LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY

COLLIN COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

JUNE 30, 2025

McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC
Certified Public Accountants

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McCall Gibson Swedlund Barfoot Ellis PLLC

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lakehaven Municipal Utility
District of Collin County
Collin County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Lakehaven Municipal Utility District of Collin County (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As discussed in Note 13 to the financial statements, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, resulting in restatement of the District's government-wide financial statements as of and for the fiscal year ended June 30, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Board of Directors
Lakehaven Municipal Utility
District of Collin County

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

October 8, 2025

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Management's discussion and analysis of Lakehaven Municipal Utility District of Collin County (the "District") financial performance provides an overview of the District's financial activities for the year ended June 30, 2025. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District's net position changed during the year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has three governmental fund types. The General Fund accounts for resources not accounted for in another fund, maintenance tax revenues, developer advances, operating costs and general expenditures. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, liabilities exceeded assets by $4,442,696 as of June 30, 2025. The following is a comparative analysis of government-wide changes in net position:

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2025	2024	Change Positive (Negative)
Current and Other Assets	$ 1,444,498	$ 43,886	$ 1,400,612
Capital Assets (Net of Accumulated Depreciation)	47,528,567	25,239,808	22,288,759
Total Assets	$ 48,973,065	$ 25,283,694	$ 23,689,371
Due to Developer	$ 40,331,753	$ 26,081,109	$ (14,250,644)
Bonds Payable	12,638,569		(12,638,569)
Other Liabilities	445,439	164,163	(281,276)
Total Liabilities	$ 53,415,761	$ 26,245,272	$ (27,170,489)
Net Position:			
Net Investment in Capital Assets	$ (4,796,882)	$ (562,956)	$ (4,233,926)
Restricted	407,978		407,978
Unrestricted	(53,792)	(398,622)	344,830
Total Net Position	$ (4,442,696)	$ (961,578)	$ (3,481,118)

The following table provides a summary of the District's operations for the year ended June 30, 2025, and June 30, 2024:

	Summary of Changes in the Statement of Activities		
	2025	2024	Change Positive (Negative)
Revenues:			
Property Taxes	$ 1,051,077	$ 144,612	$ 906,465
Other Revenues	51,678	1,196	50,482
Total Revenues	$ 1,102,755	$ 145,808	$ 956,947
Expenses for Services	4,583,873	857,022	(3,726,851)
Change in Net Position	$ (3,481,118)	$ (711,214)	$ (2,769,904)
Net Position, Beginning	(961,578)	(250,364)	(711,214)
Net Position, Ending	$ (4,442,696)	$ (961,578)	$ (3,481,118)

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's General Fund fund balance increased by $447,587, primarily due to property tax revenues and developer advances exceeding operating costs.

The Debt Service Fund fund balance increased by $586,918, due to receiving capitalized interest from the issuance of the Road and Tax Utility bond sales and investment revenues exceeding bond interest and contracted services costs.

The Capital Projects Fund fund balance increased by $245,424, primarily due to receiving bond proceeds from the issuance of the Road and Tax Utility bond sales and investment revenues exceeding capital outlay, developer interest and other miscellaneous costs.

CAPITAL ASSETS

Capital assets as of June 30, 2025, total $47,528,567 (net of accumulated depreciation) and included land, water, sanitary sewer, paving and drainage infrastructure. Additional information on the District's capital assets can be found in Note 6.

Capital Assets At Year-End, Net of Accumulated Depreciation

	2025	2024	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	$ 4,294,143	$	$ 4,294,143
Construction in Progress			
Capital Assets, Net of Accumulated Depreciation:			
Water System	$ 5,610,292	$ 4,253,245	$ 1,357,047
Sanitary Sewer	9,548,309	3,547,892	6,000,417
Paving	11,040,150	11,211,768	(171,618)
Drainage/Detention Facilities	17,035,673	6,226,903	10,808,770
Total Net Capital Assets	$ 47,528,567	$ 25,239,808 *	$ 22,288,759

*As Adjusted, see Note 13

Additionally, the District entered into agreements (see Note 10 and Note 11) with Copeville Special Utility District ("SUD") and the City of Farmersville (the "City") whereby water facilities and wastewater facilities constructed within the District will be conveyed to the SUD and the City, respectively, for operation and maintenance for the benefit of District residents. The District is entitled to significant residual interest in the facilities conveyed and continues to record these facilities as District assets and records depreciation on these facilities in accordance with GASB Statement No. 94.

LONG-TERM DEBT

At year-end, the District had total bond debt payable of $12,570,000. The changes in the debt position of the District during the fiscal year ended June 30, 2025, are summarized as follows:

Bond Debt Payable, July 1, 2024	$ - 0 -
Add: Bond Sales - Series 2024 Road and Series 2024 Utility	12,570,000
Bond Debt Payable, June 30, 2025	$ 12,570,000

The Series 2024 Road bonds do not have an underlying rating but carry an insured rating of "AA" from S&P Global Ratings based on insurance issued by Build America Mutual Assurance. The Series 2024 Tax Utility bonds do not have an underlying rating but carry an insured rating of "AA" from S&P Global Ratings based on insurance issued by Assured Guaranty. The above ratings reflect changes, if any, through June 30, 2025.

As of June 30, 2025, the District has recorded an amount due to Developer of $40,331,753 which consist of advances for operating and capital costs for completed projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors adopted an unappropriated budget for the current fiscal year The budget was amended to increase various revenues and expenditures. Actual revenues were $62,636 more than budgeted revenues and actual expenditures were $85,930 less than budgeted expenditures. Transfers in from other funds were $64,298 more than budgeted. This resulted in a positive budget variance of $212,864. See the budget to actual comparison for more information.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Lakehaven Municipal Utility District of Collin County, c/o Winstead PC, 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2025

	General Fund	Debt Service Fund
ASSETS		
Cash	$ 49,739	$ 1,000
Investments	484,900	585,918
Property Taxes Receivable	18,347	
Due from Other Funds	58,170	
Prepaid Costs	1,000	
Land		
Capital Assets (Net of Accumulated Depreciation)		
TOTAL ASSETS	$ 612,156	$ 586,918

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
$ 185	$ 50,924	$	$ 50,924
303,409	1,374,227		1,374,227
	18,347		18,347
	58,170	(58,170)	
	1,000		1,000
		4,294,143	4,294,143
		43,234,424	43,234,424
$ 303,594	$ 1,502,668	$ 47,470,397	$ 48,973,065

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

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2025

	General Fund	Debt Service Fund
LIABILITIES		
Accounts Payable	$ 266,499	$
Accrued Interest Payable		
Due to Developer		
Due to Other Funds		
Long-Term Liabilities:		
Bonds Payable, Due After One Year		
TOTAL LIABILITIES	$ 266,499	$ -0-
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	$ 18,347	$ -0-
FUND BALANCES		
Nonspendable:		
Prepaid Costs	$ 1,000	$
Restricted for Authorized Construction		
Restricted for Debt Service		586,918
Unassigned	326,310	
TOTAL FUND BALANCES	$ 327,310	$ 586,918
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 612,156	$ 586,918
NET POSITION		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
TOTAL NET POSITION		

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
$	$ 266,499	$	$ 266,499
		178,940	178,940
		40,331,753	40,331,753
58,170	58,170	(58,170)	
		12,638,569	12,638,569
$ 58,170	$ 324,669	$ 53,091,092	$ 53,415,761
$ -0-	$ 18,347	$ (18,347)	$ -0-
$	$ 1,000	$ (1,000)	$
245,424	245,424	(245,424)	
	586,918	(586,918)	
	326,310	(326,310)	
$ 245,424	$ 1,159,652	$ (1,159,652)	$ -0-
$ 303,594	$ 1,502,668		
		$ (4,796,882)	$ (4,796,882)
		407,978	407,978
		(53,792)	(53,792)
		$ (4,442,696)	$ (4,442,696)

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

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total Fund Balances - Governmental Funds		$ 1,159,652
Land and capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		47,528,567
Deferred inflows of resources related to property tax revenues for the 2024 and prior tax levies became part of recognized revenue in the governmental activities of the District.		18,347
Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year-end consist of:		
Due to Developer	$ (40,331,753)	
Accrued Interest Payable	(178,940)	
Bonds Payable	(12,638,569)	(53,149,262)
Total Net Position - Governmental Activities		$ (4,442,696)

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

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Debt Service Fund
REVENUES		
Property Taxes	$ 1,032,730	$
Investment and Miscellaneous Revenues	13,637	24,583
TOTAL REVENUES	$ 1,046,367	$ 24,583
EXPENDITURES/EXPENSES		
Service Operations:		
Professional Fees	$ 204,583	$
Contracted Services	767,364	9,099
Depreciation		
Other	17,686	
Capital Outlay		
Developer Interest		
Debt Service:		
Bond Interest		233,794
Bond Issuance Costs		
TOTAL EXPENDITURES/EXPENSES	$ 989,633	$ 242,893
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 56,734	$ (218,310)
OTHER FINANCING SOURCES (USES)		
Transfers In(Out)	$ 64,298	$
Long-Term Debt Issued		805,228
Bond Discount		
Bond Premium		
Developer Advances	326,555	
TOTAL OTHER FINANCING SOURCES (USES)	$ 390,853	$ 805,228
NET CHANGE IN FUND BALANCES	$ 447,587	$ 586,918
CHANGE IN NET POSITION		
FUND BALANCES(DEFICIT)/NET POSITION - JULY 1, 2024	(120,277)	
FUND BALANCES/NET POSITION - JUNE 30, 2025	$ 327,310	$ 586,918

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

Capital Projects Fund	Total	Adjustments	Statement of Activities
$	$ 1,032,730	$ 18,347	$ 1,051,077
13,458	51,678		51,678
$ 13,458	$ 1,084,408	$ 18,347	$ 1,102,755
$ 6,935	$ 211,518	$	$ 211,518
	776,463		776,463
		961,424	961,424
20,851	38,537		38,537
9,326,094	9,326,094	(9,326,094)	
994,822	994,822		994,822
	233,794	176,758	410,552
1,190,557	1,190,557		1,190,557
$ 11,539,259	$ 12,771,785	$ (8,187,912)	$ 4,583,873
$ (11,525,801)	$ (11,687,377)	$ 8,206,259	$ (3,481,118)
$ (64,298)	$	$	$
11,764,772	12,570,000	(12,570,000)	
(157,486)	(157,486)	157,486	
228,237	228,237	(228,237)	
	326,555	(326,555)	
$ 11,771,225	$ 12,967,306	$ (12,967,306)	$ -0-
$ 245,424	$ 1,279,929	$ (1,279,929)	$
		(3,481,118)	(3,481,118)
	(120,277)	(841,301)	(961,578)
$ 245,424	$ 1,159,652	$ (5,602,348)	$ (4,442,696)

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

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Governmental Funds	$	1,279,929
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.		18,347
Governmental funds do not account for depreciation and amortization. However, in the Statement of Net Position, capital and intangible assets are depreciated and amortized, and the depreciation and amortization expense is recorded in the Statement of Activities.		(961,424)
Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.		9,326,094
Governmental funds report bond premiums/discounts as other financing sources/uses in the year received/paid. However, in the Statement of Net Position, bond premiums and discounts are amortized over the life of the bonds and the current year amortized portion is recorded in the Statement of Activities.		(70,751)
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.		(176,758)
Governmental funds report bond proceeds as other financing sources. Issued bonds increase long-term liabilities in the Statement of Net Position.		(12,570,000)
Governmental funds report developer advances as other financing sources. However, in the Statement of Net Position, developer advances, net any amount paid to the developer, are recorded as a liability.		(326,555)
Change in Net Position - Governmental Activities	$	(3,481,118)

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

NOTE 1. CREATION OF DISTRICT

Lakehaven Municipal Utility District of Collin County (the "District") was created by an order of the Texas Commission on Environmental Quality (the "Commission"), effective January 6, 2014, in accordance with the Texas Water Code, Chapters 49 and 54. The District is empowered to purchase, operate, and maintain all facilities, plants and improvements necessary to provide water, wastewater service, storm sewer drainage, irrigation, and construct roads for the residents of the District. The Board of Directors held its first meeting on November 6, 2017, and the first bonds were issued on September 11, 2024.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statement as component units.

Financial Statement Presentation

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

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, and intangible assets net of accumulated depreciation and amortization reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated to obtain net total revenues and expenses of the government-wide Statement of Activities.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

The District has three governmental funds and considers each to be a major fund.

General Fund – To account for resources not required to be accounted for in another fund, maintenance tax revenues, developer advances, operating costs and general expenditures.

Debt Service Fund – To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund – To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the period and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent year to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis. As of June 30, 2025, the Capital Projects Fund owed the General Fund $58,170 for bond application costs paid on behalf of the Capital Projects Fund. The Capital Projects Fund transferred $64,298 to the General Fund in the current fiscal year to reimburse bond application costs paid by the General Fund in the prior fiscal year.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets include road and drainage infrastructure which are reported in the government-wide Statement of Net Position at historical cost or estimated historical cost if actual historical cost is not available. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset. Assets are capitalized if they have an original cost greater than $5,000 and a useful life over 2 years. Deprecation is calculated on each class of depreciable property using the straight-line method of depreciation over 45 years.

The water facilities constructed within the District have been conveyed to Copeville Special Utility District for operation and maintenance and the wastewater facilities constructed within the District have been conveyed to the City of Farmersville. The District is entitled to significant residual interest in the facilities conveyed and continues to record these facilities as District assets and records depreciation on these facilities in accordance with GASB Statement No. 94. See Note 6 for additional information.

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and amended budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

A pension plan has not been established. The District does not have employees, except that the Internal Revenue Service has determined that directors are considered "employees" for federal payroll tax purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

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

NOTE 3. LONG-TERM DEBT

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

	July 1, 2024	Additions	Retirements	June 30, 2025
Bonds Payable	$	$ 12,570,000	$	$ 12,570,000
Unamortized Discounts		(157,486)	(4,817)	(152,669)
Unamortized Premiums		228,237	6,999	221,238
Bonds Payable, Net	$ -0-	$ 12,640,751	$ 2,182	$ 12,638,569

Amount Due Within One Year	$ -0-
Amount Due After One Year	12,638,569
Bonds Payable, Net	$ 12,638,569

	Series 2024 Road	Series 2024 Utility
Amount Outstanding – June 30, 2025	$6,715,000	$5,855,000
Interest Rates	4.00% - 6.50%	4.00% -6.00%
Maturity Date	September 1, 2026/2049	September 1, 2026/2049
Interest Payment Dates	September 1/ March 1	September 1/ March 1
Callable Dates	September 1, 2030*	October 1, 2030*

* Or any date thereafter at a price of par plus unpaid accrued interest in whole or in part, at the option of the District. Series 2024 Road term bonds maturing on September 1, 2039, are subject to mandatory redemption by random selection beginning September 1, 2038. Series 2024 Utility term bonds maturing on September 1, 2033, September 1, 2035, September 1, 2037, September 1, 2039, September 1, 2041, September 1, 2043, September 1, 2045, September 1, 2047, and September 1, 2049 are subject to mandatory redemption by random selection beginning September 1, 2032, September 1, 2034, September 1, 2036, September 1, 2038, September 1, 2040, September 1, 2042, September 1, 2044, September 1, 2046, and September 1, 2048 respectively.

NOTE 3. LONG-TERM DEBT (Continued)

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

Fiscal Year	Principal	Interest	Total
2026	$	$ 536,819	$ 536,819
2027	295,000	527,581	822,581
2028	310,000	508,631	818,631
2029	325,000	488,744	813,744
2030	340,000	468,719	808,719
2031-2035	1,945,000	2,085,470	4,030,470
2036-2040	2,445,000	1,645,895	4,090,895
2041-2045	3,065,000	1,097,095	4,162,095
2046-2050	3,845,000	404,774	4,249,774
	$ 12,570,000	$ 7,763,728	$ 20,333,728

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

As of June 30, 2025, the District had authorized but unissued bonds in the amount of $174,145,000 for the purposes of acquiring or construction of water, sewer and drainage facilities, $87,785,000 for road facilities, $270,000,000 for the purpose of refunding water, sewer and drainage facilities bonds and $141,750,000 for the purpose of refunding road bonds.

NOTE 4. SIGNIFICANT BOND ORDER AND LEGAL REQUIREMENTS

The District has covenanted that it will take all necessary steps to comply with the requirement that rebatable arbitrage earnings on the investment of the gross proceeds of the bonds, within the meaning of Section 148(f) of the Internal Revenue Code, be rebated to the federal government. The minimum requirement for determination of the rebatable amount is on the five-year anniversary of each issue.

The bond orders state that the District is required to provide continuing disclosure of certain general financial information and operating data, as well as notice of certain material events as defined by federal securities laws, with respect to the District to certain information repositories. This information, along with the audited annual financial statements, is to be provided within six months after the end of each fiscal year and shall continue to be provided through the life of the bonds.

NOTE 5. DEPOSITS AND INVESTMENTS

Deposits

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was $50,924 and the bank balance was $51,161. The District was not exposed to custodial credit risk.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position as of June 30, 2025, as listed below:

	Cash
GENERAL FUND	$ 49,739
DEBT SERVICE FUND	1,000
CAPITAL PROJECTS FUND	185
TOTAL DEPOSITS	$ 50,924

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District invests in LOGIC (Local Government Investment Cooperative), an external public fund investment pool that is not SEC-registered. LOGIC is organized and existing as a business trust under the laws of the State of Texas with all participant funds and all investment assets held and managed in trust by a Board of Trustees for the benefit of the participants. Hilltop Securities, Inc. and J.P. Morgan Investment Management, Inc. serve as co-administrators of the pool. LOGIC measures all of its portfolio assets at amortized cost for financial reporting purposes. The District measures its investments in LOGIC at amortized cost. There are no limitations or restrictions on withdrawals from LOGIC.

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

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
GENERAL FUND		
LOGIC	$ 484,900	$ 484,900
DEBT SERVICE FUND		
LOGIC	585,918	585,918
CAPITAL PROJECTS FUND		
LOGIC	303,409	303,409
TOTAL INVESTMENTS	$ 1,374,227	$ 1,374,227

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2025, the District's investment in LOGIC was rated AAAm by Standard and Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in LOGIC to have maturities of less than one year due to the fact that the share position can usually be redeemed each day at the discretion of the District unless there have been significant changes in values.

Restrictions - All cash and investments of the Debt Service Fund are restricted for payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, is as follows:

	July 1, 2024 *	Increases	Decreases	June 30, 2025
Capital Assets Not Being Depreciated				
Land and Land Improvements	$ - 0 -	$ 4,294,143	$ - 0 -	$ 4,294,143
Total Capital Assets Not Being Depreciated	$ - 0 -	$ 4,294,143	$ - 0 -	$ 4,294,143
Capital Assets Subject to Depreciation				
Water System	$ 4,333,544	$ 1,464,509	$	$ 5,798,053
Sanitary Sewer	3,615,762	6,268,737		9,884,499
Paving	6,336,477	4,987,616		11,324,093
Drainage/ Detention Facilities	11,516,981	6,235,178		17,752,159
Total Capital Assets Subject to Depreciation	$ 25,802,764	$ 18,956,040	$ - 0 -	$ 44,758,804
Accumulated Depreciation				
Water System	$ 80,299	$ 107,462	$	$ 187,761
Sanitary Sewer	67,870	268,320		336,190
Paving	109,574	174,369		283,943
Drainage/ Detention Facilities	305,213	411,273		716,486
Total Accumulated Depreciation	$ 562,956	$ 961,424	$ - 0 -	$ 1,524,380
Total Depreciable Capital Assets, Net of Accumulated Depreciation	$ 25,239,808	$ 17,994,616	$ - 0 -	$ 43,234,424
Total Capital Assets, Net of Accumulated Depreciation	$ 25,239,808	$ 22,288,759	$ - 0 -	$ 47,528,567

* As restated, See Note 13

Capital assets owned and maintained by the District include paving and drainage infrastructure. Developers have financed the construction of water facilities and wastewater facilities which serve District residents. These facilities have been conveyed to the Copeville Special Utility District or the City of Farmersville in accordance with the agreements (see Notes 10 and 11). In exchange for conveyance of these assets, each entity agrees to provide service to residents of the District. The District is entitled to significant residual interest in the facilities conveyed and continues to record these facilities as District assets and records depreciation on these facilities in accordance with GASB Statement No. 94.

NOTE 7. MAINTENANCE TAX

On May 1, 2021, the voters of the District approved the levy and collection of a maintenance tax not to exceed $1.20 per $100 of assessed valuation of taxable property within the District. During the year ended June 30, 2025, the District levied an ad valorem maintenance tax rate of $1.20 per $100 of assessed valuation, which resulted in a tax levy of $997,662 on the adjusted taxable valuation of $83,138,557 for the 2024 tax year.

NOTE 7. MAINTENANCE TAX (Continued)

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

NOTE 8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the last three years.

NOTE 9. UNREIMBURSED COSTS

The District has entered into financing agreements with the Developer which calls for the Developer to fund operating advances as well as costs associated with the construction of roads, water, wastewater, and drainage infrastructure. The District has an obligation to reimburse the Developer for these costs from future bond issues or other lawfully available funds. The following table summarizes the current activity related to unreimbursed costs

Due to Developers, July 1, 2024	$	26,081,109
Add: Current Year Additions		20,482,101
Less: Current Year Payments		(6,231,457)
Due to Developers, June 30, 2025	$	40,331,753

NOTE 10. WATER SERVICE CONTRACT

Pursuant to a Non-Standard Water Utility Service Contract between Copeville Special Utility District ("SUD") and the Developer, dated May 27, 2021, the SUD agreed to provide retail water utility service to the District and reserve and dedicate 2,000 Living Unit Equivalents of capacity in its system to provide for the complete build-out of the District. The SUD purchases wholesale water from the North Texas Municipal Water District ("NTMWD"). The Developer is responsible for making off-site water improvements consisting of 12-inch waterlines connecting to a NTMWD treated water pipeline with a 500,000 gallon ground storage tank.

NOTE 11. WASTEWATER SERVICES AGREEMENT

Pursuant to a First Amended and Restated Agreement Relating to Creation and Operation of the District dated May 11, 2021, the City of Farmersville (the "City") will construct and operate a wastewater treatment plant along with collection and treatment facilities (the "Sewer Facilities"), providing service to the District. The costs of the Sewer Facilities will be borne by the City. The District will be subject to capital recovery fees. The Commission approved a wastewater treatment permit for the treatment of 500,000 gallons per day of wastewater.

NOTE 12. INTERLOCAL COOPERATION AGREEMENTS FOR LAW ENFORCEMENT SERVICES, FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES

Effective November 17, 2021, the District entered into Interlocal Agreements with the City, one for law enforcement services and one for fire protection and emergency medical services (the "Agreements"). The respective Agreements set forth the terms under with the City will provide law enforcement services and fire-fighting services to the District in return for payments by the District to the City. The City agrees to provide the District with the services of one or more peace officers for routine patrols on an as-needed basis for patrol, traffic, criminal investigation and all resources and equipment at the same level and to the same degree as are provided to the citizens of the City and provide the District with all of the customary and usual services of a fire department, including fire suppression, fire prevention, training, safety education, maintenance, communications, medical emergency services, photography and administration. The District recorded expenditures of $745,003 for these services during the current fiscal year.

NOTE 13. NEW ACCOUNTING GUIDANCE IMPLEMENTATION GASB 94

In accordance with the requirements of Governmental Accounting Standards Board Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which the District was required to implement in the current fiscal year, certain assets conveyed to the City in prior years are now required to be classified as capital assets of the District. These assets will be depreciated over the estimated useful lives of the assets.

NOTE 14. BOND SALES

On September 11, 2024, the District closed on the sale of $6,715,000 of Unlimited Tax Road Bonds, Series 2024. Proceeds from the bonds were used to reimburse the Developer for construction, engineering, and land right-of-way costs for paving facilities for Lakehaven Boulevard, Phase 1 and Lakehaven, Phases 2 and 3. Additional proceeds were used to fund capitalized interest and to pay for issuance costs of the bonds.

On October 10, 2024, the District closed on the sale of $5,855,000 of Unlimited Tax Utility Bonds, Series 2024. Proceeds from the bonds were used to reimburse the Developer for construction and engineering costs for water, wastewater, and drainage facilities for Lakehaven Boulevard and Phase 1 and Lakehaven, Phase 2. Additional proceeds were used to reimburse operating advances, fund capitalized interest and to pay for issuance costs of the bonds.

NOTE 15. SUBSEQUENT EVENTS – BOND SALES

On September 10, 2025, subsequent to year end, the District closed on the sale of $6,320,000 of Unlimited Tax Road Bonds, Series 2025. Proceeds from the bonds were used to reimburse the Developer for construction, engineering, and land right-of-way costs for paving facilities for Lakehaven, Phase 1, 2 and 4. Additional proceeds will be used to fund capitalized interest and pay for issuance costs of the bonds.

On September 10, 2025, subsequent to year end, the District closed on the sale of $3,250,000 of Unlimited Tax Utility Bonds, Series 2025. Proceeds from the bonds were used to reimburse the Developer for construction and engineering costs for water, wastewater, and drainage facilities and land costs for Lakehaven Boulevard and Phase 1, Lakehaven, Phase 2 and the Lakehaven Wastewater Treatment Plant, Phase 1. Additional proceeds will be used to reimburse operating advances, fund capitalized interest and pay for issuance costs of the bonds.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2025

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 865,830	$ 983,173	$ 1,032,730	$ 49,557
Investment and Miscellaneous Revenues	720	558	13,637	13,079
TOTAL REVENUES	$ 866,550	$ 983,731	$ 1,046,367	$ 62,636
EXPENDITURES				
Service Operations:				
Professional Fees	$ 114,650	$ 180,646	$ 204,583	$ (23,937)
Contracted Services	550,010	877,157	767,364	109,793
Other	12,958	17,760	17,686	74
TOTAL EXPENDITURES	$ 677,618	$ 1,075,563	$ 989,633	$ 85,930
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 188,932	$ (91,832)	$ 56,734	$ 148,566
OTHER FINANCING SOURCES				
Transfers In	$	$	$ 64,298	$ 64,298
Developer Advances	246,320	326,555	326,555	
TOTAL OTHER FINANCING SOURCES	$ 246,320	$ 326,555	$ 390,853	$ 64,298
NET CHANGE IN FUND BALANCE	$ 435,252	$ 234,723	$ 447,587	$ 212,864
FUND BALANCE(DEFICIT) - JULY 1, 2024	(120,277)	(120,277)	(120,277)	
FUND BALANCE - JUNE 30, 2025	$ 314,975	$ 114,446	$ 327,310	$ 212,864

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY

SUPPLEMENTARY INFORMATION – REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

JUNE 30, 2025

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
SERVICES AND RATES
FOR THE YEAR ENDED JUNE 30, 2025

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

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

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

N/A Other (specify):

2. RETAIL SERVICE PROVIDERS: (Not Applicable)

3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Not Applicable)

4. STANDBY FEES (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes __ No X

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

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
SERVICES AND RATES
FOR THE YEAR ENDED JUNE 30, 2025

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes X No _____

County in which District is located:

Collin County, Texas

Is the District located within a city?

Entirely _____ Partly _____ Not at all X

Is the District located within a City's extra territorial jurisdiction (ETJ):

Entirely X Partly _____ Not at all _____

ETJ in which District is located:

City of Farmersville, Texas.

Are Board Members appointed by an office outside the District?

Yes _____ No X

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2025

PROFESSIONAL FEES:		
Auditing	$	11,400
Engineering		17,609
Legal		175,574
TOTAL PROFESSIONAL FEES	$	204,583
CONTRACTED SERVICES:		
Bookkeeping	$	22,361
Emergency Services		745,003
TOTAL CONTRACTED SERVICES	$	767,364
ADMINISTRATIVE EXPENDITURES:		
Director Fees, Including Payroll Taxes	$	11,998
Insurance		4,045
Office Supplies and Postage		363
Travel, Training and Meetings		1,280
TOTAL ADMINISTRATIVE EXPENDITURES	$	17,686
TOTAL EXPENDITURES	$	989,633

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
INVESTMENTS
JUNE 30, 2025

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
GENERAL FUND					
LOGIC	XXXX9001	Varies	Daily	$ 484,900	$ -0-
DEBT SERVICE FUND					
LOGIC	XXXX9002	Varies	Daily	$ 585,918	$ -0-
CAPITAL PROJECTS FUND					
LOGIC	XXXX9003	Varies	Daily	$ 303,409	$ -0-
TOTAL - ALL FUNDS				$ 1,374,227	$ -0-

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2025

	Maintenance Taxes	
TAXES RECEIVABLE - JULY 1, 2024	$ -0-	
Adjustments to Beginning Balance	53,415	$ 53,415
Original 2024 Tax Levy	$ 1,004,036	
Adjustment to 2024 Tax Levy	(6,374)	997,662
TOTAL TO BE ACCOUNTED FOR		$ 1,051,077
TAX COLLECTIONS:		
Prior Years	$ 53,415	
Current Year	979,315	1,032,730
TAXES RECEIVABLE - JUNE 30, 2025		$ 18,347
TAXES RECEIVABLE BY YEAR:		
2024		$ 18,347

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2025

	2024	2023	2022
PROPERTY VALUATIONS:			
Land	$ 58,669,258	$ 18,075,965	$ 15,351,165
Improvements	35,560,690		
Personal Property	230,702		
Exemptions	(11,322,093)	(11,548,229)	(13,077,235)
TOTAL PROPERTY VALUATIONS	$ 83,138,557	$ 6,527,736	$ 2,273,930
TAX RATES PER $100 VALUATION:			
Maintenance	$ 1.20	$ 1.20	$ 1.20
ADJUSTED TAX LEVY*	$ 997,662	$ 78,333	$ 27,287
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	98.16 %	100.00 %	100.00 %

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

Maintenance Tax – A rate not to exceed $1.20 per $100 of assessed valuation approved by voters on May 1, 2021.

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
LONG-TERM DEBT SERVICE REQUIREMENTS
JUNE 30, 2025

	SERIES-2024 ROAD		
Due During Fiscal Years Ending June 30	Principal Due September 1	Interest Due September 1/ March 1	Total
2026	$	$ 292,219	$ 292,219
2027	155,000	287,181	442,181
2028	165,000	276,781	441,781
2029	170,000	265,894	435,894
2030	180,000	254,519	434,519
2031	190,000	242,494	432,494
2032	195,000	232,419	427,419
2033	205,000	224,419	429,419
2034	215,000	216,019	431,019
2035	225,000	207,219	432,219
2036	235,000	198,019	433,019
2037	250,000	188,319	438,319
2038	260,000	178,119	438,119
2039	270,000	167,519	437,519
2040	285,000	156,419	441,419
2041	300,000	144,719	444,719
2042	315,000	132,419	447,419
2043	325,000	119,619	444,619
2044	345,000	106,219	451,219
2045	360,000	92,119	452,119
2046	375,000	77,418	452,418
2047	395,000	61,771	456,771
2048	415,000	45,065	460,065
2049	430,000	27,637	457,637
2050	455,000	9,383	464,383
	$ 6,715,000	$ 4,203,928	$ 10,918,928

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
LONG-TERM DEBT SERVICE REQUIREMENTS
JUNE 30, 2025

	SERIES-2024 UTILITY		
Due During Fiscal Years Ending June 30	Principal Due September 1	Interest Due September 1/ March 1	Total
2026	$	$ 244,600	$ 244,600
2027	140,000	240,400	380,400
2028	145,000	231,850	376,850
2029	155,000	222,850	377,850
2030	160,000	214,200	374,200
2031	165,000	206,900	371,900
2032	175,000	200,100	375,100
2033	185,000	192,900	377,900
2034	190,000	185,400	375,400
2035	200,000	177,600	377,600
2036	210,000	169,400	379,400
2037	220,000	160,800	380,800
2038	225,000	151,900	376,900
2039	240,000	142,600	382,600
2040	250,000	132,800	382,800
2041	260,000	122,600	382,600
2042	270,000	112,000	382,000
2043	285,000	100,900	385,900
2044	295,000	89,300	384,300
2045	310,000	77,200	387,200
2046	325,000	64,500	389,500
2047	340,000	51,200	391,200
2048	355,000	37,300	392,300
2049	370,000	22,800	392,800
2050	385,000	7,700	392,700
	$ 5,855,000	$ 3,559,800	$ 9,414,800

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
LONG-TERM DEBT SERVICE REQUIREMENTS
JUNE 30, 2025

Due During Fiscal Years Ending June 30	ANNUAL REQUIREMENTS FOR ALL SERIES		
	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2026	$	$ 536,819	$ 536,819
2027	295,000	527,581	822,581
2028	310,000	508,631	818,631
2029	325,000	488,744	813,744
2030	340,000	468,719	808,719
2031	355,000	449,394	804,394
2032	370,000	432,519	802,519
2033	390,000	417,319	807,319
2034	405,000	401,419	806,419
2035	425,000	384,819	809,819
2036	445,000	367,419	812,419
2037	470,000	349,119	819,119
2038	485,000	330,019	815,019
2039	510,000	310,119	820,119
2040	535,000	289,219	824,219
2041	560,000	267,319	827,319
2042	585,000	244,419	829,419
2043	610,000	220,519	830,519
2044	640,000	195,519	835,519
2045	670,000	169,319	839,319
2046	700,000	141,918	841,918
2047	735,000	112,971	847,971
2048	770,000	82,365	852,365
2049	800,000	50,437	850,437
2050	840,000	17,083	857,083
	$ 12,570,000	$ 7,763,728	$ 20,333,728

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
CHANGES IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED JUNE 30, 2025

Description	Original Bonds Issued	Bonds Outstanding July 1, 2024
Lakehaven Municipal Utility District of Collin County Unlimited Tax Road Bonds - Series 2024	$ 6,715,000	$
Lakehaven Municipal Utility District of Collin County Unlimited Tax Utility Bonds - Series 2024	5,855,000	
	$ 12,570,000	$ -0-

Bond Authority:	Utility Bonds	Road Bonds	Utility Refunding Bonds
Amount Authorized by Voters	$ 180,000,000	$ 94,500,000	$ 270,000,000
Amount Issued	5,855,000	6,715,000	
Remaining to be Issued	$ 174,145,000	$ 87,785,000	$ 270,000,000

Debt Service Fund cash, investments and cash with paying agent balances as of June 30, 2025:	$ 586,918
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 813,349

See Note 3 for interest rate, interest payment dates and maturity dates.

See accompanying independent auditor's report.

Current Year Transactions				
	Retirements		Bonds Outstanding June 30, 2025	Paying Agent
Bonds Sold	Principal	Interest		
$ 6,715,000	$	$ 137,992	$ 6,715,000	Regions Bank Houston, Texas
5,855,000		95,802	$ 5,855,000	Regions Bank Houston, Texas
$ 12,570,000	$ -0-	$ 233,794	$ 12,570,000	

Road Refunding Bonds
$ 141,750,000
$ 141,750,000

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND – THREE YEARS

	Amounts	
	2025	2024
REVENUES		
Property Taxes	$ 1,032,730	$ 144,612
Investment and Miscellaneous Revenues	13,637	1,196
TOTAL REVENUES	$ 1,046,367	$ 145,808
EXPENDITURES		
Professional Fees	$ 204,583	$ 197,948
Contracted Services	767,364	133,959
Other	17,686	12,320
TOTAL EXPENDITURES	$ 989,633	$ 344,227
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 56,734	$ (198,419)
OTHER FINANCING SOURCES		
Transfers In (Out)	$ 64,298	$ -0-
Developer Advances	326,555	92,215
TOTAL OTHER FINANCING SOURCES	$ 390,853	$ 92,215
NET CHANGE IN FUND BALANCE	$ 447,587	$ (106,204)
BEGINNING FUND BALANCE	(120,277)	(14,073)
ENDING FUND BALANCE	$ 327,310	$ (120,277)

See accompanying independent auditor's report.

2023	Percentage of Total Revenues 2025		2024		2023	
$ 27,287	98.7	%	99.2	%	99.5	%
138	1.3		0.8		0.5	
$ 27,425	100.0	%	100.0	%	100.0	%
$ 71,762	19.6	%	135.8	%	261.7	%
12,173	73.3		91.9		44.4	
12,870	1.7		8.4		46.9	
$ 96,805	94.6	%	236.1	%	353.0	%
$ (69,380)	5.4	%	(136.1)	%	(253.0)	%
$ -0-						
63,133						
$ 63,133						
$ (6,247)						
(7,826)						
$ (14,073)						

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND – THREE YEARS

	Amounts	
	2025	2024
REVENUES		
Property Taxes	$	$
Penalty and Interest		
Investment and Miscellaneous Revenues	24,583	
TOTAL REVENUES	$ 24,583	$ -0-
EXPENDITURES		
Tax Collection Expenditures	$ 9,099	$
Debt Service Interest and Fees	233,794	
TOTAL EXPENDITURES	$ 242,893	$ - 0 -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (218,310)	$ -0-
OTHER FINANCING SOURCES		
Long-Term Debt Issued	$ 805,228	$ -0-
NET CHANGE IN FUND BALANCE	$ 586,918	$ -0-
BEGINNING FUND BALANCE		
ENDING FUND BALANCE	$ 586,918	$ -0-
TOTAL ACTIVE RETAIL WATER CONNECTIONS	N/A	N/A
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	N/A	N/A

See accompanying independent auditor's report.

	Percentage of Total Revenues			
2023	2025	2024	2023	
$	%	%	%	
	100.0			
$ -0-	100.0 %	N/A %	N/A %	
$	37.0 %	%	%	
	951.0			
$ - 0 -	988.0 %	N/A %	N/A %	
$ -0-	(888.0) %	N/A %	N/A %	
$ -0-				
$ -0-				
$ -0-				
N/A				
N/A				

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
JUNE 30, 2025

District Mailing Address - Lakehaven Municipal Utility District of Collin County
c/o Winstead PC
2728 N. Harwood Street, Suite 500
Dallas, TX 75201

District Telephone Number - (214) 745-5400

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended June 30, 2025	Expense Reimbursements for the year ended June 30, 2025	Title
Dean Dumke	05/22 05/26 (Elected)	$ 2,510	$ 528	President
Andrew Prine	05/22 - 05/26 (Elected)	$ 2,139	$ 50	Vice President
Guymon Phillips	04/22 05/26 (Appointed)	$ 1,918	$ 150	Secretary
Stephen Pepper	05/24 05/28 (Elected)	$ 2,289	$ 362	Assistant Secretary
Daniella Giglio	05/24 05/28 (Elected)	$ 2,289	$ 189	Assistant Secretary

Note: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developer or with any of the District's consultants.

Submission date of most recent District Registration Form: June 13, 2024

The limit on Fees of Office that a Director may receive during a fiscal year is $7,200. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

LAKEHAVEN MUNICIPAL UTILITY DISTRICT OF COLLIN COUNTY
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
JUNE 30, 2025

Consultants:	Date Hired	Fees for the year ended June 30, 2025	Title
Winstead PC	07/01/21	$ 173,275 $ 328,820	General Counsel Bond Related
McCall Gibson Swedlund Barfoot Ellis PLLC	09/13/23	$ 11,000 $ 31,900	Auditor Bond Related
Dye & Tovery, LLC	08/10/22	$ 22,361	Bookkeeper
Robert W. Baird & Co.	10/30/19	$ 260,304	Financial Advisor
Kimley-Horn & Associates, Inc.	06/30/21	$ 17,609 $ 85,583	Engineer Bond Related
Kathi Dye		$ -0-	Investment Officer
Collin County Tax Assessor-Collector	05/23/22	$ 2,342	Tax Assessor/ Collector

See accompanying independent auditor's report.