

WILSON CREEK MEADOWS
PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/22-8/31/23)

As Approved by City Council on:
December 13, 2022

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

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I. INTRODUCTION

The Wilson Creek Meadows Public Improvement District (the “PID”) was created pursuant to the PID act and a resolution of the City Council (the “City Council”) of the City of Celina, (the “City”) on July 9, 2019 to finance certain public improvement projects for the benefit of the property in the PID.

Reimbursement obligations for the PID Reimbursement Agreement in the aggregate principal amount of \$12,864,000 are secured by Assessments (the “Assessments”).

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the City identifying the Authorized Improvements to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to the PID Act, the Service and Assessment Plan must be reviewed and updated annually. This document is the annual update of the Service and Assessment Plan for 2022-23 (the “Annual Service Plan Update”).

The City also adopted Assessment Rolls identifying the assessments on each Parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Roll for 2022-23.

The Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things, (i) all Service and Assessment Plans and Annual Service Plan Updates be approved through City ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days and (ii) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the “PID Assessment Notice”) as disclosure of the obligation to pay PID Assessments. In light of these amendments to the PID Act, this Annual Service Plan Update includes a copy of the PID Assessment Notice as Appendix D and copy of this Annual Service Plan Update will be filed with the county clerk in each county in which all or a part of the PID is located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

Section 372.013 of the PID Act, as amended, stipulates that a person who proposes to sell or otherwise convey real property that is located in the PID, except in certain situation described in the PID Act, shall first give to the purchaser of the property a copy of the completed PID Assessment Notice. The PID Assessment Notice shall be given to a prospective purchase before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller provided the required notice, the purchaser, subject to certain exceptions described in the PID act, is entitled to terminate the contract.

The PID Assessment Notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located at the closing of the purchase and sale of the property

Capitalized terms in this section not defined herein shall have the meanings assigned to such terms in the Amended and Restated Service and Assessment Plan.

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II. UPDATE OF THE SERVICE PLAN

A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

Estimated Sources and Uses

Pursuant to the original Service and Assessment Plan adopted on October 12, 2021, the updated initial total estimated costs of the Improvement Area #1 (including bond issuance related costs) were equal to \$13,386,070. According to information provided by the Developer in April 2022, the actual costs of the Improvement Area #1 spent to date are equal to \$6,143,840.

Table II-A below summarizes the estimated sources and uses of funds required to construct the Authorized Improvements. As of April 2022, the Developer reported that there were no updates to be reported.

Table II-A
Estimated Sources and Uses – Improvement Area #1

Sources of Funds	Authorized Improvements (PID)¹	Budget Revisions²	Updated Budget²	Spent To Date²	Total Amount Left to Spend
Assessment	\$12,864,000	\$0	\$12,864,000	\$6,143,840	\$6,720,160
Other funding sources	\$522,070	\$0	\$522,070	\$0	\$522,070
Total Sources	\$13,386,070	\$0	\$13,386,070	\$6,143,840	\$7,242,230
Uses of Funds					
<i>Improvement Area #1</i>					
<i>Improvements:</i>					
Roadway Improvements	\$4,206,370	\$0	\$4,206,370	\$2,170,252	\$2,036,117
Water Improvements	\$1,912,376	\$0	\$1,912,376	\$1,102,739	\$809,637
Sanitary Sewer Improvements	\$1,586,765	\$0	\$1,586,765	\$751,987	\$834,779
Storm Drainage Improvements	\$2,286,587	\$0	\$2,286,587	\$1,420,922	\$865,665
Other Soft and Miscellaneous Costs	\$3,393,972	\$0	\$3,393,972	\$697,940	\$2,696,033
<i>Sub-total</i>	<i>\$13,386,070</i>	<i>\$0</i>	<i>\$13,386,070</i>	<i>\$6,143,840</i>	<i>\$7,242,230</i>
Total Uses	\$13,386,070	\$0	\$13,386,070	\$6,143,840	\$7,242,230

1- According to the Service and Assessment Plan approved by the City Council on October 12, 2021.

2- According to information provided by the Developer in April of 2022.

Cost Variances

As shown in Table II-A above, there are no significant variances for the Authorized Improvement costs.

B. FIVE YEAR SERVICE PLAN

According to the PID act, a service plan must cover a period of five years.

The Annual Installments expected to be collected during the next five years is shown in Table II-B below.

Table II-B
Annual Projected Costs and Annual Projected Indebtedness

Year Ending 9/1	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds	Projected Improvement Area #1 Annual Installments ¹
2022	\$13,386,070	\$12,864,000	\$522,070	\$0
2023	\$0	\$0	\$0	\$0
2024	\$0	\$0	\$0	\$812,845
2025	\$0	\$0	\$0	\$812,845
2026	\$0	\$0	\$0	\$812,845
2027	\$0	\$0	\$0	\$812,845
2028	\$0	\$0	\$0	\$812,845
Total	\$13,386,070	\$12,864,000	\$522,070	\$3,251,380

1- Assessment years ending 2022 and 2023 reflect actual annual installments. Assessment years ending 2024-2028 reflect projected annual installments and are subject to change.

C. STATUS OF DEVELOPMENT

According to the original Service and Assessment Plan dated October 12, 2021, there are 652 units expected to be built within the PID. As of June 30, 2022, Wilson Creek Meadows Phase #1 and Phase #2 have been platted according to the Collin Central Appraisal District (the “CCAD”). See Table II-C below for the plat information.

Table II-C
Completed Homes

Development Phase	Plat Filed ¹	Number of Residential Lots ¹
Wilson Creek Meadows Phase #1	10/14/2021	124
Wilson Creek Meadows Phase #2	11/12/2021	104
Total		228

1 – According to CCAD online records as of July 2022.

According to the City, 68 building permits have been issued for the PID as of June 30, 2022, representing 10.4 percent of the total building permits expected to be issued within the PID.

See Table II-D below for the status of completed homes within the PID based on certificate of occupancy issuances.

Table II-D
Completed Homes

Status	Cumulative as of September 30, 2020	Cumulative as of September 30, 2021	Cumulative as of June 30, 2022
Homes completed ¹	0	0	1

¹ – Homes completed are based on certificate of occupancy issuances as reported by the City as of June 30, 2022.

D. ANNUAL BUDGET

Annual Installments – 2022-23

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the satisfaction of the Annual Installment commencement conditions.

Pursuant to the Service and Assessment Plan, each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. Collection of the initial Annual Installments relating to the Authorized Improvements that benefit the Assessed Property will be due when billed and will be delinquent if not paid prior to the first February 1 following the earlier of (i) the recording of a final subdivision plat in the official public records of the County for the Assessed Property, (ii) upon issuance of Bonds, or (iii) the second anniversary of the date of levy of the Assessment.

As of June 30, 2022, none of the above stated conditions have occurred. As a result, there are no Annual Installments to be billed and due on January 31, 2023.

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III. UPDATE OF THE ASSESSMENT PLAN

The Service and Assessment Plan adopted by the City Council provided that the Authorized Improvement Costs shall be allocated to the Assessed Property equally on the basis of the number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement Costs to Parcels similarly benefited.

This method of assessing property has not been changed and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

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IV. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the original Service and Assessment Plan, the Assessment Rolls shall be updated each year to reflect:

(i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act;(iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.G of this Service and Assessment Plan.

The summary of updated Assessment Rolls are shown in Appendix C-1 of this report. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

A. PARCEL UPDATES

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated number of Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of Equivalent Units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of Equivalent Units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

B. PREPAYMENT OF ASSESSMENTS

There have been no Assessment prepayments as of July 31, 2022.

The complete Assessment Rolls are available for review at the City Hall, located at 142 N. Ohio, Celina, Texas 75009.

APPENDIX A
PID MAP

APPENDIX B
PREPAID PARCELS

As of July 31, 2022, there have been no prepayment of Assessments for any Parcel within the PID.

APPENDIX C
ASSESSMENT ROLL

Appendix C-1
Proposed Improvement Area #1 Assessment Roll

Parcel	All Parcels
Equivalent Units	404.90
Assessment	\$12,864,000

Year ¹	Principal	Interest ²	Administrative Expenses ³	Total Annual Installment
1	\$247,000	\$514,560	\$51,285	\$812,845
2	\$255,000	\$504,680	\$53,165	\$812,845
3	\$264,000	\$494,480	\$54,365	\$812,845
4	\$273,000	\$483,920	\$55,925	\$812,845
5	\$282,000	\$473,000	\$57,845	\$812,845
6	\$292,000	\$461,720	\$59,125	\$812,845
7	\$302,000	\$450,040	\$60,805	\$812,845
8	\$313,000	\$437,960	\$61,885	\$812,845
9	\$324,000	\$425,440	\$63,405	\$812,845
10	\$335,000	\$412,480	\$65,365	\$812,845
11	\$347,000	\$399,080	\$66,765	\$812,845
12	\$360,000	\$385,200	\$67,645	\$812,845
13	\$372,000	\$370,800	\$70,045	\$812,845
14	\$386,000	\$355,920	\$70,925	\$812,845
15	\$400,000	\$340,480	\$72,365	\$812,845
16	\$414,000	\$324,480	\$74,365	\$812,845
17	\$429,000	\$307,920	\$75,925	\$812,845
18	\$445,000	\$290,760	\$77,085	\$812,845
19	\$461,000	\$272,960	\$78,885	\$812,845
20	\$478,000	\$254,520	\$80,325	\$812,845
21	\$496,000	\$235,400	\$81,445	\$812,845
22	\$515,000	\$215,560	\$82,285	\$812,845
23	\$534,000	\$194,960	\$83,885	\$812,845
24	\$554,000	\$173,600	\$85,245	\$812,845
25	\$574,000	\$151,440	\$87,405	\$812,845
26	\$596,000	\$128,480	\$88,365	\$812,845
27	\$618,000	\$104,640	\$90,205	\$812,845
28	\$641,000	\$79,920	\$91,925	\$812,845
29	\$666,000	\$54,280	\$92,565	\$812,845
30	\$691,000	\$27,640	\$94,205	\$812,845
Total	\$12,864,000	\$9,326,320	\$2,195,030	\$24,385,350

APPENDIX D
PID ASSESSMENT NOTICE

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the Wilson Creek Meadows Public Improvement District No. 2 (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City or MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

Date: _____

Signature of Seller

Signature of Seller

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS

§

COUNTY OF _____

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The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas