures of the various taxing entities within the territory of the District are paid out of ad valorem taxes levied by such entities on properties within the District. Such entities are independent of the District and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in the 'Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of the overlapping Tax Debt of the District.

Taxing Jurisdiction	Outstanding Bonds		As of	Overlapping Percent	Overlapping Amount
Harris County……………………………………….	$ 1,584,697,125		11/30/2021	0.12%	$ 1,901,637
Harris County Flood Control District…………….	584,900,000		11/30/2021	0.12%	701,880
Harris County Hospital District……………………	81,540,000		11/30/2021	0.12%	97,848
Harris County Department of Education…………	20,185,000		11/30/2021	0.12%	24,222
Port of Houston Authority………………………..	469,434,397		11/30/2021	0.12%	563,321
Katy Independent School District……………….	1,840,005,230		11/30/2021	1.32%	24,288,069
Total Estimated Overlapping Debt……………….					$ 27,576,977
The District……………………………………….	23,885,000	(a)	Current	100.00%	23,885,000
Total Direct and Estimated Overlapping Debt…..					$ 51,461,977

Ratio of Estimated Direct and Overlapping Debt to 2021 Taxable Assessed Valuation……………………………. 8.39%

(a) After issuance of the Bonds.

Overlapping Taxes for 2021

	2021 Tax Rate per $100 of Taxable Assessed Valuation
Harris County (including Harris County Flood Control District, Harris County Hospital District, Harris County Department of Education, and the Port of Houston Authority…………………….	$ 0.586340
Katy Independent School District……………………………………….	1.351700
Harris County Emergency Services District No. 47…………………….	0.084000
Total Overlapping Tax Rate…………………………………………….	$ 2.022040
The District ……………………………………………………………….	0.375000
Total Tax Rate………………………………………………………….	$ 2.397040

TAX DATA

Debt Service Tax

The Board covenants in the Bond Order to levy and assess, for each year that all or any part of the Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds. The District levied a debt service tax for 2021 in the amount of $0.295 per $100 of taxable assessed valuation. See "Tax Rate Distribution" and "Tax Roll Information" herein and "TAX PROCEDURES."

Maintenance Tax

The Board has the statutory authority to levy and collect an annual ad valorem tax for the operation and maintenance of the District, if such a maintenance tax is authorized by the District's voters. A maintenance tax election was conducted April 4, 1981, and voters of the District authorized, among other things, the Board to levy a maintenance tax at a rate not to exceed $0.50 per $100 of taxable assessed valuation. The District levied a maintenance tax for 2021 at the rate of $0.08 per $100 of taxable assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal and interest on the District's bonds.

Tax Exemptions

The District has not adopted any tax exemptions for property located within the District.

Tax Rate Distribution

	2021	2020	2019	2018	2017
Debt Service Tax	$ 0.295	$ 0.325	$ 0.395	$ 0.420	$ 0.460
Maintenance Tax	0.080	-	-	-	-
Total	$ 0.375	$ 0.325	$ 0.395	$ 0.420	$ 0.460

Historical Tax Collections

The following statement of tax collections sets forth in condensed form the historical tax collection experience of the District. This summary has been prepared for inclusion herein, based upon information from District records. Reference is made to such records for further and more complete information.

				Total Collections as of December 31, 2021 (a)	
Tax Year	Taxable Assessed Valuation	Tax Rate	Total Tax Levy	Amount	Percent
2016	$ 334,379,803	$ 0.580	$ 1,938,529	$ 1,938,495	100.00%
2017	370,319,048	0.460	1,703,249	1,702,990	99.98%
2018	399,034,149	0.420	1,675,848	1,672,589	99.81%
2019	437,415,904	0.395	1,727,715	1,723,771	99.77%
2020	543,165,051	0.325	1,765,286	1,761,357	99.78%
2021	613,445,357	0.375	2,300,420	(b)	(b)

(a) Unaudited.
(b) In process of collection. Taxes for 2021 are due by January 31, 2022.

Taxes are due October 1 or when billed, whichever comes later, and generally become delinquent if not paid before February 1 of the year following the year in which imposed. No split payments are allowed, and no discounts are allowed.

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District established an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Property Tax Code.

Tax Roll Information

The District's assessed value as of January 1 of each year is used by the District in establishing its tax rate (see "TAX PROCEDURES—Valuation of Property for Taxation"). The following breakdown of the 2017 through 2021 Certified Taxable Assessed Valuations has been provided by the District's Tax Assessor/Collector based on information contained in the 2017 through 2021 tax rolls of the District. Differences in values from other information herein are due to differences in dates of information provided.

Tax Year	Land	Improvements	Personal Property	Gross Assessed Value	Exemptions and Deferments	Taxable Assessed Value
2017	$ 146,673,252	$ 217,986,440	$ 36,898,146	$ 401,557,838	$ (31,238,790)	$ 370,319,048
2018	152,412,368	239,036,045	38,750,523	430,198,936	(31,164,787)	399,034,149
2019	168,622,448	267,445,830	36,032,980	472,101,258	(34,685,354)	437,415,904
2020	178,209,054	367,383,225	33,594,117	579,186,396	(36,021,345)	543,165,051
2021	180,632,139	437,015,532	31,067,315	648,714,986	(35,269,629)	613,445,357

Principal Taxpayers

The following list of principal taxpayers was provided by the District's Tax Assessor/Collector based upon the 2021 Certified Taxable Assessed Valuation, which reflects ownership at January 1, 2021.

Taxpayer	Type of Property	2021 Certified Taxable Assessed Valuation	% of 2021 Certified Taxable Assessed Valuation
MRP Katy LP	Apartments	$ 52,011,147	8.48%
29SC Greenhouse LP	Apartments	51,827,869	8.45%
EQYInvest Owner I LTD LLP	Commercial	40,456,609	6.59%
DD Greenhouse LLC	Apartments	38,747,266	6.32%
CAI Territory Owner I LLC	Apartments	37,833,195	6.17%
Sunbelt Inc.	Land	32,750,000	5.34%
DD Greenhouse 13 5 LLC	Apartments	29,384,655	4.79%
Typhoon Inc.	Apartments	25,615,800	4.18%
HMC Fuller Corporate Park West LLC	Commercial/Business Park	23,383,003	3.81%
Terra at Park Row Apartments LLC	Apartments	23,186,915	3.78%
Total		$ 355,196,459	57.90%

Tax Adequacy for Debt Service

The calculations shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation over the 2021 Certified Taxable Assessed Valuation and no use of debt service funds on hand, collection of ninety-five percent (95%) of taxes levied, and utilize tax rates necessary to pay the District's maximum annual and average annual debt service requirements. See "INVESTMENT CONSIDERATIONS—Maximum Impact on District Tax Rates."

Average Annual Debt Service Requirement (2022-2039).. $1,660,288
$0.29 Tax Rate on the 2021 Certified Taxable Assessed Valuation $1,690,042

Maximum Annual Debt Service Requirement (2034).. $1,822,338
$0.32 Tax Rate on the 2021 Certified Taxable Assessed Valuation $1,864,874

TAX PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Outstanding Bonds, the Bonds and any additional bonds payable from taxes which the District may hereafter issue (see "INVESTMENT CONSIDERATIONS—Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Order to levy such a tax from year to year as described more fully herein under "THE BONDS—Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and for the payment of certain contractual obligations. See "TAX DATA—Debt Service Tax" and "Maintenance Tax."

Property Tax Code and County-Wide Appraisal District

The Texas Tax Code (the "Property Tax Code") requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas a single appraisal district with the responsibility for recording and appraising property for all taxing units within a county and a single appraisal review board with the responsibility for reviewing and equalizing the values established by the appraisal district. The Harris County Appraisal District (the "Appraisal District") has the responsibility for appraising property for all taxing units wholly within Harris County, including the District. Such appraisal values are subject to review and change by the Harris County Appraisal Review Board (the "Appraisal Review Board"). Under certain circumstances, taxpayers and taxing units (such as the District) may appeal the orders of the Appraisal Review Board by filing a petition for review in State district court. In such event, the value of the property in question will be determined by the court or by a jury if requested by any party. Absent any such appeal, the appraisal roll, as prepared by the Appraisal District and approved by the Appraisal Review Board, must be used by each taxing jurisdiction in establishing its tax roll and tax rate. The District is eligible, along with all other conservation and reclamation districts within Harris County, to participate in the nomination of and vote for a member of the Board of Directors of the Appraisal District.

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property and tangible personal property in the District is subject to taxation by the District; however, it is expected that no effort will be made by the District to collect taxes on personal property other than on personal property rendered for taxation, business inventories and the property of privately owned utilities. Principal categories of exempt property include: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; farm products owned by the producer; all oil, gas and mineral interests owned by an institution of higher education; certain property owned by exclusively charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; solar and wind-powered energy devices; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years or older or under a disability for purposes of payment of disability insurance benefits under the Federal Old-Age Survivors and Disability Insurance Act to the extent deemed advisable by the Board. The District would be required to call an election on such residential homestead exemption upon petition by at least twenty percent (20%) of the number of qualified voters who voted in the District's preceding election and would be required to offer such an exemption if a majority of voters approve it at such election. For the 2021 tax year, the District has not granted an exemption for persons 65 years of age and older and to individuals who are under a disability for purposes of payment of disability insurance benefits under the Federal Old-Age Survivors and Disability Insurance Act. The District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, of between $5,000 and $12,000 of assessed valuation depending upon the disability rating of the veteran, if such rating is less than 100%. A veteran who receives a disability rating of 100% is entitled to an exemption for the full value of the veteran's residence homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if (i) the residence homestead was donated by a charitable organization at no cost to the disabled veteran or, (ii) the residence was donated by a charitable organization at some cost to the disabled veteran if such cost is less than or equal to fifty percent (50%) of the total good faith estimate of the market value of the residence as of the date the donation is made. Also, the surviving spouse of a member of the armed forces or a first responder (as defined under Texas law), who was (i) killed in action, or (ii) fatally injured in the line of duty, is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse.

A "Freeport Exemption" applies to goods, wares, merchandise, other tangible personal property and ores, other than oil, natural gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining oil or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating for less than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to certain tangible personal property, as defined by the Property Tax Code, acquired in or imported into Texas for storage purposes and which is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. The exemption excludes oil, natural gas, petroleum products, aircraft and certain special inventory including dealer's motor vehicles, dealer's vessel and outboard motor vehicle, dealer's heavy equipment and retail manufactured housing inventory. The exemption applies to covered property if it is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. However, taxing units who took official action as allowed by prior law before October 1, 2011, to tax goods-in-transit property, and who pledged such taxes for the payment of debt, may continue to impose taxes against the goods-in-transit property until the debt is discharged without further action, if cessation of the imposition would impair the obligations of the contract by which the debt was created. The District has taken official action to allow taxation of all such goods-in-transit personal property, but may choose to exempt same in the future by further official action.

General Residential Homestead Exemption

Texas law authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads, but not less than $5,000, if any exemption is granted, from ad valorem taxation. The law provides, however, that where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. For the 2021 tax year, the District has not granted a general residential homestead exemption.

Tax Abatement

Harris County or the City of Houston may designate all or part of the area within the District as a reinvestment zone. Thereafter, Harris County, the District, and the City of Houston (if it were to annex the District), at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions.

Agricultural, Open Space, Timberland and Inventory Deferment

The Property Tax Code permits land designated for agricultural use (including wildlife management), open space, or timberland to be appraised at its value based on the land's capacity to produce agriculture or timber products rather than at its fair market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of any of such designations must apply for the designation, and the Appraisal District is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions and not as to others. If a claimant receives the designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use for the three (3) years prior to the loss of the designation for agricultural, timberland or open space land. According to the District's Tax Assessor/Collector, as of January 1, 2021, no land within the District was designated for agricultural use, open space, inventory deferment or timberland.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Assessments under the Property Tax Code are to be based upon one hundred percent (100%) of market value. The appraised value of residential homestead property may be limited to the lesser of the market value of the property, or the sum of the appraised value of the property for the last year in which it was appraised, plus ten percent (10%) of such appraised value multiplied by the number of years since the last appraisal, plus the market value of all new improvements to the property. Once an appraisal roll is prepared and approved by the Appraisal Review Board, it is used by the District in establishing its tax rate. The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraised values. The plan must provide for appraisal of all real property by the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis.

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

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the District, may appeal orders of the Appraisal Review Board by filing a petition for review in district court within forty-five (45) days after notice is received that a final order has been entered. In such event, the property value in question may be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to comply with the Property Tax Code. The District may challenge the level of appraisal of a certain category of property, the exclusion of property from the appraisal rolls or the grant, in whole or in part, of an exemption. The District may not, however, protest a valuation of any individual property.

Texas law provides for notice and hearing procedures prior to the adoption of an ad valorem tax rate by the District. Additionally, Texas law provides for an additional notice and, upon petition by qualified voters, an election which could result in the repeal of certain tax rate increases on residential homesteads. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The District is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. The District adopts its tax rate each year after it receives a tax roll certified by the Appraisal District. Taxes are due upon receipt of a bill therefor and become delinquent after January 31 of the following year or 30 days after the date billed, whichever is later, or, if billed after January 10, they are delinquent on the first day of the month next following the 21st day after such taxes are billed. A delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month the tax remains unpaid beginning the first calendar month it is delinquent. A delinquent tax also incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent plus a one percent (1%) penalty for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to the number of months the tax has been delinquent, which penalty remains at such rate without further increase. If the tax is not paid by July 1, an additional penalty of up to the amount of the compensation specified in the District's contract with its delinquent tax collection attorney, but not to exceed twenty percent (20%) of the total tax, penalty and interest, may, under certain circumstances, be imposed by the District. With respect to personal property taxes that become delinquent on or after February 1 of a year and that remain delinquent sixty (60) days after the date on which they become delinquent, as an alternative to the penalty described in the foregoing sentence, an additional penalty on personal property of up to the amount specified in the District's contract with its delinquent tax attorney, but not to exceed twenty percent (20%) of the total tax, penalty and interest, may, under certain circumstances, be imposed by the District prior to July 1. The District's contract with its delinquent tax collection attorney currently specifies a twenty percent (20%) additional penalty. The District may waive penalties and interest on delinquent taxes only if (i) an error or omission of a representative of the District, including the Appraisal District, caused the failure of the taxpayer to pay taxes, (ii) the delinquent taxes are paid on or before the one-hundred and eightieth (180th) day after the taxpayer received proper notice of such delinquency and the delinquent taxes relate to a property for which the appraisal roll lists one or more certain specified inaccuracies, or (iii) the taxpayer submits evidence sufficient to show that the tax payment was delivered before the delinquency, date to the United States Postal Service or other delivery service, but an act or omission of the postal or delivery service resulted in the tax payment being considered delinquent. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency of taxes under certain circumstances. The owner of a residential homestead property who is (i) a person sixty-five (65) years of age or older (ii) under a disability for purpose of payment of disability insurance benefits under the Federal Old Age Survivors and Disability Insurance Act, or (iii) qualifies as a disabled veteran under Texas law, is entitled by law to pay current taxes on a residential homestead in installments or to defer the payment of taxes without penalty during the time of ownership. Additionally, a person who is delinquent on taxes for a residential homestead is entitled to an agreement with the District to pay such taxes in installments over a period of between 12 and 36 months (as determined by the District) when such person has not entered into another installment agreement with respect to delinquent taxes with the District in the preceding 24 months.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies municipal utility districts differently based on their current operation and maintenance tax rate or on the percentage of projected build-out that a district has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified herein as “Low Tax Rate Districts.” Districts that have financed, completed, and issued bonds to pay for all land, improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as “Developed Districts.” Districts that do not meet either of the classifications previously discussed can be classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt Service rates cannot be reduced by a rollback election hold within any of the districts described below. See “FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)” for a description of the District’s current total tax rate.

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

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

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

The District: A determination as to a district’s status as a Low Tax Rate District, Developed District or Developing District will be made by the Board of Directors on an annual basis. The District is designated as a “Developing District” for the 2021 tax year. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property against which the tax is levied. In addition, on January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of other such taxing units. See "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)—Estimated Overlapping Debt." A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien. Further, personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalties, and interest.

Except with respect to (i) owners of residential homestead property who are sixty-five (65) years of age or older or under a disability as described above and who have filed an affidavit as required by law, and (ii) owners of residential homesteads who have entered into an installment agreement with the District for payment of delinquent taxes as described above and who are not in default under said agreement, at any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, or by taxpayer redemption rights (a taxpayer may redeem property that is a residence homestead or was designated for agricultural use within two (2) years after the deed issued at foreclosure is filed of record and may redeem all other property within six (6) months after the deed issued at foreclosure is filed of record) or by bankruptcy proceedings which restrict the collection of taxpayer debt. The District's ability to foreclose its tax lien or collect penalties and interest may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. Generally, the District's tax lien and a federal tax lien are on par with the ultimate priority being determined by applicable federal law. See "INVESTMENT CONSIDERATIONS—Tax Collection Limitations and Foreclosure Remedies."

INVESTMENT CONSIDERATIONS

General

The Bonds are obligations solely of the District and are not obligations of the City of Houston, Harris County, the State of Texas, or any entity other than the District. Payment of the principal of and interest on the Bonds depends upon the ability of the District to collect taxes levied on taxable property within the District in an amount sufficient to service the District's bonded debt or in the event of foreclosure, on the value of the taxable property in the District and the taxes levied by the District and other taxing authorities upon the property within the District. See "THE BONDS—Source of Payment." The collection by the District of delinquent taxes owed to it and the enforcement by Registered Owners of the District's obligation to collect sufficient taxes may be a costly and lengthy process. Furthermore, the District cannot and does not make any representations that taxable property within the District will maintain taxable values sufficient to justify continued payment of taxes by property owners or that there will be a market for the property or that owners of the property will have the ability to pay taxes. See "Registered Owners' Remedies and Bankruptcy Limitations" below.

Infectious Disease Outbreak (COVID-19)

In March 2020, the World Health Organization and the President of the United States separately declared the outbreak of a respiratory disease caused by a novel coronavirus ("COVID-19") to be a public health emergency. On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State of Texas (the "State") because of the effects of COVID-19. Subsequently, in response to a rise in COVID-19 infections in the State and pursuant to the Chapter 418 of the Texas Government Code, the Governor issued a number of executive orders intended to help limit the spread of COVID-19 and mitigate injury and the loss of life, including limitations imposed on business operations, social gatherings, and other activities.

Over the ensuing year, COVID-19 negatively affected commerce, travel and businesses locally and globally, and negatively affected economic growth worldwide and within the State. Following the widespread release and distribution of various COVID-19 vaccines in 2021 and a decrease in active COVID-19 cases generally in the United States, state governments (including Texas) have started to lift business and social limitations associated with COVID-19. Beginning in March 2021, the Governor issued various executive orders, which, among other things, rescinded and superseded prior executive orders and provide that there are currently no COVID-19 related operating limits for any business or other establishment. The Governor retains the right to impose additional restrictions on activities if needed to mitigate the effects of COVID-19. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at https://gov.texas.gov/. Neither the information on, nor accessed through, such website of the Governor is incorporated by reference into this Official Statement.

With the easing or removal of governmental restrictions, economic activity has increased. However, there are no assurances that such increased economic activity will continue or continue at the same rate, especially if there are future outbreaks of COVID-19. The District has not experienced any decrease in property values, unusual tax delinquencies, or interruptions to service as a result of COVID-19; however the District cannot predict the long-term economic effect of COVID-19 or a similar virus should there be a reversal of economic activity and re-imposition of restrictions.

Potential Effects of Oil Price Fluctuations on the Houston Area

The fluctuations in oil prices in the U.S. and globally, which at times have led to the lowest such prices in three decades, may lead to adverse conditions in the oil and gas industry, including but not limited to reduced revenues, declines in capital and operating expenditures, business failures, and layoffs of workers. The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. As previously stated, the Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds. Such a reduction in property values may also require the District to increase its ad valorem tax rate for operations and maintenance expenses and/or its utility rates charged to its utility customers.

Extreme Weather Events; Hurricane Harvey

The greater Houston area, including the District, is subject to occasional severe weather events, including tropical storms and hurricanes. If the District were to sustain damage to its facilities requiring substantial repair or replacement, or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected. The greater Houston area has experienced multiple storms exceeding a 0.2% probability (i.e. "500-year flood" events) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 26, 2017, and brought historic levels of rainfall during the successive four days.

To the best knowledge of the Operator and the Engineer, the District's System (as defined herein) did not sustain any material damage, there was no interruption of water and sewer service as a result of Hurricane Harvey. No commercial improvements within the District were affected.

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

Specific Flood Type Risks

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

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

Economic Factors and Interest Rates

A substantial percentage of the taxable value of the District results from the current market value of multi-family residences and commercial property. The market value of such properties is related to general economic conditions affecting the demand for these property types. Demand for lots of this type and commercial properties can be significantly affected by factors such as interest rates, credit availability, construction costs, energy availability and cost, employment stability, and the prosperity and demographic characteristics of the urban center toward which the marketing of lots is directed.

Landowner Obligation to the District

There are no commitments from or obligations of the landowners to the District to proceed at any particular rate or according to any specified plan with the development of land or the construction of improvements in the District, and there is no restriction on any landowner's right to sell its land. Failure to construct taxable improvements on developed tracts of land would restrict the rate of growth of taxable values in the District. The District cannot and does not make any representations that over the life of the Bonds, continued development of taxable property within the District will increase or maintain its taxable value.

Dependence on Principal Taxpayers

Approximately $355,196,459 or 57.90% of the 2021 Certified Taxable Assessed Valuation of the property within the District is owned by the ten principal taxpayers. Failure to collect taxes in a timely manner by any of these taxpayers could result in an increase in the District's tax rate. The District is not required by law or the Bond Order to maintain any specified amount of surplus in its debt service fund for such purposes. See “TAX DATA—Principal Taxpayers.”

Impact on District Tax Rate

The value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2021 Certified Taxable Assessed Valuation of the District (see “FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)”) is $613,445,357. After issuance of the Bonds, the maximum annual debt service requirement will be $1,822,338 (2034) and the average annual debt service requirement will be $1,660,288 (2022-2039) (see “FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED—Debt Service Requirements”). Assuming no increase or decrease from the 2021 Certified Taxable Assessed Valuation and no use of funds other than tax collections, a tax rate of $0.32 per $100 assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement of $1,822,338 and a tax rate of $0.29 per $100 assessed valuation at a 95% collection rate would be necessary to pay the average annual debt service requirement of $1,660,288. Although calculations have been made regarding average and maximum tax rates necessary to pay the debt service on the Bonds based upon the 2021 Certified Taxable Assessed Valuation, the District can make no representations regarding the future level of assessed valuation within the District. Increases in the tax rate may be required in the event the District’s assessed valuation does not continue to increase or in the event major taxpayers do not pay their District taxes timely. See “TAX PROCEDURES” and “TAX DATA—Tax Adequacy for Debt Service.”

Future Debt

The District reserves in the Bond Order the right to issue the remaining $18,660,000 principal amount of unlimited tax bonds authorized but unissued for refunding outstanding bonds. The District may also issue $9,900,000 principal amount of unlimited tax bonds authorized but unissued for recreational facilities, and $45,520,000 principal amount of authorized but unissued unlimited tax bonds for water, wastewater and drainage facilities. The District may issue additional bonds which are authorized by District voters hereafter. See “THE BONDS—Issuance of Additional Debt.” The issuance of such future obligations may adversely affect the investment security of the Bonds. The District does not employ any formula with regard to assessed valuations or tax collections or otherwise to limit the amount of bonds which may be issued. Any bonds issued by the District, however, must be approved by the Attorney General of Texas and the Board of the District and any bonds issued to acquire or construct water, sanitary sewer and drainage facilities must be approved by the Commission.

The District does not employ any formula with respect to assessed valuations, tax collections or otherwise to limit the amount of parity bonds which it may issue. The issuance of additional bonds for such purposes is subject to approval by the TCEQ pursuant to its rules regarding issuance and feasibility of bonds. In addition, future changes in health or environmental regulations could require the construction and financing of additional improvements without any corresponding increases in taxable value in the District. See “THE BONDS—Issuance of Additional Debt.”

Tax Collections Limitations and Foreclosure Remedies

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by (a) cumbersome, time consuming and expensive collection procedures, (b) a bankruptcy court's stay of tax collection procedure against a taxpayer, or (c) market conditions limiting the proceeds from a foreclosure sale of taxable property. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. Attorney's fees and other costs of collecting any such taxpayer's delinquencies could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, a bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. See "TAX PROCEDURES—District's Rights in the Event of Tax Delinquencies."

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Order, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Order. Except for mandamus, the Bond Order does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Order may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

Subject to the requirements of Texas law discussed below, a political subdivision such as the District may voluntarily file a petition for relief from creditors under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Sections 901-946 ("Chapter 9"). The filing of such petition would automatically stay the enforcement of Registered Owner's remedies, including mandamus. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismisses the petition, enters an order granting relief from the stay or otherwise allows creditors to proceed against the petitioning political subdivision. A political subdivision such as the District may qualify as a debtor eligible to proceed in a Chapter 9 case only if it (1) is authorized to file for federal bankruptcy protection by applicable state law, (2) is insolvent or unable to meet its debts as they mature, (3) desires to effect a plan to adjust such debts, and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Special districts such as the District must obtain the approval of the TCEQ as a condition to seeking relief under the Federal Bankruptcy Code. The TCEQ is required to investigate the financial condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, the District could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning District relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owner could potentially and adversely impair the value of the Registered Owner's claim.

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

A district may not be forced into bankruptcy involuntarily.

Environmental Regulations

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

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

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

Air Quality Issues. Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the Texas Commission on Environmental Quality (the "TCEQ") may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston Galveston area ("HGB area")—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty counties—has been designated a nonattainment area under three separate federal ozone standards: the one-hour (124 parts per billion ("ppb") and eight-hour (84 ppb) standards promulgated by the EPA in 1997 (the "1997 Ozone Standards"); the tighter, eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the "2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the "2015 Ozone Standard"). While the State of Texas has been able to demonstrate steady progress and improvements in air quality in the HGB area, the HGB area remains subject to CAA nonattainment requirements.

The HGB area is currently designated as a severe ozone nonattainment area under the 1997 Ozone Standards. While the EPA has revoked the 1997 Ozone Standards, EPA historically has not formally redesignated nonattainment areas for a revoked standard. As a result, the HGB area remained subject to continuing severe nonattainment area "anti-backsliding" requirements, despite the fact that HGB area air quality has been attaining the 1997 Ozone Standards since 2014. In late 2015, EPA approved the TCEQ's "redesignation substitute" for the HGB area under the revoked 1997 Ozone Standards, leaving the HGB area subject only to the nonattainment area requirements under the 2008 Ozone Standard (and later, the 2015 Ozone Standard).

In February 2018, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion in South Coast Air Quality Management District v. EPA, 882 F.3d 1138 (D.C. Cir. 2018) vacating the EPA redesignation substitute rule that provided the basis for EPA's decision to eliminate the anti-backsliding requirements that had applied in the HGB area under the 1997 Ozone Standard. The court has not responded to EPA's April 2018 request for rehearing of the case. To address the uncertainty created by the South Coast court's ruling, the TCEQ has developed a formal request that the HGB area be redesignated to attainment under the 1997 Ozone Standards. The TCEQ Commissioners adopted the HGB Redesignation Request and Maintenance Plan for the One-Hour and 1997 Eight-Hour Ozone Standards SIP Revision on December 12, 2018. The SIP revision was submitted to the EPA on December 14, 2018 and includes a request that the HGB area be formally redesignated to attainment for the 1997 eight-hour ozone NAAQS. On May 16, 2019, the EPA proposed: a determination that the HGB area has met redesignation criteria and is continuing to attain the one-hour and 1997 eight-hour ozone NAAQS; termination of the anti-backsliding obligations; and approval of the maintenance plan (84 FR 22093).

The HGB area is currently designated as a "serious" nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2021. If the EPA ultimately determines that the HGB area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more-stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels. The HGB area is currently designated as a "marginal" nonattainment area under the 2015 Ozone Standard. For purposes of the 2015 Ozone Standard, the HGB area consists of only six counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

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

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

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

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system. Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000), with an effective date of March 5, 2018, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain nonstormwater discharges into surface water in the state. It has a 5-year permit term and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The District's stormwater discharges currently maintain permit coverage through the Municipal Separate Storm System Permit (the "Current Permit") issued to the Storm Water Management Joint Task Force consisting of Harris County, Harris County Flood Control District, the City of Houston, and the Texas Department of Transportation. In the event that at any time in the future the District is not included in the Current Permit, it may be required to seek independent coverage under the TCEQ's General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit"), which authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. If the District's inclusion in the MS4 Permit were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff in order to comply with the MS4 Permit.

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

In 2015, the EPA and USACE promulgated a rule known as the Clean Water Rule ("CWR") aimed at redefining "waters of the United States" over which the EPA and USACE have jurisdiction under the CWA. The CWR significantly expanded the scope of the federal government's CWA jurisdiction over intrastate water bodies and wetlands. The CWR was challenged in numerous jurisdictions, including the Southern District of Texas, causing significant uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction.

On September 12, 2019, the EPA and USACE finalized a rule repealing the CWR, thus reinstating the regulatory text that existed prior to the adoption of the CWR. This repeal officially became final on December 23, 2019, but the repeal has itself become the subject of litigation in multiple jurisdictions.

On January 23, 2020, the EPA and USACE released the Navigable Waters Protection Rule ("NWPR"), which contains a new definition of "waters of the United States." The stated purpose of the NWPR is to restore and maintain the integrity of the nation's waters by maintaining federal authority over the waters Congress has determined should be regulated by the federal government, while preserving the states' primary authority over land and water resources. The new definition outlines four categories of waters that are considered "waters of the United States," and thus federally regulated under the CWA: (i) territorial seas and traditional navigable waters; (ii) perennial and intermittent tributaries to territorial seas and traditional navigable waters; (iii) certain lakes, ponds, and impoundments of jurisdictional waters; and (iv) wetlands adjacent to jurisdictional waters. The new rule also identifies certain specific categories that are not "waters of the United States," and therefore not federally regulated under the CWA: (a) groundwater; (b) ephemeral features that flow only in direct response to precipitation; (c) diffuse stormwater runoff and directional sheet flow over upland; (d) certain ditches; (e) prior converted cropland; (f) certain artificially irrigated areas; (g) certain artificial lakes and ponds; (h) certain water-filled depressions and certain pits; (i) certain stormwater control features; (j) certain groundwater recharge, water reuse, and wastewater recycling structures; and (k) waste treatment systems. The NWPR became effective June 22, 2020 and is currently the subject of ongoing litigation.

In June and July of 2021, the EPA and USACE announced plans to further revise the definition of "waters of the United States." On August 30, 2021, the United States District Court for the District of Arizona issued an order vacating the NWPR while the EPA and USACE make plans to replace it. In light of this order, the EPA and the USACE announced that they have halted implementation of the NWPR and are interpreting "waters of the United States" consistent with the pre-2015 regulatory regime until further notice while continuing to move forward with the rulemakings announced in June of 2021. Due to existing and possible future litigation and regulatory action, there remains uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction. Depending on the final outcome of such proceedings, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements.

Risk Factors Related to the Purchase of Municipal Bond Insurance

The Initial Purchaser has entered into an agreement with ASSURED GUARANTY MUNICIPAL CORP. ("AGM" or the "Insurer") for the purchase of a municipal bond insurance policy (the "Policy"). At the time of entering into the agreement, the Insurer was rated "AA" (stable outlook) by S&P. See "MUNICIPAL BOND INSURANCE."

The long-term ratings on the Bonds are dependent in part on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See description of "MUNICIPAL BOND RATING" and "MUNICIPAL BOND INSURANCE."

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Underwriter has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See "MUNICIPAL BOND RATING" and "MUNICIPAL BOND INSURANCE" for further information provided by the insurer and the Policy, which includes further instructions for obtaining current financial information concerning the insurer.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Marketability

The District has no agreement with the Underwriter regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional issuers as such bonds are generally bought, sold or traded in the secondary market.

Continuing Compliance with Certain Covenants

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

LEGAL MATTERS

Legal Opinions

The District will furnish to the Underwriter a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Attorney General has examined a transcript of proceedings authorizing the issuance of the Bonds, and that based upon such examination, the Bonds are valid and binding obligations of the District payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. The District will also furnish the approving legal opinion of Marks Richardson PC, Houston, Texas, Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the District under the Constitution and laws of the State of Texas, except to the extent that enforcement of the rights and remedies of the Registered Owners of the Bonds may be limited by laws relating to bankruptcy, reorganization, or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date of such opinion, assuming compliance by the District with certain covenants relating to the use and investment of the proceeds of the Bonds. See "Tax Exemption" below. The legal opinion of Bond Counsel will further state that the Bonds are payable, both as to principal and interest, from the levy of ad valorem taxes, without legal limitation as to rate or amount, upon all taxable property within the District.

In addition to serving as Bond Counsel, Marks Richardson PC, also serves as counsel to the District on matters not related to the issuance of bonds. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based upon a percentage of bonds actually issued, sold and delivered, and, therefore, such fees are contingent upon the sale and delivery of the Bonds. Certain legal matters will be passed upon for the Underwriter by McCall, Parkhurst & Horton L.L.P., Houston, Texas, as Underwriter's Counsel.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Legal Review

In its capacity as Bond Counsel, Marks Richardson PC, has reviewed the information appearing in this Official Statement under the captioned sections "PLAN OF FINANCING – Escrow Agreement" (but only insofar as such section relates to the legal opinion of Bond Counsel), "THE BONDS," "THE DISTRICT – General," and "MANAGEMENT OF THE DISTRICT - Bond Counsel and General Counsel," "TAX PROCEDURES," "LEGAL MATTERS – Legal Opinions" and "Tax Exemption" solely to determine whether such information fairly summarizes the law and documents referred to therein. Such firm has not independently verified factual information contained in this Official Statement, nor have such firms conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon such firms' limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the other information contained herein.

Tax Exemption

The delivery of the Bonds is subject to the opinion of Bond Counsel to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date of such opinion.

Bond Counsel's opinion will state that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof, (1) interest on the Bonds for federal income tax purposes will be excludable from the "gross income" of the holders thereof and (2) the Bonds will not be treated as "specified private activity bonds" the interest on which would be included as an alternative minimum tax preference item under Section 57(a)(5) of the Internal Revenue Code of 1986, as amended (the "Code").

Except as stated above, Bond Counsel will express no opinion as to any federal, state, or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Bonds. The law upon which Bond Counsel has based its opinion is subject to change by the Congress, administrative interpretation by the Department of the Treasury and to subsequent judicial interpretation. There can be no assurance that such law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of ownership of the Bonds.

The Code imposes a number of requirements that must be satisfied in order for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the District file an information report with the Internal Revenue Service. The District has covenanted in the Bond Order that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Bond Order pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on representations by the District with respect to matters solely within the knowledge of the District, which Bond Counsel has not independently verified. If the District should fail to comply with the covenants in the Bond Order, or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become taxable from the date of delivery of the Bonds, regardless of the date on which the event causing such taxability occurs.

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain "S" Corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and individuals otherwise qualifying for the earned income credit. These categories of prospective purchasers should consult their tax advisors as to the applicability of these consequences.

INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIFIC PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP, AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under Section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimus amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e. the issue price plus accrued original issue discount). The "accrued market discount" is the amount which bears the same ration to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

Qualified Tax-Exempt Obligations

The Code requires a pro rata reduction in the interest expense deduction of a financial institution to reflect such financial institution's investment in tax-exempt obligations acquired after August 7, 1986. An exception to the foregoing provision is provided in the Code for "qualified tax-exempt obligations," which include tax-exempt obligations, such as the Bonds, (a) designated by the issuer as "qualified tax-exempt obligations" and (b) issued by or on behalf of a political subdivision for which the aggregate amount of tax-exempt obligations (not including private activity bonds other than qualified 50l(c)(3) bonds) to be issued during the calendar year is not expected to exceed $10,000,000.

The District has designated the Bonds as "qualified tax-exempt obligations" and will represent that the aggregate amount of tax-exempt bonds (including the Bonds and not including private activity bonds other than qualified 501(c)(3) bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2022 is not expected to exceed $10,000,000 and that the District and entities aggregated with the District under the Code have not designated more than $10,000,000 in "qualified tax-exempt obligations" (including the Bonds and not including private activity bonds other than qualified 501(c)(3) bonds) during calendar year 2022.

Notwithstanding these exceptions, financial institutions acquiring the Bonds will be subject to a 20% disallowance of allocable interest expense.

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Tax Accounting Treatment of Premium Bonds

The initial public offering price to be paid for certain maturities of the Bonds may be greater than the amount payable on such Bonds at maturity (the "Premium Bonds"). An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity. PURCHASERS OF THE PREMIUM BONDS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THE DETERMINATION OF AMORTIZABLE BOND PREMIUM WITH RESPECT TO THE PREMIUM BONDS FOR FEDERAL INCOME TAX PURPOSES AND WITH RESPECT TO THE STATE AND LOCAL TAX CONSEQUENCES OF OWNING PREMIUM BONDS.

SALE AND DISTRIBUTION OF THE BONDS

The Underwriter

The Bonds are being purchased by SAMCO Capital Markets, Inc. (the "Underwriter") pursuant to a bond purchase agreement with the District (the "Bond Purchase Agreement") at a price of $4,209,199.07 (representing the par amount of the Bonds of $4,015,000.00, plus a premium on the Bonds of $230,790.30, less an Underwriter's discount of $36,591.23). The Underwriter's obligation is to purchase all of the Bonds, if any are purchased. See "PLAN OF FINANCING."

The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

Prices and Marketability

The prices and other terms with respect to the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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

Securities Laws

No registration statement relating to the offer and sale of the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

MUNICIPAL BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, ("S&P") has assigned a municipal bond rating of "AA" (stable outlook), to the Bonds with the understanding that, upon delivery of the Bonds, a Policy insuring the timely payment of the principal of and interest on the Bonds will be issued by Assured Guaranty Municipal Corp. S&P has also assigned an underlying rating of "A-" to the Bonds. An explanation of the ratings may be obtained from S&P. See "INVESTMENT CONSIDERATIONS—Risk Factors Related to the Purchase of Municipal Bond Insurance" and "MUNICIPAL BOND INSURANCE."

There is no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by S&P, if in their judgment, circumstances so warrant. Any such revisions or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

MUNICIPAL BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM" or the "Insurer") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as APPENDIX B to this OFFICIAL STATEMENT.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On October 20, 2021, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On July 8, 2021, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On August 13, 2019, Moody's announced it had affirmed AGM's insurance financial strength rating of "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

Capitalization of AGM

At September 30, 2021:

- The policyholders' surplus of AGM was approximately $2,910 million.

- The contingency reserve of AGM was approximately $963 million.

- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately $2,124 million. Such amount includes (i) 100% of the net unearned premium reserve and deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiaries Assured Guaranty UK Limited ("AGUK") and Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (filed by AGL with the SEC on February 26, 2021);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 (filed by AGL with the SEC on May 7, 2021);

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021 (filed by AGL with the SEC on August 6, 2021); and

(iv) the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021 (filed by AGL with the SEC on November 5, 2021).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this OFFICIAL STATEMENT and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this OFFICIAL STATEMENT.

Any information regarding AGM included herein under the caption "MUNICIPAL BOND INSURANCE—Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "MUNICIPAL BOND INSURANCE."

VERIFICATION OF MATHEMATICAL CALCULATIONS

Public Finance Partners LLC will deliver to the District, on or before the settlement date of the Bonds, its verification report indicating that it has verified the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Escrowed Securities, to pay, when due, the maturing principal of, interest on and related call premium requirements of the Refunded Bonds; (b) the mathematical computations of yield; and (c) compliance with City of Houston Ordinance No. 97-416.

Public Finance Partners LLC relied on the accuracy, completeness and reliability of all information provided to it by, and on all decisions and approvals of, the District. In addition, Public Finance Partners LLC has relied on any information provided to it by the District's retained advisors, consultants or legal counsel.

REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS

The offer and sale of the Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder; the Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction.

The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

PREPARATION OF OFFICIAL STATEMENT

Sources and Compilation of Information

The financial data and other information contained in this Official Statement has been obtained primarily from the District's records, the Engineer, the Tax Assessor/Collector, the Appraisal District and information from other sources believed to be reliable. No guarantee is made by the District as to the accuracy or completeness of the information derived from sources other than the District, and the inclusion herein of information from sources other than the District is not to be construed as a representation on the part of the District to such effect, except as described below under "Certification of Official Statement." Furthermore, there is no guarantee that any of the assumptions or estimates contained herein will be realized. The summaries of the agreements, reports, statutes, resolutions, engineering and other related information set forth in this Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Financial Advisor

Masterson Advisors LLC is employed as the Financial Advisor to the District to render certain professional services, including advising the District on a plan of financing and preparing the Official Statement. In its capacity as Financial Advisor, Masterson Advisors LLC has compiled and edited this Official Statement. In addition to compiling and editing, the Financial Advisor has obtained the information set forth herein under the caption indicated from the following sources: "THE DISTRICT," "THE SYSTEM"— IDS Engineering Group, "THE BONDS" and "LEGAL MATTERS – Legal Opinions" (insofar as such section relates to the legal opinion of Bond Counsel)— Marks Richardson PC, as applicable; "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)" and "TAX DATA"— Harris County Appraisal District, B&A Municipal Tax Service and the Municipal Advisory Council.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

Underwriter

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Consultants

In approving this Official Statement, the District has relied upon the following consultants. Each consultant has agreed to the use of information provided by such firms.

Engineer: The information contained in this Official Statement relating to engineering and to the description of the system and, in particular that information included in the sections entitled "THE DISTRICT" and "THE SYSTEM" has been provided by IDS Engineering Group, Consulting Engineers, and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

Tax Assessor Collector: The information contained in this Official Statement relating to the breakdown of the District's historical assessed value and principal taxpayers, including particularly such information contained in the section entitled "TAX DATA" has been provided by B&A Municipal Tax Service, and is included herein in reliance upon the authority of such individual as an expert in assessing property values and collecting taxes.

Bookkeeper: The information related to the "unaudited" summary of the District's General Operating Fund as it appears in "WATER AND SEWER OPERATIONS" has been prepared by Municipal Accounts & Consulting, L.P. and is included herein in reliance upon the authority of such firm as experts in the tracking and managing the various funds of municipal utility districts.

Auditor: The financial statements of the District as of April 30, 2021 and for the year then ended, included in this offering document, have been audited by BKD, LLP, independent auditors, as stated in their report appearing herein. See APPENDIX A for a copy of the District's audited financial statements for the fiscal year ended April 30, 2021.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Underwriter, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriter; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Underwriter, unless the Underwriter notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as required by law (but not more than 90 days after the date the District delivers the Bonds).

Certification of Official Statement

The District, acting through its Board in its official capacity and reliance upon the experts listed above, hereby certifies, as of the date hereof, that the information, statements, and descriptions or any addenda, supplement and amendment thereto pertaining to the District and its affairs contained herein, to the best of its knowledge and belief, contain no untrue statement of a material fact and do not omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading. With respect to information included in this OFFICIAL STATEMENT other than that relating to the District, the District has no reason to believe that such information contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading; however, the Board has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the District. In rendering such certificate, the official executing this certificate may state that he has relied in part on his examination of records of the District relating to matters within his own area of responsibility, and his discussions with, or certificates or correspondence signed by, certain other officials, employees, consultants and representatives of the District.

NO MATERIAL ADVERSE CHANGE

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

NO-LITIGATION CERTIFICATE

With the delivery of the Bonds, the President or Vice President and Secretary or Assistant Secretary of the Board will, on behalf of the District, execute and deliver to the Underwriter a certificate dated as of the date of delivery, to the effect that no litigation of any nature of which the District has notice is pending against or, to the knowledge of the District's certifying officers, threatened against the District, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the authorization, execution or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the authorization, execution or delivery of the Bonds; or affecting the validity of the Bonds, the corporate existence or boundaries of the District or the title of the then present officers and directors of the Board.

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Order, the District has made the following agreement for the benefit of the registered and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") System.

Annual Reports

The District will provide certain updated financial information and operating data to annually to the MSRB. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement under the headings "THE SYSTEM," "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)" (except for "Estimated Overlapping Debt"), and "TAX DATA," (most of which information is contained in the District's annual audited financial statements) and in Appendix A. The District will update and provide this information within six (6) months after the end of each of its fiscal years ending in or after 2022 to the MSRB.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12. The updated information will include audited financial statements, if the District commissions an audit and the audit is completed by the required time. If the audit of such financial statements is not complete within such period, then the District will provide unaudited financial statements by the required time, and audited financial statements when and if such audited financial statements become available. Any such financial statements will be prepared in accordance with the accounting principles described in the Bond Order or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

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

Specified Event Notices

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

Availability of Information from the MSRB

The District has agreed to provide the foregoing updated information only to the MSRB. The MSRB makes the information available to the public without charge through an internet portal at www.emma.msrb.org.

Limitations and Amendments

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

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

Compliance With Prior Undertakings

During the last five years, the District has complied in all material respects with its continuing disclosure agreements made in accordance with SEC Rule 15c2-12.

MISCELLANEOUS

All estimates, statements and assumptions in this Official Statement and the Appendix hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any such statements will be realized.

This Official Statement was approved by the Board of Directors of West Park Municipal Utility District as of the date shown on the cover page.

/s/ H. Brock Hudson
President, Board of Directors

ATTEST:

/s/ Natalie Garza
Secretary, Board of Directors

APPENDIX A

Independent Auditor's Report and Financial Statements of the District for the fiscal year ended April 30, 2021

West Park Municipal Utility District

Harris County, Texas

Independent Auditor's Report and Financial Statements

April 30, 2021

BKD
CPAs & Advisors

West Park Municipal Utility District
April 30, 2021

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Independent Auditor's Report

Board of Directors
West Park Municipal Utility District
Harris County, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of West Park Municipal Utility District (the District), as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of April 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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.

Other 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 other information as 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 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Houston, Texas
August 30, 2021

West Park Municipal Utility District

Management's Discussion and Analysis

April 30, 2021

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and other information required by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

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, such as the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. 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, liabilities, and deferred inflows and outflows of resources of 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 assets, liabilities, and deferred inflows and outflows of resources is labeled as net position and this difference is similar to the total stockholders' 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. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. 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 year.

Although the statement of activities looks different from a commercial enterprise's statement of income, 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 Funds

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes 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, sewer and drainage 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 assets, liabilities, and deferred inflows and outflows of resources 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 is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in the notes to 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.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data found in the government-wide and fund financial statements.

Financial Analysis of the District as a Whole

The District's overall financial position and activities for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

Summary of Net Position

	2021	2020
Current and other assets	$ 8,815,639	$ 10,536,275
Capital assets	23,949,518	22,749,324
Total assets	32,765,157	33,285,599
Deferred outflows of resources	960,846	1,016,354
Total assets and deferred outflows of resources	$ 33,726,003	$ 34,301,953
Long-term liabilities	$ 23,534,139	$ 24,663,793
Other liabilities	755,667	760,916
Total liabilities	24,289,806	25,424,709
Net position:		
Net investment in capital assets	1,376,225	270,256
Restricted	3,087,604	3,358,790
Unrestricted	4,972,368	5,248,198
Total net position	$ 9,436,197	$ 8,877,244

The total net position of the District increased by $558,953, or about 6 percent. The majority of the increase in net position is related to tax revenues intended to pay principal on the District's bonded indebtedness, which is shown as long-term liabilities in the government-wide financial statements. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

West Park Municipal Utility District

Management's Discussion and Analysis (Continued)

April 30, 2021

Summary of Changes in Net Position

	2021	2020
Revenues:		
Property taxes	$ 1,798,504	$ 1,673,592
Sales tax rebates	488,009	492,020
Charges for services	1,166,413	1,029,634
Other revenues	128,393	659,741
Total revenues	3,581,319	3,854,987
Expenses:		
Services	1,868,840	1,686,435
Depreciation	380,816	368,256
Debt service	772,710	793,661
Total expenses	3,022,366	2,848,352
Change in net position	558,953	1,006,635
Net position, beginning of year	8,877,244	7,870,609
Net position, end of year	$ 9,436,197	$ 8,877,244

Financial Analysis of the District's Funds

The District's combined fund balances as of the end of the fiscal year ended April 30, 2021, were $6,648,048, a decrease of $1,588,790 from the prior year.

The general fund's fund balance decreased by $150,036 as a result of operating and capital outlay expenditures being greater then service revenues and sales tax rebates.

The debt service fund's fund balance decreased by $85,260 because bond principal and interest requirements were greater than property tax revenues.

The capital projects fund's fund balance decreased by $1,353,494 due to capital outlay expenditures related to the wastewater treatment plant expansion exceeding investment income.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to sales tax rebates, regional water fee revenues and expenditures, interest income, and repairs and maintenance expenditures being greater than anticipated and professional fees and capital outlay expenditures being less than anticipated. In addition, bulk water sales revenues and return of capital were not included in the budget, and tap connection revenues and related expenditures were budgeted but not incurred. The fund balance as of April 30, 2021, was expected to be $2,880,475 and the actual end-of-year fund balance was $3,589,769.

Capital Assets and Related Debt

Capital Assets

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

Capital Assets (Net of Accumulated Depreciation)

	2021	2020
Land and improvements	$ 10,845,474	$ 10,836,556
Construction in progress	7,418,057	6,125,558
Water facilities	4,911,958	5,188,942
Wastewater facilities	774,029	598,268
Total capital assets	$ 23,949,518	$ 22,749,324

During the current year, additions to capital assets were as follows:

Construction in progress for wastewater treatment plant expansion to 0.99 mgd and design costs for future recreational facilities	$ 1,501,986
Sanitary sewer rehabilitation	30,721
County taxes on land purchase, Phase 1 stormwater detention facilities	8,918
Replacement motor at water plant	39,385
Total additions to capital assets	$ 1,581,010

The developer within the District has constructed water facilities on behalf of the District under the terms of a contract with the District. The District has agreed to purchase these facilities, plus interest, from the proceeds of future bond issues, subject to the approval of the Commission. At April 30, 2021, a liability for developer-constructed capital assets of $79,860 was recorded in the government-wide financial statements.

Debt

The changes in the debt position of the District during the fiscal year ended April 30, 2021, are summarized as follows:

Long-term debt payable, beginning of year	$ 24,663,793
Decreases in long-term debt	(1,129,654)
Long-term debt payable, end of year	$ 23,534,139

At April 30, 2021, the District had $45,520,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District, and $9,900,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving recreational facilities within the District.

The District's bonds carry an underlying rating of "BBB+" from Standard & Poor's (S&P). The Series 2014 refunding bonds and Series 2016A refunding bonds carry a rating of "AA" from S&P by virtue of bond insurance issued by Build America Mutual Assurance Company. The Series 2016 bonds carry a rating of "AA" from S&P by virtue of bond insurance issued by Assured Guaranty Municipal Corp.

Other Relevant Factors

Relationship to the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston (the City), the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City without the District's consent, except as follows.

Strategic Partnership Agreement

The District entered into a Strategic Partnership Agreement (SPA) with the City effective November 8, 2002. Pursuant to the terms of the SPA, the City annexed the District for limited purposes. The SPA provides for the levy of City sales tax on qualifying retail sales in the District. The District will continue to provide water, sewer and drainage services to all properties within its boundaries until full annexation.

West Park Municipal Utility District

Statement of Net Position and Governmental Funds Balance Sheet

April 30, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	$ 99,084	$ 848,356	$ 100	$ 947,540	$ -	$ 947,540
Certificates of deposit	3,120,000	1,200,000	-	4,320,000	-	4,320,000
Short-term investments	568,947	833,990	526,257	1,929,194	-	1,929,194
Receivables:						
Property taxes	-	24,560	-	24,560	-	24,560
Service accounts	97,440	-	-	97,440	-	97,440
Sales tax rebates	89,715	-	-	89,715	47,252	136,967
Accrued penalty and interest	-	-	-	-	4,765	4,765
Accrued interest	6,002	6,183	-	12,185	-	12,185
Due from others	138	7,503	-	7,641	-	7,641
Due from West Harris County Regional Water Authority	-	-	-	-	1,335,347	1,335,347
Capital assets (net of accumulated depreciation):						
Land	-	-	-	-	10,845,474	10,845,474
Construction in progress	-	-	-	-	7,418,057	7,418,057
Infrastructure	-	-	-	-	5,685,987	5,685,987
Total assets	3,981,326	2,920,592	526,357	7,428,275	25,336,882	32,765,157
Deferred Outflows of Resources						
Deferred amount on debt refundings	0	0	0	0	960,846	960,846
Total assets and deferred outflows of resources	$ 3,981,326	$ 2,920,592	$ 526,357	$ 7,428,275	$ 26,297,728	$ 33,726,003

West Park Municipal Utility District

Statement of Net Position and Governmental Funds Balance Sheet (Continued)

April 30, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Liabilities						
Accounts payable	$ 171,180	$ 7,002	$ 51,527	$ 229,709	$ -	$ 229,709
Retainage payable	-	-	305,581	305,581	-	305,581
Customer deposits	219,230	-	-	219,230	-	219,230
Due to others	1,147	-	-	1,147	-	1,147
Long-term liabilities:						
Due within one year	-	-	-	-	1,165,000	1,165,000
Due after one year	-	-	-	-	22,369,139	22,369,139
Total liabilities	391,557	7,002	357,108	755,667	23,534,139	24,289,806
Deferred Inflows of Resources						
Deferred property tax revenues	0	24,560	0	24,560	(24,560)	0
Fund Balances/Net Position						
Fund balances:						
Restricted:						
Debt service on unlimited tax bonds	-	2,889,030	-	2,889,030	(2,889,030)	-
Water, sewer and drainage	-	-	169,249	169,249	(169,249)	-
Assigned, future expenditures	2,786,982	-	-	2,786,982	(2,786,982)	-
Unassigned	802,787	-	-	802,787	(802,787)	-
Total fund balances	3,589,769	2,889,030	169,249	6,648,048	(6,648,048)	0
Total liabilities, deferred inflows of resources and fund balances	$ 3,981,326	$ 2,920,592	$ 526,357	$ 7,428,275		
Net position:						
Net investment in capital assets					1,376,225	1,376,225
Restricted for debt service					2,918,355	2,918,355
Restricted for capital projects					169,249	169,249
Unrestricted					4,972,368	4,972,368
Total net position					$ 9,436,197	$ 9,436,197

West Park Municipal Utility District

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances

Year Ended April 30, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Property taxes	$ -	$ 1,796,789	$ -	$ 1,796,789	$ 1,715	$ 1,798,504
Sales tax rebates	464,772	-	-	464,772	23,237	488,009
Water service	396,213	-	-	396,213	-	396,213
Sewer service	318,643	-	-	318,643	-	318,643
Bulk water sales	104,675	-	-	104,675	(98,905)	5,770
Regional water fee	445,787	-	-	445,787	-	445,787
Penalty and interest	6,577	5,702	-	12,279	(2,518)	9,761
Investment income	93,702	20,289	4,190	118,181	-	118,181
Other income	451	-	-	451	-	451
Total revenues	1,830,820	1,822,780	4,190	3,657,790	(76,471)	3,581,319
Expenditures/Expenses						
Service operations:						
Regional water fee	666,319	-	-	666,319	(24,620)	641,699
Professional fees	89,020	3,029	-	92,049	-	92,049
Contracted services	67,493	26,863	-	94,356	169	94,525
Utilities	109,942	-	-	109,942	-	109,942
Repairs and maintenance	838,196	-	-	838,196	-	838,196
Other expenditures	61,104	31,292	33	92,429	-	92,429
Capital outlay	223,528	-	1,357,651	1,581,179	(1,581,179)	-
Depreciation	-	-	-	-	380,816	380,816
Debt service:						
Principal retirement	-	1,150,000	-	1,150,000	(1,150,000)	-
Interest and fees	-	696,856	-	696,856	75,854	772,710
Total expenditures/expenses	2,055,602	1,908,040	1,357,684	5,321,326	(2,298,960)	3,022,366
Deficiency of Revenues Over Expenditures	(224,782)	(85,260)	(1,353,494)	(1,663,536)	2,222,489	
Other Financing Sources						
Return of capital	74,746	-	-	74,746	(74,746)	
Deficiency of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(150,036)	(85,260)	(1,353,494)	(1,588,790)	1,588,790	
Change in Net Position					558,953	558,953
Fund Balances/Net Position						
Beginning of year	3,739,805	2,974,290	1,522,743	8,236,838	-	8,877,244
End of year	$ 3,589,769	$ 2,889,030	$ 169,249	$ 6,648,048	$ 0	$ 9,436,197

West Park Municipal Utility District

Notes to Financial Statements

April 30, 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies

West Park Municipal Utility District (the District) was created by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality (the Commission), effective October 31, 1978, in accordance with the Texas Water Code, Chapter 54. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own and operate waterworks, wastewater and drainage facilities and to provide such facilities and services to the customers of the District.

The District is governed by a Board of Directors (the Board) consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments, as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the voting majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

Government-wide and Fund Financial Statements

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, such as the provision of water, wastewater, drainage and other related 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 with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

The District presents the following major governmental funds:

General Fund – The general fund is the primary operating fund of the District which accounts for all financial resources not accounted for in another fund. Revenues are derived primarily from property taxes, charges for services and interest income.

Debt Service Fund – The debt service fund is used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest related costs, as well as the financial resources being accumulated for future debt service.

Capital Projects Fund – The capital projects fund is used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

Fund Balances – Governmental Funds

The fund balances for the District's governmental funds can be displayed in up to five components:

Nonspendable – Amounts that are not in a spendable form or are required to be maintained intact.

Restricted – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed – Amounts that can be used only for the specific purposes determined by resolution of the Board. Commitments may be changed or lifted only by issuance of a resolution by the District's Board.

Assigned – Amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned – The residual classification for the general fund and includes all amounts not contained in the other classifications.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as liabilities.

Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period.

Interfund Transactions

Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay the amount and if there is the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Pension Costs

The District does not participate in a pension plan and, therefore, has no pension costs.

Use of Estimates

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

Investments and Investment Income

Investments in certificates of deposit, mutual funds, U.S. Government and agency securities, and certain pooled funds, which have a remaining maturity of one year or less at the date of purchase, are recorded at amortized cost. All other investments are carried at fair value. Fair value is determined using quoted market values.

Investment income includes dividends and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is credited to the fund in which the investment is recorded.

Property Taxes

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of the District based upon the aggregate appraisal value. Taxes are due and payable October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended April 30, 2021, include collections during the current period or within 60 days of year-end related to the 2020 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended April 30, 2021, the 2020 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of $5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45

Deferred Amount on Debt Refundings

In the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt in a debt refunding is deferred and amortized to interest expense using the effective interest rate method over the remaining life of the old debt or the life of the new debt, whichever is shorter. Such amounts are classified as deferred outflows or inflows of resources.

Debt Issuance Costs

Debt issuance costs, other than prepaid insurance, do not meet the definition of an asset or deferred outflows of resources since the costs are not applicable to a future period and, therefore, are recognized as an expense/expenditure in the period incurred.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on bonds are recognized as a component of long-term liabilities and amortized over the life of the related debt using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts on bonds 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 debt service expenditures.

Net Position/Fund Balances

Fund balances and net position are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

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

Reconciliation of Government-wide and Fund Financial Statements

Amounts reported for net position of governmental activities in the statement of net position and fund balances in the governmental funds balance sheet are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	$	23,949,518
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.		24,560
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the funds.		4,765
Deferred amount on debt refundings for governmental activities are not financial resources and are not reported in the funds.		960,846

Amounts due from the West Harris County Regional Water Authority (the Authority), and the City of Houston (the City) are not receivable in the current period and are not reported in the funds.	$	1,382,599
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.		(23,534,139)
Adjustment to fund balances to arrive at net position.	$	2,788,149

Amounts reported for change in net position of governmental activities in the statement of activities are different from change in fund balances in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balances.	$	(1,588,790)
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation and noncapitalized costs in the current year.		1,200,194
Governmental funds report principal payments on debt as expenditures. For the statement of activities, these transactions do not have any effect on net position.		1,150,000
Revenues collected in the current year, which have previously been reported in the statement of activities, are reported as revenues in the governmental funds.		(76,471)
Governmental funds report return of capital from the regional water authority for capital contributions as other financing sources. For the statement of activities, these transactions do not have any effect on net position.		(74,746)
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.		(51,234)
Change in net position of governmental activities.	$	558,953

Note 2: Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

At April 30, 2021, none of the District's bank balances were exposed to custodial credit risk.

Investments

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the State of Texas or the United States or their agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than "A," insured or collateralized certificates of deposit, and certain bankers' acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas CLASS, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Trustees, elected by the participants, has oversight of Texas CLASS. The District's investments may be redeemed at any time. Texas CLASS attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques and limits its investments in any issuer to the top two ratings issued by nationally recognized statistical rating organizations.

At April 30, 2021, the District had the following investments and maturities:

		Maturities in Years			
Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Texas CLASS	$ 1,929,194	$ 1,929,194	$ 0	$ 0	$ 0

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy does not allow investments in certain mortgage-backed securities, collateralized mortgage obligations with a final maturity date in excess of 10 years and interest rate indexed collateralized mortgage obligations. The external investment pool is presented as an investment with a maturity of less than one year because it is redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At April 30, 2021, the District's investments in Texas CLASS were rated "AAAm" by Standard & Poor's.

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the balance sheet at April 30, 2021, as follows:

Carrying value:		
Deposits	$	5,267,540
Investments		1,929,194
Total	$	7,196,734

Included in the following statement of net position captions:

Cash	$	947,540
Certificates of deposit		4,320,000
Short-term investments		1,929,194
Total	$	7,196,734

Investment Income

Investment income of $118,181, for the year ended April 30, 2021, consisted of $57,471 of interest income from cash and investments and $60,710 of interest from the capital contributions due from the Authority.

Fair Value Measurements

The District has the following recurring fair value measurements as of April 30, 2021:

- Pooled investments of $1,929,194 are valued at fair value per share of the pool's underlying portfolio.

West Park Municipal Utility District
Notes to Financial Statements
April 30, 2021

Note 3: Capital Assets

A summary of changes in capital assets for the year ended April 30, 2021, is presented below:

Governmental Activities	Balances, Beginning of Year	Additions	Reclassifi-cations	Balances, End of Year
Capital assets, non-depreciable:				
Land and improvements	$ 10,836,556	$ 8,918	$ -	$ 10,845,474
Construction in progress	6,125,558	1,501,986	(209,487)	7,418,057
Total capital assets, non-depreciable	16,962,114	1,510,904	(209,487)	18,263,531
Capital assets, depreciable:				
Water production and distribution facilities	8,283,715	39,385	-	8,323,100
Wastewater collection and treatment facilities	2,225,952	30,721	209,487	2,466,160
Total capital assets, depreciable	10,509,667	70,106	209,487	10,789,260
Less accumulated depreciation:				
Water production and distribution facilities	(3,094,773)	(316,369)	-	(3,411,142)
Wastewater collection and treatment facilities	(1,627,684)	(64,447)	-	(1,692,131)
Total accumulated depreciation	(4,722,457)	(380,816)	0	(5,103,273)
Total governmental activities, net	$ 22,749,324	$ 1,200,194	$ 0	$ 23,949,518

Note 4: Long-term Liabilities

Changes in long-term liabilities for the year ended April 30, 2021, were as follows:

Governmental Activities	Balances, Beginning of Year	Decreases	Balances, End of Year	Amounts Due in One Year
Bonds payable:				
General obligation bonds	$ 25,060,000	$ 1,150,000	$ 23,910,000	$ 1,165,000
Less discounts on bonds	476,067	20,346	455,721	-
	24,583,933	1,129,654	23,454,279	1,165,000
Due to developer	79,860	-	79,860	-
Total governmental activities long-term liabilities	$ 24,663,793	$ 1,129,654	$ 23,534,139	$ 1,165,000

General Obligation Bonds

	Refunding Series 2014	Series 2016
Amounts outstanding, April 30, 2021	$4,410,000	$11,505,000
Interest rates	2.00% to 4.00%	2.00% to 3.00%
Maturity dates, serially beginning/ending	May 1, 2022/2031	May 1, 2022/2039
Interest payment dates	May 1/ November 1	May 1/ November 1
Callable dates*	May 1, 2022	May 1, 2023

	Refunding Series 2016A
Amount outstanding, April 30, 2021	$7,995,000
Interest rates	2.00% to 3.00%
Maturity dates, serially beginning/ending	May 1, 2022/2037
Interest payment dates	May 1/ November 1
Callable date*	May 1, 2024

*Or any date thereafter; callable at par plus accrued interest to the date of redemption.

Annual Debt Service Requirements

The District has been paying the amount due May 1 within the fiscal year preceding this due date, and the following schedule has been prepared assuming that this practice will be followed in future years. The schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at April 30, 2021.

Year	Principal	Interest	Total
2022	$ 1,165,000	$ 669,807	$ 1,834,807
2023	1,195,000	642,806	1,837,806
2024	1,215,000	612,757	1,827,757
2025	1,240,000	581,706	1,821,706
2026	1,270,000	551,719	1,821,719
2027-2031	6,865,000	2,230,356	9,095,356
2032-2036	7,920,000	1,167,162	9,087,162
2037-2039	3,040,000	155,700	3,195,700
Total	$ 23,910,000	$ 6,612,013	$ 30,522,013

The bonds are payable from the proceeds of an ad valorem tax levied upon all property within the District subject to taxation, without limitation as to rate or amount.

Bonds voted	$ 83,570,000
Bonds sold	38,050,000
Refunding bonds voted	25,450,000
Refunding bond authorization used	6,940,000
Park bonds voted	9,900,000
Park bonds sold	-

Due to Developer

The developer within the District has constructed water facilities on behalf of the District under the terms of a contract with the District. The District has agreed to purchase these facilities, plus interest, from the proceeds of future bond issues subject to the approval of the Commission. At April 30, 2021, a liability for developer-constructed capital assets of $79,860 was recorded in the government-wide financial statements.

Note 5: Significant Bond Order and Commission Requirements

The Bond Orders require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended April 30, 2021, the District levied an ad valorem debt service tax at the rate of $0.3250 per $100 of assessed valuation, which resulted in a tax levy of $1,831,934 on the taxable valuation of $563,671,854 for the 2020 tax year. The interest and principal requirements to be paid from the tax revenues and available resources are $1,832,206, of which $1,497,303 has been paid and $334,903 is due November 1, 2021.

Note 6: Maintenance Taxes

At an election held April 4, 1981, voters authorized a maintenance tax not to exceed $0.50 per $100 valuation on all property within the District subject to taxation. During the year ended April 30, 2021, the District did not levy an ad valorem maintenance tax for the 2020 tax year.

Note 7: Strategic Partnership Agreement

The District entered into a Strategic Partnership Agreement (SPA) with the City effective November 8, 2002. Pursuant to the terms of the SPA, the City annexed the District for limited purposes. The SPA provides for the levy of City sales tax on qualifying retail sales in the District. The District will continue to provide water, sewer and drainage services to all properties within its boundaries until full annexation. During the current year, the District recorded revenue of $488,009 pursuant to the terms of the SPA.

Note 8: Regional Water Authority

The District is within the boundaries of the Authority, which was created by the Texas Legislature to provide a regional entity to acquire surface water and build the necessary facilities to convert from groundwater to surface water in order to meet conversion requirements mandated by the Harris-Galveston Subsidence District, which regulates groundwater withdrawal. As of April 30, 2021, the Authority was billing the District $3.45 per 1,000 gallons of water pumped from its wells. This amount is subject to future increases.

Note 9: Surface Water Conversion

In 2005, 2007, 2008, 2010 and 2016, the District made capital contributions to the Authority of $468,524, $302,022, $392,628, $476,530 and $398,421, respectively. The District will receive repayment of the amounts advanced through credits for District pumpage fees and water payments as they become due each year. In addition, any amounts owed to the District that remain after the credits will be paid to the District. These repayments accrue interest at 4.7264, 4.6406, 4.6112, 4.5725 and 3.6492 percent, respectively, per year and will be repaid with principal and interest from 2021 through 2040. At April 30, 2021, the repayments outstanding were as follows.

Year	Amount
2022	$ 135,456
2023	135,456
2024	135,456
2025	135,456
2026	135,456
Thereafter	1,158,282
	1,835,562
Less amount representing interest	(500,215)
Remaining principal	$ 1,335,347

Note 10: 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; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three fiscal years.

Note 11: Uncertainties

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position and results of operations of the District. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Required Supplementary Information

West Park Municipal Utility District

Budgetary Comparison Schedule – General Fund

Year Ended April 30, 2021

	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Sales tax rebates	$ 326,100	$ 464,772	$ 138,672
Water service	368,900	396,213	27,313
Sewer service	306,700	318,643	11,943
Bulk water sales	-	104,675	104,675
Regional water fee	401,300	445,787	44,487
Penalty and interest	3,000	6,577	3,577
Tap connection and inspection fees	150,000	-	(150,000)
Investment income	42,950	93,702	50,752
Other	550	451	(99)
Total revenues	1,599,500	1,830,820	231,320
Expenditures			
Service operations:			
Regional water fee	284,000	666,319	(382,319)
Professional fees	143,000	89,020	53,980
Contracted services	66,850	67,493	(643)
Utilities	105,000	109,942	(4,942)
Repairs and maintenance	526,430	838,196	(311,766)
Other expenditures	83,550	61,104	22,446
Tap connections	75,000	-	75,000
Capital outlay	1,175,000	223,528	951,472
Total expenditures	2,458,830	2,055,602	403,228
Deficiency of Revenues Over Expenditures	(859,330)	(224,782)	634,548
Other Financing Sources			
Return of capital	-	74,746	74,746
Deficiency of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(859,330)	(150,036)	709,294
Fund Balance, Beginning of Year	3,739,805	3,739,805	-
Fund Balance, End of Year	$ 2,880,475	$ 3,589,769	$ 709,294

West Park Municipal Utility District
Notes to Required Supplementary Information
April 30, 2021

Budgets and Budgetary Accounting

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during fiscal 2021.

The District prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedule - General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Other Information

West Park Municipal Utility District
Other Schedules Included Within This Report
April 30, 2021

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

[X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 12-25

[X] Schedule of Services and Rates

[X] Schedule of General Fund Expenditures

[X] Schedule of Temporary Investments

[X] Analysis of Taxes Levied and Receivable

[X] Schedule of Long-term Debt Service Requirements by Years

[X] Changes in Long-term Bonded Debt

[X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund – Five Years

[X] Board Members, Key Personnel and Consultants

West Park Municipal Utility District

Schedule of Services and Rates

Year Ended April 30, 2021

1. Services provided by the District:

X Retail Water	___ Wholesale Water	X Drainage
X Retail Wastewater	___ Wholesale Wastewater	___ Irrigation
X Parks/Recreation	___ Fire Protection	___ Security
___ Solid Waste/Garbage	___ Flood Control	___ Roads

___ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

___ Other ______

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	Usage Levels		
Water:	$ 10.00	10,000	N	$ 1.00	10,001	to	15,000
				$ 1.50	15,001	to	20,000
				$ 2.00	20,001	to	No Limit
Wastewater:	$ 16.00	10,000	N	$ 0.50	10,001	to	No Limit
Regional water fee:	$ 3.45	1	N	$ 3.45	1,001	to	No Limit

Does the District employ winter averaging for wastewater usage? Yes ___ No X

Total charges per 10,000 gallons usage (including fees): Water $ 44.50 Wastewater $ 16.00

b. Water and wastewater retail connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC*
Unmetered	-	-	x1.0	-
≤ 3/4"	3	3	x1.0	3
1"	15	15	x2.5	38
1 1/2"	14	14	x5.0	70
2"	48	48	x8.0	384
3"	4	4	x15.0	60
4"	2	2	x25.0	50
6"	8	8	x50.0	400
8"	11	11	x80.0	880
10"	-	-	x115.0	-
Total water	105	105		1,885
Total wastewater	69	69	x1.0	69

3. Total water consumption (in thousands) during the fiscal year:

Gallons pumped into the system:	209,961
Gallons billed to customers:	199,832
Water accountability ratio (gallons billed/gallons pumped):	95.18%

*"ESFC" means equivalent single-family connections

West Park Municipal Utility District
Schedule of General Fund Expenditures
Year Ended April 30, 2021

Personnel (including benefits)		$ -
Professional Fees		
Auditing	$ 20,900	
Legal	42,190	
Engineering	25,930	
Financial advisor	-	89,020
Purchased Services for Resale		
Bulk water and wastewater service purchases		-
Regional Water Fee		666,319
Contracted Services		
Bookkeeping	27,018	
General manager	-	
Appraisal district	-	
Tax collector	8,000	
Security	-	
Other contracted services	22,934	57,952
Utilities		109,942
Repairs and Maintenance		838,196
Administrative Expenditures		
Directors' fees	8,400	
Office supplies	4,021	
Insurance	30,276	
Other administrative expenditures	18,407	61,104
Capital Outlay		
Capitalized assets	223,528	
Expenditures not capitalized	-	223,528
Tap Connection Expenditures		-
Solid Waste Disposal		9,541
Fire Fighting		-
Parks and Recreation		-
Other Expenditures		-
Total expenditures		$ 2,055,602

West Park Municipal Utility District
Schedule of Temporary Investments
April 30, 2021

	Interest Rate	Maturity Date	Face Amount	Accrued Interest Receivable
General Fund				
Certificates of Deposit				
No. 5000019850	0.20%	04/15/22	$ 240,000	$ 20
No. 91300011941196	0.62%	01/22/22	240,000	400
No. 12085	1.01%	06/27/21	240,000	2,039
No. 440011628	0.35%	07/18/21	240,000	232
No. 460	0.48%	03/06/22	240,000	174
No. 4191335	0.30%	09/11/21	240,000	268
No. 20000000050	0.25%	02/22/22	240,000	110
No. 12615	0.25%	04/12/22	240,000	30
No. 3216000483	0.25%	10/11/21	240,000	223
No. 320127	0.60%	06/12/21	240,000	1,270
No. 6000018371	0.75%	12/17/21	240,000	661
No. 6002400254	0.40%	11/13/21	240,000	442
No. 6550110904	0.20%	08/19/21	240,000	133
Texas CLASS	0.08%	Demand	568,947	-
			3,688,947	6,002
Debt Service Fund				
Certificates of Deposit				
No. 11858	1.01%	06/27/21	240,000	2,039
No. 20000000213	0.45%	10/20/21	240,000	568
No. 36000793	0.55%	10/03/21	240,000	756
No. 6000044559	0.75%	06/29/21	240,000	1,504
No. 9009004191	0.65%	06/25/21	240,000	1,316
Texas CLASS	0.08%	Demand	833,990	-
			2,033,990	6,183
Capital Projects Fund				
Texas CLASS	0.08%	Demand	204,966	-
Texas CLASS	0.08%	Demand	321,291	-
			526,257	0
Totals			$ 6,249,194	$ 12,185

West Park Municipal Utility District

Analysis of Taxes Levied and Receivable

Year Ended April 30, 2021

		Debt Service Taxes
Receivable, Beginning of Year		$ 22,845
Additions and corrections to prior years' taxes		(33,430)
Adjusted receivable, beginning of year		(10,585)
2020 Original Tax Levy		1,712,364
Additions and corrections		119,570
Adjusted tax levy		1,831,934
Total to be accounted for		1,821,349
Tax (collections) repayments:	Current year	(1,816,386)
	Prior years	19,597
Receivable, end of year		$ 24,560
Receivable, by Years		
2020		$ 15,548
2019		5,459
2018		3,259
2017		259
2016		35
Receivable, end of year		$ 24,560

West Park Municipal Utility District
Analysis of Taxes Levied and Receivable (Continued)
Year Ended April 30, 2021

	2020	2019	2018	2017
Property Valuations				
Land	$ 180,373,786	$ 168,693,168	$ 152,723,988	$ 146,673,252
Improvements	385,002,766	274,259,242	258,662,007	234,324,871
Personal property	34,277,479	36,352,822	38,635,107	36,791,371
Exemptions	(35,982,177)	(34,403,514)	(30,898,223)	(30,941,120)
Total property valuations	$ 563,671,854	$ 444,901,718	$ 419,122,879	$ 386,848,374
Tax Rates per $100 Valuation				
Debt service tax rates	$ 0.3250	$ 0.3950	$ 0.4200	$ 0.4600
Tax Levy	$ 1,831,934	$ 1,757,362	$ 1,793,916	$ 1,779,502
Percent of Taxes Collected to Taxes Levied**	99%	99%	99%	99%

*Maximum tax rate approved by voters: $0.50 on April 4, 1981
**Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

West Park Municipal Utility District

Schedule of Long-term Debt Service Requirements by Years

April 30, 2021

Due During Fiscal Years Ending April 30	Refunding Series 2014 Principal Due May 1	Interest Due May 1, November 1	Total
2022	$ 370,000	$ 157,219	$ 527,219
2023	390,000	146,119	536,119
2024	400,000	134,419	534,419
2025	415,000	121,919	536,919
2026	430,000	108,431	538,431
2027	445,000	93,381	538,381
2028	460,000	77,250	537,250
2029	480,000	60,000	540,000
2030	500,000	40,800	540,800
2031	520,000	20,800	540,800
Totals	$ 4,410,000	$ 960,338	$ 5,370,338

The District pays the amount due May 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

West Park Municipal Utility District

Schedule of Long-term Debt Service Requirements by Years (Continued)

April 30, 2021

	Series 2016		
Due During Fiscal Years Ending April 30	Principal Due May 1	Interest Due May 1, November 1	Total
2022	$ 570,000	$ 288,575	$ 858,575
2023	580,000	277,175	857,175
2024	590,000	265,575	855,575
2025	600,000	253,775	853,775
2026	610,000	241,775	851,775
2027	620,000	229,575	849,575
2028	630,000	217,175	847,175
2029	640,000	203,000	843,000
2030	650,000	188,600	838,600
2031	660,000	172,350	832,350
2032	630,000	155,850	785,850
2033	640,000	138,525	778,525
2034	650,000	120,925	770,925
2035	660,000	103,050	763,050
2036	670,000	83,250	753,250
2037	680,000	63,150	743,150
2038	700,000	42,750	742,750
2039	725,000	21,750	746,750
Totals	$ 11,505,000	$ 3,066,825	$ 14,571,825

The District pays the amount due May 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

West Park Municipal Utility District

Schedule of Long-term Debt Service Requirements by Years (Continued)

April 30, 2021

	Refunding Series 2016A		
Due During Fiscal Years Ending April 30	Principal Due May 1	Interest Due May 1, November 1	Total
2022	$ 225,000	$ 224,013	$ 449,013
2023	225,000	219,512	444,512
2024	225,000	212,763	437,763
2025	225,000	206,012	431,012
2026	230,000	201,513	431,513
2027	240,000	196,913	436,913
2028	245,000	191,512	436,512
2029	250,000	186,000	436,000
2030	260,000	179,750	439,750
2031	265,000	173,250	438,250
2032	875,000	165,962	1,040,962
2033	905,000	141,900	1,046,900
2034	960,000	114,750	1,074,750
2035	965,000	85,950	1,050,950
2036	965,000	57,000	1,022,000
2037	935,000	28,050	963,050
Totals	$ 7,995,000	$ 2,584,850	$ 10,579,850

The District pays the amount due May 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

West Park Municipal Utility District

Schedule of Long-term Debt Service Requirements by Years (Continued)

April 30, 2021

Due During Fiscal Years Ending April 30	Annual Requirements For All Series: Total Principal Due	Total Interest Due	Total Principal and Interest Due
2022	$ 1,165,000	$ 669,807	$ 1,834,807
2023	1,195,000	642,806	1,837,806
2024	1,215,000	612,757	1,827,757
2025	1,240,000	581,706	1,821,706
2026	1,270,000	551,719	1,821,719
2027	1,305,000	519,869	1,824,869
2028	1,335,000	485,937	1,820,937
2029	1,370,000	449,000	1,819,000
2030	1,410,000	409,150	1,819,150
2031	1,445,000	366,400	1,811,400
2032	1,505,000	321,812	1,826,812
2033	1,545,000	280,425	1,825,425
2034	1,610,000	235,675	1,845,675
2035	1,625,000	189,000	1,814,000
2036	1,635,000	140,250	1,775,250
2037	1,615,000	91,200	1,706,200
2038	700,000	42,750	742,750
2039	725,000	21,750	746,750
Totals	$ 23,910,000	$ 6,612,013	$ 30,522,013

West Park Municipal Utility District
Changes in Long-term Bonded Debt
Year Ended April 30, 2021

	Refunding Series 2014	Series 2016	Refunding Series 2016A	Totals
	Bond Issues			
Interest rates	2.00% to 4.00%	2.00% to 3.00%	2.00% to 3.00%	
Dates interest payable	May 1/ November 1	May 1/ November 1	May 1/ November 1	
Maturity dates	May 1, 2022/2031	May 1, 2022/2039	May 1, 2022/2037	
Bonds outstanding, beginning of current year	$ 4,770,000	$ 12,065,000	$ 8,225,000	$ 25,060,000
Retirements, principal	360,000	560,000	230,000	1,150,000
Bonds outstanding, end of current year	$ 4,410,000	$ 11,505,000	$ 7,995,000	$ 23,910,000
Interest paid during current year	$ 166,219	$ 299,775	$ 228,612	$ 694,606

Paying agent's name and address:

Series 2014 - Wells Fargo Bank, N.A., Minneapolis, Minnesota
Series 2016 - The Bank of New York Mellon, N.A., Dallas Texas
Series 2016A - The Bank of New York Mellon, N.A., Dallas Texas

Bond authority:

	Tax Bonds	Park Bonds	Refunding Bonds
Amount authorized by voters	$ 83,570,000	$ 9,900,000	$ 25,450,000
Amount issued	$ 38,050,000	$ -	$ 6,940,000
Remaining to be issued	$ 45,520,000	$ 9,900,000	$ 18,510,000

Debt service fund cash and temporary investment balances as of April 30, 2021: $ 2,882,346

Average annual debt service payment (principal and interest) for remaining term of all debt: $ 1,695,667

West Park Municipal Utility District

Comparative Schedule of Revenues and Expenditures – General Fund

Five Years Ended April 30,

	Amounts				
	2021	2020	2019	2018	2017
General Fund					
Revenues					
Sales tax rebates	$ 464,772	$ 505,992	$ 487,485	$ 446,870	$ 456,135
Water service	396,213	364,838	289,326	259,981	247,921
Sewer service	318,643	290,579	221,435	186,482	188,088
Bulk water sales	104,675	-	-	51,206	-
Regional water fee	445,787	360,112	294,811	457,419	219,049
Penalty and interest	6,577	2,310	7,092	3,039	4,142
Tap connection and inspection fees	-	349,223	639,034	328,850	208,763
Investment income	93,702	154,758	134,909	97,873	86,351
Other	451	8,014	1,168	35	18
Total revenues	1,830,820	2,035,826	2,075,260	1,831,755	1,410,467
Expenditures					
Service operations:					
Regional water fee	666,319	543,052	342,699	457,681	248,915
Professional fees	89,020	101,842	138,680	112,083	164,273
Contracted services	67,493	64,630	60,521	59,233	58,259
Utilities	109,942	108,085	103,382	110,740	87,328
Repairs and maintenance	838,196	603,122	378,239	446,557	288,247
Other expenditures	61,104	70,215	66,383	61,168	69,743
Tap connections	-	152,379	251,999	152,513	94,245
Capital outlay	223,528	879,586	12,940	17,107	6,387
Total expenditures	2,055,602	2,522,911	1,354,843	1,417,082	1,017,397
Excess (Deficiency) of Revenues Over Expenditures	(224,782)	(487,085)	720,417	414,673	393,070
Other Financing Sources (Uses)					
Interfund transfers out	-	-	-	(50,000)	-
Return of capital	74,746	71,459	68,319	65,315	62,446
Total other financing sources	74,746	71,459	68,319	15,315	62,446
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(150,036)	(415,626)	788,736	429,988	455,516
Fund Balance, Beginning of Year	3,739,805	4,155,431	3,366,695	2,936,707	2,481,191
Fund Balance, End of Year	$ 3,589,769	$ 3,739,805	$ 4,155,431	$ 3,366,695	$ 2,936,707
Total Active Retail Water Connections	105	105	99	85	79
Total Active Retail Wastewater Connections	69	69	66	58	62

Percent of Fund Total Revenues				
2021	2020	2019	2018	2017
25.4 %	24.9 %	23.5 %	24.4 %	32.4 %
21.6	17.9	13.9	14.2	17.6
17.4	14.3	10.7	10.2	13.3
5.7	-	-	2.8	-
24.4	17.7	14.2	25.0	15.5
0.4	0.1	0.3	0.2	0.3
-	17.1	30.8	17.9	14.8
5.1	7.6	6.5	5.3	6.1
0.0	0.4	0.1	0.0	0.0
100.0	100.0	100.0	100.0	100.0
36.4	26.7	16.5	25.0	17.7
4.9	5.0	6.7	6.1	11.6
3.7	3.2	2.9	3.2	4.1
6.0	5.3	5.0	6.1	6.2
45.8	29.6	18.2	24.4	20.4
3.3	3.4	3.2	3.4	4.9
-	7.5	12.2	8.3	6.7
12.2	43.2	0.6	0.9	0.5
112.3	123.9	65.3	77.4	72.1
(12.3) %	(23.9) %	34.7 %	22.6 %	27.9 %

West Park Municipal Utility District

Comparative Schedule of Revenues and Expenditures – Debt Service Fund

Five Years Ended April 30,

	Amounts				
	2021	2020	2019	2018	2017
Debt Service Fund					
Revenues					
Property taxes	$ 1,796,789	$ 1,683,547	$ 1,699,880	$ 1,676,919	$ 1,923,379
Penalty and interest	5,702	28,233	4,036	9,076	6,861
Investment income	20,289	65,303	55,176	28,927	16,174
Total revenues	1,822,780	1,777,083	1,759,092	1,714,922	1,946,414
Expenditures					
Current:					
Professional fees	3,029	5,373	2,276	2,858	1,297
Contracted services	26,863	25,492	23,457	25,141	25,821
Other expenditures	31,292	5,709	5,455	6,463	6,412
Debt service:					
Principal retirement	1,150,000	1,130,000	1,110,000	1,205,000	1,080,000
Interest and fees	696,856	720,331	752,206	782,057	586,865
Bond issuance costs	-	-	580	-	309,868
Debt defeasance	-	-	-	-	192,000
Total expenditures	1,908,040	1,886,905	1,893,974	2,021,519	2,202,263
Deficiency of Revenues Over Expenditures	(85,260)	(109,822)	(134,882)	(306,597)	(255,849)
Other Financing Sources (Uses)					
Interfund transfers in	-	-	-	50,000	-
General obligation bonds issued	-	-	-	-	8,975,725
Discount on debt issued	-	-	-	-	(134,661)
Payment to escrow agent	-	-	-	-	(8,167,812)
Total other financing sources	0	0	0	50,000	673,252
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(85,260)	(109,822)	(134,882)	(256,597)	417,403
Fund Balance, Beginning of Year	2,974,290	3,084,112	3,218,994	3,475,591	3,058,188
Fund Balance, End of Year	$ 2,889,030	$ 2,974,290	$ 3,084,112	$ 3,218,994	$ 3,475,591

Percent of Fund Total Revenues				
2021	2020	2019	2018	2017
98.6 %	94.7 %	96.6 %	97.8 %	98.8 %
0.3	1.6	0.2	0.5	0.4
1.1	3.7	3.2	1.7	0.8
100.0	100.0	100.0	100.0	100.0
0.2	0.3	0.1	0.2	0.1
1.5	1.5	1.3	1.5	1.3
1.7	0.3	0.3	0.4	0.3
63.1	63.6	63.1	70.2	55.5
38.2	40.5	42.8	45.6	30.2
-	-	0.0	-	15.9
-	-	-	-	9.9
104.7	106.2	107.6	117.9	113.2
(4.7) %	(6.2) %	(7.6) %	(17.9) %	(13.2) %

West Park Municipal Utility District

Board Members, Key Personnel and Consultants

Year Ended April 30, 2021

Complete District mailing address:	West Park Municipal Utility District c/o Marks Richardson PC 3700 Buffalo Speedway, Suite 830 Houston, Texas 77098-3709	
District business telephone number:	713.942.9922	
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):		January 24, 2019
Limit on fees of office that a director may receive during a fiscal year:		$ 7,200

Board Members	Term of Office Elected & Expires	Fees*	Expense Reimbursements	Title at Year-end
H. Brock Hudson	Elected 11/20- 11/24	$ 1,950	$ 0	President
George Marshall	Elected 11/20- 11/24	1,950	0	Vice President
Natalie Garza	Elected 11/20- 11/24	1,950	0	Secretary
Kevin M. Kirton	Elected 11/18- 11/22	1,350	0	Assistant Secretary
Bryant Patrick	Appointed 10/20- 11/22	1,200	0	Director
Bertha Perez	Elected 11/18- 07/20	0	0	Resigned

*Fees are the amounts actually paid to a director during the District's fiscal year.

West Park Municipal Utility District

Board Members, Key Personnel and Consultants (Continued)

Year Ended April 30, 2021

Consultants	Date Hired	Fees and Expense Reimbursements	Title
B&A Municipal Tax Services, LLC	08/21/11	$ 26,916	Tax Assessor/ Collector
BKD, LLP	02/14/86	20,900	Auditor
Harris County Appraisal District	Legislative Action	13,210	Appraiser
H20 Innovation	03/19/82	902,671	Operator
IDS Engineering Group	11/14/97	174,444	Engineer
Marks Richardson PC	04/11/03	43,217	Attorney
Masterson Advisors LLC	05/08/18	0	Financial Advisor
Municipal Accounts & Consulting, L.P.	10/15/80	29,506	Bookkeeper
Ted A. Cox, P.C.	03/08/96	3,029	Delinquent Tax Attorney
Investment Officers			
Mark M. Burton and Ghia Lewis	01/20/00	N/A	Bookkeepers

APPENDIX B

Specimen Municipal Bond Insurance Policy

ASSURED GUARANTY MUNICIPAL

MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No: -N

BONDS: $ in aggregate principal amount of Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ______________________________
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100