

BEXAR-MEDINA-ATASCOSA COUNTES WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1
\$12,000,000 WATERWORKS SYSTEM
REVENUE NOTES, SERIES 2022

SECTION 1 — GENERAL INFORMATION

(A) Laws, Elections, and Acreage:

(i) Authority Creating District: State the name of the authority that created the District, together with a full reference to the official action.

The Bexar-Medina-Atascosa Counties Water Control and Improvement District No. 1 (the “District”) was organized as a municipal corporation under the Water Improvement District Laws of Texas, Section 52, Article III, Texas Constitution; Chapter 2, Title 128, Article 7622 and subsequent, Revised Statutes of Texas 1925; and Chapter 87 of the general laws passed by the 35th Legislature at the regular session in 1917.

If the District has been converted, renamed, or otherwise reorganized during its existence, provide all details, including full reference to any official actions relating to such conversion, renaming, or reorganization.

The District was organized as a Water Improvement District on February 8, 1925 under Section 52, Article III, Texas Constitution; Chapter 2, Title 128, Article 7622 and subsequent Revised Statutes of Texas of 1925; and Chapter 87 of the general laws passed by the Thirty-fifth Legislature at the regular session in 1917. On October 1, 1979, pursuant to Section 51.040 of the Texas Water Code, the Board of Directors of the District voted to convert the District from a Water Improvement District under Article III, Section 52 of the Texas Constitution to a Water Control and Improvement District under Article XVI, Section 59 of the Texas Constitution.

(ii) Governing Law: State which chapter(s) of the Water Code the District operates under, and reference the applicable law providing for Commission jurisdiction over the District.

The District currently operates under Article XVI, Section 59 of the Texas Constitution, Chapters 49, 50 and 51 of the Texas Water Code, Chapter 9007 of the Texas Special District Local Laws Code, and other applicable general laws of the State. Pursuant to Section 49.153(c), the Commission has jurisdiction over the Note issuance since the term of the Notes will be longer than three years.

(iii) Confirmation Election: State the date and results of the District’s confirmation election. If this is the District’s first bond issue, provide certified copies of the order calling the election with the proposition attached and the order canvassing the results of the election as a *labeled Attachment*.

The District’s confirmation election was held January 24, 1925 (Medina County OPR No. 120171857, vol. 75, pg. 490). The District seeks approval of the Notes, which will be secured by a pledge of certain revenues from the System, as authorized by Section 49.153, as amended, Texas Water Code.

(iv) Acreage:

The District estimates that there is approximately 33,000 acres within the District's boundaries and the District supplies irrigation water to over 2,000 tracts of land located within the District's boundaries.

(v) Boundary Map:

Attached map on Exhibit A. **(Channel Lay Out)**

(B) Location:

The District provides irrigation water to a three-county area in south-central Texas. Land located within the District's boundaries include portions of western Bexar County, southern Medina County, and northern Atascosa Counties County.

The District's irrigation system (the "System") consists of Medina Dam, which forms Medina Lake, the Medina Diversion Dam on the Medina River below Medina Lake, and a gravity-flow canal, lateral, and ditch system. The dams on the Medina River and the diversion and use of water for agriculture and other purposes are authorized under Certificate of Adjudication No. 19-2130, as amended.

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SECTION 2 — PROPOSED BOND ISSUE

(A) Purpose:

Briefly state the general purpose of the bond issue, categorizing the proposed improvements.

The purpose of the issuance of the Notes is to finance the costs associated with the rehabilitation of the District's Chacon Dam and Spillway which was severely damaged as a result of a significant storm event occurring over the course of three days in 2007.

The Chacon Dam and Spillway is located approximately four miles north of Natalia in Southeastern Medina County, Texas also (Exhibit A). The dam was initially constructed in 1912 to impound water flowing in Chacon Creek. The Chacon dam and the lake were built as part of a larger water system that includes the Medina Dam, forming Medina Lake, the Medina Diversion along the Medina River, and a gravity-flow canal system all designed to irrigate farmland and control flooding in the region.

The District has proceeded with the design of the improvements necessary to rehabilitate and return the existing Chacon Dam, also known as Chicon Dam, back into operational service. The design follows the procedures prescribed by the Texas Commission of Environmental Quality (TCEQ) Design and Construction Guidelines for Dams in Texas and the U.S. Army Corps of Engineers.

The dam is located in Medina County, Texas and is sited on Chacon Creek, approximately 3 miles north of Natalia, TX. The dam is owned and operated by the BMA. Per the United States Army Corps of Engineer's National Inventory of Dams (NID), Chacon Dam has a hydraulic height of 15 feet. Per Title 30, Chapter 299 of the TCEQ Texas Administration Code (30 TAC), Chacon Dam is classified as an intermediate high-hazard dam.

Chacon Dam is an earthen embankment 566 feet in length with an effective top of dam elevation of 726 feet above mean sea level (ft. MSL) and a top width of approximately 17 feet. The contributing drainage area is approximately 29.5 square miles and impounds an estimated 730 ac-ft at the conservation pool elevation of 718.0 ft. MSL.

Chacon Dam was originally designed with two spillways:

- (1) Service Spillway: The uncontrolled primary spillway is 258 feet wide with a crest elevation of 718 ft. MSL.
- (2) Emergency Spillway: A secondary earthen spillway depicted in the Chacon Dam Phase 1 Inspection Report National Dam Safety Program, (USACE 1979) functions as the emergency spillway with a crest elevation of approximately 724.3 ft. MSL.

In 2007, the service spillway failed due to seepage and piping during a significant storm event occurring over the course of three days. The failed spillway has since been removed and the reservoir has been drained.

Based on the dam's proposed maximum impoundment, height, and hazard classification, Hydrologic and Hydraulic Guidelines for Dams in Texas (TCEQ, 2007) requires that the dam be capable of passing 75% of the Probable Maximum Flood (PMF).

The rehabilitation of the existing earthen embankment dam by armoring the overtopping dam embankments with rock riprap on the upstream face and roller-compacted concrete (RCC) on the downstream face for the length of the dam with installation of a core trench at the upstream side of all existing embankments and within the center of new embankments.

The proposed dam improvements shall restore the previous primary spillway crest elevation of 718.0, with the spillway centered across the top of the dam. In order to meet the 75% PMF - TCEQ

requirements, STAGE 2 spillway is extended further at elevation 719' msl. The STAGE 3 spillway will be raised to the elevation 722.0 msl to avoid spillway discharge for frequent events. An earthen

embankment will be constructed to the east of the RCC overtopping dam to an elevation of 727.5 (See Figure 1).

The impoundment created by the Chacon Dam is authorized by Certificate of Adjudication No. 21-3207, as amended. The times to commence and complete construction of the improvements have been extended and an application to further extend the times has been filed with the TCEQ and deemed administratively complete.

Funds from the issuance of the Notes will also be used by the District to continue its purchase of corrugated HDPE pipe and other required materials that the District uses to pipe open, unlined canals and ditches. The District's program of using this pipe has been in place for many years and has resulted in the reduction of water losses due to evaporation, leakage, and seepage. The District uses its employees to install the pipe under the direction of the District's field manager, as those employees are available. The District has not and does not intend to hire contractors for this work. Funds for the purchase of materials will be used after the District advertises and awards the bids for the Chacon Dam and Spillway Project and knows the likely cost for that project.

Proceeds from the Notes will also be used for the payment of the costs of issuing the Notes.

(B) Bond and Maintenance Tax Authorization:

(i) Bond Authorization: The Notes are not voter approved so this section is not applicable.

As indicated above, the Notes are authorized pursuant to Section 49.153, as amended, Texas Water Code, which provides, in part, “[t]he board, without the necessity of an election, may borrow money on negotiable or nonnegotiable notes of the district to be paid solely from the revenues derived from the ownership of all or any designated part of the district's works, plants, improvements, facilities, or equipment after deduction of the reasonable cost of maintaining and operating the facilities.” The Commission will have jurisdiction over the issuance of the Notes since the term of the Notes will exceed three years (see Section 49.153(c) of the Texas Water Code).

The District has not been authorized by the voters to issue bonds payable from taxes, so the District does not have any authorized, but unissued tax bonds.

(ii) Maintenance Tax: The District does not have a Maintenance Tax, so this section is not applicable. While not a tax, the District levies a flat rate assessment on irrigable land within the

District pursuant to Water Code, 51.304 for the payment of operation and maintenance expenses.

(C) Prior Bond Issues:

List all previous bond issues, stating the amount and the date approved by the Commission and the amount sold. Calculate the amount of remaining voter authorized but unissued bonds, assuming sale of the proposed bond issue. State whether, in the opinion of the District's engineer, all remaining voter authorized but unissued bonds will be sufficient to complete development in the District. If not, explain why and explain the District's future plans in this regard. The list of bonds authorized, approved, issued and remaining shall identify bonds for water, wastewater and/or drainage; firefighting facilities; recreational facilities; and roads. Below is an example of a table for water, wastewater and drainage bonds. Use similar tables for other bonds if necessary.

Bond Issue No.	TCEQ Amount Approved	TCEQ Order Date Approved	Amount Sold ⁽¹⁾
Wastewater System Revenue Notes, Series 2010	N/A (sold to TWDB)	N/A(sold to TWDB)	\$ 4,500,000
Total Bonds Sold: \$4,500,000 Sold to the TWDB			
Remaining Authorized Bonds: \$335,000 remaining outstanding Series 2010 bonds. No remaining authorized but unissued bonds.			

Note: (1) If the amount of bonds sold is lower than the amount approved by the Commission provide as a *labeled Attachment* a cost comparison of the Commission approved cost summary versus the amounts expended.

(D) Type:

State the type of bonds approved by the voters and the type requested for approval by the Commission.

The District seeks approval of Revenue Notes supported by revenues generated by the System which are allowed to be issued without an election.

(E) Interest Rate:

State the projected interest rate of the proposed bonds which the District requests the Commission to approve. This rate will be used to determine the feasibility and the recommended tax rate.

The District seeks approval for a rate not to exceed 5.00%.

(F) Land-Use Plan:

See next two pages for Project Location Map and Chacon Reservoir Watershed and Land Use Map, respectively.

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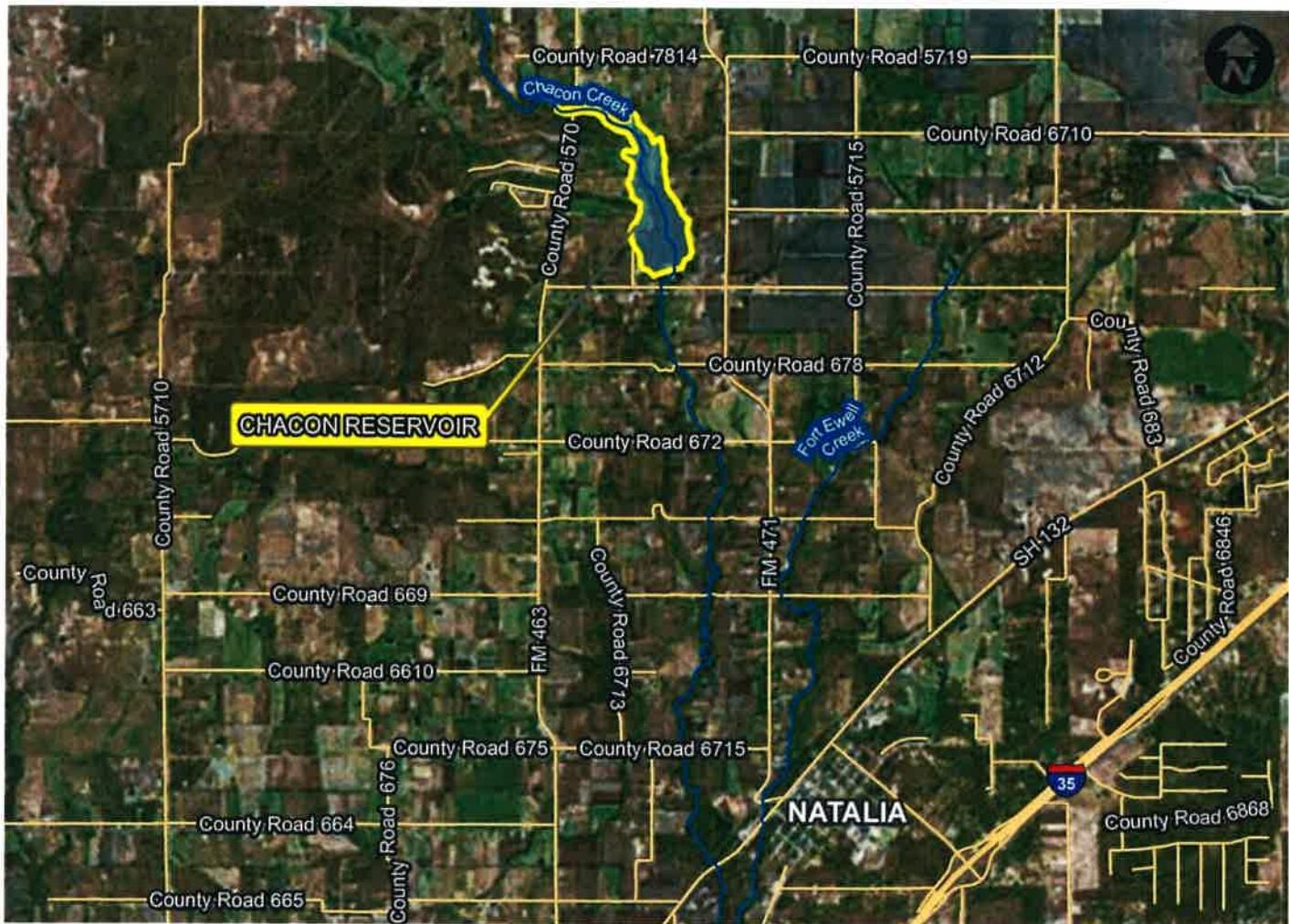


Figure 1 - Project Location Map

The watershed consists mostly of brush land, pastures and row crops. The majority of the development in the watershed consists of large residential lots located around the boundary lines of the watershed (Figure 2).

No Future Land Use Maps were available for the study area.

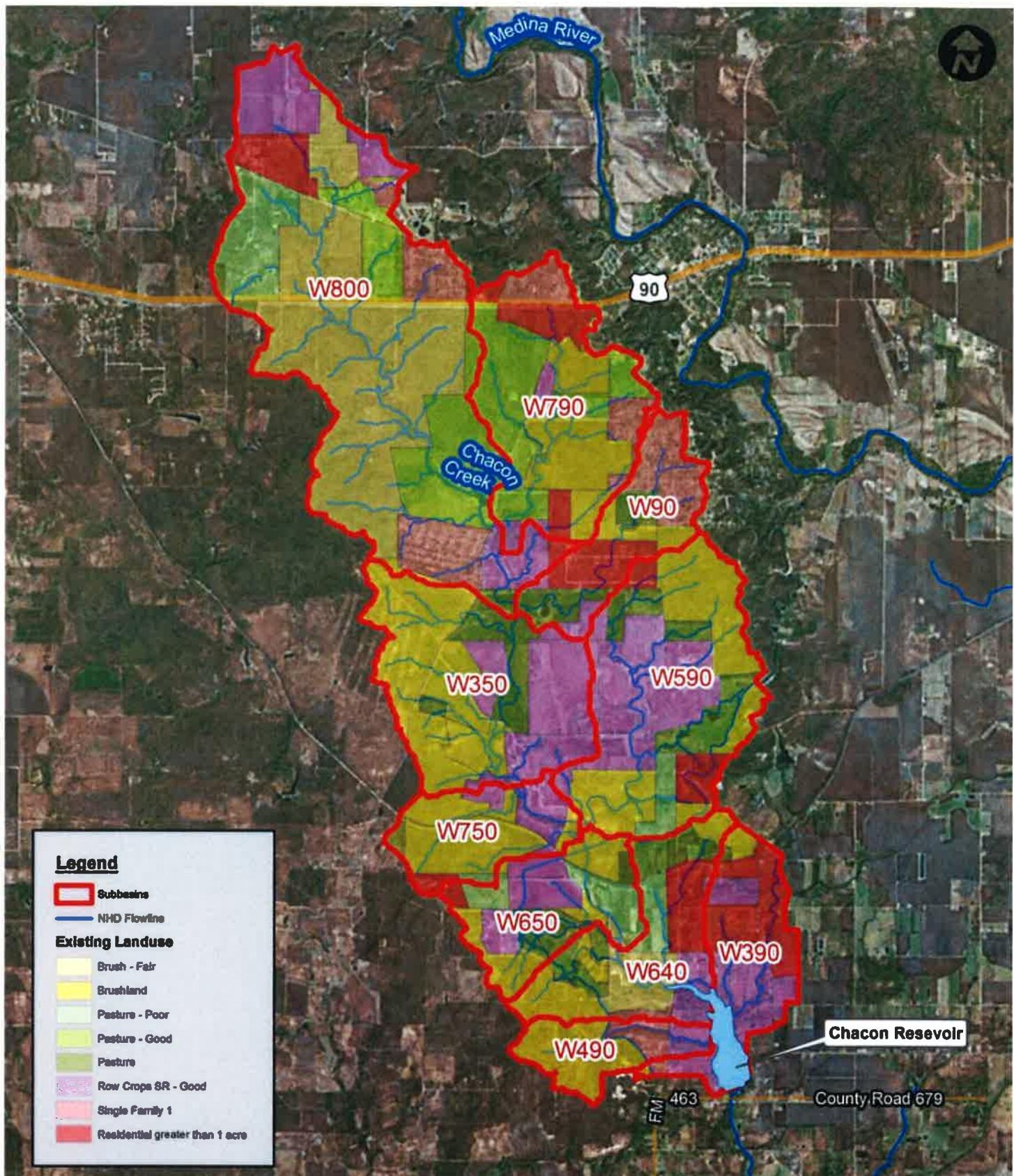


Figure 2 - Chacon Reservoir Watershed and Land Use Map

(G) Recreational Facilities: N/A. No recreational facilities proposed.

N/A

(H) Roads:

Does the District have authority to fund roads No.

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SECTION 3 — FACILITIES PROPOSED FOR FUNDING

(A) **Purchase of Existing Facilities and/or Assumption of Existing Contracts:** N/A..The District does not propose purchase of existing facilities or the assumption of existing contracts. The text in this subsection A of the “Developer’s Bond Application Report Format is deleted to save space.

(B) **Facilities to be Constructed:**

Below is an itemized cost summary of all facilities proposed to be constructed with the proposed bond funds which are not currently under contract. The design and plans and specifications for the proposed work on the Chacon Dam and Spillway are complete and have been approved by TCEQ. A copy of approved plans, specifications, and construction contract documents are included with this package.

Project	Status	Estimated Cost
Chacon Dam and Spillway	Plans Approved by TCEQ	\$9,155,000

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SECTION 4 — SUMMARY OF COSTS

The following table is a cost summary for projects to be funded from the proceeds of the proposed Notes:

<u>Construction Costs</u>	Estimated Amount
A. Developer Contribution Items. There are no developer contribution items (the District does not have “developers.”)	\$0
B. District Items	
1. Chacon Dam and Spillway Renovation (Approved Plans, not yet bid)	
a. Site Preparation	\$57,000
b. Spreading and Compacting	1,032,780
c. Dam and Spillway	7,880,597
d. Storm Drainage	82,000
Subtotal	9,041,027
e. Contingency (10%, not bid)	904,102
f. Engineering & Testing (Construction Phase)	150,000
Subtotal	10,095,129
2. Material to pipe open canals and ditches	1,305,371
TOTAL CONSTRUCTION COSTS (95 % of BIR)	11,400,000

Non Construction Costs

A. Bond counsel fees (1.5%)	\$180,000
B. Fiscal Agent fees (1.5%)	180,000
C. Note Discount (1%)	120,000
D. Note Issuance Expenses	50,500
E. TCEQ Application	30,000
F. Attorney General’s Fee (greater of 0.10% or \$9,500)	9,500
G. TCEQ Fees (0.25%)	<u>30,000</u>
TOTAL NON CONSTRUCTION COSTS (5% of BIR)	600,000
TOTAL NOTES REQUIREMENT (BIR)	12,000,000

The instructions for preparing the summary of costs from “Developer’s Bond Application Format” are deleted.

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SECTION 5 — DEVELOPMENT STATUS AND LAND USE. N/A. The District is a well-established irrigation district proposing to issue revenue bonds to replace a damaged facility. The text for subsections (A) “Land Use Table” and (B) “Development from Prior Bonds,” (C) **Development from Proposed Bonds,” (D) “Development from Future Bonds,” and (E) “Historical Build-out” in the “Developer’s Bond Application Format” are deleted to save space.**

(F) Floodplain Information:

Provide a current map of the official (for flood insurance purposes) floodplain covering the areas in the District as a *labeled Attachment*, and copy and answer the following questions.

- (i) What is being done (if anything) to remove the areas of the District, if any, currently in the official floodplain? N/A or No action being taken.**
- (ii) Are any of the improvements proposed for purchase or construction funding through the proceeds of this bond issue currently in the official floodplain? Yes, the Chacon Dam and Spillway are located in the floodplain.**
- (iii) Are areas currently in the official floodplain used in the build-out projections used to support this bond issue? N/A or No.**
- (iv) Who is charged with maintaining minimum floor slab elevations in the District area? The floodplain administrators for the counties of Bexar, Medina, and Atascosa.**
- (v) Are any sites or easements to be funded in the bond issue currently in the floodplain? The District already owns the land for proposed work and no property rights will be purchased with the proceeds of the Notes..**

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SECTION 6 — SOURCE OF WATER SUPPLY, WASTEWATER TREATMENT FACILITIES, AND STORM-WATER DRAINAGE FACILITIES N/A. The District is a well-established irrigation district proposing to issue revenue bonds to replace a damaged facility. The text for subsections (A) “Land Use Table” and (B) “Development from Prior Bonds,” (C) Development from Proposed Bonds,” (D) “Development from Future Bonds,” and (E) “Historical Build-out” in the “Developer’s Bond Application Format” are deleted to save space.

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SECTION 7 — BASIS OF DESIGN

(A) Conformity with Regulatory Requirements:

State whether or not the facilities proposed for funding in this application are designed in accordance with the applicable criteria established by regulatory authorities, by filling out the following table. If checking “N/A” on any line, explain briefly. If checking “no” on any of the lines, explain in full.

(i) Texas Commission on Environmental Quality	Yes <u> X </u> No <u> </u> N/A <u> </u>
(ii) City of _____	Yes <u> </u> No <u> </u> N/A <u> X </u> No city regulatory jurisdiction over project
(iii) County of _____	Yes <u> </u> No <u> </u> N/A <u> X </u> No county regulatory jurisdiction over project.
(iv) County Flood Control District	Yes <u> </u> No <u> </u> N/A <u> X </u> No county flood control district
(v) Commission Permit Required by Water Code 16.236:	Yes <u> X </u> No <u> </u> N/A <u> </u>
(vi) USACE approval	Yes <u> X </u> No <u> </u> N/A <u> </u>

(B) Oversizing:

Is the District constructing any facility with capacity in excess of that reasonably anticipated for future in-district uses? No.

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SECTION 8 — FINANCIAL INFORMATION

If any of the following information is being provided by a person other than the District's engineer, please specify. A disclaimer by the engineer may be added since the Commission is requiring that the information be bound into the engineering report; however, please indicate who is responsible for the information and who shall be contacted for questions.

This information is being provided by Mark McLiney and Andrew Friedman, with SAMCO Capital Markets, the District's Financial Advisor. 210-832-9760

(A) Growth / No Growth

The economic feasibility of this bond issue is based on No Growth.

The highest projected taxable value shown in the cash flow schedule is N/A. The Notes are being supported solely by Net Revenues generated by the System.

(B) Latest Certified Assessed Valuation: \$ _____ as of January 1, ____.
Include as a *labeled Attachment* a certificate indicating such valuation from the Chief Appraiser of the County Appraisal District. N/A

Latest Certified Estimate of Assessed Valuation (if available): \$ _____ as of January 1, ____.
Do not include the rendering of property at a value higher than actually assessed. Include as a *labeled Attachment* a certificate from the Chief Appraiser of the County Appraisal District showing such valuation.

(C) Historical Tax Data: Fill in the following table for the previous 5 years: N/A

The following information is as of _____ (Date).

YEAR COLLECTED	ASSESSED VALUATION	DEBT SERVICE TAX RATE	MAINTENANCE TAX RATE	AMOUNT COLLECTED	TOTAL

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(D) **Cash and Investment:** Fill in the following table

CASH AND INVESTMENT BALANCES As of (December 31, 2021)	
General Operating	\$8,513,879.00
Series 2010 Reserve Fund	331,481.00
Debt Service Fund Capital	27,795.00
Projects Fund	0.00
Debt Service Tax Fund (if applicable)	N/A
Maintenance Tax Fund (if applicable)	N/A
Meter Deposit Fund (if applicable)	N/A
Other Fund(s) (specify)	N/A
Totals	<u>\$8,873,155.00</u>

(E) **Outstanding Indebtedness:**

For the District's previous bond issue(s), list the total outstanding bond debt related to each of the following categories: utilities, roads, firefighting, and/or parks (based on original breakdown by percentage).

Calculate the District's ratios of total outstanding utility, road, firefighting, and park debt (including this bond issue) to the latest certified estimated assessed valuation and show the values used to calculate these ratios.

(i) **Bond Issues:**

Category	Outstanding Debt	Proposed Debt	Combined Debt	Debt Ratio based on Current Certified or Estimated Value
Water Revenue Notes	\$335,000	\$12,000,000	\$12,335,000	N/A
Totals				

(ii) **Bond-Anticipation Notes:** N/A.

Fill in the table below for any outstanding bond-anticipation notes.

Original Principal Amount Remaining Principal Amount Original Issue Date: Maturity Date: Interest Rate:	\$ _____ \$ _____ _____ _____
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Provide a cost summary of how the funds from the bond-anticipation note were disbursed.

If after filing the application, the District issues a bond-anticipation note associated with this proposed bond issue, then provide a supplement to the engineering report to address

the items in the above table.

(iii) Were the provisions of Commission Rule 293.54 followed in the issuance of all Bond- Anticipation Notes? Yes No. If no, explain. If yes, provide as a *labeled Attachment* copies of the following documentation:

Letter from the financial adviser [Commission Rule 293.54(2)]
Required letter of credit [Commission Rule 293.54(12)]
Required street and road construction agreements [Commission Rule 293.54(13)]

(iv) Tax-Anticipation Notes: N/A

Original Principal Amount:	\$ _____
Remaining Principal Amount:	\$ _____
Original Issue Date:	_____
Maturity Date:	_____
Interest Rate:	_____
Disbursed as Follows:	_____

Provide a cost summary of how the funds from the tax anticipation note were disbursed.

Will all tax anticipation notes be retired out of the proceeds of taxes currently in the process of collection? Yes No. If no, state the amount of tax anticipation notes to remain outstanding and the anticipated time and method of this repayment.

(v) Other Obligations: Explain. N/A

(F) Financial Feasibility (to Be Completed by All Districts):

Provide the following data to support the feasibility of the proposed bond issue as required by Commission Rule 293.59.

(i) Build-Out Projections: Is the feasibility of this bond issue based on growth? Yes X No.

If yes, provide a build-out schedule that incorporates the following:

- (a) The build-out schedule should include the projected value and the number of ESFCs associated with various types of vertical improvements (homes, apartments, retail, warehouses, etc.).**
- (b) The build-out schedule should reflect values for vertical improvements in the year that the improvement is projected to be complete. Partially completed values should not be used unless to show completion of improvements where partial values are shown on the AV certificate value, as reflected in the no-growth cash-flow analysis.**
- (c) The projected assessed valuation for each year as shown in the build-out schedule should be consistent with the projected assessed valuation for each year as shown in the growth cash-flow table, if applicable.**

(d) The ESFC projections in the build-out schedule should be consistent with available lots, commercial ESFCs, etc. as reflected in the Section 5 land-use tables. The build-out for the first year should reflect projections from the date of the latest AV certificate to the end of the calendar year. If the date of the latest AV certificate is different from the date used in the Section 5 land-use tables then a separate column should be used to indicate the number of ESFCs added from the date of the land-use tables to the end of the year.

It is not necessary that all available lots, commercial acreage, etc. be used in the build-out projections.

(e) If the feasibility of a bond issue is based on no-growth and a build-out schedule is provided for informational purposes (i.e. to support value needed to meet the 10:1 ratio) then clearly state such on the build-out schedule.

(ii) **Debt-Service Schedule:** Provide as a *labeled Attachment* a projected debt-service requirement schedule for the bonds and any outstanding bonds. The schedule of proposed bonds shall distinguish between the principal amount of debt associated with water, wastewater, and drainage facilities; with road facilities; with recreational facilities; and/or firefighting facilities. The schedule of outstanding bonds shall distinguish between water, wastewater, and drainage debt; road debt; firefighting debt; and recreational facility debt. *See Appendix 5 for an example.*

(iii) **Revenue Projections(v)**

(a) **Does the District intend to use net revenues from operations for debt service payments?**

X Yes No. If yes, provide as a *labeled Attachment* a year-by-year projection showing the number of connections, gross revenues, expenses, net income available for debt service, and net income percentage of gross revenues. Net revenues shall only be projected for use if historical operations justify these projections and supporting information shall also be provided for the past five years of operations. Also, if yes, provide a table of revenues and expenses for the previous fiscal year and as budgeted for the coming fiscal year. *See Appendix 6 for an example pro forma statement.*

Proforma Attached as an exhibit

(b) **Does the District intend to use revenues received from a municipality through either a consent agreement or strategic partnership agreement for debt service payments?**

 Yes X No. If yes, provide as a *labeled Attachment* a year-by-year projection of revenues through the life of the proposed bonds, and a copy of the consent agreement or strategic partnership agreement. Additionally, if the consent agreement or strategic partnership agreement does not state the revenue amount to be conveyed to the District each year, then provide an explanation as to how the revenue amount is determined for each year.

(iv) **Operating Budget:** Summarize how the proposed project will affect operating costs based on the current level of development. Include the effects of cost sharing agreements and any costs resulting from the purchase or sale of water or sewer services. If applicable, provide as a *labeled Attachment* a copy of the lease agreement for an interim plant. Operating advances and expenses should be based on the District's fiscal year with each

year requested for reimbursement shown separately in the attachment. N/A

(v) **Projected Cash-Flow Analysis for Proposed and Existing Debt of District:** Provide as a *labeled Attachment* a projection over the life of the proposed bond issue showing as separate columns assessed valuations, tax rates, tax revenues, net operating revenues to be applied to debt service, other revenues to be applied to debt service, total debt-service requirements and remaining fund balance. Assume the following: N/A

- (a) The assessed valuations shall be the appraised value after considering exemptions and special valuations, and shall be the amount to which the tax rate is applied to determine the total tax levy.
- (b) The ending debt-service balance for each year shown in the cash flow analysis will not be less than 25% of the following year's debt-service requirement.
- (c) Interest income will only be shown on the ending debt-service balance from the first two years.
- (d) A 90% tax collection rate shall be used for the first bond issue. For a second and any subsequent bond issues a 90% tax collection rate shall be used unless documentation is provided supporting a higher rate.
- (e) The projected tax rate shall be level or decreasing for the life of the bonds.

See Appendix 7a for an example pro forma statement considering growth. See Appendix 7b for an example pro forma statement assuming revenue bonds only.

(vi) **No-Growth Cash-Flow Analysis for Proposed and Existing Debt of District:**

Provide as a *labeled Attachment* a projection over the life of the proposed bond issue showing assessed valuations fixed at the most recent certified assessed valuation as defined by Commission Rule 293.47(b)(3). Supply certificates, as *labeled Attachments*, to support the assessed valuation used in the table. Use the same pro forma statement and assumptions listed in (F)(v) of this section except that a 100% collection rate may be assumed. *See Appendix 7c for an example pro forma statement considering no growth.*

(vii) **Cash-Flow Analysis for All Overlapping Taxing Entities Specifically Attributable to Water, Wastewater, Drainage, Firefighting, Recreation, or Roads:**

Provide as *labeled Attachments* projected and no-growth cash-flow analysis over the life of the District's proposed bond issue for all entities which have an overlapping tax rate specifically attributable to water, wastewater, drainage, recreation, and firefighting, if the entity is contained within a single county, and roads if the entity is a road district or road utility contained within a single county commissioner's precinct, but comprising less than the entirety of the precinct. If a projected cash-flow analysis includes build-out above what is provided under (F)(i) of this section, then provide a detailed build-out schedule supporting the projections. Use the same pro forma statement and assumptions listed in (F)(v) and (F)(vii) of this section.

(viii) **Combined Tax Rate:** Complete the following table: N/A

	Projected Tax Rate	No-Growth Tax Rate
District tax rate		
a. Debt service as shown in cash-flow analysis	\$	\$
b. Maintenance Tax ⁽¹⁾	\$	\$
Tax rate for overlapping entities as defined in Commission Rules 293.59(f)(2) and (f)(6) and (e)(2) and (e)(6)		
a. Debt service as shown in cash-flow analysis ⁽²⁾		
1. Entity No. 1:	\$	\$
2. Entity No. 2:	\$	\$
b. Maintenance Tax		
1. Entity No. 1:	\$	\$
2. Entity No. 2:	\$	\$
Equivalent surcharge for water and wastewater, if any:	\$	\$
If District is within a city, then indicate the portion of the city's tax rate specifically attributable to water, wastewater, drainage, or recreation:	\$	\$
Less any equivalent tax rebate ⁽³⁾ :	(\$)	(\$)
TOTAL COMBINED TAX RATE	\$	\$

Notes:

1. If the District is relying on developer advances to meet its operating budget, provide as a *labeled Attachment* a copy of the current operating budget and provide calculations showing a necessary maintenance tax assuming no growth (based on the value shown in the no-growth cash-flow analysis) and assuming no developer advances. *See Appendix 6b for a format of a no-growth, no-advance operating budget.*
2. List each overlapping entity and the corresponding debt service and maintenance taxes.
3. List separately unless already accounted for in the District's cash-flow schedules.

(ix) **Total Taxable Value of Area to be Taxed:** \$ _____ as of _____. Explain the basis for this value if different from the certified value. N/A

(x) **Waiver of Special Appraisal:** Provide as a *labeled Attachment* a recorded copy of a written agreement executed between the District and the developer and any other landowner and their respective lenders receiving proceeds of the bonds which permanently waives the right to claim agricultural, open-space, timberland or inventory valuation for any land, homes or buildings with respect to taxation by the District as required by Commission Rule 293.59(k)(8). N/A

(xi) **Overlapping Tax Rates:** Provide a table (example below) indicating direct and overlapping taxes by the District and all overlapping taxing jurisdictions for the most current tax year and projected for the coming tax year if known to be different. N/A

(G) Development Status:

Does the District have a developer as defined by Water Code Section 49.052(d)? Yes
X No. If no, the following paragraphs under this Section G will not apply (and are deleted).

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SECTION

SECTION 9 — SHARED FACILITIES N/A. There are no shared facilities.

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SECTION 10 — PLANS, SPECIFICATIONS, OTHER CONSTRUCTION DOCUMENTS

Pursuant to Water Code Section 26.034(G) and Health and Safety Code Chapter 341, Subchapter C, and the Commission Rules Chapters 290 and 317, plans and specifications for construction projects which are to be funded as District projects require certain approvals. Plans and specifications shall be submitted prior to construction to:

Water Plans N/A

Utility Technical Review Team, MC 153
Water Supply Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Wastewater Plans (as necessary) N/A

Wastewater Permits Section, MC 148
Water Quality Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Dam and Spillway Plans

Critical Infrastructure Division, MC 177
Dam Safety Program
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

As-built plans may be requested upon completion of a project.

(A) Plans:

- (i) **Construction Plans:** Provide a complete copy of the 24" x 36" plans appropriately signed and sealed by all entities with jurisdiction for each proposed project. Letter approvals will be addressed in the construction documents subsection below. If plans are not available for any project, so indicate. The funds allocated to the project will be recommended for escrow pending satisfaction of escrow requirements.
- (ii) **Plat:** Include a copy of the approved and recorded plat for all subdivision projects. For trunk lines or other facilities located outside of dedicated rights-of-way, provide a copy of an approved and recorded plat, recorded deed, or recorded easement.

(B) Contract Documents:

Provide contract documents and technical specifications (appropriately sealed) for each proposed project. Contract documents should be bound together with technical specifications, including the bid proposal, and performance and payment bonds. All of these items together will be considered the contract document. A District should not execute any construction contract prior to approval of funding by the Commission unless a provision is included in the contract absolving the District of all responsibility for payment until funding has been approved.

Contracts including any trench excavation that exceeds a depth of five feet must include a

separate bid item for trench safety as required by statute (Health and Safety Code 756.022).

(C) Construction Documents:

The following construction documents should be sent to the appropriate Commission's *field office* (regional office) as contract award and administration proceeds, whether or not an application for funding has been filed with the Commission. It is *not* necessary to send these documents to the Commission's *Central office* (Austin) until an application for funding has been filed with the Commission. The documents accumulated prior to application for funding should be sent to the Commission's Central office along with the application, and additional documents generated after the application filing should be sent to both the appropriate Commission field office and the Commission's Central office. Some of the following items may not be applicable, depending on the circumstances of the individual project. For all projects for which complete construction documents are not available, provide available documents. If no documents are available or if a project was not competitively bid, provide either an appraisal of the form described in Section 11(B)(i) of this report, or a list of recent low bids for similar projects in the area of the District.

- a. Agreement between developer and district for funding, reimbursement, contract award and administration, and for use of facilities prior to Commission approval.
- b. Plans approved by all entities with jurisdiction.
- c. Specifications, including proposed contract documents, bid proposal, and bonds. If executed copies are available, proposed copies are not necessary.
- d. Letter approvals by other relevant review agencies.
- e. Publisher's affidavit or bid solicitations reflecting proper notification of bidding.
- f. Letter notifying Commission field office of bidding time and date.
- g. All addenda to the specifications.
- h. Bid summary and itemized bid tabulation.
- i. Engineer's recommendation of contract award with justification if low bidder not recommended.
- j. Specifications, including executed contract documents, bid proposal, and payment and performance bonds.
- k. Notice to proceed.
- l. All pay estimates.
- m. All change orders with revised plan sheets and approvals, if necessary.
- n. Water and wastewater line pressure test results and wastewater line deflection test results.
- o. Notice to Commission field office of final inspection.
- p. Final inspection report.
- q. Engineer's certificate of completion (*See Appendix 3b for an example of an approved form.*)
- r. Contractor's affidavit of bills paid.
- s. District acceptance of facilities.

(D) Checklist:

Fill out the Construction Contract Checklist (in accordance with *Appendix 3a*) for each construction contract and attached to the construction documents and specifications for

that contract. It is preferable that none of the construction documents or specifications be included with the body of the bond application report or the attachments. Instead, the items shall be separated by contract. The checklist shall be filled out according to the following instructions, and the loose material submitted with the checklist shall be arranged in reverse order—that is, the first items in the checklist should be at the bottom of the stack of material for easy reference. The final or most recent pay estimate shall be in its entirety; however, all previous pay estimates shall include only a summary sheet.

Instructions for filling out the Checklist: Most of the items on the list are self explanatory. The spaces to the left of each item should be checked, or filled in with the date of dated material. Instructions for filling in the items that may not be self explanatory are as follows:

<u>ITEM</u>	<u>EXPLANATION</u>
Prefinanced by: _____	Fill in the name of the developer who is prefinancing the construction of facilities (if applicable).
<input type="checkbox"/> Plans (<input type="checkbox"/> Sheets) with Engineer's Seal _____	Fill in the number of sheets included in the plans, and check if each page of the plans is appropriately sealed.
<input type="checkbox"/> Specifications (Add. # <input type="checkbox"/>) Seal _____	Fill in the number of addenda that have been issued on the specifications, and check if the specifications have been sealed.
<input type="checkbox"/> No. 1 _____	For each pay estimate, fill in the date of the pay estimate and the amount of the pay estimate to date (without reducing it for retainage) and make any comments. Include comments when retainage is reduced, and when the pay estimate is the last one.
<input type="checkbox"/> Performance Bond <input type="checkbox"/> Payment Bond _____	Check if the performance bond is included in the specification documents.
<input type="checkbox"/> No. _____	Fill in the date of the change order and the amount. The "TCEQ Approval" column is for internal use.

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SECTION 11 — SPECIAL CONSIDERATIONS

(A) Developer Projects:

Are any of the projects in the proposed bond issue developer projects as defined in Commission Rule 293.44(a)(1)? Yes X No. If not, all provisions of this Section (A) can be disregarded (and are deleted).

(B) All Projects:

(i) **Appraisals:** List all facilities that will be purchased on the basis of an appraisal as prescribed by Commission Rule 293.44(b)(1). For each facility, explain why it is being bought on the basis of an appraisal, and provide a copy of the appraisal as a *labeled Attachment*. The appraisal should be prepared by an independent engineer, not associated with the District or seller. It should include an itemization of the facilities, detail the estimated age and condition of facilities based on an on-site inspection, estimate the cost of repairs, and detail the methodology of the actual appraisal, such as replacement value less depreciation. The costs assigned to the facilities should be supported by contracts with similar items or valid documentation. The cost summary should reflect the appraisal amount and *no* associated engineering fees or developer interest.

None. .

(ii) **Contract Revenue bonds: Are the proposed bonds contract revenue bonds? Yes X No.** If yes and the bonds are issued on behalf of a city, demonstrate that the city's pro rata share of debt service will be sufficient to pay for the cost of the water, sewer, or drainage facilities proposed to serve areas located outside the boundaries of the service area of the District.

If yes and the bonds are issued on behalf of the District, demonstrate that each participant's share of debt service is consistent with benefits received.

(iii) **Impact Fees and Capital-Recovery Fees: Does the proposed bond issue include funding for fees calculated and collected under the provisions of Local Government Code 395? Yes X No.** If yes, provide a copy of the engineering report used to calculate the fee, a copy of a contract between the District and the political subdivision levying the fee which includes all the provisions of the referenced bill, and any other documentation to evidence that the levying of the

fee complies with the provisions of Chapter 395, all as *labeled Attachments*. See Commission Rule 293.44(b)(4)(C).

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SECTION 12 — MISCELLANEOUS CONSIDERATIONS

(A) Preconstruction Documents:

List the preconstruction agreements executed to comply with Commission Rule 293.46(1), and provide a copy of each preconstruction agreement referenced as a *labeled Attachment*.

None.

(B) Bid Advertisement:

Were the competitive bidding statutes complied with in each of the construction contracts executed? Yes No. No construction contracts have been bid or executed.

(C) Developer's 30% Contribution Exemption Request:

Copy the applicable paragraph if the District is requesting an exemption from the requirement of obtaining a 30% contribution from the developer. *The District must request such a waiver in its resolution and cite the applicable exemption in the Commission Rules.*

(i) The District is requesting an *exemption* from the requirement to obtain a 30% contribution from the developer on certain construction contracts for the following reason:

X The District does not have any developers, as defined in Water Code 49.052(d).

[Note: Remainder of text in this subsection deleted.]

(D) Letters of Credit, Deferment of Bond Proceeds, Other Acceptable Financial Guarantees: N/A (None)

List all of the utilities and streets, by section, that are currently less than 95% complete in the District, but which are required to serve the development assumed in determining the feasibility of the bond issue, or for which utilities are included in the bond issue. Also list all projects included in the bond issue in which the developer has not yet made its 30% contribution. If the District chooses a deferred reimbursement of bond proceeds as the financial guarantee, the deferred reimbursement amount shall not exceed the amount of funds available upon funding (escrow funds are not considered available). As applicable, provide as *labeled Attachments* letters of credit, utility and paving agreements pursuant to Commission Rules 293.56 and 293.57.

(E) Developer Interest Reimbursement: N/A(None)

If any developer interest is requested for reimbursement, provide as a *labeled Attachment* a tabular breakdown of developer interest (See Section 4, Example Cost Summary, Footnote 9). State whether or not the District is requesting approval to reimburse the developer for more than two years of interest on any construction contract. If so, provide as a *labeled Attachment*, a Board Resolution indicating the Board's desire to reimburse more than two years of developer interest and provide calculations to demonstrate that all the requirements of Commission Rules

293.50(b–e) have been satisfied.

(F) Land and Easement Acquisition: N/A(No Easements to be Acquired).

(ii) **Storm-Water Detention Facilities: Does the District intend to purchase easements or sites for storm-water detention facilities? Yes No.** If yes, provide a recorded plat or other recorded instrument clearly defining acreage. If the site or easement is for dual lake-detention facilities then the District's share of the site or easement shall be the same as determined under Section 11(A)(vii), including distinguishing the portion attributable to drainage and recreational purposes. If the site or easement is for dual detention-recreation facilities then the costs shall be consistent with Commission Rule 293.51(j).

(iii) **Easements Outside the District's Boundaries: Does the District intend to purchase easements outside the District's boundaries? Yes No.** If yes, answer the following questions:

(a) **Is the easement currently owned by a developer in the District? Yes No.**

(b) **Is the easement being used for other facilities, such as a road, electricity cable, etc.? Yes No. If yes, are the costs of the easement being appropriately split? Yes No. If no, explain.**

(c) **Are the facilities being installed in conjunction with the easement exempt from developer contribution? Yes No. If yes, on what basis are they exempt? If no, does the cost summary reflect the developer contribution for the easement acquisition? Yes No. If no, explain.**

(iv) **Downstream Drainage Channels: Does the District intend to purchase easements to improve drainage channels downstream of the District that pass through other Districts? Yes No.** If yes, justify that the District's portion of the costs to purchase the site/easement is consistent with benefits received and is in accordance with Commission Rule 293.51(c).

(v) **Recreational-Facility Sites: Does the District intend to purchase sites for recreational facilities? Yes No.** If yes, document (with a color-coded map) that the site is located outside of the right-of-way required by governmental jurisdictions to be dedicated for streets and roads.

(G) District Participation in Regional Drainage Systems: N/A; No regional drainage system exists.

Does the proposed bond issue include funds to be paid to a regional drainage authority for capacity in a regional storm-water detention system? Yes No. If yes, provide the following. Failure to provide all of the items may cause the funds for the payment to be escrowed or deleted from the bond issue.

(vi) Adoption of System by Public Entity: Provide evidence that the regional storm-water drainage system has been adopted by the applicable public drainage entity as a *labeled Attachment*.

- (vii) **Participation Required by Public Entity:** Provide evidence, in a *labeled Attachment*, that participation in the regional storm-water drainage system is required by that public agency.
- (viii) **Cost of Participation Uniform:** Demonstrate that the cost of participation in the regional system is uniform over a given watershed, and that the cost has been determined by engineering studies of the regional facilities required. Provide a copy of the study as a *labeled Attachment*. (It is likely that the Commission has a copy of the study on file. If the District can verify such, there is no need to submit another copy.)
- (ix) **Contract with Public Entity:** Provide a copy of the contract required by Commission Rule 293.53(4) as a *labeled Attachment*.

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SECTION 13 — MISCELLANEOUS INFORMATION

(A) Contracts with Professional Consultants:

Provide as *labeled Attachments* an executed copy of all current contracts with professional consultants whose fees are included in the bond issue. If work is being accomplished in accordance with a contract of a previously affiliated company or the company's name has changed, provide either a copy of a contract with the current company or evidence of District concurrence with the assignment to the current company.

(B) Compliance with Commission Rule 293.111(a)(6):

Submit documentation as a *labeled Attachment* evidencing compliance with Commission Rule 293.111(a)(6) regarding wastewater connections. N/A The District does not provide potable water or wastewater service.

(C) Key Personnel:

	<u>Name</u>	<u>Address</u>	<u>Phone No.</u>
(i) President, Board of Directors	George Weimar	Devine, TX	830-665-2132
(ii) Controller	Tom Woodley	Natalia, TX	830-665-2132
(iii) Office Manager	Bonnie Tapp Sallee	Natalia, TX	830-665-2132
(iv) Field Manager	Brian Sullivan	Natalia, TX	830-665-2132
(v) Fiscal Agent	SAMCO Capital	San Antonio, TX	210-832-9760
(vi) Tax Assessor-Collector	N/A		
(vii) Chief Appraiser, ___ County	N/A		
(viii) Principal Developer(s)	N/A		
(ix) Engineer	Ricardo Zamora Ardurra Group	San Antonio	210-897-8248

(D) Reporting Requirements:

Has the District submitted a current Directors' Registration Form? X Yes No. If no, please provide.

Has the District submitted a current District Information Form as required by Water Code Section 49.455? Yes X No. If no, please provide. N/A. The District is exempt under Water Code Section 49.452 because the District does not have facilities financed by bonds payable in whole or in part by taxes.

Has the District submitted a current Audit Report or Financial Dormancy Affidavit? X Yes No. If no, what is the current status of such report?

(E) Name Signs:

Has the District posted at least two name signs, at two or more principal entrances to the District? Yes X No. If yes, specify the street location of the District's name signs. If no, explain.

The District is exempt from the requirement to post signs pursuant to Water Code, section 49.451 because Section 49.452 does not apply to the District because it does not have facilities financed with bonds payable in whole or in part from taxes.

(F) Other Information:

Provide any other information necessary to adequately describe or support the application. Provide *labeled Attachments* as necessary.

APPENDIX 1
SUGGESTED OUTLINE FOR MARKET STUDY REPORT

Not Applicable. The District is not using growth projections to support the feasibility of the bonds issue. Remainder of text of appendix 1 deleted.

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APPENDIX 2
CALCULATING PRO RATA SHARES

Not Applicable. No shared projects. Remainder of text of appendix 2 deleted.

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APPENDIX 3a
CONSTRUCTION CONTRACT CHECKLIST

District: _____

Bond Issue: _____

Engineer: _____

Construction Contract: Job No. _____ Contract No. _____ Date (of execution) _____

For: _____

Contractor: _____ Contract Amount: _____ Prefinanced by: _____

1. CONSTRUCTION PLANS

- Plans (Sheets) w/ Engr. Seal _____
- Specifications (Add. #) Seal _____
- TCEQ Approval
 - Water
 - Wastewater (for treatment plant)
 - Wastewater (for collection system if no City review)
- County Engr. Approval (Drainage)
- Flood Control District Approval (Drainage)
- City Approvals (if in City or ETJ)
- Recorded Plat
- Other: _____

2. CONTRACT DOCUMENTS

- Bid Advertising Affidavits
- Bid Tabulation
- Engr. Recommendation
- Exec. Contract w/ Proposal
 - Performance Bond Payment Bond
- Notice to Proceed

COMMENTS & NOTES:

3. CONSTRUCTION PAY ESTIMATES

<u>Date</u>	<u>Est. No.</u>	<u>Amt. to Date</u>	<u>Comments</u>
_____	1	_____	_____
_____	2	_____	_____
_____	3	_____	_____
_____	4	_____	_____
_____	5	_____	_____
_____	6	_____	_____
_____	7	_____	_____
_____	8	_____	_____
_____	9	_____	_____
_____	10	_____	_____
_____	11	_____	_____
_____	12	_____	_____
_____	13	_____	_____
_____	14	_____	_____
_____	15	_____	_____
Chg. Ord.			TCEQ
<u>Date</u>	<u>No.</u>	<u>Amount</u>	<u>Approval</u>
_____	1	_____	_____
_____	2	_____	_____
_____	3	_____	_____
_____	4	_____	_____
_____	5	_____	_____

4. CONTRACT COMPLETION DOCUMENTS

- W & S Test Results
- Notice of Final Inspection
- TCEQ Inspection (Dist. No.)
- Engr. Certificate of Completion (see App. 3b)
- Contractor's Affidavit of Bills Paid
- Letter of Acceptance

APPENDIX 3b
EXAMPLE FORM FOR ENGINEER'S CERTIFICATE OF COMPLETION

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
ENGINEER'S CERTIFICATE OF COMPLETION OF WATER DISTRICT PROJECT

Name of District:

Bexar Medina Atascosa Counties Water Control and Improvements District #1

Owner of property if other than District:

Kind of project, contract identification:

Chacon Dam Restoration

Name of contractor:

Name of consulting engineer: Ardurra, Inc.

Address of consulting engineer: 8918 Tesoro Drive, San Antonio, Texas 78217

I certify that this project was at least 95% complete on (Date); that the project was under continual observation; that all observation of the work was performed by or under the supervision of (Name), Registered Professional Engineer; that to the best of my knowledge the project was in accordance with and includes all items in plans and specifications approved by all authorities having jurisdiction; and "record drawings" will be furnished to the District.

Professional Engineer's Seal

Signed

**APPENDIX 4
BUILD-OUT PROJECTIONS**

Not Applicable. The District is not using growth projections to support the feasibility of the project.

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APPENDIX 5

BMA PRO FORMA

Bexar-Medina-Atascosa Counties WC&ID #1									
Utility System Proforma									
May 19, 2022									
FYE (12/31)	Revenues ⁽¹⁾	Less: Expenditures ⁽²⁾	Available for DS (Net Revenues)	Existing Revenue Revenue Notes, Series 2010	Debt Service Revenue Notes, Series 2022 ⁽³⁾	\$12,000,000	New Total Debt Service	Surplus/(Deficit) Revenues	Annual Coverage Revenues
2021	\$ 3,608,082	\$ 1,727,807	\$ 1,880,275	\$ 241,700	\$ 241,700	\$ 1,638,575	7.78X		
2022	3,608,082	1,727,807	1,880,275	16,750		16,750		1,863,525	112.26X
2023	3,608,082	1,727,807	1,880,275	16,750	\$ 960,750	977,500	902,775	1.92X	
2024	3,608,082	1,727,807	1,880,275	16,750	956,875	973,625	906,650	1.93X	
2025	3,608,082	1,727,807	1,880,275	16,750	957,125	973,875	906,400	1.93X	
2026	3,608,082	1,727,807	1,880,275	16,750	961,250	978,000	902,275	1.92X	
2027	3,608,082	1,727,807	1,880,275	16,750	959,250	976,000	904,275	1.93X	
2028	3,608,082	1,727,807	1,880,275	16,750	961,125	977,875	902,400	1.92X	
2029	3,608,082	1,727,807	1,880,275	16,750	956,875	973,625	906,650	1.93X	
2030	3,608,082	1,727,807	1,880,275	343,375	634,750	978,125	902,150	1.92X	
2031	3,608,082	1,727,807	1,880,275	-	976,250	976,250	904,025	1.93X	
2032	3,608,082	1,727,807	1,880,275	-	973,125	973,125	907,150	1.93X	
2033	3,608,082	1,727,807	1,880,275	-	973,625	973,625	906,650	1.93X	
2034	3,608,082	1,727,807	1,880,275	-	977,500	977,500	902,775	1.92X	
2035	3,608,082	1,727,807	1,880,275	-	974,750	974,750	905,525	1.93X	
2036	3,608,082	1,727,807	1,880,275	-	975,375	975,375	904,900	1.93X	
2037	3,608,082	1,727,807	1,880,275	-	974,250	974,250	906,025	1.93X	
2038	3,608,082	1,727,807	1,880,275	-	976,250	976,250	904,025	1.93X	
2039	3,608,082	1,727,807	1,880,275	-	976,250	976,250	904,025	1.93X	
2040	3,608,082	1,727,807	1,880,275	-	974,250	974,250	906,025	1.93X	
2041	3,608,082	1,727,807	1,880,275	-	975,125	975,125	905,150	1.93X	
2042	3,608,082	1,727,807	1,880,275	-	973,750	973,750	906,525	1.93X	
Total				\$ 719,075	\$ 19,048,500	\$ 19,767,575			
<i>Rate Covenant</i>	<i>Additional Bonds Test</i>								
N/A	Average Annual Debt Service Coverage 2022 FY Coverage Required								
	\$ 929,804 2.02X 1.25X								

⁽¹⁾ Based on Audited Results for Fiscal Year Ending 2021.

⁽²⁾ Excludes depreciation and debt service.

⁽³⁾ Interest calculated at an assumed rate of 5.00% for illustrative purposes only.



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APPENDIX 6a
BMA OPERATING BUDGET

BEXAR-MEDINA-ATASCOSA COUNTIES WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 1

Statement of Net Position

December 31, 2021

Assets

Cash & Cash Equivalents	\$ 8,873,155
Receivables:	
Fixed water assessments - net	91,130
Other	87,954
Inventory	24,280
Prepaid expenses	122,789
Net pension asset	15,767
Capital assets	<u>19,261,554</u>
Total assets	<u>28,476,629</u>

Deferred Outflows of Resources

Contract revenue note discount	1,987
Difference in assumptions	137,139
Deferred Pension Contributions	<u>68,624</u>
Total deferred outflows of resources	<u>207,750</u>

Liabilities

Accounts payable	58,969
Deferred revenue	158,885
Accrued liabilities	59,447
Contract revenue notes	335,000
Other	<u>650</u>
Total liabilities	<u>612,951</u>

Deferred inflows of resources

Difference in experience	18,923
Difference in projected/actual earnings	<u>69,806</u>
Total deferred inflows of resources	<u>88,729</u>

Net position

Invested in capital assets, net of related debt	18,926,554
Unrestricted	<u>9,056,145</u>
	<u>\$ 27,982,699</u>

See notes to basic financial statements

.11.

**BEXAR-MEDINA-ATASCOSA WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 1**

Statement of Revenues, Expenses and Changes in Net Position

Year Ended December 31, 2021

Operating Revenues

Municipal water sales	\$ 3,016,074
Irrigation water sales	244,321
Fixed water assessments	347,687
	<hr/>
Total operating revenues	3,608,082

Operating Expenses

Directors fees	12,600
Payroll	680,013
Pension expense	35,909
Professional fees	175,707
Contracted services	35,080
Maintenance and repairs	29,830
Materials	179,118
Insurance	270,016
Depreciation	474,038
Miscellaneous	14,573
Telephone	13,892
Utilities	7,665
Fuel and lubricants	137,667
Water master fee	35,498
Supplies	31,978
Uniforms	4,748
Employee recognition	10,015
Taxes - payroll	53,207
	<hr/>
Total operating expenses	2,201,854

Operating income

1,406,228

Non-operating Revenues (expenses)

Rental income	90,746
Other	147,046
Interest Income	30,138
Interest Expense	(17,795)
	<hr/>
Net Non-operating Revenues	250,135

Change in Net Position

Net Position - Beginning	1,656,363
Prior Period Adjustment	28,275,870
Net Position - Ending	(1,949,534)
	<hr/>
\$ 27,982,699	\$ 27,982,699

See notes to basic financial statements

**BEXAR-MEDINA-ATASCOSA WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 1**

Statement of Cash Flows
Year Ended December 31, 2021

Operating Activities

Cash received from customers	\$ 3,845,874
Cash payments to employees	(1,066,616)
Cash payments to other suppliers for goods and services	(1,452,036)
Net cash provided by operating activities	<u>1,327,222</u>

Capital and Related Financing Activities

Principal and interest paid	(237,795)
Acquisition or construction of capital assets	(882,491)
Net cash used in capital and related financing activities	<u>(1,120,286)</u>

Investing Activities

Investment Income	30,138
Net cash provided by investing activities	<u>30,138</u>

Net Increase (Decrease) In Cash and Cash Equivalents

Cash and Cash Equivalents, Beginning of Year	237,074
Cash and Cash Equivalents, End of Year	<u>8,636,041</u>

\$ 8,873,115

Reconciliation to the Statement of Net Position

Cash and cash Equivalents	8,873,115
	<u><u>\$ 8,873,115</u></u>

Reconciliation of Operating Income (loss) to Net Cash

Provided by (used in) Operating Activities

Operating Income	<u><u>\$ 1,406,228</u></u>
Adjustments to reconcile operating income to net cash provided by (used in) operating activities	474,038
Depreciation	474,038
Pension expense	35,909
Change in assets and liabilities	
Decrease (increase) in receivables	4,137
Decrease (increase) in inventory	88,760
Decrease (increase) in prepaid expenses	(30,061)
Increase (decrease) in accounts payable	7,211
Increase (decrease) in deferred revenue	4,542
Increase (decrease) in accrued liabilities	(663,542)
Total Adjustments	<u>(79,006)</u>
Net Cash Provided by operating activities	<u><u>\$ 1,327,222</u></u>

See notes to basic financial statements

-13-

