

Meadows
Transportation Development District

Basic Financial Statements

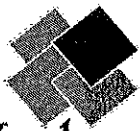
And Management's Discussion and Analysis

For The Year Ended December 31, 2021

Meadows Transportation Development District

Table of Contents
December 31, 2021

	<u>Page</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-7
Governmental Funds Balance Sheet and Statement of Net Position - Cash Basis	8
Governmental Fund Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities - Cash Basis	9
Notes to Financial Statements	10-18
Supplementary Information:	
Statement of Revenues Collected and Expenditures Paid - General Fund - Budget and Actual - Cash Basis	19
Statement of Revenues Collected and Expenditures Paid - Debt Service Fund - Budget and Actual - Cash Basis	20
Statement of Revenues Collected and Expenditures Paid - Project Fund - Budget and Actual - Cash Basis	21
Statement of Revenues Collected and Expenditures Paid - All Funds - Budget and Actual - Cash Basis	22
Compliance Section:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	23-24



Wade Stables P.C.
CERTIFIED PUBLIC ACCOUNTANTS

100 North Sixth Street • P.O. Box 796 • Hannibal, Missouri 63401-0796 • Phone (573) 221-5998 • Fax (573) 221-2044

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Meadows Transportation Development District
Lake St. Louis, Missouri

Opinions

We have audited the accompanying cash basis financial statements of the governmental activities and each major fund of Meadows Transportation Development District as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Meadows Transportation Development 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 cash basis financial position of the governmental activities and each major fund of the Meadows Transportation Development District, as of December 31, 2021, and the respective changes in cash basis financial position for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Meadows Transportation Development 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.

Emphasis of Matter—Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 and *Government 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 and *Government 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 Meadows Transportation Development 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 Meadows Transportation Development 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.

Other Matters

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the management's discussion and analysis and budgetary comparison information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2022, on our consideration of the Meadows Transportation Development District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Meadows Transportation Development District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Meadows Transportation Development District's internal control over financial reporting and compliance.

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

June 3, 2022
Hannibal, Missouri

**Management's Discussion
and Analysis**

Meadows Transportation Development District

Management's Discussion and Analysis

For the Year Ended December 31, 2021

(Unaudited)

The discussion and analysis of Meadows Transportation Development District's financial performance provides an overview and analysis of the District's financial statements for the year ended December 31, 2021. It should be read in conjunction with the accompanying basic financial statements.

Financial Highlights

- The assets of Meadows Transportation Development District exceeded its liabilities at the close of the year ended December 31, 2021 by \$101,863. Of this amount, \$101,854 (unrestricted net position) could be used to meet the District's ongoing obligations to citizens and creditors.
- The assets of Meadows Transportation Development District exceeded its liabilities at the close of the year ended December 31, 2020 by \$85,438. Of this amount, \$85,432 (unrestricted net position) could be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net position increased by \$16,425 for the year ended December 31, 2021. The primary reason for this is because the District received \$424,547 in total revenues and spent \$408,122 on total expenses.
- The District's total net position decreased by \$276,879 for the year ended December 31, 2020. The primary reason for this is because the District received \$438,754 in total revenues and spent \$715,633 on total expenses.
- The District did not issue any additional debt for the year ending December 31, 2021.
- The District issued additional debt of \$593,020 in revenue notes payable for the year ending December 31, 2020.

Using This Special Purpose Framework

The financial statements are presented on a basis of cash receipts and cash disbursements, a basis of accounting other than Generally Accepted Accounting Principles (GAAP). These statements include all assets and liabilities arising from cash transactions; a basis of accounting takes into consideration all of the current year's revenues collected and expenditures paid, but does not include capital assets, amounts due in the future from others, or liabilities payable from future revenues.

Overview of the Financial Statements

The discussion and analysis serves as an introduction to Meadows Transportation Development District's basic financial statements. The District's financial statements are comprised of two components, combined government-wide and fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Combined Government-wide and Fund Financial Statements

Government-wide and Fund financial statements are combined as allowed by the Governmental Accounting Standards Board for special purpose governments. As such, these combined statements show each major fund as well as the primary government as a whole.

Governmental Fund - All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of the funds and the balance left at year-end that is available for spending. The funds are reported using the cash basis of accounting. This measurement focus reports on revenues received and expenditures paid during the period. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Meadows Transportation Development District internally maintains six individual governmental funds, however, to conform with Governmental Accounting Standards, reporting is summarized into three major funds. Information is presented in the Governmental Funds Balance Sheet and Statement of Net Position - Cash Basis, for the General Fund, the Debt Service Fund, and the Project Fund, which are all considered major funds. The General Fund consists of: the Special Trust Fund, the Revenue Fund and the Operating Fund. The Debt Service Fund consists of: the Debt Service Fund and the Debt Service Reserve Fund. The Project Fund consists of: the Project Fund.

Meadows Transportation Development District

Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Notes to Financial Statements

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

The District as a Whole – Government-Wide Financial Analysis

The District's combined net position was \$101,863 as of December 31, 2021.

Table 1
Summary of Net Position
at December 31, 2021 and 2020

	Governmental Activities	
	2021	2020
Current and other assets	\$ 101,863	\$ 85,438
Total Assets	\$ 101,863	\$ 85,438
Net position:		
Restricted	\$ 9	\$ 6
Unrestricted	101,854	85,432
Total Net Position	\$ 101,863	\$ 85,438

Table 2
Changes in Net Position

	Governmental Activities	
	2021	2020
General revenues:		
Taxes	\$ 424,536	\$ 437,627
Interest income	11	1,127
Total revenues	\$ 424,547	\$ 438,754
Expenses:		
General government	\$ 26,960	\$ 29,206
Interest expense	381,162	161,427
Revenue bond principal repayment	-	525,000
Total expenses	\$ 408,122	\$ 715,633
Increase (decrease) in net position	\$ 16,425	\$ (276,879)
Net Position at beginning of year	85,438	362,317
Net Position at end of year	\$ 101,863	\$ 85,438

PROPERTY, PLANT AND EQUIPMENT AND DEBT

Property, Plant and Equipment

During the years ending December 31, 2021 and 2020, the District did not have any capital additions.

Meadows Transportation Development District

Management's Discussion and Analysis

For the Year Ended December 31, 2021

(Unaudited)

Debt

As of the year ended December 31, 2021, the District had paid off the revenue bonds and had \$31,568,112 in revenue notes payable and accrued interest payable. The District did not make any principal payments, but made interest payments of \$381,162 during the year on the revenue bonds and notes payable.

As of the year ended December 31, 2020, the District had paid off the revenue bonds and had \$30,033,825 in revenue notes payable and accrued interest payable. The District made principal payments of \$525,000 and interest payments of \$161,427 during the year on the revenue bonds and notes payable. In addition, the District issued \$593,020 in revenue notes payable in 2020.

General Fund Budgeting Highlights

For the year ended December 31, 2021, actual expenditures on a budgetary basis were \$26,960, compared to the final budgeted amount of \$34,015. The primary reason for the \$7,055 positive variance is the result of the District budgeting too much for trustee fees and legal and professional fees.

For the year ended December 31, 2020, actual expenditures on a budgetary basis were \$29,206, compared to the final budgeted amount of \$31,026. The primary reason for the \$1,820 positive variance is the result of the District budgeting too much for trustee fees.

For the year ended December 31, 2021, actual revenues on a budgetary basis were \$424,544, compared to the final budgeted amount of \$380,020. The primary reason for the \$44,536 positive variance is the result of the District not budgeting enough for TDD sales tax revenues.

For the year ended December 31, 2020, actual revenues on a budgetary basis were \$438,748, compared to the final budgeted amount of \$322,912. The primary reason for the \$117,425 positive variance is the result of the District not budgeting enough for TDD sales tax revenues.

Debt Service Fund Budgeting Highlights

For the year ended December 31, 2021, actual expenditures on a budgetary basis were \$381,162, compared to the final budgeted amount of \$345,500. The reason for the \$35,662 negative variance is the result of the District not budgeting enough for interest expense.

For the year ended December 31, 2020, actual expenditures on a budgetary basis were \$686,427, compared to the final budgeted amount of \$615,000. The reason for the \$71,427 negative variance is the result of the District not budgeting enough for interest expense.

For the year ended December 31, 2021, actual revenues on a budgetary basis were \$3, compared to the final budgeted amount of \$4. The reason for the \$1 negative variance is the result of the District budgeting too much for interest income.

For the year ended December 31, 2020, actual revenues on a budgetary basis were \$6, compared to the final budgeted amount of \$75. The reason for the \$69 negative variance is the result of the District budgeting too much for interest income.

Project Fund Budgeting Highlights

For the year ended December 31, 2021, actual expenditures on a budgetary basis were \$0, compared to the final budgeted amount of \$0.

For the year ended December 31, 2020, actual expenditures on a budgetary basis were \$0, compared to the final budgeted amount of \$0.

Meadows Transportation Development District

Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

For the year ended December 31, 2021, other financing sources and uses on a budgetary basis were \$0, compared to the final budgeted amount of \$0.

For the year ended December 31, 2020, other financing sources and uses on a budgetary basis were \$0, compared to the final budgeted amount of \$0.

Economic Factors and Next Year's Budget

Local, national and international economic factors influence the District's revenues. Positive economic growth correlates with increased revenues from property taxes. Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment, and new construction and assessed valuation. The District has prepared its budget for the next fiscal year considering the economic factors discussed above.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District.

Meadows Transportation Development District

Governmental Funds Balance Sheet and
Statement of Net Position - Cash Basis
December 31, 2021

Assets	General Fund	Debt Service Fund	Project Fund	Total Funds	Adjustments	Statement of Net Position
Cash and equivalents	\$ 101,854	9	-	\$ 101,863	\$ -	\$ 101,863
Total Assets	\$ 101,854	9	-	\$ 101,863	\$ -	\$ 101,863
Liabilities and Fund Balances / Net Position						
Fund Balance:						
Restricted for:						
Debt Service	-	9	-	9	\$ (9)	\$ -
Capital Projects	-	-	-	-	-	-
Unassigned	101,854	-	-	101,854	(101,854)	-
Total Liabilities and Fund Balances	\$ 101,854	9	-	\$ 101,863	\$ (101,863)	\$ -
Net Position:						
Restricted for:						
Debt Service				\$ 9	9	\$ 9
Capital Projects					-	-
Unrestricted				101,854	101,854	101,854
Total Net Position				\$ 101,863	\$ 101,863	\$ 101,863

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

Meadows Transportation Development District

Governmental Fund Revenues, Expenditures, and Changes in Fund Balances and
Statement of Activities - Cash Basis
For the Year Ended December 31, 2021

	General Fund	Debt Service Fund	Project Fund	Total Funds	Adjustments	Statement of Activities
Expenditures/Expenses:						
Trustee fees	\$ 1,350	-	\$ -	\$ 1,350	\$ -	\$ 1,350
Bank fees	300	-	-	300	-	300
Administrative expenses	12,000	-	-	12,000	-	12,000
Insurance expense	1,614	-	-	1,614	-	1,614
Legal and professional fees	8,696	-	-	8,696	-	8,696
Audit fees	3,000	-	-	3,000	-	3,000
Interest expense	-	381,162	-	381,162	-	381,162
Total Expenditures/Expenses	\$ 26,960	\$ 381,162	\$ -	\$ 408,122	\$ -	\$ 408,122
General Revenues:						
TDD sales tax revenues	\$ 424,536	-	\$ -	\$ 424,536	\$ -	\$ 424,536
Interest income	8	3	-	11	-	11
Total General Revenues	\$ 424,544	\$ 3	\$ -	\$ 424,547	\$ -	\$ 424,547
Excess (Deficiency) of Revenues Over Expenditures	\$ 397,584	\$ (381,159)	\$ -	\$ 16,425	\$ -	\$ 16,425
Other Financing Sources (Uses)						
Transfers in	-	381,162	-	381,162	-	381,162
Transfers out	(381,162)	-	-	(381,162)	-	(381,162)
Total Other Financing Sources (Uses)	\$ (381,162)	\$ 381,162	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 16,422	\$ 3	\$ -	\$ 16,425	\$ (16,425)	\$ -
Change in net position					16,425	16,425
Fund balance/net position:						
Beginning of Year	85,432	6	-	85,438	-	85,438
End of Year	\$ 101,854	\$ 9	\$ -	\$ 101,863	\$ -	\$ 101,863

Meadows Transportation Development District

Notes to Financial Statements
For the Year Ended December 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

On January 4, 2007, the Circuit Court of the County of St. Louis entered a Judgment and Order Organizing a Transportation Development District which established Meadows Transportation Development District (the "District") as a political subdivision of the State of Missouri under the Missouri Transportation Development District Act, Sections 238.200 to 238.275 of the Revised Statutes of Missouri, as amended (the "TDD Act").

The District is governed by a Board of Directors and is operated for the purpose of financing the Transportation Project. The Transportation Project includes the following improvements: (a) Technology Drive Roadway construction including widening to include two 11-foot lanes in each direction, illumination, landscaped and irrigated median of varying width, curb and gutter, stormwater management construction; installation of an 8-foot concrete sidewalk/bike path with landscape buffer on the east side of Technology Drive; one new signalized intersection and reprogramming of existing signal at Technology Drive and Lake Saint Louis Blvd.; all of aforementioned work to extend from Technology Drive's intersection with Lake Saint Louis Blvd. to the southeast edge of Meadows property; additionally, the project will include the replacement of sidewalks on the west side of Technology Drive that are affected by the widening of Technology Drive, such replacements shall be five feet in width; (b) Project Entrances Roadway construction; curb and gutter, stormwater management, sidewalks, lighting, landscaping, irrigation and street lights; this project will include four entrances; the location leading into the main east-west interior crossroad will include traffic signalization; (c) Cross Roads and Circle Drive Roadway and adjacent angled parking construction; sidewalk, curb and gutter installation, stormwater management, lighting, street lighting, landscaping, irrigation and amenities; (d) Ring Road Roadway construction to include one 30-foot road, curb and gutter installation, stormwater management, street lighting, installation of various sidewalks linking all areas of Meadows, landscaping and irrigation; (e) Center Plaza construction of public space including clock tower, lighting, landscaping and irrigation, decorative pavement and amenities; (f) the Technology Drive Phase 2 improvements including the improvement and extension of Technology Drive, including, but not limited to, the widening of Technology Drive to five lanes of roadway from the construction limits at the southeast property line of Meadows to Technology Drive to five lanes of roadway from the construction limits at the southeast property accompanying grading, drainage, pavement, curb, gutter, sidewalk, stormwater facilities, structures (including any architectural treatments related thereto), signing, striping, lighting, traffic signals, landscaping or other similar or related infrastructure or improvement in connection with items (a) through (f) above. The approximate location of the Transportation Project is as follows: north side of Technology Drive, south of Lake St. Louis Blvd. and east of U.S. Interstate 40, all within the City of Lake Saint Louis, Missouri.

On August 19, 2008, The District authorized the District to fund or develop the "Additional Transportation Project" which consists of the construction and equipping of a two level parking garage together with the accompanying grading, drainage, pavement, curb, gutter, sidewalk, storm water facilities, structures, signing, striping, lighting, traffic signals, landscaping or other similar or related infrastructure or improvements in connection with such parking garage.

On March 9, 2017, the District passed Resolution 17-003 accepting and approving a petition removing approximately 8.0 acres of vacant land from the boundaries of the District owned by Ravid Lake St. Louis II LLC. The property will not materially affect any obligations of the District, since the Property is currently vacant and is not reasonably likely to be developed as commercial property that would generate TDD Sales Tax revenues in the foreseeable future and since the Property – if developed as the Residential Development – will otherwise result in providing housing for resident who may patronize the existing retailers within the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

Meadows Transportation Development District

Notes to Financial Statements For the Year Ended December 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below.

A) BASIS OF PRESENTATION

Special-purpose governments engaged in a single governmental program and having no component units may present financial statements as combining fund financial statements with government-wide statements. This is illustrated on the Governmental Funds Balance Sheet and Statement of Net Position - Cash Basis and Governmental Fund Revenues, Expenditures and Changes in Fund Balances and Statement of Activities - Cash Basis.

In the fund financial statements, financial transactions and accounts of the District are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The fund statements are also presented on a cash basis of accounting. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

Governmental Funds

General Fund – The District internally maintains three separate funds that make up the General Fund, as follows:

Special Trust Fund – The Special Trust Fund is the account into which TDD Revenues or the City Sales Tax Revenues are being deposited, which shall not include any amount that is the subject of a suit or other claim communicated to the City or the District, which suit or claim challenges the collection of such sum.

Revenue Fund – (a) The District hereby ratifies and confirms the establishment of the Special Trust Fund, which has been established by the District in the treasury of the District. The District agrees to pay, on or before the fifteenth (15th) calendar day of each month (or the next Business Day thereafter if the fifteenth (15th) day is not a Business Day) to the Trustee for deposit in the Revenue Fund, all Net Proceeds to the extent appropriated by the District for such purpose.

The foregoing provisions shall not be construed to impose any legal obligation on the District to appropriate moneys for the payment of the Bonds. The Trustee shall notify the District and the Purchaser if the Trustee has not received such funds on or before the twenty-second (22nd) calendar day of each month (or the next Business Day thereafter if the twenty-second (22nd) calendar day is not a Business Day).

(b) If and to the extent the Trustee receives City Sales Tax Revenues, such moneys shall be deposited into the City Revenue Account of the Revenue Fund. The District shall promptly notify the Trustee in writing of the occurrence of any Default (as defined in the Development Agreement) or other event that would cause the City's obligation to provide City Sales Tax Revenues to cease and/or to be subsequently reinstated pursuant to the terms of the Development Agreement.

(c) On the fortieth (40th) day (except as otherwise provided below) prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) moneys in the Revenue Fund shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows, drawing first from the TDD Revenue Account and, unless the Trustee has received written notice from the District pursuant to paragraph (b) above, drawing second from the City Revenue Account (but City Sales Tax

Meadows Transportation Development District

Notes to Financial Statements
For the Year Ended December 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION (CONTINUED)

Revenues shall be used only to make payments in paragraphs *Fourth*, *Fifth*, *Sixth*, *Seventh* and *Eighth* below):

First, to the United States of America, an amount sufficient to pay any arbitrage rebate owed pursuant to Section 148 of the Code, as directed in writing by the District in accordance with the Tax Compliance Agreement;

Second, to the Trustee or any Paying Agent, an amount sufficient for payment of fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the District of an invoice for such amounts (not to exceed \$1,500 semiannually);

Third, to the Operating Fund, one-half of the Annual Operating Fund Deposit;

Fourth, transfer to the Bond Payment Account of the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Bonds;

Fifth, transfer to the Bond Payment Account of the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Bonds on such Payment Date;

Sixth, transfer to the Bond Payment Account of the Debt Service Fund an amount sufficient to pay the scheduled principal due on the Bonds by their terms (whether at maturity or due to redemption) on the next succeeding Payment Date;

Seventh, to the Subordinate Note Trustee, an amount sufficient for payment of fees and expenses which are due and owing to the Subordinate Note Trustee, upon delivery to the District of an invoice for such amounts (provided, however, that payments to the Subordinate Note Trustee may not exceed \$2,400 in any calendar year);

Eighth, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment on the Bonds that is subject to redemption on such Payment Date pursuant to Section 302(b) hereof.

(d) Upon the payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under this Indenture, the District directs that (i) all amounts remaining on deposit in the Revenue Fund shall be paid to the Subordinate Note Trustee for deposit under the Subordinate Note Indenture, provided that if no Subordinate Notes are then outstanding, all amounts remaining on deposit in the Revenue Fund shall be paid to the District for deposit into the Transportation Development District Sales Tax Trust Fund, and (ii) all amounts remaining on deposit in the City Revenue Account of the Revenue Fund shall be promptly paid to the City.

Operating Fund - Money in the Operating Fund shall be disbursed by the Trustee from time to time upon receipt of a written request of the Authorized District Representative to pay costs of operating the District; maintaining the Project; paying the principal of or interest on the Bonds or any other lawful purpose of the District.

The District represents that there is no reasonable expectation that payments of principal or interest on the Bonds will be paid out of funds held in the Operating Fund.

Meadows Transportation Development District

Notes to Financial Statements For the Year Ended December 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION (CONCLUDED)

Debt Service Fund – (a) Except as otherwise provided herein, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof.

(b) The District hereby authorizes and directs the Trustee to withdraw sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Bonds.

(c) The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by Article III hereof, so long as said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the District, signed by the Authorized District Representative, shall use moneys in the Redemption Account of the Debt Service Fund on a best efforts basis for the purchase of Bonds in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

(d) After payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture, the District directs that all amounts remaining in the Debt Service Fund shall be paid to the Subordinate Note Trustee for deposit under the Subordinate Note Indenture; provided, that if no Subordinate Notes are then outstanding, all amounts remaining on deposit in the Debt Service Fund shall be paid to the District for deposit into the Transportation Development District Sales Tax Trust Fund.

Project Fund – (a) On the date of closing for the Bonds the amount of \$1,235,503.74 shall be transferred by the Trustee, without further authorization, to the Series 2010 Bond Trustee under the Series 2010 Bond Indenture to be used to refund the Series 2010 Bonds. Any money remaining on deposit in the Refunding Account of the Project Fund when the portion of the Series 2010 Bonds refunded with the proceeds of the Series 2018 Bonds is completed shall be deposited into the Redemption Account of the Debt Service Fund and shall be used to redeem Bonds pursuant to Section 302(b)(1) on the earliest possible date.

(b) Moneys in the Cost of Issuance Account of the Project Fund shall be disbursed, from time to time by the Trustee, upon receipt of a written request of the District signed by the Authorized District Representative, and containing the statements, representations and certifications set forth in the form of such request attached as Exhibit C hereto and otherwise substantially in such form, for the sole purpose of paying costs of issuance of the Bonds. Any moneys remaining in the Cost of Issuance Account of the Project Fund on May 4, 2018 shall be deposited, without further authorization, into the Redemption Account of the Debt Service Fund and used as provided herein.

(c) In making payments and disbursements pursuant to this Section, the Trustee may conclusively rely upon the written requests and accompanying certificates and statements. The Trustee is not required to make any independent investigation in connection with the matters set forth in the written requests. The approval of each disbursement request by an Authorized District Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Cost of Issuance Account and the Project Account have been completed.

Meadows Transportation Development District

Notes to Financial Statements For the Year Ended December 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B) BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Government-wide financial statements and Fund Financial Statements are prepared using the cash basis of accounting, a special purpose framework. Under the cash basis, revenues are recognized when received rather than when earned and expenditures are recognized when cash is disbursed rather than when the obligation is incurred.

C) BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) In accordance with Section 67 of the Missouri Revised Statutes, the budget officer, as designated by the District, prepares and adopts an annual budget which represents the complete financial plan for the ensuing budget year. The budget includes at least the following information:
 - a) A budget message describing the important features of the budget and major changes from the preceding year;
 - b) Estimated revenues to be collected from all sources for the budget year, with a comparative statement of actual or estimated revenues for the two years next preceding, itemized by year, fund, activity and object;
 - c) The amount required for the payment of interest, amortization, and redemption charges on the debt of the District;
 - d) A general budget summary.
- 2) In no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
- 3) The District may revise, alter, increase or decrease the items in the proposed budget, subject to such limitations as may be provided by law provided, that in no event, shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
- 4) The District shall, before the beginning of the fiscal year, approve the budget and approve or adopt such orders, motions, resolutions or ordinances as may be required to authorize the budgeted expenditures and produce the revenues in the budget.
- 5) After the District has approved the budget and approved or adopted the orders, motions, resolutions or ordinances required to authorize the expenditures proposed in the budget, the District shall not increase the total amount authorized for expenditure from any fund, unless the District Board adopts a resolution setting forth the facts and reasons making the increase necessary and approves or adopts an order, motion resolution or ordinance to authorize the expenditures.

The 2021 budget was approved at the regularly scheduled Board of Directors' meeting. Annual budgets are prepared and adopted by fund on a basis consistent with the cash basis of accounting for the major individual governmental funds. All annual appropriations lapse at fiscal year end.

Meadows Transportation Development District

Notes to Financial Statements
For the Year Ended December 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

D) CAPITAL ASSETS AND LONG-TERM LIABILITIES

In accordance with the cash basis of accounting, the government-wide and fund financial statements report capital asset additions as expenditures when cash is expended and debt proceeds are shown as other financing sources when cash is received. Debt principal payments are shown as expenditures when payments are made. Capital assets and long term liabilities are not maintained on these financial statements but long term debt is disclosed later in these notes to the financial statements.

E) FUND BALANCE AND NET POSITION

Net Position represents the difference between assets and liabilities. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by laws or regulations of the government. All other net position that does not meet the definition of "restricted" are reported as unrestricted net position. It is the District's policy to expend restricted resources first if the restrictions are met.

Fund balances are classified as follows:

Nonspendable- This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District did not have any nonspendable fund balance as of December 31, 2021.

Restricted- This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or law or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District had an ending balance of \$9 for restricted fund balances that consisted of the Debt Service Fund.

Committed- This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District had no committed resources as of December 31, 2021.

Assigned- This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District Board through budgetary process. The District had no assigned resources as of December 31, 2021.

Unassigned- All amounts not included in other spendable classifications.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

2) CASH AND CASH EQUIVALENTS

The District complies with various regulations on deposits and investments, which are imposed by the state statutes as follows:

Deposits - All deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits.

Meadows Transportation Development District

Notes to Financial Statements
For the Year Ended December 31, 2021

2) CASH AND CASH EQUIVALENTS (CONCLUDED)

Investments - The District may invest in bonds of the State of Missouri or any wholly owned corporation of the United States; or in other short-term obligations of the United States.

Cash of the District at December 31, 2021 is as follows:

Deposits

At December 31, 2021, the carrying amount of the District's deposits was \$101,863 and the bank balance was \$101,863. The balance of the Special Trust Fund was \$225 at year end. Any balance maintained in this account would be covered by federal depository insurance up to \$250,000. All cash balances with the Trustee were invested in Dreyfus Institutional Reserves Money Market accounts. Due to the short-term nature of investments, cash balances are classified as cash equivalents in the District's basic financial statements. The Dreyfus Institutional Reserves Money Market Fund is not insured by federal depository insurance coverage. The Fund, however, invests only in direct obligations of the United States and repurchase agreements for direct obligations of the United States.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. State statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit risk policy.

Investments

There were no investments at December 31, 2021.

3) COMMITMENTS

On October 1, 2007, the District entered into an Intergovernmental Cooperation Agreement between the City of Lake Saint Louis, Missouri and the Developer, whereby the District agrees to finance the Developers' construction of the Transportation Project in accordance with the Developers' obligations to the City under the Transportation Development Agreement in exchange for the City's agreement to collect and remit the TDD Sales Tax as reimbursement for the actual costs incurred by the Developers in the construction and implementation of the Transportation Project.

4) LITIGATION

At December 31, 2021, there were no claims or lawsuits pending against the District.

5) TAXES

On March 13, 2007, the District authorized a transportation development district-wide sales tax pursuant to the TDD Act at a rate of 0.75% on all retail sales. On January 26, 2010, the District authorized an increase in the rate of the TDD Sales Tax to 1.00% on all retail sales (the "TDD Sales Tax"). The sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors, to sales of electricity or electrical current, water and gas, or to sales of service to telephone subscribers, either local or long distance. The sales tax became effective on July 1, 2007 and is for a period of no more than 40 years from the date such tax is first imposed by the District.

The Board of Alderman of the City of Lake St. Louis adopted Ordinance No. 2816 authorizing the City to pledge, subject to annual appropriation and subject to terms and conditions of the Development Agreement, an amount equal to 0.75% of taxable sales generated within the District (the "City Sales Tax") for construction of the

Meadows Transportation Development District

Notes to Financial Statements

For the Year Ended December 31, 2021

5) TAXES (CONCLUDED)

Additional Transportation Project. In return, the District will issue Series 2010 D Revenue Notes to the City not to exceed \$3,000,000 plus issuance costs. The Notes and interest thereon shall be the exclusive responsibility of the District and payable solely out of TDD Revenue (less monies allocated for the payment of TDD Administrative Costs) and City Sales Tax Revenues, and shall not constitute a debt or liability of the District, the City, the State of Missouri or any agency or political subdivision thereof and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the District nor the City shall be obligated to pledge any funds other than those specifically pledged to repayment of the TDD Obligations as provided in the Development Agreement and the Trust Indenture. The Series 2010 D Revenue Notes are subordinate to the Transportation Sales Tax Revenue Refunding Bonds, Series 2018 and no interest or principal payments will be made on the Notes until the Series 2018 Revenue Refunding Bond is paid in full. The notes issued in 2012 were for all City Sales Tax Revenues that have been pledged and remitted to the District since 2010. The notes will be issued each year as the City Sales Tax is remitted to the District.

6) LONG-TERM DEBT

At December 31, 2021, the balance of the Transportation Sales Tax Revenue Note Series 2010 B was \$27,305,304, and the balance of the Transportation Sales Tax Revenue Note Series 2012 D was \$4,262,808. The Transportation Sales Tax Revenue Note Series 2010 B and Series 2012 D bears interest at 6.33%. The Transportation Sales Tax Revenue Notes Series 2010 B and Series 2012 D are scheduled to mature on June 1, 2047. Principal is paid only if there are excess funds available after paying interest and other costs of operating the District. Following is the summary of debt redemptions in 2021:

	<u>Rev. Note Series 2010B</u>	<u>Rev. Note Series 2012D</u>	<u>Totals</u>
Beginning Balance @ 1/1/21	\$ 13,436,833	\$ 2,952,803	\$ 16,389,636
Note Proceeds	-	-	-
2012 Accrued Interest included in principal of note	-	(38,917)	(38,917)
Redemption of Notes	-	-	-
Ending Balance @ 12/31/21	<u>\$ 13,436,833</u>	<u>\$ 2,913,886</u>	<u>\$ 16,350,719</u>

The total amount of accrued interest that is past due as of December 31, 2021 is \$13,868,471 on Series 2010 B Revenue Notes and \$1,348,922 on Series 2012 D Revenue Notes. In 2021, the District paid \$381,162 in interest expense on the notes. Following is the summary of interest paid in 2021 and the accrued interest at December 31, 2021:

<u>Interest Summary for 2021</u>	<u>Revenue Note Series 2010B</u>	<u>Revenue Note Series 2012D</u>	<u>Totals</u>
Accrued Interest @ 1/1/21	\$ 12,551,938	\$ 1,092,251	\$ 13,644,189
Interest Paid in 2021	(349,207)	(31,955)	(381,162)
Interest Accrued in 2021	1,665,740	288,626	1,954,366
Accrued Interest @ 12/31/21	<u>\$ 13,868,471</u>	<u>\$ 1,348,922</u>	<u>\$ 15,217,393</u>

7) PROJECT COSTS

No project costs were incurred for the year ending December 31, 2021.

Meadows Transportation Development District

Notes to Financial Statements
For the Year Ended December 31, 2021

8) INTERFUND TRANSFERS

During the fiscal year ended December 31, 2021, the District had the following interfund transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities:		
General Fund	\$ -	\$ 381,162
Debt Service Fund	381,162	-
Project Fund	-	-
	<u>\$ 381,162</u>	<u>\$ 381,162</u>

During the year ended December 31, 2021, the District transferred funds from the General Fund to the Debt Service fund to make required debt payments.

9) SUBSEQUENT EVENTS

These financial statements considered subsequent events through June 3, 2022, the date the financial statements were available to be issued.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The long-term impact of the COVID-19 pandemic on TDD Sales Tax Revenues is difficult to determine at this point. The District cannot predict (a) the duration or extent of the COVID-19 pandemic; (b) the duration or expansion of related business closings, public health orders, regulations and legislation; (c) what effect the COVID-19 pandemic will continue to have on global, national, and local economies; (d) whether recent job losses resulting from COVID-19-related business closures will be temporary or permanent and what effect such losses will have on consumer confidence; or (e) the impact the COVID-19 pandemic will have on TDD Sales Tax Revenues available for appropriation by the District. Developments regarding COVID-19 continue to occur on a daily basis and the extent to which COVID-19 will impact the TDD Sales Tax Revenues in the future is highly uncertain and cannot be predicted.

Supplementary Information

Meadows Transportation Development District

Statement of Revenues Collected and Expenditures Paid -

General Fund - Budget and Actual - Cash Basis

For the Year Ended December 31, 2021

	Budgeted	Budgeted	Actual	Variance - Favorable (Unfavorable)
	Amount Original	Amount Final		
Revenues:				
TDD sales tax revenues	\$ 337,500	\$ 380,000	\$ 424,536	\$ 44,536
Interest income	-	20	8	(12)
Total Revenues	\$ 337,500	\$ 380,020	\$ 424,544	\$ 44,536
Expenditures:				
Bank fees	\$ 300	\$ 300	\$ 300	\$ -
Trustee fees	5,400	5,400	1,350	4,050
Administrative expenses	10,994	10,994	12,000	(1,006)
Insurance expenses	1,500	1,614	1,614	-
Legal and professional fees	12,707	12,707	8,696	4,011
Audit fees	3,000	3,000	3,000	-
Total Expenditures	\$ 33,901	\$ 34,015	\$ 26,960	\$ 7,055
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(303,000)	(345,496)	(381,162)	(35,666)
Total Other Financing Sources (Uses)	\$ (303,000)	\$ (345,496)	\$ (381,162)	\$ (35,666)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 599	\$ 509	\$ 16,422	\$ 15,925
Fund Balances - at beginning of the year		85,432	85,432	
Fund Balances - at end of the year		\$ 85,941	\$ 101,854	

Meadows Transportation Development District

Statement of Revenues Collected and Expenditures Paid -

Debt Service Fund - Budget and Actual - Cash Basis

For the Year Ended December 31, 2021

	Budgeted	Budgeted		Actual	Variance - Favorable (Unfavorable)
	Amount Original	Amount Final	Final		
Revenues:					
Interest income	\$ -	\$ 4	3	\$ 3	\$ (1)
Total Revenues	\$ -	\$ 4	3	\$ 3	\$ (1)
Expenditures:					
Interest expense	\$ 303,000	\$ 345,500	381,162	\$ 381,162	\$ (35,662)
Total Expenditures	\$ 303,000	\$ 345,500	381,162	\$ 381,162	\$ (35,662)
Other Financing Sources (Uses)					
Transfers in	\$ 303,000	\$ 345,496	381,162	\$ 381,162	\$ 35,666
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ 303,000	\$ 345,496	381,162	\$ 381,162	\$ 35,666
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ -	\$ -	3	\$ 3	\$ 3
Fund Balances - at beginning of the year		6	6		
Fund Balances - at end of the year		\$ 6	\$ 9		

Meadows Transportation Development District

Statement of Revenues Collected and Expenditures Paid -

Project Fund - Budget and Actual - Cash Basis

For the Year Ended December 31, 2021

	Budgeted	Budgeted		Actual	Variance - Favorable (Unfavorable)
	Amount Original	Amount Final	Amount Final		
Revenues:					
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Project costs	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses)					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances - at beginning of the year					
Fund Balances - at end of the year					

Meadows Transportation Development District

Statement of Revenues Collected and Expenditures Paid -

All Funds - Budget and Actual - Cash Basis

For the Year Ended December 31, 2021

	Budgeted Amount Original	Budgeted Amount Final	Actual	Variance - Favorable (Unfavorable)
Revenues:				
TDD sales tax revenues	\$ 337,500	\$ 380,000	\$ 424,536	\$ 44,536
Interest income	-	24	11	(13)
Total Revenues	\$ 337,500	\$ 380,024	\$ 424,547	\$ 44,523
Expenditures:				
Trustee fees	\$ 5,400	\$ 5,400	\$ 1,350	\$ 4,050
Bank fees	300	300	300	-
Administrative expenses	10,994	10,994	12,000	(1,006)
Insurance expense	1,500	1,614	1,614	-
Legal and professional fees	12,707	12,707	8,696	4,011
Audit fees	3,000	3,000	3,000	-
Interest expense	303,000	345,500	381,162	(35,662)
Total Expenditures	\$ 336,901	\$ 379,515	\$ 408,122	\$ (28,607)
Other Financing Sources (Uses)				
Transfers in	\$ 303,000	\$ 345,496	\$ 381,162	\$ 35,666
Transfers out	(303,000)	(345,496)	(381,162)	(35,666)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 599	\$ 509	\$ 16,425	\$ 15,916
Fund Balances - at beginning of the year		85,438		
Fund Balances - at end of the year		\$ 85,947	\$ 101,863	

Compliance Section



100 North Sixth Street • P.O. Box 796 • Hannibal, Missouri 63401-0796 • Phone (573) 221-5998 • Fax (573) 221-2044

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Meadows Transportation Development District
Lake St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Meadows Transportation Development District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Meadows Transportation Development District's basic financial statements, and have issued our report thereon dated June 3, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Meadows Transportation Development District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Meadows Transportation Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Meadows Transportation Development District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Meadows Transportation Development District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (CONCLUDED)

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

June 3, 2022
Hannibal, Missouri