

(See "CONTINUING DISCLOSURE
OF INFORMATION" herein)

Dated July 12, 2022

Ratings:
S&P: "AAA"
Fitch: "AAA"
(see "OTHER INFORMATION
- Ratings" herein)

NEW ISSUE - Book-Entry-Only

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein.

THE BONDS WILL NOT BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS"
FOR FINANCIAL INSTITUTIONS

\$130,805,000
TRINITY RIVER AUTHORITY OF TEXAS
REGIONAL WASTEWATER SYSTEM
REVENUE BONDS, SERIES 2022

Dated Date: July 1, 2022

Due: August 1, as shown on Page ii

Interest to accrue from Delivery Date

PAYMENT TERMS . . . Interest on the \$130,805,000 Trinity River Authority of Texas Regional Wastewater System Revenue Bonds, Series 2022 (the "Bonds") will accrue from the date they are initially delivered (the "Delivery Date") to the underwriters listed below (the "Underwriters"), will be payable on February 1, 2023 and on August 1 and February 1 of each year thereafter until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - Book-Entry-Only System" herein). The initial Paying Agent/Registrar is BOKF, N.A., Dallas, Texas (see "THE BONDS - Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE . . . The Bonds are issued pursuant to the provisions of Chapter 518, Acts of the 54th Texas Legislature, Regular Session, 1955, as amended, Chapter 30, Texas Water Code, as amended, Chapter 1371, Texas Government Code, as amended, and other applicable laws, and a bond resolution authorizing the issuance of the Bonds (the "Bond Resolution") adopted by the Board of Directors (the "Board") of the Trinity River Authority of Texas (the "Authority" or "Issuer") on June 22, 2022. In the Bond Resolution, the Board delegated to the General Manager of the Authority (the "Authorized Officer") the authority to complete the sale of the Bonds. The terms of the sale are included in a "Pricing Certificate" which was approved and executed by the Authorized Officer, which completed the sale of the Bonds (the Bond Resolution and the Pricing Certificate are jointly referred to as the "Resolution"). Under the Constitution and the statutes of the State of Texas, the Authority has broad powers to effectuate flood control and the conservation and use for all beneficial purposes of storm and flood waters in the Trinity River watershed, and as a necessary aid to these purposes, the Authority has specific authority to construct, own and operate water and wastewater treatment, collection and transportation systems, and to make contracts in reference thereto with municipalities and others.

PURPOSE . . . Proceeds from the sale of the Bonds will be used for the purpose of providing funds (i) to acquire and construct improvements and extensions to the Authority's Regional Wastewater System (the "System"), (ii) to fund the debt service reserve fund, and (iii) to pay costs associated with the issuance of the Bonds.

CUSIP PREFIX: 89658H
MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on Page ii

LEGALITY . . . The Bonds are offered for delivery when, as and if issued and received by the Underwriters and subject to the approving opinion of the Attorney General of Texas and the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, Dallas, Texas (see APPENDIX D, "Form of Bond Counsel's Opinion"). Certain legal matters will be passed upon for the Underwriters by Norton Rose Fulbright US LLP, Dallas, Texas, counsel to the Underwriters.

DELIVERY . . . It is expected that the Bonds will be available for delivery through the facilities of DTC on or about July 28, 2022.

CITIGROUP
SAMCO CAPITAL MARKETS

MESIROW FINANCIAL, INC.
LOOP CAPITAL MARKETS

\$130,805,000
TRINITY RIVER AUTHORITY OF TEXAS
REGIONAL WASTEWATER SYSTEM
REVENUE BONDS, SERIES 2022

MATURITY SCHEDULE

Maturity (August 1)	(Interest to accrue from the Delivery Date)			CUSIP Suffix ⁽¹⁾
	Principal Amount (\$)	Interest Rate (%)	Initial Yield (%)	
2024	4,370,000	5.000	1.800	YB0
2025	4,590,000	5.000	1.930	YC8
2026	4,820,000	5.000	2.030	YD6
2027	5,060,000	5.000	2.140	YE4
2028	5,315,000	5.000	2.300	YF1
2029	5,580,000	5.000	2.420	YG9
2030	5,860,000	5.000	2.510	YH7
2031	6,150,000	5.000	2.620	YJ3
2032	6,460,000	5.000	2.690	YK0
2033	6,780,000	5.000	2.810*	YL8
2034	7,120,000	5.000	2.920*	YM6
2035	7,480,000	5.000	3.020*	YN4
2036	7,850,000	3.500	3.540	YP9
2037	8,125,000	3.500	3.590	YQ7
2038	8,410,000	3.625	3.630	YR5
2039	8,715,000	3.625	3.680	YS3
2040	9,030,000	3.750	3.750	YT1
2041	9,370,000	3.750	3.830	YU8
2042	9,720,000	3.875	3.875	YV6

* Yield shown is the yield to the first optional call date, August 1, 2032.

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OPTIONAL REDEMPTION . . . The Authority reserves the right, at its option, to redeem Bonds maturing on or after August 1, 2033, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on August 1, 2032, or any date thereafter, at the par value thereof plus accrued interest to date of redemption (see “THE BONDS – Redemption”).

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale. This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACT. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAW OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES, IF ANY, CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

No dealer, broker, salesman or other person has been authorized by the Authority or the Underwriters to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Authority or the Underwriters. This Official Statement does not constitute an offer to sell Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction.

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

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC rule 15c2-12.

Certain information set forth herein has been obtained from the Authority, the Contracting Parties (as defined herein) and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Financial Advisor or the Underwriters. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the Contracting Parties or other matters described herein since the date hereof. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the Authority's and Contracting Parties' undertakings to provide certain information on a continuing basis.

NONE OF THE AUTHORITY, ITS FINANCIAL ADVISOR, OR THE UNDERWRITERS MAKES ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY OR ITS BOOK-ENTRY-ONLY SYSTEM, AS SUCH INFORMATION HAS BEEN PROVIDED BY THE DEPOSITORY TRUST COMPANY.

This Official Statement includes descriptions and summaries of certain events, matters and documents. Such descriptions and summaries do not purport to be complete and all such descriptions, summaries and references thereto are qualified in their entirety by reference to this Official Statement in its entirety and to each such document, copies of which may be obtained from the Financial Advisor. Any statements made in this Official Statement or the appendices hereto involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized.

This Official Statement contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance and achievements to be different from future results, performance and achievements expressed or implied by such forward-looking statements. Investors are cautioned that the actual results could differ materially from those set forth in the forward-looking statements.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

TABLE OF CONTENTS

OFFICIAL STATEMENT SUMMARY	V	Compliance With Prior Undertakings	36
INTRODUCTION.....	1	OTHER INFORMATION.....	36
Description of the Authority	1	Ratings.....	36
PLAN OF FINANCING.....	1	Litigation	37
Purpose	1	Registration and Qualification of Bonds for	
Sources and Uses of Bond Proceeds	2	Sale	37
THE BONDS.....	2	Legal Investments and Eligibility to Secure	
Description of the Bonds	2	Public Funds in Texas.....	37
Authority For Issuance.....	2	Legal Matters.....	37
Redemption.....	3	Authenticity of Financial Data and Other	
Notice of Redemption.....	3	Information	38
Reserve Fund	4	Financial Advisor	38
Emergency Fund	4	Underwriting	38
Defeasance	4	Infectious Disease Outbreak	39
Book-Entry-Only System.....	5	Forward-Looking Statements Disclaimer.....	40
Paying Agent/Registrar	7	Miscellaneous	40
Transfer, Exchange And Registration.....	7	APPENDIX A BIOGRAPHICAL	
Limitation on Transfer of Bonds.....	7	INFORMATION	A-1
Record Date for Interest Payment.....	7	APPENDIX B TRINITY RIVER	
Bondholders' Remedies	7	AUTHORITY	
SECURITY AND SOURCE OF PAYMENT	8	REGIONAL	
Reserve Fund Requirement.....	9	WASTEWATER	
THE SYSTEM.....	10	SYSTEM 2021 REVENUE	
The Plant.....	10	REPORT	B-1
DEBT INFORMATION.....	12	APPENDIX C CERTAIN FINANCIAL	
Debt Service Requirements.....	12	AND OPERATING DATA	
Anticipated Issuance of Additional System		OF CENTRAL	
Revenue Bonds.....	13	REGIONAL	
SELECTED CONTRACT PROVISIONS	14	WASTEWATER	
Parties and Terms.....	14	SYSTEM ENTERPRISE	
Certain Definitions.....	14	FUND	C-1
Fiscal Provisions of the Contracts.....	15	APPENDIX D FORM OF BOND	
SELECTED PROVISIONS OF THE		COUNSEL'S OPINION	D-1
RESOLUTION	19		
THE AUTHORITY	26		
The Authority's Activities	26		
The Authority's Revenue-Based Projects	26		
The Future Role of the Authority.....	27		
Pension Plan.....	28		
Other Post-Employment Benefits	28		
TAX MATTERS	31		
Opinion	31		
Federal Income Tax Accounting Treatment of			
Original Issue Discount.....	31		
Collateral Federal Income Tax Consequences.....	32		
State, Local and Foreign Taxes.....	33		
Information Reporting and Backup Withholding....	33		
Future and Proposed Legislation.....	33		
CONTINUING DISCLOSURE OF			
INFORMATION.....	33		
Annual Reports	33		
Disclosure Event Notices.....	34		
Availability of Information	35		
Limitations and Amendments	35		

The cover page hereof, this page, the schedule, the appendices included herein and any addenda, supplement or amendment hereto, are part of this Official Statement.

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

- THE AUTHORITY**..... The Trinity River Authority of Texas (the “Authority” or “Issuer”) is a governmental agency of the State of Texas and a body politic and corporate, created as a conservation and reclamation district under Article XVI, Section 59 of the Texas Constitution pursuant to Chapter 518, Acts of the 54th Texas Legislature, Regular Session, 1955, as amended. The Authority is governed by a Board (the “Board”) of 25 directors who are appointed by the Governor for six-year terms.
- THE BONDS**..... The Bonds are issued as \$130,805,000 Trinity River Authority of Texas Regional Wastewater System Revenue Bonds, Series 2022. The Bonds may be issued as serial bonds maturing on August 1 in each of the years 2024 through 2042, inclusive (see “THE BONDS - Description of the Bonds”).
- PAYMENT OF INTEREST** Interest on the Bonds accrues from the date they are initially delivered to the Underwriters, and is payable February 1, 2023 and each August 1 and February 1, thereafter until maturity or prior redemption (see “THE BONDS - Description of the Bonds,”).
- AUTHORITY FOR ISSUANCE** The Bonds are issued pursuant to the provisions of Chapter 518, Acts of the 54th Texas Legislature, Regular Session, 1955, as amended, Chapter 30, Texas Water Code, as amended, Chapter 1371, Texas Government Code, as amended, and other applicable laws, and a bond resolution authorizing the issuance of the Bonds (the “Bond Resolution”) adopted by the Board on June 22, 2022. In the Bond Resolution, the Board delegated to the General Manager of the Authority (the “Authorized Officer”) the authority to complete the sale of the Bonds. The terms of the sale are included in a “Pricing Certificate” which was approved and executed by the Authorized Officer, and which completed the sale of the Bonds (the Bond Resolution and the Pricing Certificate are jointly referred to as the “Resolution”) (see “THE BONDS - Authority for Issuance”).
- SECURITY FOR THE BONDS** The Bonds constitute special obligations of the Authority, payable both as to principal and interest, and secured by a first lien on a pledge of the Net Revenues (as defined in the Resolution, see “SELECTED PROVISIONS OF THE RESOLUTION” herein) of the Authority under the Contracts entered into with the Contracting Parties (as defined herein) (see “SECURITY AND SOURCE OF PAYMENT”).
- REDEMPTION** The Authority reserves the right, at its option, to redeem Bonds maturing on or after August 1, 2033 in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on August 1, 2032 or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE BONDS – Redemption”).
- TAX EXEMPTION**..... In the opinion of Bond Counsel, the interest on the Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under the caption “TAX MATTERS” herein.
- USE OF PROCEEDS** Proceeds from the sale of the Bonds will be used for the purpose of providing funds (i) to acquire and construct improvements and extensions to the System, (ii) to fund the debt service reserve fund, and (iii) to pay costs associated with the issuance of the Bonds.
- RATINGS** The Bonds are rated “AAA” by S&P Global Ratings, a division of S&P Global Inc. (“S&P”), and “AAA” by Fitch Ratings (“Fitch”). The Outstanding Parity Bonds of the Authority are rated “AAA” by S&P and “AAA” by Fitch, each without regard to credit enhancement (see “OTHER INFORMATION - Ratings”).

BOOK-ENTRY-ONLY SYSTEM..... The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see “THE BONDS - Book-Entry-Only System”).

PAYMENT RECORD Neither the Authority nor any of the Contracting Parties have ever defaulted in payment of their bonds.

For additional information regarding the Authority, please contact:

Ms. Christine J. Epps, C.P.A.
Trinity River Authority of Texas
P.O. Box 60
Arlington, Texas 76004
(817) 493-5192

or

Ms. Mary Williams
Hilltop Securities Inc.
717 Harwood Street, 34th Floor
Dallas, Texas 75201
(214) 953-4000

AUTHORITY OFFICIALS, STAFF AND CONSULTANTS

Board Members	Position	Area Represented
Tommy G. Fordyce	President and Member, Executive Committee	Walker County
C. Dwayne Somerville	Vice-President and Member, Executive Committee	Freestone County
Kevin Maxwell	Chair and Member, Executive Committee	Houston County
Lewis H. McMahan	Chair, Administration and Audit Committee and Member, Executive Committee	Dallas County
Amir A. Rupani	Chair, Resources Development Committee and Member, Executive Committee	Dallas County
Henry Borbolla III	Chair, Legal and Public Policy Committee and Member, Executive Committee	Tarrant County
Megan W. Deen	Chair, Utility Services Committee and Member, Executive Committee	Tarrant County
Cathy Altman	Member, Legal and Public Policy Committee	Ellis County
Cary Cole Camp	Member, Legal and Public Policy Committee	Director at Large
Benny Fogleman	Member, Administration and Audit Committee	Polk County
Lisa A. Hembry	Member, Resources Development Committee	Dallas County
Jerry F. House, D.Min.	Member, Utility Services Committee	Leon County
John W. Jenkins	Member, Resources Development Committee	Chambers County
Margaret S. C. Keliher	Member, Resources Development Committee	Dallas County
David B. Leonard	Member, Resources Development Committee	Liberty County
Victoria K. Lucas	Member, Utility Services Committee	Kaufman County
Dennis "Joe" McCleskey	Member, Utility Services Committee	Trinity County
Robert F. McFarlane, M.D.	Member, Legal and Public Policy Committee	Director at Large
Steven L. Roberts	Member, Utility Services Committee	San Jacinto County
William O. Rodgers	Member, Legal and Public Policy Committee	Tarrant County
Kathryn L. Sanders	Member, Resources Development Committee	Henderson County
Frank H. Steed, Jr.	Member, Administration and Audit Committee	Navarro County
Brenda K. Walker	Member, Administration and Audit Committee	Anderson County
David G. Ward	Member, Administration and Audit Committee	Madison County
Vacancy		Director at Large

Management Officers

J. Kevin Ward	General Manager
Matthew S. Jalbert, P.E.	Executive Manager, Northern Region
Jimmie R. Sims.	Executive Manager, Southern Region
Christine J. Epps, CPA.....	Treasurer, Board of Directors, and Chief Financial Officer
Glenn C. Clingenpeel.....	Executive Manager, Technical Services and Basin Planning
Gary N. Oradat, P.E.	Executive Manager, Planning, Design and Construction Administration
Howard S. Slobodin	Secretary, Board of Directors and General Counsel
Taylor L. Huynh.....	Executive Manager, Administrative Services
Douglas L. Short.....	Chief Information Officer

Consultants and Advisors

Authority Counsel.....	Booth, Ahrens & Werkenthin, P.C.....	Austin, Texas
Independent Auditors.....	Weaver and Tidwell, LLP.....	Dallas, Texas
Bond Counsel.....	McCall, Parkhurst & Horton L.L.P.....	Dallas, Texas
Financial Advisor.....	Hilltop Securities Inc.	Dallas, Texas

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OFFICIAL STATEMENT
RELATING TO
\$130,805,000
TRINITY RIVER AUTHORITY OF TEXAS
REGIONAL WASTEWATER SYSTEM
REVENUE BONDS, SERIES 2022

INTRODUCTION

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of \$130,805,000 Trinity River Authority of Texas Regional Wastewater System Revenue Bonds, Series 2022 (the “Bonds”). Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Resolution (defined herein), except as otherwise indicated herein (see “SELECTED PROVISIONS OF THE RESOLUTION”).

There follows in this Official Statement descriptions of the Bonds and certain information regarding the Trinity River Authority of Texas (the “Authority” or “Issuer”) and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the Authority’s Financial Advisor, Hilltop Securities Inc., Dallas, Texas.

Description of the Authority

The Authority is a governmental agency of the State of Texas and a body politic and corporate, created as a conservation and reclamation district under Article XVI, Section 59 of the Constitution pursuant to Chapter 518, Acts of the 54th Legislature of Texas, Regular Session, 1955, as amended. Under the Constitution and the statutes of the State of Texas, the Authority has broad powers to effectuate flood control and the conservation and use, for all beneficial purposes, of storm and flood waters and unappropriated flow waters in the Trinity River watershed, and as necessary aid to these purposes, the Authority has specific authority to construct, own and operate water and wastewater treatment, collection and transportation systems, and to make contracts in reference thereto with municipalities and others.

The Authority consists of all the territories in the Counties of Dallas, Tarrant, Ellis, Navarro and Chambers, and the principal watershed portions of Anderson, Freestone, Henderson, Houston, Kaufman, Leon, Madison, Polk, San Jacinto, Trinity, Walker and Liberty Counties. The Authority is governed by a Board (the “Board”) of 25 directors who are appointed by the Governor with the advice and consent of the Texas Senate. The first directors were appointed for staggered terms, and directors thereafter have served six-year terms. Three of the directors are appointed from the area-at-large; three directors are from Tarrant County; four are from Dallas County; and one director is from each of the other counties.

PLAN OF FINANCING

Purpose

Proceeds from the sale of the Bonds will be used for the purpose of providing funds (i) to acquire and construct improvements and extensions to the Authority’s Regional Wastewater System (the “System”), (ii) to fund the debt service reserve fund, and (iii) to pay costs associated with the issuance of the Bonds.

Sources and Uses of Bond Proceeds

Proceeds from the sale of the Bonds are expected to be applied as follows:

Sources of Funds

Par Amount of Bonds	\$ 130,805,000.00
Net Reoffering Premium	10,713,204.30
Total Sources of Funds	\$ 141,518,204.30

Uses of Funds:

Deposit to Project Fund	130,000,000.00
Deposit to Reserve Fund	9,616,900.75
Underwriters' Discount	627,756.65
Costs of Issuance	1,273,546.90
Total Uses of Funds	\$ 141,518,204.30

THE BONDS

Description of the Bonds

The Bonds are dated July 1, 2022, and mature on August 1 in each of the years and in the amounts shown on page ii hereof. Interest will accrue from the date they are initially delivered to the Underwriters, will be payable on February 1, 2023 and on August 1 and February 1 of each year thereafter until maturity or prior redemption, and will be computed on the basis of a 360-day year of twelve 30-day months. The definitive Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - Book-Entry-Only System" herein).

Interest on the Bonds is payable to the registered owner appearing on the bond registration books of the Paying Agent/Registrar on the Record Date (as defined below) and such interest shall be paid by the Paying Agent/Registrar (i) by check sent by United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the bond register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. Principal of and interest on the Bonds at maturity will be payable upon their presentation and surrender to the Paying Agent/Registrar; provided, however, that so long as Cede & Co. (or other DTC nominee) is the registered owner of the Bonds, all payments will be made as described under "THE BONDS - Book-Entry-Only System" herein. If the date for any payment on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the designated corporate office of the Paying Agent/Registrar is located is authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

Authority For Issuance

The Bonds are being issued pursuant to the provisions of Chapter 518, Acts of the 54th Texas Legislature, Regular Session, 1955, as amended, Chapter 30, Texas Water Code, as amended, Chapter 1371, Texas Government Code, as amended, and other applicable laws, and a bond resolution authorizing the issuance of the Bonds (the "Bond Resolution") adopted by the Board on June 22, 2022. In the Bond Resolution, the Board delegated to the General Manager of the Authority (the "Authorized Officer") the authority to complete the sale of the Bonds. The terms of the sale are included in a "Pricing Certificate" which was approved and executed by the Authorized Officer, and which completed the sale of the Bonds (the Bond Resolution and the Pricing Certificate are jointly referred to as the "Resolution").

Under the Constitution and the statutes of the State of Texas, the Authority has broad powers to effectuate flood control and the conservation and use for all beneficial purposes of storm and flood waters in the Trinity River watershed, and as a necessary aid to these purposes, the Authority has specific authority to construct, own and operate

water and wastewater treatment, collection and transportation systems, and to make contracts in reference thereto with municipalities and others. The Bonds are payable from the income to be received by the Authority under contracts (the "Contracts") with the following municipalities: Town of Addison, the Cities of Arlington, Bedford, Carrollton, Cedar Hill, Colleyville, Coppell, Dallas, Duncanville, Euless, Farmers Branch, Fort Worth, Grand Prairie, Grapevine, Hurst, Irving, Keller, Mansfield, North Richland Hills and Southlake and the Dallas-Fort Worth International Airport Board (the "Contracting Parties"). The Bonds are "Additional Bonds" permitted to be issued by the resolutions of the Board of Directors of the Authority authorizing the issuance of the currently outstanding Regional Wastewater System Revenue Bonds.

The Authority's unpaid and unrefunded Regional Wastewater System Revenue Bonds, Series 2012, Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2013, Regional Wastewater System Revenue Refunding Bonds, Series 2014, Regional Wastewater System Revenue Refunding Bonds, Series 2016, Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2017, Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2018, Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2019, Regional Wastewater System Revenue Refunding Bonds, Series 2020, and Regional Wastewater System Revenue Refunding Bonds, Series 2021 shall be referred to as "Outstanding Parity Bonds".

As required by the resolutions authorizing the Outstanding Parity Bonds, and prior to the issuance of the Bonds, the Authority's engineer will execute a certificate to the effect that it is their opinion the Net Revenues of the System will be at least one times the principal and interest requirements for all then Outstanding Parity Bonds and the Bonds, throughout the period during which said obligations are scheduled to be outstanding.

Redemption

The Authority reserves the right, at its option, to redeem Bonds maturing on or after August 1, 2033, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on August 1, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the Authority may select the maturities of the Bonds to be redeemed. If less than all of the Bonds of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot the Bonds, or portions thereof, within such maturity to be redeemed.

Notice of Redemption

At least 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the day such notice of redemption is mailed and to major securities depositories, national bond rating agencies and any national information service that disseminates redemption notices; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Resolution.

If at the time of mailing of notice of optional redemption there shall not have either been deposited with the Paying Agent/Registrar or legally authorized escrow agent immediately available funds sufficient to redeem all the Bonds called for redemption, such notice must state that it is conditional, and is subject to the deposit of the redemption moneys with the Paying Agent/Registrar or legally authorized escrow agent at or prior to the redemption date, and such notice shall be of no effect unless such moneys are so deposited on or prior to the redemption date. If such redemption is not effectuated, the Paying Agent/Registrar shall, within 5 days thereafter, give notice in the manner in which the notice of redemption was given that such moneys were not so received and shall rescind the redemption.

The Paying Agent/Registrar and the Authority, so long as a Book-Entry-Only System is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Resolution or other notices only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the beneficial owner, shall not affect the validity of the redemption of Bonds called for redemption or any other action premised on any such notice. Redemption of portions of the Bonds by the Authority will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Bonds held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Bonds from the beneficial owners. Any such selection of Bonds to be redeemed will not be governed by the Resolution and will not be conducted by the Authority or the Paying Agent/Registrar. Neither the Authority nor the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on the Bonds or the providing of notice to DTC participants, indirect participants, or beneficial owners of the selection of portions of the Bonds for redemption (see “THE BONDS - Book-Entry-Only System”).

Reserve Fund

At closing of the issuance of the Bonds, the Authority will deposit an amount necessary to make the Reserve Fund created by the 1973 Bond Resolution contain an amount of money and investments in market value at least equal to the average annual principal and interest requirements of the Outstanding Parity Bonds and the Bonds (the “Reserve Required Amount”). Until and unless Additional Bonds are issued as permitted in the Outstanding Parity Bond Resolution and the Resolution, no deposits shall be made into the Reserve Fund as long as the money and investments in the Reserve Fund are at least equal in market value to the Reserve Required Amount. However, if and whenever the amount of money and investments in the Reserve Fund is reduced below said Reserve Required Amount because of a decrease in market value of investments, then the Authority shall restore the Reserve Fund to the Reserve Required Amount from the Emergency Fund (see “THE BONDS - Emergency Fund”) and/or the Research and Development Fund created by the 1973 Bond Resolution to the extent of amounts available therein, and if such amounts are insufficient, then the Authority shall require the Contracting Parties to increase their payments under the Contracts as soon as practicable, and in any event within one year, in an amount sufficient to restore the Reserve Fund to the Reserve Required Amount. In the event the Reserve Fund is used to pay the principal of or interest on any bonds because of insufficient amounts being available in the Interest and Sinking Fund, then the Authority shall require the Contracting Parties to increase their payments under the Contracts in an amount sufficient to restore the Reserve Fund to the Reserve Required Amount, and the Authority shall deposit in the Reserve Fund, in approximately equal periodic payments, not less than annually, such amounts as are required to restore the Reserve Fund to the Reserve Required Amount from said increased payments within five years from any date of the use of the Reserve Fund to pay such principal or interest. So long as the Reserve Fund contains the Reserve Required Amount, all amounts in excess thereof shall be deposited to the credit of the Claims Fund, the Emergency Fund, and the Research and Development Fund, to the extent required by Section 3.13 of the 1973 Bond Resolution, and with the remainder to be deposited to the credit of the Interest and Sinking Fund. See “SECURITY AND SOURCE OF PAYMENT - Reserve Fund Requirement” for additional details about the Reserve Fund.

Emergency Fund

There is now on hand in the Emergency Fund created by the 1973 Bond Resolution an amount equal to at least \$1,000,000 (the “Required Emergency Amount”). No deposits are required to be made to the credit of the Emergency Fund so long as it contains the Required Emergency Amount. If the Required Emergency Amount is reduced below \$1,000,000, the Authority shall require the Contracting Parties to increase their payments under the Contracts in amounts sufficient to restore the Emergency Fund to the Required Emergency Amount as soon as practicable, and in all events by the end of the next following Authority fiscal year.

Defeasance

The Resolution provides for the defeasance of the Bonds when the payment of all amounts due with respect to the Bonds to the due date thereof is provided by irrevocably depositing with the Paying Agent/Registrar or authorized deposit agent, in trust (1) money sufficient to make such payment and/or (2) Defeasance Securities to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Bonds. The Resolution permits defeasance with the following types of securities: (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of

America, or (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the Authority adopts or approves the proceedings authorizing the issuance of refunding obligations, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The Authority has the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Defeasance Securities for the Defeasance Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the Authority moneys in excess of the amount required for such defeasance.

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

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Authority and the Underwriters believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The Authority and the Underwriters cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

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

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, is the holding company of DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

Use of Certain Terms in Other Sections of this Official Statement. In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Resolution will be given only to DTC.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Authority or the Underwriters.

Effect of Termination of Book-Entry-Only System. In the event the Book-Entry-Only System with respect to the Bonds is discontinued by DTC, or the use of the Book-Entry-Only System with respect to the Bonds is discontinued by the

Authority, printed Bond certificates will be issued to the respective holders of the Bonds, and the respective Bonds will be subject to transfer, exchange, and registration provisions as set forth in the Resolution, summarized under “THE BONDS – Transfer, Exchange And Registration” below.

Paying Agent/Registrar

The initial Paying Agent/Registrar is BOKF, N.A., Dallas, Texas. In the Resolution, the Authority retains the right to replace the Paying Agent/Registrar. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are duly paid and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Bonds. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds by United States mail, first-class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Transfer, Exchange And Registration

In the event the Book-Entry-Only System should be discontinued, the Bonds will be printed and delivered to the beneficial owners thereof, and thereafter the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Bonds may be assigned by the execution of an assignment form on the respective Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first-class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be in any integral multiple of \$5,000 for any one maturity and for a like aggregate designated amount as the Bonds surrendered for exchange or transfer. See “THE BONDS - Book-Entry-Only System” herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds.

Limitation on Transfer of Bonds

The Paying Agent/Registrar shall not be required to make any transfer, conversion or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 30 days prior to its redemption date.

Record Date for Interest Payment

The record date (“Record Date”) for the interest payable on the Bonds on any interest payment date means the close of business on the fifteenth calendar day of the preceding month.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Holder of a Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Bondholders’ Remedies

The Resolution does not specify events of default with respect to the Bonds. If the Authority defaults in the payment of principal, interest, or redemption price on the Bonds when due, or the Authority defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Resolution, the Resolution provides that, in the event of a default or a threatened default in the payment of principal or interest on the Parity Bonds, any

court of competent jurisdiction may, upon petition of holders or owners of 25% of the outstanding Parity Bonds, appoint a receiver with authority to collect and receive all income from the System, employ, and discharge agents, employees, and consultants of the Authority, take charge of pledged funds on hand and manage the proprietary affairs of the Authority without consent or hindrance by the Board of the Authority. Such receiver may also be authorized to make contracts for providing water treatment services or renew such contracts with the approval of the court. The Court may vest the receiver with such other powers and duties as the court may find necessary for the protection of the holders or owners of the Parity Bonds. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the Bonds or the Resolution and the Authority's obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. On June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W. 3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the Authority's sovereign immunity from a suit for money damages, Bondholders may not be able to bring such a suit against the Authority for breach of the Bonds or Resolution covenants in the absence of Authority action. Chapter 1371, Texas Government Code ("Chapter 1371"), which pertains to the issuance of public securities by issuers such as the Authority, permits the Authority to waive sovereign immunity in the proceedings authorizing its bonds. The Bonds are being issued pursuant to Chapter 1371, however, the Authority has not waived sovereign immunity in connection with the issuance of the Bonds. Even if a judgment against the Authority could be obtained, it could not be enforced by direct levy and execution against the Authority's property. Further, the registered owners cannot themselves foreclose on property within the Authority or sell property within the Authority to enforce any tax lien on property to pay the principal of and interest on the Bonds. Furthermore, the Authority is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, such provision is subject to judicial construction. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or Bondholders of an entity which has sought protection under Chapter 9. Therefore, should the Authority avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Bonds are qualified with respect to the customary rights of debtors relative to their creditors.

SECURITY AND SOURCE OF PAYMENT

The Authority has entered into the Contracts with the Contracting Parties to enable it to construct and improve a central regional wastewater treatment system (the "System") for the benefit of the Contracting Parties (see "THE SYSTEM - The Plant"). The Bonds, and interest thereon, are payable solely from the "Net Revenues" to be received by the Authority under the terms of the Contracts, and the Authority has pledged these Net Revenues to the punctual payment of these obligations, when due. The term "Net Revenues" is defined in the Bond Resolution as all of the gross revenues or payments received by the Authority from the Contracting Parties under the Contracts after deducting therefrom the amounts paid to the Authority for the purpose of paying Operation and Maintenance Expenses, with the result that the Net Revenues shall consist of the amounts necessary to pay all principal and/or interest coming due on the Bonds and the Outstanding Parity Bonds, on each principal and/or interest payment date, and any amounts payable as part of any special or reserve funds required to be established and/or maintained by the provisions of any Bond Resolution, as defined in the Contracts, and an amount in addition thereto sufficient to restore any deficiency in any of such funds or accounts required to be accumulated and maintained by the provisions of any Bond Resolution, as defined in the Contracts.

The expense of operating the System, including administrative overhead and the amount necessary to pay debt service on any outstanding bonds, is reduced to a cost in cents per 1,000 gallons of sewage deposited into the System. Each Contracting Party is then billed monthly according to their projected annual flow with provisions for adjustment. The fiscal provisions of the Contracts with the Authority are summarized in this Official Statement. (see "SELECTED CONTRACT PROVISIONS").

Actual net cost to the Contracting Parties for wastewater treatment for fiscal year 2021 was \$3.057 per 1,000 gallons. Budgeted net cost of wastewater treatment to the Contracting Parties for billing purposes for fiscal year 2022 is \$2.951 per 1,000 gallons. The estimated net cost for fiscal year 2023 is \$3.116 per 1,000 gallons.

Reserve Fund Requirement

There has previously been created a Reserve Fund to be used to finally retire or to pay when due debt service on Outstanding Parity Bonds and any Additional Bonds to the extent the amounts in the Interest and Sinking Fund are insufficient. The Resolution provides that so long as the market value of the money and investments in the Reserve Fund are not less than the Reserve Required Amount (which is to the average annual principal and interest requirements of the Outstanding Parity Bonds and any Additional Bonds), no deposit to the Reserve Fund is required (see “THE BONDS - Reserve Fund” and “SELECTED PROVISIONS OF THE RESOLUTION”). At delivery of the Bonds, the Authority will deposit an amount necessary to make the Reserve Fund created by the 1973 Bond Resolution contain an amount of money and investments in market value at least equal to the Reserve Required Amount.

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THE SYSTEM

The Plant

The Central Regional Wastewater System (the “System”) is considered a large regional wastewater system currently serving approximately 1.5 million customers in Dallas, Tarrant, Ellis, Johnson, and Denton counties of North Central Texas. The System includes facilities required to transport and treat flow volumes received from portions or all of twenty cities and the Dallas-Fort Worth International Airport. The System has been in continuous operation since the original 30 MGD two stage trickling filter plant (the “Plant”) was placed into operation December 1, 1959. In response to the population growth of the Contracting Parties serviced by the System, the Plant was expanded during the mid-seventies to a 100 MGD capacity when twelve additional Contracting Parties were admitted to the System. In 1987, through the addition of several equipment modifications, the Plant was upgraded to a temporary 115 MGD capacity. In late 1989, construction was initiated on the Phase III Expansion of the Plant to 135 MGD with a capability of meeting more stringent discharge limits. This expansion was completed in mid-1993. Since the Plant was last expanded, the Authority has continued to make process changes and has received an up rating from the Texas Commission on Environmental Quality. The current rated capacity of the Plant is 189 MGD. The Plant receives wastewater via a network of 210 plus miles of interceptor pipeline. These interceptors range in size from 6 to 110 inches in diameter. The flow collected by each interceptor is metered through a series of 128 meter stations distributed throughout the System; these meters are utilized for determining respective flow contributions from each of the Contracting Parties allowing subsequent proportionate segregation of System costs based upon the share of System usage.

In 1992, the Authority completed the first of several planning efforts (each referred to herein as a “System Improvement Plan”) for the System. Development of this initial System Improvement Plan was a scheduled milestone in the Authority’s continued long-term planning efforts for the System. Other subsequent System Improvement Plans were completed in 1998, 2001, 2004, 2007, 2009, 2012 and 2017. Generally, the projects contemplated by each System Improvement Plan were completed within three (3) years of commencement.

The 2017 System Improvement Plan identified numerous improvements, including, but not limited to, improvements to the System’s treatment plant and collection system. These improvements will be funded, in part, by future bond issues (See “DEBT INFORMATION – Anticipated Issuance of Additional System Revenue Bonds”).

The National Association of Clean Water Agencies (formerly known as Association of Metropolitan Sewerage Agencies) recognized the System and the Authority with Platinum Awards for Peak Performance for the years 2007 through 2018. This Platinum Award recognized the Authority for its 100% compliance with NPDES permits over a consecutive five-year period. Aside from the awards received by the Plant, the System has received national recognition within the industry for three innovative projects:

- 1) the System’s early use of fine bubble diffusion as a retrofit to the secondary treatment process to achieve greater energy efficiency and treatment capability;
- 2) the System’s establishment of the largest urban reuse project in the State of Texas wherein treated effluent is pumped to a large development in Irving, Texas, for use in lake level maintenance and golf course irrigation; and
- 3) the System’s completion of the Jefferson Avenue Relief Tunnel facility, a 10,500 linear foot 72-inch diameter relief diversion facility which served to facilitate the abandonment of a 20 MGD lift station and avoided the construction of approximately 30,000 linear feet of relief pipeline.
- 4) the System received the Utility of the Future Today award for planning to develop the thermal hydrolysis and digestion process for beneficial biosolids use to achieve Class A land application.

These projects have served as examples of the possibilities that can be implemented on a regionally scaled project.

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Central Regional Wastewater System Enterprise Fund

FY 11/30	2021	2020	2019	2018	2017
Total Operating Revenue	\$157,540,270	\$154,609,805	\$151,770,842	\$136,423,581	\$125,629,189
Operating Expenses (Exclusive of Depreciation)	(52,810,968)	(60,789,981)	(57,266,224)	(55,522,983)	(51,092,981)
Net Non-Operating Revenues/(Expenses) (Exclusive of Interest and Amortization Expenses)	<u>(3,936,465)</u>	<u>1,830,574</u>	<u>7,267,540</u>	<u>3,044,060</u>	<u>(1,558,069)</u>
Net Funds Available for Debt Service	\$100,792,837	\$95,650,398	\$101,772,158	\$83,944,658	\$72,978,139

For additional information with respect to the System's operating data, see APPENDIX C, "Certain Financial and Operating Data of Central Regional Wastewater System Enterprise Fund."

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DEBT INFORMATION

Debt Service Requirements

Fiscal Year Ending November 30	Outstanding Parity Bonds Debt Service ⁽¹⁾			The Bonds			Total Outstanding
	Principal	Interest	Total	Principal	Interest	Total	Debt Service
2022	\$ 53,885,000	\$ 19,914,338	\$ 73,799,338	\$ -	\$ -	\$ -	\$ 73,799,338
2023	55,640,000	37,500,561	93,140,561	-	5,773,521	5,773,521	98,914,082
2024	58,030,000	35,226,818	93,256,818	4,370,000	5,725,806	10,095,806	103,352,624
2025	62,370,000	32,780,281	95,150,281	4,590,000	5,507,306	10,097,306	105,247,587
2026	65,390,000	30,115,171	95,505,171	4,820,000	5,277,806	10,097,806	105,602,977
2027	68,530,000	27,303,615	95,833,615	5,060,000	5,036,806	10,096,806	105,930,421
2028	73,835,000	24,132,073	97,967,073	5,315,000	4,783,806	10,098,806	108,065,879
2029	70,425,000	20,691,165	91,116,165	5,580,000	4,518,056	10,098,056	101,214,221
2030	74,535,000	17,347,202	91,882,202	5,860,000	4,239,056	10,099,056	101,981,258
2031	78,350,000	14,024,489	92,374,489	6,150,000	3,946,056	10,096,056	102,470,545
2032	81,125,000	10,850,389	91,975,389	6,460,000	3,638,556	10,098,556	102,073,945
2033	36,885,000	7,997,481	44,882,481	6,780,000	3,315,556	10,095,556	54,978,038
2034	30,980,000	6,405,456	37,385,456	7,120,000	2,976,556	10,096,556	47,482,013
2035	28,320,000	5,053,806	33,373,806	7,480,000	2,620,556	10,100,556	43,474,363
2036	29,655,000	3,739,531	33,394,531	7,850,000	2,246,556	10,096,556	43,491,088
2037	31,010,000	2,356,156	33,366,156	8,125,000	1,971,806	10,096,806	43,462,963
2038	21,095,000	907,406	22,002,406	8,410,000	1,687,431	10,097,431	32,099,838
2039	4,490,000	124,088	4,614,088	8,715,000	1,382,569	10,097,569	14,711,656
2040	5,000	600	5,600	9,030,000	1,066,650	10,096,650	10,102,250
2041	5,000	450	5,450	9,370,000	728,025	10,098,025	10,103,475
2042	5,000	300	5,300	9,720,000	376,650	10,096,650	10,101,950
2043	5,000	150	5,150	-	-	-	5,150
	<u>\$ 924,570,000</u>	<u>\$ 296,471,524</u>	<u>\$ 1,221,041,524</u>	<u>\$ 130,805,000</u>	<u>\$ 66,819,134</u>	<u>\$ 197,624,134</u>	<u>\$ 1,418,665,658</u>

⁽¹⁾ Outstanding Debt Service based on the following Principal by Series as of July 12, 2022:

Series 2012	\$ 51,050,000
Series 2013 Ref	14,790,000
Series 2014 Ref	30,345,000
Series 2016 Ref	65,475,000
Series 2017 Ref	261,625,000
Series 2018	199,350,000
Series 2019 Ref	132,800,000
Series 2020 Ref	98,955,000
Series 2021 Ref	70,180,000
Total	<u>\$ 924,570,000</u>

Anticipated Issuance of Additional System Revenue Bonds

The Authority has plans to finance approximately \$650 million from 2023 to 2027 through the issuance of bonds for the System's five-year capital improvement plan.

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SELECTED CONTRACT PROVISIONS

Following is a summary of certain provisions of the Contracts. Certain provisions, including dates and other time references discussed below, are as expressly specified in the Contracts and have not been revised to reflect more recent dates or time periods. Certain provisions may differ slightly between Contracts in order to suit each Contracting Party's particular needs. Reference is hereby made to the full and complete Contracts. For additional information, copies of the Contracts are available upon request from the Financial Advisor.

The Contracts will remain in force and effect from their date, and thereafter until any Outstanding Bonds and Bonds, as defined in each Contract, have been paid in full.

Parties and Terms

The Authority has entered into contracts with the following Contracting Parties (the "Contracts"), with the effective date of each contract being as designated below:

Contracting Parties	Effective Date	Contracting Parties	Effective Date
Town of Addison	10-24-90	City of Fort Worth	10-10-73
City of Arlington	10-10-73	City of Grand Prairie	10-10-73
City of Bedford	10-10-73	City of Grapevine	1-22-75
City of Carrollton	10-10-73	City of Hurst	5-28-75
City of Cedar Hill	10-23-85	City of Irving	10-10-73
City of Colleyville	5-28-75	City of Keller	6-27-84
City of Coppell	2-1-76	City of Mansfield	8-23-74
City of Dallas	10-8-73	City of North Richland Hills	5-28-75
City of Duncanville	6-27-84	City of Southlake	2-25-87
City of Euless	10-10-73	D-FW International Airport Board	8-9-73
City of Farmers Branch	8-30-73		

Certain Definitions

Certain terms and expressions used in the fiscal provisions of each of the contracts are substantially as set forth below:

"Additional Contracting Party" means any party not defined as a Contracting Party with whom the Authority makes a contract for receiving, transporting, treating, and disposing of wastewater through the System.

"Adjusted Annual Payment" means the Annual Payment, as adjusted due to service to Additional Contracting Parties and/or as required during or after each Fiscal Year.

"Annual Payment" means the amount of money to be paid to the Authority by the Contracting Parties as their proportionate share of the Annual Requirement.

"Annual Requirement" means the total amount of money required for the Authority to pay all Operation and Maintenance Expenses of the System and to pay the debt service on its Bonds and Outstanding Bonds, and to pay any amounts required to be deposited in any special or reserve funds required to be established and/or maintained by the provisions of the Bond Resolution, and in resolutions authorizing Outstanding Bonds.

"Bond Resolution" means any resolution of the Board of Directors of the Authority authorizing the issuance of Bonds and providing for their security and payment, as such resolution(s) may be amended from time to time as therein permitted.

"Bonds" means any bonds to be issued by the Authority pursuant to the Contract and other contracts with the Contracting Parties and Additional Contracting Parties for the acquisition, construction, expansion, improvement, or completion of the System, whether one or more issues, or any bonds issued to refund same, or to refund such refunding bonds.

"Contracting Party" or "Contracting Parties" means one or more of the following: the Town of Addison, the cities of Arlington, Bedford, Carrollton, Cedar Hill, Colleyville, Coppell, Dallas, Duncanville, Euless, Farmers Branch, Fort Worth, Grand Prairie, Grapevine, Hurst, Irving, Keller, Mansfield, North Richland Hills, Southlake, and the Dallas/Fort Worth International Airport Board.

“Fiscal Year” means the twelve (12) month period beginning December 1 of each year and applies only to the Authority, or such other twelve (12) month period as may be established in the future to constitute Authority’s Fiscal Year.

“Month” means calendar month.

“Operation and Maintenance Expense” means all costs of operation and maintenance of the Authority’s System including, but not limited to, repairs and replacements for which no special fund is created in the Bond Resolution, the cost of utilities, supervision, engineering, accounting, auditing, legal services, and any other supplies, services, administrative costs, insurance and equipment necessary for proper operation and maintenance of the Authority’s System, and payments made by the Authority in satisfaction of judgments resulting from claims not covered by the Authority’s insurance or not paid by one particular Contracting Party or Additional Contracting Party arising in connection with the operation and maintenance of the System. The term also includes the fees of the bank or banks where the Outstanding Bonds and the Bonds are payable. Depreciation shall not be considered an item of Operation and Maintenance Expense.

“Outstanding Bonds” means all Bonds issued by the Authority prior to the date of this Contract to provide funds for construction, enlargement, extension, and improvement of the System which are outstanding on the date of the Contracts.

Fiscal Provisions of the Contracts

The fiscal provisions for each of the contracts are substantially as follows:

Financing. The Authority will pay for the cost of construction of the improvements contemplated in the Contract, and will issue its Bonds, from time to time, in amounts necessary which, together with other available funds, will be sufficient to accomplish such construction.

Annual Requirement. It is acknowledged and agreed that payments to be made under the Contract and similar contracts with other Contracting Parties and Additional Contracting Parties will be the only source available to the Authority to provide the Annual Requirement; and that the Authority has a statutory duty to establish and from time to time to revise the charges for services to be rendered and made available to Contracting Party hereunder so that the Annual Requirement shall at all times be not less than an amount sufficient to pay or provide for the payment of:

- (a) the net amount paid or payable for all Operation and Maintenance Expenses;
- (b) the principal of and the interest on Outstanding Bonds and Bonds, as such principal and interest becomes due, less interest to be paid out of Bond proceeds as permitted by the Bond Resolution and less any other funds on hand for payment of principal and interest on the Bonds and Outstanding Bonds;
- (c) during each Fiscal Year, the proportionate part of any special or reserve funds required to be established and/or maintained by the provisions of the Bond Resolution and/or any resolution authorizing the Bonds or Outstanding Bonds; and
- (d) an amount in addition thereto sufficient to restore any deficiency in any of such funds or accounts required to be accumulated and maintained by the provisions of the Bond Resolution and/or any resolution authorizing the Bonds or Outstanding Bonds.

Payments by Contracting Party.

(a) For services to be rendered to the Contracting Party by the Authority under the Contract, the Contracting Party agrees to pay, at the time and in the manner hereinafter provided, its proportionate share of the Annual Requirement, which shall be determined as follows and shall constitute the Contracting Party’s Annual Payment:

For each Fiscal Year the Contracting Party’s proportionate share of the Annual Requirement shall be a percentage obtained by dividing Contracting Party’s estimated annual contributing flow to the System by the total estimated annual contributing flow to the System by all Contracting Parties, and by multiplying such percentage times the Annual Requirement. The resulting amount shall constitute the Contracting Party’s Annual Payment for such Fiscal Year.

The following tabulation was applied for Fiscal Year ending November 30, 2021. Each Contracting Party's Annual Payment for the Fiscal Year 2021 was calculated by multiplying said Contracting Party's percentage from the following tabulation times the Annual Requirement.

Contracting Party	2021 Annual Contributing Flow (million gallons) FY 2021	FY 2021 Percentage of Total (%)	2022 Budgeted Annual Contributing Flow (million gallons)	FY 2022 Budgeted Percentage of Total (%)
Addison	1.700	1.244%	1.800	1.257%
Arlington	35.093	25.682%	36.297	25.341%
Bedford	3.972	2.907%	4.100	2.862%
Carrollton	11.611	8.497%	12.990	9.069%
Cedar Hill	0.557	0.408%	0.523	0.365%
Colleyville	2.914	2.133%	2.841	1.983%
Coppell	3.386	2.478%	3.500	2.444%
DFW Airport	1.969	1.441%	2.240	1.564%
Dallas	6.636	4.857%	6.700	4.678%
Duncanville	0.152	0.111%	0.145	0.101%
Euless	4.593	3.361%	4.149	2.897%
Farmers Branch	4.258	3.116%	4.500	3.142%
Fort Worth	3.820	2.796%	3.357	2.344%
Grand Prairie	17.364	12.708%	19.000	13.265%
Grapevine	2.300	1.683%	1.840	1.285%
Hurst	0.326	0.239%	0.334	0.233%
Irving	24.793	18.144%	27.000	18.850%
Keller	2.575	1.884%	2.810	1.962%
Mansfield	6.286	4.600%	5.950	4.154%
North Richland Hills	0.842	0.616%	0.840	0.586%
Southlake	1.495	1.095%	2.318	1.618%
	136.642	100.000%	143.234	100.000%

The Contracting Party's Annual Payment shall be made to Authority in equal monthly installments for each Fiscal Year. Such payments shall be made in accordance with and at the times set forth in a schedule of payments for each Fiscal Year which will be supplied to the Contracting Party. At the close of each Fiscal Year, the Authority shall redetermine the Contracting Party's percentage by dividing Contracting Party's actual metered contributing flow to the System by the total actual metered contributing flow to the System by all Contracting Parties. The Contracting Party's Adjusted Annual Payment shall be calculated by multiplying the Contracting Party's redetermined percentage times the Annual Requirement. The difference between the Adjusted Annual Payment and the Annual Payment, if any, when determined, shall be applied as a credit or a debit to the Contracting Party's account with the Authority and shall be credited or debited to the Contracting Party's next subsequent monthly payment or payments for the next Fiscal Year.

(b) If, during any Fiscal Year, Authority begins providing services to an Additional Contracting Party or Parties, Contracting Party's Annual Payment for such Fiscal Year shall be redetermined in the following manner:

(i) Such Additional Contracting Party or Parties estimated contributing flow to the System for such year, or portion thereof, shall be determined by Authority;

(ii) The Contracting Party's proportionate share of the Annual Requirement shall be a percentage, redetermined by dividing the Contracting Party's estimated annual contributing flow to the System by the total estimated annual contributing flow to the System by all Contracting Parties, including that estimated for the Additional Contracting Party or Parties for the remaining portion of such Fiscal Year;

(iii) The Authority shall redetermine the Annual Requirement, taking into consideration any costs incurred on account of the Additional Contracting Party or Parties;

(iv) The Contracting Party's Annual Payment shall be redetermined by multiplying the Contracting Party's redetermined percentage times the redetermined Annual Requirement.

(c) The Contracting Party's Annual Payment shall be redetermined, in the manner set out above, at any time during any Fiscal Year if:

(i) Additions, enlargements or improvements to the System are constructed by the Authority to provide continuing service which in turn requires a redetermination of the Annual Requirement; or

(ii) Unusual or extraordinary expenditures for operation and maintenance are required which are not provided for in the Annual Budget or in the Bond Resolution; or

(iii) The Contracting Party's contributing flow to the System, after the beginning of the Fiscal Year, is estimated to be substantially different from that on which Annual Payments are based as determined by the Authority, to the extent that such difference in flow will substantially affect the Contracting Party's Budget, and consequently Contracting Party's Annual Payment to the Authority.

(d) The Annual Payment set forth in this section shall be considered the Basic Charge for service hereunder, and Contracting Party shall pay a surcharge for excess BOD (Biochemical Oxygen Demand) and/or SS (Suspended Solids) determined in the manner set forth in Section 4.05 of the Contract.*

(e) Recognizing that the Authority will use payments received from the Contracting Party to pay, secure and finance the issuance of the Bonds and to pay Outstanding Bonds, it is agreed that upon the effective date of the Contract, the Contracting Party shall be unconditionally obligated to pay its proportionate share of the Annual Requirements, regardless of whether or not the Authority is actually receiving wastewater under the Contract, or whether or not the Contracting Party actually discharges wastewater under the Contract, whether due to Force Majeure or otherwise. In such event, the amount due shall be a percentage of the Annual Requirements for the period of such failure of service under the Contract. Such percentage shall be determined by dividing the amount of wastewater actually discharged into the System by the Contracting Party in the month preceding cessation of service under the Contract by the total amount of wastewater discharged into the System by all Contracting Parties and Additional Contracting Parties for the same period.†

(f) On or before February 1 or August 1 of each year (depending upon the Contracting Party involved) the Authority will furnish the Contracting Party with an estimated schedule of monthly payments to be made by the Contracting Party for the ensuing Fiscal Year. On or before November 1 of each year, the Authority shall furnish the Contracting Party with a finalized schedule of the monthly payments to be made by such Contracting Party to the Authority for the ensuing Fiscal Year. The Contracting Party hereby agrees that it will make such payments to the Authority on or before the 10th day of each month of such Fiscal Year. If the Contracting Party at any time disputes the amount to be paid by it to the Authority, the Contracting Party shall nevertheless promptly make the payment or payments determined by the Authority, and, if it is subsequently determined by agreement, arbitration or court decision that such disputed payments made by the Contracting Party should have been less, the Authority shall promptly revise and reallocate the charges among all parties then being served by the Authority in such Contracting Party will recover its overpayment. In the event the Contracting Party is assessed a surcharge for excess BOD and/or SS, the Authority will bill the Contracting Party for such surcharge on or before the fifth (5th) day of the month following the determination of the surcharge and the Contracting Party shall pay such surcharge on or before the tenth (10th) day of the month of receipt of any such bill. Any such surcharge collected by the Authority shall be applied by the Authority against the total cost of Operation and Maintenance Expense of the System.

(g) If the Contracting Party's Annual Payment is redetermined as provided in the Contract, the Authority will promptly furnish the Contracting Party with an updated schedule of monthly payments reflecting such redetermination.

(h) All interest income earned by the investment of any Funds created in the Bond Resolution shall be taken into account in determining the Annual Requirement.

* As to Cedar Hill, Southlake and Addison, additional surcharges are payable or will be payable to be used to offset previous capital costs in effect paid by other Contracting Parties. The surcharges will be applied at the end of the Fiscal Year as a credit to the amount of the Annual Requirement that would otherwise be payable during the ensuing Fiscal Year by the other Contracting Parties.

† As to certain Contracts this provision is replaced by a provision in which the Contracting Party agrees that upon the effective date of the Contract it should be unconditionally obligated to pay its proportionate share of the Annual Requirements and its applicable surcharge payment.

Obligations of Contracting Party. The Authority shall never have the right to demand payment by the Contracting Party of any obligation assumed or imposed on it under and by virtue of the Contract from funds raised or to be raised by taxation, it being expressly understood by the parties hereto that all payments due by the Contracting Party under the Contract are to be made from the revenues and income received by the Contracting Party from its waterworks and sanitary sewer systems, as authorized by Section 402.023, Texas Local Government Code, or Chapter 30, Texas Water Code.*

Payments to Constitute Operating Expenses by Contracting Party. The Contracting Party represents and covenants that the services to be obtained pursuant to the Contract are essential and necessary to the operation of the Contracting Party and its Local Wastewater Facilities, and that all payments to be made under the Contract by it will constitute reasonable and necessary "operating expenses" of the Contracting Party's waterworks and sanitary sewer system, within the meaning of Chapter 1502, Texas Government Code, as amended, and the provisions of all Ordinances authorizing the issuance of all revenue bond issues of the Contracting Party which are payable from revenues of each Contracting Party's waterworks and sewer system.

Contracting Party to Establish Adequate Rates. The Contracting Party agrees to establish and collect such rates and charges for Waterworks and Sanitary Sewer System services to be supplied by its Waterworks and Sanitary Sewer System as will make possible the prompt payment of all expenses of operating and maintaining its Waterworks and Sanitary Sewer System, including all payments contracted hereunder, and the prompt payment of the principal of and interest on its obligations, if any, payable from the revenues of its Waterworks and Sanitary Sewer System (in the case of the Airport Board, payable from the revenues of the Airport).

Use of Revenues of System. All revenues received from any source whatsoever by Authority by reason of its ownership of this System shall, to the extent permitted by law, be credited to the funds of the System as established in the Bond Resolution. To the extent permitted by law, if the Authority receives income from the use of treated Wastewater, prior to its discharge into a public stream of the State of Texas, the Authority will apply said income against the Operating and Maintenance Expense of the System. Provided, that revenues received by Authority from the Dallas-Fort Worth International Airport Board under contract dated July 16, 1971, as amended, and any revenues received under contracts, the revenues from which are pledged to the payment of special facility bonds, as permitted in the Bond Resolution, shall not be credited to said funds of the System and will not be a part of the pledge of revenues for payment of the Bonds. Neither shall any revenues received by the Authority under contracts where the Authority is acting as a signatory to the Texas Water Pollution Control Compact be included as a part of the pledge of revenues for payment of the Bonds. No funds derived from the Contracting Parties shall ever be used for the benefit of any project the revenues of which have been excluded from the pledge for payment of the Bonds hereunder or which may be so excluded in the future.

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* As to Dallas-Fort Worth International Airport Board, the payments made to the Authority constitute an operation and maintenance expense of the Airport, payable from the revenues and income received by the Airport Board from payments made to it by the airlines served by the Airport and any other funds available to it for the payment of operating expenses.

SELECTED PROVISIONS OF THE RESOLUTION

THE FOLLOWING ARE SELECTED PROVISIONS OF THE RESOLUTION. THE SELECTED PROVISIONS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE FULL AND COMPLETE DOCUMENT.

REFERENCES TO "SECTIONS" AND "THIS RESOLUTION" IN THE BELOW PROVISIONS REFER TO THE DOCUMENT FROM WHICH SUCH SELECTED PROVISION WAS TAKEN UNLESS THE CONTEXT REQUIRES OTHERWISE.

ARTICLE I DEFINITIONS OF TERMS

Section 1.01. DEFINITIONS OF TERMS. In each place throughout this Resolution wherein the following terms, or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed and are intended to have meanings as follows:

- (a) "Act" means Chapter 518, Acts of the 54th Texas Legislature, Regular Session, 1955, as amended.
- (b) "Airport Board" means the Board of Directors of the Dallas-Fort Worth International Airport (formerly known as the Dallas-Fort Worth Regional Airport).
- (c) "Authority" or "Issuer" means Trinity River Authority of Texas and any other public body or agency at any time succeeding to the property and principal rights, power, and obligations of said Issuer.
- (d) "Board of Issuer" or "Board" means the Board of Directors of the Issuer.
- (e) "Bond" or "Bonds" means the bonds authorized by this Resolution.
- (f) "Certified Public Accountant" means any certified public accountants of suitable experience and qualifications not regularly in the employ of the Issuer, selected by the Issuer.
- (g) "Cities" means the Town of Addison and the Cities of Arlington, Bedford, Carrollton, Cedar Hill, Colleyville, Coppell, Dallas, Duncanville, Euless, Farmers Branch, Fort Worth, Grand Prairie, Grapevine, Hurst, Irving, Keller, Mansfield, North Richland Hills, Southlake, and other municipalities the Issuer may contract with in the future to provide service from the System.
- (h) "Code" means the United States Internal Revenue Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto.
- (i) "Contracting Parties" means the Cities and the Airport Board, and other parties the Issuer may contract with in the future to provide service from the System.
- (j) "Contracts" means the contracts between the Issuer and the Contracting Parties with respect to the services of the System.
- (k) "Depository" means the bank or banks which the Issuer selects (whether one or more), in accordance with law, as its depository.
- (l) "Engineering Report" means a report of Forrest and Cotton, Inc., Consulting Engineers, entitled Regional Wastewater System, dated December, 1971, as such report may be amended, modified, and changed by Issuer or at its direction at any time prior to the execution of construction contracts for improvements, additions, and enlargements to the System or as modified and changed by change orders issued after execution of such construction contracts.
- (m) "Fiscal Year" means the twelve month period beginning December 1 of each year, or such other twelve month period as may in the future be designated as the Fiscal Year of Issuer.
- (n) "Independent Consulting Engineer" means the Engineer or engineering firm or corporation at the time employed by the Issuer as originally described under the provisions of Section 5.13 of the 1973 Bond Resolution.

(o) "Outstanding Parity Bonds" means the Issuer's unpaid and unrefunded "Regional Wastewater System Revenue Bonds, Series 2012", "Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2013", "Regional Wastewater System Revenue Refunding Bonds, Series 2014", "Regional Wastewater System Revenue Refunding Bonds, Series 2016", "Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2017", "Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2018", "Regional Wastewater System Revenue Improvement and Refunding Bonds, Series 2019," "Regional Wastewater System Revenue Refunding Bonds, Series 2020," and "Regional Wastewater System Revenue Refunding Bonds, Series 2021".

(p) "Outstanding Parity Bond Resolution" or "Outstanding Parity Bond Resolutions" means, individually or collectively, as appropriate, the bond resolutions of the Issuer authorizing the issuance of Outstanding Parity Bonds.

(q) "Paying Agent/Registrar" means the legally qualified bank, trust company, financial institution, or other agency named in the Pricing Certificate to act as and perform the services of Paying Agent/Registrar for the Bonds, or its successor.

(r) "Pricing Certificate" means the certificate executed by the Pricing Officer pursuant to the terms of Section 2.02.

(s) "Pricing Officer" means the General Manager of the Issuer as designated in Section 2.02(b).

(t) "Resolution" means this resolution and any amendments hereto.

(u) "System" means all of the Issuer's facilities for receiving, transporting, treating, and disposing of wastewater generally in the area described in the Engineering Report, together with any improvements, enlargements, or additions to said facilities and any extensions or replacements of said facilities constructed or otherwise incorporated into said facilities in the future. Said terms shall include only those facilities which are used for, constructed, or acquired, or the use of which is arranged for, by the Issuer to afford service to the Cities, the Airport Board and others who can economically and efficiently be served by said System. Said term does not include Issuer's facilities located within the boundaries of the Dallas-Fort Worth International Airport and defined as the "System" in the contract between Issuer and the Airport Board dated July 16, 1971, as amended, Local Wastewater Facilities, any facilities constructed or acquired with proceeds of Special Project Bonds, as originally defined in the 1973 Bond Resolution, or obtained by Issuer acting as a signatory to the State of Texas Water Pollution Control Compact, or any of the facilities designated as Issuer's Ten Mile Creek System, or Walker-Calloway Project, or any other facilities of the Issuer the revenues from which are not pledged to the payment of the Bonds or Additional Bonds.

(v) "1973 Bond Resolution" means, as amended, the resolution which authorized the Series 1973 Bonds.

ARTICLE III ADOPTION OF PROVISIONS OF THE 1973 BOND RESOLUTION AND PLEDGE

Section 3.01. ADOPTION OF PROVISIONS OF THE 1973 BOND RESOLUTION. Articles III through IX of the 1973 Bond Resolution are hereby adopted and made a part hereof and shall be applicable to the Bonds herein authorized except as altered or supplemented hereby.

Section 3.02. PARITY BONDS. The Bonds authorized herein are parity "Additional Bonds" permitted to be issued by the Outstanding Parity Bond Resolutions, are and shall be on a parity and of equal dignity in all respects, and are and shall be payable from and secured by a first lien on and pledge of the Net Revenues of the Issuer under the Contracts.

Section 3.03. PLEDGE. (a) The Contracts provide for the payment by the Cities and the Airport Board to the Issuer of (i) the net amount of all Operation and Maintenance Expenses, (ii) the amount necessary to pay all the principal and/or interest coming due on the Issuer's Bonds, as defined in the Contracts and in this Resolution, on each principal and/or interest payment date as provided in this Resolution, (iii) during each Fiscal Year, the proportionate part of any special or reserve funds required to be established and/or maintained by the provisions of any Bond Resolution, as defined in the Contracts, and (iv) an amount in addition thereto sufficient to restore any deficiency in

any of such funds or accounts required to be accumulated and maintained by the provisions of any Bond Resolution, as defined in the Contracts.

The term "Net Revenues" as used in this Resolution shall mean and be defined as all of the gross revenues or payments received by the Issuer from the Cities and the Airport Board under the Contracts after deducting therefrom the amounts paid to the Issuer for the purpose of paying Operation and Maintenance Expenses, with the result that the Net Revenues shall consist of the amounts necessary to pay all principal and/or interest coming due on the Bonds and the Outstanding Parity Bonds, on each principal and/or interest payment date, and any amounts payable under (iii) and (iv) above. The Bonds, and the Outstanding Parity Bonds, and the interest thereon are and shall be payable from and secured by an irrevocable first lien on and pledge of said Net Revenues, and said Net Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Sinking Fund, the Reserve Fund, and the Emergency Fund.

(b) Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the revenues granted by the Issuer under this section, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the revenues granted by the Issuer under this section is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

ARTICLE IV

INTEREST AND SINKING FUND; RESERVE FUND; AND EMERGENCY FUND

Section 4.01. INTEREST AND SINKING FUND. In addition to the amounts required to be deposited into the Interest and Sinking Fund by the Outstanding Parity Bond Resolutions, there shall be deposited into the Interest and Sinking Fund the following:

- (a) immediately after the delivery of the Bonds, there shall be deposited to the credit of the Interest and Sinking Fund any accrued interest received from the sale of the Bonds; and
- (b) semiannually on or before each January 25th and each July 25th hereafter, an amount sufficient, together with other amounts, if any, then on hand therein and available for such purpose, to pay the interest and/or principal and interest coming due on the Bonds on the next succeeding interest payment date.

Section 4.02. RESERVE FUND. There is now on deposit in the Reserve Fund created by the 1973 Bond Resolution an amount of money and investments in market value at least equal to the average annual principal and interest requirements of the Outstanding Parity Bonds. Immediately after the delivery of the Bonds, if required, there shall be deposited into said Reserve Fund from the proceeds from the sale of the Bonds, an amount which, together with the amount now contained therein, will cause said Reserve Fund to contain an amount of money and investments in market value equal to the average annual principal and interest requirements of the Outstanding Parity Bonds and the Bonds, being all of the bonds which will be outstanding and payable from a first lien on the Net Revenues after the delivery of the Bonds (the "Reserve Required Amount"). Until and unless Additional Bonds are hereafter issued as permitted in the Outstanding Parity Bond Resolutions and this Resolution, no deposits shall be made into the Reserve Fund as long as the money and investments in the Reserve Fund are at least equal in market value to the Reserve Required Amount. However, if and whenever the amount of money and investments in the Reserve Fund is reduced below said Reserve Required Amount because of a decrease in market value of investments, then the Issuer shall restore the Reserve Fund to the Reserve Required Amount from the Emergency Fund and/or the Research and Development Fund created by the 1973 Bond Resolution to the extent of amounts available therein, and if such amounts are insufficient, then the Issuer shall require the Contracting Parties to increase their payments under the Contracts as soon as practicable, and in any event within one year, in an amount sufficient to restore the Reserve Fund to the Reserve Required Amount. In the event the Reserve Fund is used to pay the principal of or interest on any bonds because of insufficient amounts being available in the Interest and Sinking Fund, then the Issuer shall restore the Reserve Fund to the Reserve Required Amount from the Emergency Fund and/or the Research and Development Fund to the extent of amounts available therein, and if such amounts are insufficient, then the Issuer shall require the Contracting Parties to increase their payments under the Contracts in an amount sufficient to restore the Reserve Fund to the Reserve Required Amount, and the Issuer shall deposit in the Reserve Fund, in approximately equal periodic payments, not less than annual, such amounts as are required to restore the Reserve Fund to the Reserve Required

Amount from said increased payments within five years from any date of the use of the Reserve Fund to pay such principal or interest. So long as the Reserve Fund contains the Reserve Required Amount, all amounts in excess thereof shall be deposited to the credit of the Claims Fund, the Emergency Fund, and the Research and Development Fund, to the extent required by Section 3.13 of the 1973 Bond Resolution, and with the remainder to be deposited to the credit of the Interest and Sinking Fund.

Section 4.03. EMERGENCY FUND. There is now on hand in the Emergency Fund created by the 1973 Bond Resolution an amount equal to at least \$1,000,000 (the "Required Emergency Amount"). No deposits are required to be made to the credit of the Emergency Fund so long as it contains the Required Emergency Amount. If the Required Emergency Amount is reduced below \$1,000,000 the Issuer shall require the Contracting Parties to increase their payments under the Contracts in amounts sufficient to restore the Emergency Fund to the Required Emergency Amount as soon as practicable, and in all events by the end of the next following Issuer fiscal year.

ARTICLE V BOND PROCEEDS

Section 5.01. All remaining proceeds from the sale of the Bonds after the above deposits required by ARTICLE IV have been made shall be deposited as directed by the Pricing Officer, to be used to carry out the purposes for which the Bonds have been issued.

Section 5.02. Interest earnings derived from the investment of proceeds from the sale of the Bonds (which investments shall be made as permitted by the Act), other than proceeds deposited in accordance with Sections 4.01, 4.02, and 4.03 hereof, shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on bond proceeds which are required to be rebated to the United States of America pursuant to ARTICLE VII hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Resolution.

ARTICLE VI BONDS ARE SPECIAL OBLIGATIONS

The Bonds authorized by this Resolution are and shall be special obligations of the Issuer, and the holder or holders thereof shall never have the right to demand payment of said obligations out of any funds raised or to be raised by the levy of taxes, or from any source other than as provided in this Resolution.

ARTICLE VII COVENANTS REGARDING TAX-EXEMPTION

Section 7.01. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Bonds being “federally guaranteed” within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(1) proceeds of the Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings);

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the “Excess Earnings,” within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

In order to facilitate compliance with the above covenant (h), a “Rebate Fund” is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

The Issuer understands that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such modification or expansion, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the General Manager of the Authority to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Resolution is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

Section 7.02. INTEREST EARNINGS ON BOND PROCEEDS. Interest earnings derived from the investment of proceeds from the sale of the Bonds shall be used along with other bond proceeds for the purpose for which the Bonds are issued, as set forth in Section 2.01 hereof; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on bond proceeds which are required to be rebated to the United States of America pursuant to Section 7.01 hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 7.03. DISPOSITION OF PROJECT. The Issuer covenants that the property constituting the Project financed with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

ARTICLE VIII FURTHER PROCEDURES

Section 8.01. FURTHER PROCEDURES. The President, Vice President and Secretary of the Board of Directors of the Issuer, the General Manager and Chief Financial Officer of the Issuer and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer a Letter of Representation with DTC regarding the Book-Entry Only System, the Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Letter of Representation, the Bonds, the sale of the Bonds and the Official Statement. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representation is hereby incorporated herein and its provisions shall prevail over any other provisions of this Resolution in the event of conflict. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

ARTICLE IX CONTINUING DISCLOSURE OF INFORMATION

Section 9.01. CONTINUING DISCLOSURE OF INFORMATION. (a) As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of the foregoing (a) and (b). The term Financial Obligation does not include any municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Pursuant to a Continuing Disclosure Agreement by and between the Issuer and the Contracting Parties, the Issuer and the Contracting Parties have undertaken for the benefit of the beneficial owners of the Bonds, to the extent set forth therein, to provide continuing disclosure of financial information and operating data with respect to the Contracting Parties in accordance with the Rule as promulgated by the SEC.

(c) The Issuer shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material;
15. Incurrence of a Financial Obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such Financial Obligation of the Authority, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such Financial Obligation of the Contracting Party, any of which reflect financial difficulties.

ARTICLE X MISCELLANEOUS

Section 10.01. EXPIRATION OF AUTHORIZATION. The authority of the Pricing Officer to sell the Bonds as described in Section 2.02(b) of this Resolution shall expire on the one-year anniversary date of the adoption of this Resolution by the Board.

Section 10.02. REPEAL OF CONFLICTING RESOLUTIONS. All resolutions and all parts of any resolutions which are in conflict or inconsistent with this Resolution are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

THE AUTHORITY

The Authority's Activities

1. *Master Planning.* After a series of public hearings, the Authority adopted the original master plan in April 1958. The purpose of the Master Plan is to define and provide a course of action for the Authority to achieve water and soil conservation goals for which purpose the Authority was established by the State of Texas Legislature. The Master Plan goals can generally be described as: to improve the quality of water within the Trinity River Basin in order to provide supplies of good quality water for all beneficial purposes, conserve water and soil resources, reduce flooding, promote water oriented recreation, preserve natural areas, promote the diversity and productivity of aquatic life, and foster an understanding of the complex interrelationships among people, resources, economy and the environment in the basin. The Authority's Board of Directors reviews the status of the master plan annually and amends the master plan periodically when it is deemed necessary.

2. *Federal Projects.* By various resolutions, the Authority has agreed to serve as the local sponsor of the Navarro Mills Reservoir, Bardwell Reservoir, Joe Pool Lake and the Wallisville Salt Water Barrier Project in cooperation with local municipalities or districts that benefit from these projects.

3. *Revenue Based Projects.* The Authority, without collecting any property taxes, has implemented service projects serving cities, communities and other special districts throughout the Trinity River Basin. The majority of these funds for these projects have come from the sale of tax exempt contract service revenue bonds, service payments from customers, federal grants and long term federal loans. The Authority has responsibility for operating certain of these projects (referred to below as "Operating"). Projects referred to below as "Non-Operating" require a limited amount of Authority personnel involvement and are primarily financing arrangements with the entities. These projects and those served include:

The Authority's Revenue-Based Projects

Project Name (Operating)	Cities and Entities Served
Central Regional Wastewater System	Addison, Arlington, Bedford, Carrollton, Cedar Hill, Colleyville, Coppell, Dallas, Dallas/Fort Worth International Airport Board, Duncanville, Euless, Farmers Branch, Fort Worth, Grand Prairie, Grapevine, Hurst, Irving, Keller, Mansfield, North Richland Hills, and Southlake
Ten Mile Creek Regional Wastewater System	Cedar Hill, DeSoto, Duncanville, Ferris, and Lancaster
Denton Creek Regional Wastewater Treatment System	Argyle, Circle T Municipal Utility District No. 1, Circle T Municipal Utility District No. 3, Flower Mound, Fort Worth, Haslet, Keller, Northlake, Roanoke, Southlake, and Westlake.
Red Oak Creek Regional Wastewater Project	Cedar Hill, DeSoto, Glenn Heights, Lancaster, Ovilla, and Red Oak
Mountain Creek Regional Wastewater System	Grand Prairie, Mansfield, Midlothian, and Venus
Tarrant County Water Supply Project	Bedford, Colleyville, Euless, Grapevine, and North Richland Hills
Huntsville Regional Water Supply System	Huntsville
Livingston Regional Water Supply System	Livingston
Trinity County Regional Water Supply System	Trinity
Lake Livingston—Wallisville Project	Houston, 21 lakeside communities (and two industries)
Livingston Recreation Facilities	Serving the General Public
Project Name (Non-Operating)	Cities and Entities Served
Walker-Calloway Branch Outfall Line	Hurst and North Richland Hills
Northeast Lakeview Project	Cedar Hill and Grand Prairie
Lakeview Regional Water Supply Project	Cedar Hill, Duncanville, and Grand Prairie

Project Name (Non-Operating)	Cities and Entities Served
Navarro Mills Reservoir	Corsicana
Bardwell Reservoir	Ennis and Ellis County WCID #1
Joe Pool Lake Project	Cedar Hill, Duncanville, Grand Prairie, and Midlothian
Ellis County Regional Water Supply Project	Cities of Ferris, Italy, Maypearl, Midlothian, Palmer and Red Oak; Ellis County WC&ID No. 1, Avalon Water and Sewer Service Corporation, Nash-Forreston, and Buena Vista-Bethel Water Supply Corporations.
Freestone Raw Water Supply Project	Freestone Power Generation LP
Ennis Raw Water Supply Project	Ennis
Fort Worth Sendera Ranch Project	Fort Worth
Pollution Control Facilities	Community Waste Disposal, Inc.
Denton Creek Wastewater Transportation Project	Argyle, Flower Mound, and Northlake

The Future Role of the Authority

In recognition of the fact that the Authority does not exercise control over all facets of water resource management within the Trinity River watershed, the goals of the Authority's Basin Master Plan are objectives for the Trinity River Basin, regardless of the implementing agency.

1. Master Planning.

- a. The Authority will carefully monitor the progress being made as to each master plan goal.
- b. The Authority will support the accomplishments of all institutional and financial arrangements necessary to the achievement of the goals.
- c. The Authority will amend the master plan as needed.
- d. The Authority will continue its leadership in water quality planning in the basin.

2. Revenue-based Services. When desired by others and when an adequate revenue base and other finances are available, the Authority will exercise its powers to provide needed services in the areas of water supply, wastewater treatment, parks and recreational facilities, pollution control facilities and solid waste disposal.

3. Federal Projects. The Authority will continue to serve as local sponsor of the Navarro Mills Reservoir, Bardwell Reservoir, the Wallisville Salt Water Barrier Project and Joe Pool Lake.

4. Public Information. The Authority will continue to encourage the public's understanding of the complex interrelationships among the people, resources, economy and environment of the Trinity River Basin.

5. Tax Based Services. If there is public support, the Authority will seek to obtain some form of tax-based support for specific programs which should be implemented for comprehensive management of the basin's soil and water resources: conservation of the use of water, soil conservation, water oriented recreation and adequate public access to the river and basin lakes, greenbelts, preservation of natural areas, fish and wildlife mitigation, coordination of floodwater reservoir releases, and full dissemination of flood plain information under the Flood Insurance Act throughout the Authority's territory. At this time the Authority has no plans to pursue any form of tax based support for these programs.

6. The Authority's Territory. In order to provide services on a truly basin wide basis, the Authority will support legislation to add to its territory those parts of the basin not presently within the Authority's defined territory if this is desired by any of the involved counties.

7. Financing of Flood Control and Navigation Projects. Implementation of flood control (by whatever means) and navigation projects should be through a combination of revenues, locally provided taxes and federal funds. The Authority's support of any navigation project is based on three conditions: public support, environmental soundness and economic feasibility.

Pension Plan

The Authority has a defined contribution pension plan for its employees. All full-time and permanent part time employees are eligible for participation after six months of service, provided that they work for the Authority at least 1,000 hours per year. The Authority contributes an amount equivalent to 12% of the employee's salary annually to the plan with each employee having the option to contribute up to 10% of annual salary. An employee becomes 20% vested in the plan after three years and 100% vested in the plan after seven years, or at age 55. An employee is 100% vested in all personal contributions to the plan when made.

Other Post-Employment Benefits

On April 27th, 2022, the Authority's Board approved revisions to the Authority's Other Post-Employment Benefits ("OPEB") under the Authority's Staywell Health Program to include partial funding for premiums of retiree health benefits effective December 1, 2021. The OPEB plan will have an actuarial valuation completed in November 2022; the updated OPEB liability, if any, will be available at the end of the current fiscal year.

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Other Outstanding Indebtedness of the Authority

The Authority has Outstanding Bonds which are listed below. The Outstanding Bonds are System or Project specific and payable from each of the related System's or Project's pledged revenues. See "SECURITY AND SOURCE OF PAYMENT."

OUTSTANDING BONDS OF THE AUTHORITY		Outstanding
Total Outstanding Principal by System/Project:		July 12, 2022
Central Regional Wastewater System	\$	924,570,000 ⁽¹⁾
Denton Creek Regional Wastewater Treatment System		159,965,000
Trinity River Authority of Texas (General Improvement Project of The Authority)		1,645,000
Livingston Regional Water Supply Project		17,950,000
Mountain Creek Regional Wastewater System		114,095,000
Northeast Lakeview Wastewater Transportation Project		5,335,000
Red Oak Creek Regional Wastewater System		106,450,000
Tarrant County Water Project		102,440,000
Ten Mile Creek Regional Wastewater System		120,125,000
Town of Flower Mound Wastewater Transportation Project		2,370,000
Walker Calloway System		9,350,000
SUB-TOTAL	\$	1,564,295,000
The Bonds		\$ 130,805,000
TOTAL		\$ 1,695,100,000
The Authority has one outstanding conduit debt issue for Community Waste Disposal, L.P. The company makes debt service payments through Wells Fargo Bank, as the trustee. The Authority has no obligation for this debt.		
Outstanding Principal - Conduit Debt:		Outstanding
		July 12, 2022
Community Waste Disposal, L.P.	\$	13,280,000
In addition to the preceding statement of indebtedness, the Trinity River Authority has four outstanding contracts with the U.S. Army Corp of Engineers related to water rights and flood control. Contractual revenues collected annually from the entities identified next to the projects below are used to pay debt service on these contracts.		
Outstanding Principal - Project:		Outstanding
		July 12, 2022
Bardwell Reservoir (City of Ennis and Ellis Co. WCID#1)	\$	497,946
Joe Pool Lake ARRA Costs (City of Cedar Hill, Midlothian, Grand Prairie and Duncanville)		114,769
Wallisville Lake (City of Houston)		8,067,567
TOTAL	\$	8,680,282
Cost-Share Liability Pay-off		Outstanding
		July 12, 2022
Lake Livingston (City of Houston)	\$	63,602,116 ⁽²⁾

⁽¹⁾ Does not include debt service on the \$350,000,000 Extendable Commercial Paper Bonds ("ECP Bonds") program. The ECP Bonds are secured by and payable from a first lien on the Net Revenues of the System created in the resolution authorizing their issuance; provided that the pledge of Net Revenues securing the ECP Bonds is expressly made junior and subordinate to the pledge of Net Revenues securing First Lien Bonds as described herein. The ECP Bonds are and shall be secured by and payable only from the Net Revenues, from the proceeds from the sale of ECP Bonds to refinance maturing ECP Bonds (i.e., "roll") and the proceeds of refunding bonds to be issued by the Authority.

⁽³⁾ This figure represents the Authority's contingent liability associated with Lake Livingston's initial project cost plus annual operation and maintenance expenses. In connection with original agreements to construct Lake Livingston, the available yield of Lake Livingston was divided 70% for the City of Houston and 30% for the Authority. The Authority was responsible for 30% of the initial project cost plus annual operation and maintenance costs; its payments, however, were expressly based on the Authority's water sales from the Lake – the Authority would pay Houston \$2.20 per acre-foot of water sold by the Authority. The liability is considered a contingent liability because it is required to be paid only from the sale of water. However, the liability continues to accumulate because the \$2.20 per acre-foot fee is insufficient for the Authority to retire its 30% of annual costs of operating and maintaining Lake Livingston. In 2016, Houston and the Authority agreed to use the charges due from Houston to the Authority for water sales as a "credit" against this liability which will allow the Authority to retire the contingent liability by 2040 (or possibly sooner if the City of Houston exercises its rights to increase the maximum amount of water it is able to purchase from Lake Livingston).

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TAX MATTERS

Opinion

On the date of initial delivery of the Bonds, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel to the Issuer, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof (“Existing Law”), (1) interest on the Bonds for federal income tax purposes will be excludable from the “gross income” of the holders thereof and (2) the Bonds will not be treated as “specified private activity bonds” the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the “Code”). Except as stated above, Bond Counsel to the Issuer will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Bonds. See APPENDIX D – Form of Bond Counsel’s Opinion.

In rendering its opinion, Bond Counsel to the Issuer will rely upon (a) the Issuer’s federal tax certificate and (b) covenants of the Issuer with respect to arbitrage and the application of the proceeds to be received from the issuance and sale of the Bonds and certain other matters. Failure of the Issuer to comply with these representations or covenants could cause the interest on the Bonds to become includable in gross income retroactively to the date of issuance of the Bonds.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel to the Issuer is conditioned on compliance by the Issuer with the covenants and the requirements described in the preceding paragraph, and Bond Counsel to the Issuer has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel’s opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel’s opinion is not a guarantee of a result. The Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that such Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the Issuer with respect to the Bonds or the Project. Bond Counsel’s opinion represents its legal judgment based upon its review of Existing Law and the representations of the Issuer that it deems relevant to render such opinion and is not a guarantee of a result. No assurances can be given as to whether or not the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an audit is commenced, under current procedures the Internal Revenue Service is likely to treat the Issuer as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

The initial public offering price to be paid for one or more maturities of the Bonds may be less than the principal amount thereof or one or more periods for the payment of interest on the Bonds may not be equal to the accrual period or be in excess of one year (the “Original Issue Discount Bonds”). In such event, the difference between (i) the “stated redemption price at maturity” of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The “stated redemption price at maturity” means the sum of all payments to be made on the Bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on existing statutes, regulations, published rulings and court decisions, all of which are subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, owners of interests in a FASIT, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, taxpayers qualifying for the health insurance premium assistance credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

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

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

State, Local and Foreign Taxes

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

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the IRS. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of Non-U.S. Holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

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

CONTINUING DISCLOSURE OF INFORMATION

In Continuing Disclosure Agreements entered into between the Authority and each of the Contracting Parties, each has made the following respective agreements for the benefit of the holders and beneficial owners of the Bonds. The Contracting Parties and the Authority are required to observe the agreements for so long as the Contracting Parties remain obligated to advance funds to pay the Bonds. Under the agreements, the Authority and the Contracting Parties will be obligated to provide certain updated financial information and operating data annually, and the Authority and the Contracting Parties will be obligated to provide timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). All financial information, operating data, and financial statements and notices required to be provided to the MSRB shall be provided in electronic format and be accompanied by identifying information prescribed by the MSRB.

Annual Reports

The Authority and the Contracting Parties will provide certain updated financial information and operating data to the MSRB annually. The information to be provided and updated by the Contracting Parties includes all quantitative financial information and operating data with respect to the particular Contracting Parties of the general type included in Appendix B to this Official Statement and each Contracting Party's audited financial statements, when and if available. Each of the Contracting Parties will file such financial information and operating data with the MSRB through its Electronic Municipal Market ("EMMA") system within six months after the end of each respective Contracting Party's fiscal year, beginning with the fiscal year ending in 2022. In addition, each Contracting Party will file its audited financial statements, when and if available, with the MSRB through its EMMA system within twelve months after the end of the Contracting Party's fiscal year, beginning with the fiscal year ending in 2022. If the audit of the particular Contracting Party's financial statements is not complete within twelve months after any such fiscal year end, then that Contracting Party shall file unaudited financial statements within such twelve month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. The Authority will file its audited financial statements, when and if available, within six months after the end of its fiscal year, beginning with the fiscal year ending in 2022. If audited financial statements are not available by the required time, the Authority will provide unaudited financial statements within the required time and audited financial statements when and if such audited financial statements become available. Any such financial statements will be prepared in accordance with generally accepted accounting principles in effect at the time or that the Authority or the Contracting Parties may be required to employ from time to time pursuant to State law or regulation.

The financial information and operating data to be provided and updated by the Contracting Parties may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the United States Securities and Exchange Commission (the "SEC"), as permitted by the Rule.

The Authority's fiscal year end is November 30 and each of the Contracting Party's fiscal year end is September 30. Accordingly, each Contracting Party must provide its updated financial information and operating data by March 31 in each year and its audited financial statements (or unaudited financial statements if its audited financial statements are not available) by September 30 in each year, unless any Contracting Party changes its fiscal year. The Authority must provide its audited financial statement (or unaudited financial statements if its audited financial statements are not available) by May 31 in each year, unless the Authority changes its fiscal year. If any Contracting Party or the Authority change their fiscal year, such Contracting Party or the Authority, as applicable, will notify the MSRB of the change.

All financial information, operating data, and financial statements and notices required to be provided by to the MSRB shall be provided in electronic format and be accompanied by identifying information prescribed by the MSRB.

Disclosure Event Notices

The Authority will provide timely notices of certain events to the MSRB. The Authority will provide notice in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event), of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Authority; (13) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material; (15) incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the Authority, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such financial obligation of the Authority, any of which reflect financial difficulties.

Additionally, the Contracting Parties will provide timely notices of certain events to the MSRB. The Contracting Parties will provide notice in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event), of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Contracting Party; (13) the consummation of a merger, consolidation, or acquisition involving the Contracting Party or the sale of all or substantially all of the assets of the Contracting Party, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material; (15) incurrence of a financial obligation of the Contracting Party, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the Contracting Party, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other

similar events under the terms of any such financial obligation of the Contracting Party, any of which reflect financial difficulties.

The term “Financial Obligation” as used in the preceding two paragraphs has the meaning assigned in the Rule: (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of (a) or (b) above. Pursuant to the Rule, the term Financial Obligation does not include municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule. For purposes of each Contracting Party’s obligation make event filings, and particularly with the events described in (15) and (16) in the immediately preceding paragraph, the Contracting Party shall make filings for only those events which relate to or impact the credit of the Authority’s Bonds.

Neither the Bonds nor the Resolution makes any provision for credit enhancement.

As used in clause (12) in the preceding paragraphs, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the Authority or a Contracting Party in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court of governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority or a Contracting Party, or if jurisdiction has been assumed by leaving the Board and/or officials or officers of the Authority or a Contracting Party in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority or a Contracting Party. In addition, the Authority and the Contracting Parties will provide timely notice of any failure by the Authority or the Contracting Parties, respectively, to provide information, data, or financial statements in accordance with its agreement described above under “Annual Reports.” The Authority and the Contracting Parties will provide each notice described in this paragraph to the MSRB.

Availability of Information

The Authority and the Contracting Parties have agreed to provide the foregoing information only as described above. Investors will be able to access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org.

Limitations and Amendments

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

The Authority or the Contracting Parties may amend their continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Contracting Parties, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or (b) any person unaffiliated with the Authority or the Contracting Parties (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Authority or the Contracting Parties may also amend or repeal the provisions of the continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the Authority or the Contracting Parties so amend the agreement, the Contracting Parties have agreed to include with the next financial information and operating data provided in accordance with their

respective agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance With Prior Undertakings

Consistent with its prior continuing disclosure undertakings relating to its bonds, the Authority assumed certain responsibilities and the Contracting Parties assumed certain responsibilities for filing information, as described above. The Authority is responsible for making its filings in connection with the Rule, but does not provide continuing disclosure filings for the Contracting Parties.

Authority. During the last five years, the Authority has complied in all material respects with all continuing disclosure undertakings made by it relating to bonds issued for the System in accordance with the Rule. On November 11, 2020, the Authority filed a notice of the incurrence of a financial obligation on March 30, 2020 in connection with the Authority’s Red Oak Creek System.

Contracting Parties. During the last five years, each of the Contracting Parties has complied in all material respects with its respective undertaking to provide financial information and operating data of the general type included in Appendix B to this Official Statement within six months of the end of its respective fiscal year, with the exception that (i) information related to the City of Dallas of the general type previously included in Appendix B of past official statements as “Table 3 – Summary of Present Supply Sources” and “Table 4 – Water Purification and Distribution” for the fiscal year ended September 30, 2019 was filed on EMMA by the City of Dallas on September 1, 2020 and (ii) the information related to the City of Farmers Branch of the general type previously included in Appendix B of past official statements as “Table 5 – Oversized Meter Charges” has not been updated in the City’s 2019, 2020, or 2021 filings.

The Contracting Parties have some prior undertakings to file audited financial statements within six months of the end of the Contracting Party’s fiscal year; with respect to those undertakings, if audited financial statements of a Contracting Party were not available to be filed within such time period, the Contracting Party typically provided certain financial information and operating data by the specified date but most of the Contracting Parties did not file formal unaudited financial statements by such date. In most instances, the applicable Contracting Party did not file a notice of late filing. The filing dates for the audited financial statements of certain of the Contracting Parties are the dates for which certain financial statements were first filed on EMMA..

The filings of audited financial statements noted above are also applicable to the Contracting Parties non-System related undertakings. Certain of the Contracting Parties did not timely file certain tables containing financial and operating information under their non-System related undertakings and in some instances, financial information and operating data as well as certain audits required under prior undertakings of the Contracting Parties were not linked to all applicable outstanding bonds.

On May 12, 2020, May 19, 2021, and May 18, 2022, the City of Dallas issued and sold bonds secured by its water and sewer system revenues via private placements with the Texas Water Development Board. Notice of the issuance of these bonds was filed June 30, 2022. On June 9, 2021, the City of Dallas adopted ordinances creating a Series F and Series G commercial paper programs. Notice of the establishment of these programs was filed on June 30, 2022.

Additionally, in separate Official Statements that have been filed on EMMA in connection with outstanding non-System related obligations, each of the Cities of Arlington, Dallas, Euless, Fort Worth, and North Richland Hills have disclosed certain instances of non-compliance within the previous five years in connection with their respective non-System related undertakings.

The information in the preceding paragraphs with respect to the Contracting Parties has been included based upon publicly filed information available on EMMA and other publicly available sources including offering documents prepared by Contracting Parties.

OTHER INFORMATION

Ratings

The Bonds are rated “AAA” by S&P Global Ratings, a division of S&P Global Inc. (“S&P”) and “AAA” by Fitch Ratings (“Fitch”). The Outstanding Parity Bonds of the Authority are rated “AAA” by S&P and “AAA” by Fitch, each without regard to credit enhancement. An explanation of the significance of such ratings may be obtained from

the company furnishing the rating. The ratings reflect only the respective views of such organizations and the Authority makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by either or both of such rating companies, if in the judgment of either or both of such companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Litigation

It is the belief of the Authority Attorney and Authority Staff that there is no pending litigation against the Authority that would have a material adverse financial impact upon the Authority or its operations. No pending litigation against the Contracting Parties that would have a material adverse financial impact upon the Authority or its operations of the System has been brought to the attention of the Authority.

At the time of the initial delivery of the Bonds, the Authority will provide the Underwriters with a certificate to the effect that no litigation of any nature has been filed or is then pending challenging the issuance of the Bonds or that affects the payment and security of the Bonds or in any other manner questioning the issuance, sale or delivery of the Bonds.

Registration and Qualification of Bonds for Sale

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any other jurisdiction. The Authority assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

Legal Investments and Eligibility to Secure Public Funds in Texas

Section 1201.041 Texas Government Code, provides that the Bonds are negotiable instruments, investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act requires that the Bonds be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency (see "OTHER INFORMATION - Ratings" above). In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Public Funds Collateral Act, Chapter 2257, Texas Government Code, provides that the Bonds are eligible to secure deposits of any public funds of the State of Texas, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the Authority has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

The Authority has made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Bonds for such purposes. The Authority has made no review of laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

Legal Matters

The Authority will furnish a complete transcript of proceedings relating to the authorization and issuance of the Bonds, including the approving legal opinion of the Attorney General of Texas approving the Bonds and to the effect that the Bonds are valid and legally binding special obligations of the Authority and, based upon examination of such transcript

of proceedings, the approving legal opinion of Bond Counsel, to like effect and to the effect that the interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described under "TAX MATTERS" herein. Though it represents the Financial Advisor and the Underwriters from time to time in matters unrelated to the issuance of the Bonds, Bond Counsel has been engaged by and only represents the Authority in the issuance of the Bonds. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify and of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information in the Official Statement under the captions "PLAN OF FINANCING" (excluding the information under the subcaption "Sources and Uses of Bond Proceeds"), "THE BONDS" (excluding the information under the subcaption "Book-Entry-Only System"), "SECURITY AND SOURCE OF PAYMENT," "SELECTED CONTRACT PROVISIONS," "SELECTED PROVISIONS OF THE RESOLUTION," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION" (excluding the information under the subcaption "Compliance with Prior Undertakings"), and the subcaptions "Registration and Qualification of Bonds for Sale," "Legal Investments and Eligibility to Secure Public Funds in Texas" and "Legal Matters" (excluding the last sentence of the first paragraph thereof) under the caption "OTHER INFORMATION," and such firm is of the opinion that the information relating to the Bonds and the legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Resolution. The legal fee to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent on the sale and delivery of the Bonds. The legal opinion will accompany the Bonds deposited with DTC or will be printed on the Bonds in the event of the discontinuance of the Book-Entry-Only System. Certain legal matters will be passed upon for the Underwriters by their counsel, Norton Rose Fulbright US LLP, Dallas, Texas, whose legal fee for services rendered in connection with the issuance of the Bonds is contingent on the sale and delivery of the Bonds.

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

Authenticity of Financial Data and Other Information

The financial data and other information contained herein have been obtained from Authority records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

Financial Advisor

Hilltop Securities Inc. ("Hilltop"), is employed as Financial Advisor to the Authority in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Hilltop, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the Authority for the investment of bond proceeds or other funds of the Authority upon the request of the Authority.

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

Underwriting

The Underwriters have agreed, subject to certain conditions, to purchase the Bonds from the Authority at a purchase price of \$140,890,447.65, which represents the par amount of the Bonds, plus a net premium of \$10,713,204.30, less an Underwriters' discount of \$627,756.65, and no accrued interest. The Underwriters' obligations are subject to certain

conditions precedent, and they will be obligated to purchase all of the Bonds if any of the Bonds are purchased. The Bonds may be offered and sold to certain dealers and others at prices lower than such public offering prices, and such public prices may be changed from time to time by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Authority for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

Citigroup Global Markets Inc., an underwriter of the Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, “Fidelity”). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citigroup Global Markets Inc. will compensate Fidelity for its selling efforts.

Infectious Disease Outbreak

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and is currently affecting many parts of the world, including the United States and the State. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States. On March 13, 2020, the President of the United States declared the Pandemic a national emergency and the Governor of Texas (the “Governor”) declared a state of disaster for all counties in the State in response to the Pandemic. Under State law, the proclamation of a state of disaster by the Governor may not continue for more than 30 days unless renewed by the Governor. The Governor has renewed his declaration monthly, most recently on June 20, 2022. On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. The Governor has since issued a number of executive orders relating to COVID-19 preparedness, mitigation and phased reopening of the State. On March 2, 2021, the Governor issued Executive Order GA-34, which, among other things, removed any COVID-19-related operating limits for any business or other establishment and ended the State-wide mask mandate. On July 29, 2021, the Governor issued Executive Order GA-38, which, among other things, maintains that there are no COVID-19 related operating limits for any business or establishment and that no person may be required by any jurisdiction to wear or mandate the wearing of a face covering. The Governor’s order also maintains, in providing or obtaining services, every person (including individuals, businesses, and other legal entities) should use good-faith efforts and available resources to follow the minimum standard health protocols. Executive Order GA-38 remains in place until amended, rescinded, or superseded by the Governor. On August 25, 2021 and October 11, 2021, respectively, the Governor issued Executive Orders GA-39 and GA-40 prohibiting vaccine mandates and vaccine passports for all entities in the State. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at <https://gov.texas.gov/>.

Most of the federal and state actions and policies under the aforementioned disaster declarations are focused on limiting instances where the public can congregate or interact with each other, which affects the operation of businesses and directly impacts the economy. Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. Stock values and crude oil prices, in the United States and globally, have seen significant declines attributed to COVID-19 concerns. The State may be particularly at risk from

any global slowdown, given the prevalence of international trade in the State and the risk of contraction in the oil and gas industry and spillover effects into other industries.

Such adverse economic conditions, if they continue, may reduce or negatively affect economic conditions in the Contracting Parties.

The Authority and the Contracting Parties continue to monitor the spread of COVID-19 and are working with local, State, and national agencies to address the potential impact of the Pandemic upon the Authority and the Contracting Parties. While the potential impact of the Pandemic on the Contracting Parties cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the Contracting Parties' operations and financial condition. None of the Authority, the Contracting Parties, the Financial Advisor or the Underwriters can predict the impact the Pandemic may have on the Authority, the Contracting Parties or an investment in the Bonds.

Forward-Looking Statements Disclaimer

The statements contained in this Official Statement, and in any other information provided by the Authority that are not purely historical, are forward-looking statements, including statements regarding the Authority's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Authority on the date hereof, and the Authority assumes no obligation to update any such forward-looking statements. The Authority's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Authority. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

Miscellaneous

The Pricing Certificate, which was executed by the Authorized Officer of the Authority, which certificate is a part of the Resolution authorizing the issuance of the bonds, and approves the form and content of this Official Statement, and any addenda, supplement or amendment hereto, and authorizes its further use in the reoffering of the Bonds by the Underwriters.

TRINITY RIVER AUTHORITY OF TEXAS

/s/ J. Kevin Ward

J. KEVIN WARD

General Manager and Authorized Officer

APPENDIX A

BIOGRAPHICAL INFORMATION

Board of Directors
and
Management Officers

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BOARD OF DIRECTORS

TOMMY G. FORDYCE of Huntsville, Texas (President and member, Executive Committee). Fordyce is a retired director of the Texas Criminal Justice Agribusiness Department. He is chair of the Huntsville Economic Development Council and vice president of the Lone Survivor Foundation. He is also a member of the Texas Assistive and Rehabilitative Services Council, the Kick Start for Kids program and the Huntsville Veterans' Affairs Advisory Board. He served in the U.S. Marine Corps and is a Vietnam War veteran. Fordyce earned a bachelor's degree from Sam Houston State University. Fordyce was reappointed as director for Walker County in 2019.

C. DWAYNE SOMERVILLE of Mexia, Texas (Vice-President and member, Executive Committee). Somerville is president and owner of Natural Alternatives, Inc., Henderson RV Sales, Palestine RV Center, Eagle Ford RV Park, South Texas Family Housing, and Wash Mart Laundry, and president of Fairfield Homes and Land, LLC. He is a member of the Coin Laundry Association, an assistant scoutmaster of the Mexia Boy Scouts of America, and a youth group leader for the First Baptist Church of Mexia. Somerville attended Kilgore College. Somerville was reappointed as director for Freestone County in 2019.

KEVIN MAXWELL of Crockett, Texas (Chair and member, Executive Committee). Maxwell is president of S.C. Maxwell Co. Inc., a construction, real estate and ranching business. Maxwell is a member of the Texas Wildlife Association, a member of the Sharon Temple Shriners and a 32nd degree Scottish Rite mason. He is president of the Crockett Athletic Booster Club and a member of the Houston Livestock Show and Rodeo Go Texan Committee. In the past, Maxwell has been chairman of the Crockett Area Chamber of Commerce, president of the Crockett Merchants Little League, master of the Lothrop Masonic Lodge and member of the Crockett Rotary Club. He earned a bachelor's degree from Sam Houston State University. Maxwell was reappointed as director for Houston County in 2017.

LEWIS H. McMAHAN of Dallas, Texas, (member, Executive Committee, and Chair, Administration and Audit Committee) is retired from a 37-year career at Texas Instruments working in the worldwide facilities/environmental health and safety organization. He served as its leader from 1998 until his retirement in December 2005. He is a member of the Texas Instruments Foundation Board and the Southern Methodist University (SMU) Lyle School of Engineering Advisory Board. He previously served on the Texas Water Development Board, Texas Instruments Alumni Association, Dallas Museum of Art, and the United Way of Metropolitan Dallas. McMahan received a Bachelor of Science in Civil Engineering from SMU. McMahan was appointed as director for Dallas County in 2019.

AMIR RUPANI of Dallas, Texas (member, Executive Committee, and Chair, Resources Development Committee). Rupani is chief executive officer and president of King Import Warehouse. He is also president and chief executive officer of Texas Prince Inc. He serves as chairman of the Greater Dallas Asian American Chamber of Commerce and on the board of directors for the World Affairs Council in Dallas/Fort Worth. Formerly, he served on the board of directors for the Dallas Convention and Visitor's Bureau, the Dallas Citizens Council, the Dallas Assembly and the Dallas Planning and Zoning Board. He is the founder, organizer and former president of One World Holding Inc. and former chairman of One World Bank. Rupani was named Businessman of the Year in 2005 by the Pakistan American Congress in Washington, D.C. He received the Pioneer Award in 2006 from the Dallas/Fort Worth Asian American Citizens Council and the Minority Business Leader Award in 2008 from the Dallas Business Journal. Under his leadership, King Import Warehouse was named Exemplary Importer/Exporter Firm of the Year in 2004 by the Minority Business Development Agency, a branch of the U.S. Department of Commerce. King Import Warehouse was named the Fastest Growing Company in Dallas by the Cox School of Business at Southern Methodist University in 2004. Rupani attended City College of Karachi in Pakistan. He was reappointed as director for Dallas County in 2019.

HENRY BORBOLLA III of Fort Worth, Texas (member, Executive Committee, and Chair, Legal and Public Policy Committee). Henry Borbolla is a Fort Worth native and graduate of TCU. He is a banker with BB&T - Branch Banking & Trust and provides a wide range of financing, treasury management and risk management services to business clients in the greater Tarrant County area. His community involvements include board or committee positions with Big Brothers Big Sisters, Bobby Bragan Youth Foundation, Casa Manana, Catholic Charities, Community Hospice of Texas, Fort Worth Stock Show, Tarrant County Housing Partnership, and the University of North Texas Health Science Center Foundation. Others include the Fort Worth Visitors and Convention Bureau, Downtown Design Review Board, and the Trinity River Authority. He is a member of the Rotary Club of Fort Worth and the Fort Worth Stock Show Syndicate. Borbolla was reappointed as director for Tarrant County in 2019.

MEGAN W. DEEN of Fort Worth, Texas (member, Executive Committee, and Chair, Utility Services Committee). Deen is the chief financial officer for the Fort Worth Zoo. From 2011-2015, Deen was the accounting manager at Oak Hill Capital, and from 2002-2015, she was a senior manager at KPMG, LLP. She is a member of the American Institute of Certified Public Accountants. Additionally, Deen is a Sustainer of the Junior League of Fort Worth and a member of the Association of Zoos and Aquariums, as well as a volunteer at Trinity Valley School, and the annual giving chair and former finance committee member at the school. Deen received a bachelor's of business administration in accounting and finance and a master's of accountancy from Texas Christian University. Deen was appointed as a director for Tarrant County in 2018.

CATHY ALTMAN of Midlothian, Texas (member, Legal and Public Policy Committee). Altman is an attorney and partner at Carrington Coleman Sloman & Blumenthal. She is a member of the American Bar Association, State Bar of Texas, Dallas Bar Association, and Ellis County Bar Association. She is chair of the Midlothian Chamber of Commerce, vice-president of the Ellis County Women in Business, board member of the North Texas Commission, and serves on the Governing Committee of the ABA Forum on Construction Law. Altman received a Bachelor of Arts in English from Vanderbilt University and a Juris Doctor degree from the University of Kentucky School of Law. Altman was appointed as director for Ellis County in 2018.

CARY "COLE" CAMP of Arlington, Texas, (member, Legal and Public Policy Committee) is a senior environmental specialist for Pioneer Natural Resources USA, Inc. He previously was a gubernatorial appointee to the Red River Authority, member of the Panhandle Water Planning Group, board member for Amarillo Opportunity School, and a participant with Amarillo ISD iLead program and the Randall County Sheriff Citizens Academy. Camp received a Bachelor of Arts in Political Science from University of Colorado at Colorado Springs. Camp was appointed as director at large for Tarrant County in 2019.

BENNY F. FOGLEMAN of Livingston, Texas (member, Administration and Audit Committee) is an agency owner with Farmers Insurance Group and a mortgage loan originator with 1st Alliance Mortgage Company, LLC. He holds a group one Life license and a Property and Casualty license with the State of Texas. He was recently elected as a director of the Livingston Lions Club, where he helps lead the eyeglasses program. Fogleman formerly served as the President of Livingston Rotary Club.

LISA A. HEMBRY of Dallas, Texas (member, Resources Development Committee) is the owner/manager of March Forth Communications, LLC. She retired as President/CEO of Literacy Instruction for Texas in 2018. Hembry was elected and served one term as Dallas County Treasurer (2002 – 2006). Currently, she serves on the boards of directors of Executive Women of Dallas, the Archives of Women of the Southwest - Southern Methodist University, Texas Capital Bank CDC Advisory Board, and is a member of the Town and Gown Club (SMU). She formerly served on boards of directors of the Dallas Arboretum and Botanical Garden, Texas County Treasurer's Association and Literacy Texas. Among her honors and awards are Texas gubernatorial appointments to the Texas County and District Retirement System (Trustee) and Texas Historical Commission (Commissioner), and a presidential appointment to the Institute of Museum and Library Services (IMLS) in Washington, D.C. She is a graduate of SMU and attended Cox School of Business Graduate Marketing Certificate program. Hembry was appointed as director for Dallas County in 2019.

JERRY F. HOUSE of Leona, Texas (member, Utility Services Committee). House is the owner of Leona General Store and Steakhouse and the Pecan Grove Café in Leona. He retired after 39 years of serving as a United Methodist Minister. He is a member of the Texas Restaurant Association, Southwest Cattlemen's Association, and the Friends of Fort Boggy State Park. House received a bachelor of arts from Southwestern University, a masters in Divinity from Southern Methodist University Perkins School of Theology, and a Doctor in Ministry from the McCormick Theological Seminary at the University of Chicago. House was appointed as director for Leon County in 2018.

JOHN W. JENKINS of Hankamer, Texas (member, Resources Development Committee). Jenkins is a self-employed partner in a major farming enterprise. He graduated from Southwest Texas State University in 1981 with a bachelor's degree. He is a member of the Anahuac Area Chamber of Commerce. He serves on the boards of the Anahuac National Bank, the Texas Rice Council and the American Plant Food Corporation. Jenkins is also a committee chair for the Texas Gatorfest Committee. He is a former board member of the Trinity Bay Conservation District, the Devers Canal Rice Producers Association, the Trinity Valley Exposition, the Texas Rice Festival and the Chambers County Farm Bureau. Jenkins was appointed as director for TRA's Chambers County in 1997. He was reappointed as director at large in 2009. Jenkins served as president of TRA's board of directors from 2003-2005 and as vice president from 2001-2003. He was chairman of the executive committee from 2005-2007 and chairman of the resources development committee from 2000-2002. He served as chairman of the administration committee from 2007-2009 and chairman

of the legal committee from 2009-2011. Jenkins was reappointed to the board in 2017 as director for Chambers County; he previously served on the board as director at large.

MARGARET S. C. KELIHER of Dallas, Texas (member, Resources Development Committee) is a practicing attorney with a primary focus is litigation consulting. She is also the Chief Executive Officer of the Dallas Breakfast Group, which hosts civic participation events for Dallas area business and community leaders. Previously, she served as Dallas County Judge from 2002 to 2006. Prior to that, she served as Judge for the 44th State Civil District Court. She is a member of the State Bar of Texas, Dallas Bar Association, and the Texas Society of CPAs. She is a board member of the YMCA of Metropolitan Dallas, Advisory Council member of SPARK! Dallas, an arts education non-profit, a board member of the Center of American and International Law, and an executive board member of the SMU Dedman School of Law. Additionally, she is the former board chair of the Trinity River Audubon Center. Keliher received a Bachelor of Science in Accounting from the University of Virginia and a Juris Doctor degree from SMU Dedman School of Law.

DAVID B. LEONARD of Liberty, Texas (member, Resources Development Committee). Leonard is a member of the Liberty-Dayton Chamber of Commerce and a member and past president of the Liberty Lions Club. Leonard is the director of the Knights of Columbus and a member of the Liberty Elks Lodge. He is past director of the Trinity Valley Exposition. He attended Lee College and was reappointed as director for Liberty County in 2019.

VICTORIA K. LUCAS of Terrell, Texas (member, Utility Services Committee). Lucas is vice president for American National Bank of Texas. She is vice chairman and former chairman of economic development for the Terrell Chamber of Commerce and treasurer and past president of the Kaufman County A&M Club. Additionally, she is vice chair of development for the Terrell ISD Excellence Foundation, vice president of Friends of the Hulsey Public Library, and member of Social Science Club of Terrell and Kiwanis International. Lucas received her Bachelor of Science in industrial distribution from Texas A&M University. Lucas was reappointed as director for Kaufman County in 2018.

DENNIS "JOE" MCCLESKEY of Apple Springs, Texas (member, Utility Services Committee). McCleskey is owner of Angelina Excavating Inc. He is secretary/treasurer of the Piney Woods Chapter of the National Wild Turkey Federation and a member of the Texas Wildlife Association, the Lufkin Host Lions Club, and the Angelina County Youth Fair Buyers Group Committee. He is also past president of the Deep East Texas Association of Builders, a former committee member of the Hudson ISD Community Involvement Advisory Board, and a past volunteer with the Angelina County Habitat for Humanity. McCleskey was reappointed director for Trinity County in 2018.

ROBERT F. MCFARLANE, M.D. of Palestine, Texas (member, Legal and Public Policy Committee). McFarlane is a cardiologist with East Texas Physician's Alliance and chief of staff at Palestine Regional Hospital, and he is the managing partner of the BigWoods on the Trinity. He is a member of the Texas Medical Association and past director and a lifetime member of the Texas Wildlife Association. In addition, he founded the Trinity Waters Foundation and served as its president for five years. He also founded East Texas Black Gumbo Retriever Club. McFarlane received a Bachelor of Arts in chemistry from Harvard College and a Doctor of Medicine from Harvard Medical School, and is board certified in internal medicine and cardiology. McFarlane was appointed as director at large in 2017.

STEVEN L. ROBERTS of Coldspring, Texas (member, Utility Services Committee) is counsel to (and a former partner of) Eversheds-Sutherland, and a former partner of Fulbright & Jaworski (now Norton Rose Fulbright). Roberts is actively involved in adolescent drug recovery and education, and was a founding director/member of ArchwayAcademy.net and Cornerstone. He served in the U.S. Navy and worked for the Department of Corrections. Roberts holds a bachelor's degree from Sam Houston State University and a law degree from the University of Houston. He currently serves on various local boards and committees, including the San Jacinto County Appraisal District and works on the Houston Livestock and Rodeo, Grand Entry Committee. His work and service as a lawyer has been recognized by Chambers USA, Benchmark Litigation, the Texas Bar Foundation and other organizations. Roberts was appointed as director for San Jacinto County in 2018.

WILLIAM O. RODGERS of Fort Worth, Texas (member, Legal and Public Policy Committee). Rodgers is vice president of Collins and Young, LLC. He is a board member of the Fort Worth Nature Center and Edwards Family Charitable Giving. Rodgers received a bachelor's degree from Texas Christian University. Rodgers was appointed as director for Tarrant County in 2017.

KATHRYN L. SANDERS of Athens, Texas (member, Resources Development Committee). Sanders retired from teaching in 2010, after 27 years. She owned South Athens Storage for 17 years and managed Sanders Investment Properties for 13 years. She has volunteered with the Henderson County Food Pantry and the Athens Thrift Store.

She earned a Bachelor of Science in family and consumer economics from the University of North Texas. Sanders was appointed as director for Henderson County in 2021.

FRANK H. STEED, JR. of Kerens, Texas (member, Administration and Audit Committee). Steed is a 45 plus year veteran of the restaurant industry and is president and CEO of The Steed Consultancy. He is president and commissioner of the Navarro County Emergency Services District #1 and a board member and past chairman of the Corsicana-Navarro County Chamber of Commerce. Previously, he served as a member of the Board of Governors of the University of North Texas School of Hospitality and the Women's Food Service Forum. Steed received an honorable discharge from the Mississippi Army National Guard. Steed was appointed as director for Navarro County in 2017.

BRENDA K. WALKER, Palestine, Texas (member, Administration and Audit Committee). Walker is an Area Manager for Oncor Electric Delivery. She is a board member of Tri-County Meals on Wheels, Leon County Economic Development Association, Cartmell Communities Inc., and the Leon County Local Emergency Planning Committee and serves as chair of the Real Estate committee of the City of Palestine. She is a past district governor for Rotary International and currently serves as chair of the Rotary Club of Palestine Satellite Evening Club and Rotary District 5910 Youth Exchange Treasurer. Walker received a Bachelor of Applied Business Administration from Dallas Baptist University. Walker was appointed as director for Anderson County in 2019.

DAVID G. WARD of Madisonville, Texas (member, Administration and Audit Committee). Ward is the owner of David Ward Investments and D&J Storage. Ward is a native of Madisonville who attended the University of Houston and graduated from Universal CIT-School of Finance, Ford Motor Company School of Dealership Management and General Motors University of Automotive Management. He is a member and past president of the Madisonville Sidewalk Cattleman's Association and the Madison County Chamber of Commerce. He is the past chairman of St. Joseph Foundation and Madison St. Joseph Health Center as well as an audit and compliance committee member of the CHI St. Joseph Health System; he is also past chairman of the Madisonville Building Standards Commission, Bryan Building Standards Commission, Brazos County Economic Development Council, Madisonville Crime Stoppers and the Madisonville Fire Board. Ward is the past president of the Madison County Economic Development Corporation and president of the Madison County Independent School District Scholarship Foundation. He is a life member of the Madison County Fair Association and the Houston Livestock Show & Rodeo, and a member of the Madison County Go Texas committee. Ward was appointed as a director for Madison County in 2018.

A vacancy exists for the board member representing Area-at-Large.

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MANAGEMENT OFFICERS

J. KEVIN WARD, General Manager. In his role as the Chief Executive Officer, Ward oversees the largest river authority in Texas and the largest wholesale provider of wastewater treatment services in the state. With the support of six staff groups and more than 400 employees, Ward drives the implementation of board policy for the operation and development of four water treatment facilities, five wastewater treatment facilities and one recreation project, plus water sales from four reservoirs – all serving more than 60 wholesale customers including cities, municipalities and districts throughout the 18,000-square-mile Trinity River basin. Ward is also charged with managing the Authority's assets of more than \$2.2 billion and a current operating budget of more than \$303 million. Ward previously served as Executive Administrator of the Texas Water Development Board from May 2002 to February 2011 and in various other capacities at that state agency from 1987 to 2002.

Ward is active in several organizations. He currently serves as chairman of the Region C and a member of Region H Water Planning Committees, the Trinity and San Jacinto River Basins and Galveston Bay Basin Area Stakeholders Committee and the Tarrant Regional Water District Customer Advisory Committee. He serves as a board and executive committee member of the North Texas Commission and on the Texas Water Conservation Association's executive committee and as Chair of the Association's River Authority Panel. He is the President of the National Water Resources Association. He also serves as chair of the Association's Corps of Engineers Task Force. Additionally, he is the public member of the American Academy of Water Resources Engineers Board of Trustees and a visiting member of the Texas A&M University Lehrer Chair Advisory Council. He recently became a member of the American Society of Engineers Industry Leaders Council. Ward also served two terms on the board of directors for the National Waterways Conference, an organization representing national interests related to water supply and waterways transportation.

Ward was honored in 2011 with the Water Environment Association of Texas Outstanding Public Official Award.

MATTHEW S. JALBERT, P.E. Executive Manager, Northern Region. Jalbert has been with the Trinity River Authority since January 2015. In 2006, he received his bachelor's degree from Texas A&M University in Civil Engineering. He received his Masters of Engineering in Civil Engineering in 2012 at the University of Texas at Arlington. He worked with three engineering firms prior to 2015. Jalbert worked in the position as the engineering manager at TRA's Central Regional Wastewater System. In April 2019, he moved to the Planning, Design and Construction Administration group for TRA, where he served as the manager of engineering services. In April 2022, he was appointed the executive manager, northern region. He holds his professional engineering license in the state of Texas as well as a TCEQ Class B Wastewater Operator license. He is actively involved with the Water Environment Association of Texas and is currently serving as the president for 2022-2023.

CHRISTINE J. EPPS, CPA, Chief Financial Officer. Epps received a Bachelor of Business Administration and Master of Science in Accounting degrees (Summa Cum Laude) from Texas Tech University in 2007. Upon graduation, Epps joined Big Four accounting firm Deloitte's audit and assurance practice, where she gained five years of progressive audit experience with a focus on governmental organizations such as school districts, cities, special districts and transportation authorities. She became a Certified Public Accountant of the state of Texas in 2009. She joined the Trinity River Authority in 2012 as financial reporting manager. Epps was promoted to controller in 2016 and to chief financial officer and treasurer of the Board in 2022. She is a member of the Texas Society of Certified Public Accountants and the American Institute of Certified Public Accountants, and is also a member of the Government Finance Officers Association.

JIMMIE R. SIMS, Executive Manager, Southern Region. Sims received a bachelor's degree from Texas A&M University. He began working for the Trinity River Authority in 1973 at the Devers Canal System and became Project Manager for Lake Livingston recreation facilities in 1977. In 1983 he became Project Manager for the Lake Livingston utility services project and advanced to Division Manager of the water services division in 1985. Sims was promoted to Assistant Regional Manager, Southern Region, in 1988 and advanced to his current position in 1996. Sims is a former member of the board of directors of the Huntsville-Walker County Chamber of Commerce. He has also served as chairman of the Huntsville Planning and Zoning Commission and is an active member of the American Water Works Association and the Texas Water Conservation Association. He has served on the board of directors of the Huntsville Boys Baseball Association and has been an active supporter of Huntsville area youth baseball programs. In addition, Sims served as the executive vice president of the Huntsville Amateur Baseball Association and was recognized as the 2007 Volunteer of the Year by that organization.

GLENN C. CLINGENPEEL, Executive Manager, Technical Services and Basin Planning. Clingenpeel received Bachelor of Arts and Bachelor of Science degrees in Biology from the University of Texas, a Master of Science in Environmental Sciences from the University of North Texas and a Master of Business Administration from the University of Texas at Arlington. He also possesses an Associate Degree in French and attended the Sorbonne University in Paris, France. Clingenpeel is a member of the Golden Key National Honor, Tri Beta Biology Honor and Beta Gamma Sigma Business Honor societies and was recognized in 2006 as an MBA All-Star by the Dallas Business Journal. He joined the Trinity River Authority in April of 1998 as the Clean Rivers Program Coordinator and was promoted to the position of Manager of Special Studies and Assessments in 2000. In December of 2005 he was promoted to the position of Executive Assistant to the General Manager. In February of 2014 Clingenpeel was promoted to the position of Senior Manager, Planning and Environmental Management before being promoted to his current position of Manager, Technical Services and Basin Planning. He has presented dozens of papers on water quality and quantity issues and serves on several local, state and federal committees including the North Central Texas Council of Governments' Water Resources Council, the Texas Commission on Environmental Quality's Surface Water Quality Standards Workgroup, and the Committee Galveston Bay Council where he serves as Vice-Chair. Clingenpeel is a long-time board member of the Allied Federal Credit Union where he currently serves as Chairman of the Board.

GARY N. ORADAT, P.E., Executive Manager, Planning, Design and Construction Administration. Oradat earned a Bachelor of Science in Civil Engineering from Texas A&M University in 1975. His career spans 40 years in both the public and private sectors. Prior to joining TRA, he held various positions with the city of Houston Department of Public Works and Engineering, including City Engineer and Deputy Director for the Engineering, Construction and Real Estate Division and the Public Utilities Division. After 23 years, he retired from the city in 2004 and joined the Coastal Water Authority (CWA) as Chief Engineer and went on to be named Executive Director. Upon leaving CWA in 2011, he founded Oradat & Associates, P.C. and most recently was the Water Utilities Practice Lead with Halff Associates. He joined the Trinity River Authority in 2019 to lead the newly developed Planning, Design and Construction Administration team.

Oradat's professional involvement includes being a past Chairman with The American Society for Testing and Materials plastic piping systems committee. He is an active member of several subcommittees including, sewer, trenchless technology and reinforced plastic piping systems. He is also a Chairman and a past Board member with the Gulf Coast Trenchless Association. He is currently a member of the American Public Works Association and the Society of American Military Engineers. Oradat is a registered professional engineer in Texas and Louisiana.

In 2022, Oradat was named Underground Construction Technology Association's Most Valuable Professional. He was recognized with the MVP award at a special luncheon and awards ceremony. The award, presented annually, recognizes individuals whose selfless contributions pave the way for advancement of the underground infrastructure industry."

HOWARD S. SLOBODIN, Secretary, Board of Directors and General Counsel. Slobodin received a Bachelor of Arts (Cum Laude, Phi Beta Kappa) from the University of Oregon and a Doctor of Jurisprudence (with honors) from the University of Texas School of Law. He joined the Authority in April 2008. Previously, he practiced environmental and water law in both the public and private sectors. His practice began as an Assistant Attorney General with the Texas Attorney General's Office. In private practice, he represented public and private entities in disputes related to groundwater and surface water. Slobodin has litigated matters with regard to surface water ratemaking and the compensability of regulatory takings of groundwater in Texas, and participated in contract negotiations for two of the largest surface water sales in recent Texas history. He is a fellow of the Texas Center for Public Policy Dispute Resolution.

He is actively engaged in policymaking related to water, and supports the legislative activities of both the Trinity River Authority and of the Texas Water Conservation Association as the Chairman of its Water Laws Committee, in which capacity he has served since 2017. In 2019, Mr. Slobodin received the President's Award from the Association for his contributions. He also participates in the Texas regional water and flood planning processes.

Slobodin has served as an Adjunct Professor at the Texas A&M School of Law since 2018. He has also frequently guest lectured at other law schools on topics related to Texas water law and policy. He has contributed to the last three editions of the State Bar of Texas Essentials of Texas Water Resources treatise, and co-authored "Old Water Becoming New Again: Reuse of Treated Wastewater Effluent in Texas," 4 TEX. A&M J. PROP. L. 237."

TAYLOR L. HUYNH, Executive Manager, Administrative Services. Huynh received a B.S. degree in Management of Information Systems from the University of Texas at Arlington. Prior to joining the Trinity River Authority, Huynh served as case liaison serving the Texas Rehabilitation Commission and as HR Strategic Partner of an employment agency serving major technology and manufacturing employers in Tarrant and Dallas counties. She began working for TRA in January 19, 2000 as Personnel Services Manager and advanced to Human Resources Manager in 2013 serving as HR business partner and project manager for several enterprise software and systems implementations. She was promoted to her current position in December 2018. She has held leadership positions as Executive Committee member of the United Way of Tarrant County Impact Council for funding and grants, Parent Teacher Association and Uplift Education volunteer. She is an active supporter of United Way and local partner agencies and serves as Campaign Manager for TRA's annual fundraising events. She is an active member of the Society of Human Resource Management, the Fort Worth Human Resources Management Association and member of the International Association of HR Information Management. Huynh is a certified Senior Professional in Human Resources.

DOUGLAS L. SHORT, Chief Information Officer. Short was hired as the TRA's first Chief Information Officer in 2014 and leads all aspects of information technology and information security for the Authority. Prior to the Authority, Short served in the United States Air Force, enlisting as a Law Enforcement Specialist in 1986 and subsequently was commissioned as a cyberspace operations officer. His career highlights include deployed command, command of two squadrons, and standup of the Air Force Cyber Schoolhouse. He retired in 2014 at the rank of Lieutenant Colonel. Among his educational accomplishments, he has completed a Bachelor of Science in Computer Science, a Master of Arts in Computer Resource and Information Management, the Air Command and Staff College, Joint and Combined Warfighting School, and Air War College. Additionally, he is a Certified Information Security Manager and Certified Government Chief Information Officer. Short has spoken at several national and local conferences on cybersecurity and sits on the Regional Advisory Board for NPower, a nonprofit assisting veterans transitioning into the civilian information technology field.

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APPENDIX B

TRINITY RIVER AUTHORITY REGIONAL WASTEWATER SYSTEM 2021 REVENUE REPORT*

Contracting Parties:

*Town of Addison, Texas
City of Arlington, Texas
City of Bedford, Texas
City of Carrollton, Texas
City of Cedar Hill, Texas
City of Colleyville, Texas
City of Coppell, Texas
City of Dallas, Texas
Dallas – Fort Worth International Airport Board
City of Duncanville, Texas
City of Euless, Texas
City of Farmers Branch, Texas
City of Fort Worth, Texas
City of Grand Prairie, Texas
City of Grapevine, Texas
City of Hurst, Texas
City of Irving, Texas
City of Keller, Texas
City of Mansfield, Texas
City of North Richland Hills, Texas
City of Southlake, Texas*

* Financial and operating data presented in Appendix B is reproduced from the EMMA filings of the Contracting Parties

TOWN OF ADDISON, TEXAS

TABLE 1 – WATER AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
<u>Revenues</u>					
Water Sales	\$ 7,518,421	\$ 7,460,287	\$ 6,663,348	\$ 6,997,055	\$ 6,261,005
Sewer Service	5,809,216	5,388,939	5,153,298	5,073,338	4,595,090
Interest Income	14,228	221,268	313,187	133,445	82,848
Other Income	38,129	56,919	36,371	56,902 ⁽¹⁾	48,825
Total Revenue	<u>\$13,379,994</u>	<u>\$13,127,413</u>	<u>\$12,166,204</u>	<u>\$12,260,740</u>	<u>\$10,987,768</u>
<u>Expenses</u>					
Water Purchase	\$ 3,265,914	\$ 3,529,753	\$ 3,551,624	\$ 3,920,938	\$ 3,469,557
Sewer Treatment	3,491,532	3,426,935	3,809,787	3,344,312	2,627,932
Other Expenses	4,647,614	3,600,055	3,282,299	3,528,884	2,029,382
Total Operating Expenses ⁽³⁾	<u>\$11,405,060</u>	<u>\$10,556,743</u>	<u>\$10,643,710</u>	<u>\$10,794,134</u>	<u>\$8,126,871</u>
Net Available for Debt Services	<u>\$ 1,974,934</u>	<u>\$ 2,570,670</u>	<u>\$ 1,522,494</u>	<u>\$ 1,466,606</u>	<u>\$ 2,860,897</u>
Water Customers	3,791	3,750	3,680	3,650	3,631
Sewer Customers	2,684	2,666	2,601	2,593	2,585

(1) Net of \$84,371 loss on Joint Venture.

(2) Net of \$82,896 loss on Joint Venture.

(3) Excludes depreciation.

As of September 30, 2021, the City has no water and sewer revenue bonds outstanding. However, the City does have Outstanding General Obligation and Certificates of Obligation supported by the Utility fund.

TABLE 2 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City has no authorized but unissued revenue bonds.

TABLE 3 – WATER USAGE

Year Ended 9/30	Total Water Purchased In Gallons	Average Daily Usage In Gallons	Maximum Daily Usage In Gallons
2017	1,709,781,000	4,672,000	7,652,000
2018	1,730,186,000	4,895,000	8,803,000
2019	1,688,499,000	4,478,000	8,073,000
2020	1,634,516,000	4,477,000	8,983,000
2021	1,738,198,000	5,367,000	9,298,000

TABLE 4 – MONTHLY WATER RATES (EFFECTIVE OCTOBER 2021)

Residential			Commercial		
<u>Single Family</u>			<u>Large</u>		
First 2,000 gallons	14.85	(Minimum)	First 37,000 gallons	143.64	(Minimum)
Water Rater per 1,000 gal over Minimum	3.67	/M gallons	Water Rater per 1,000 gal over Minimum	3.67	/M gallons
Water Conservation Rate (Irrigation)	6.54	/M gallons	Water Conservation Rate (Irrigation)	6.54	/M gallons
<u>Multi-Family (Small)</u>			<u>Small</u>		
Low - 15,000 gallons	\$ 62.69	(Minimum)	First 5,000 gallons	\$ 25.89	(Minimum)
Water Rater per 1,000 gal over Minimum	3.67	/M gallons	Water Rater per 1,000 gal over Minimum	3.67	/M gallons
Water Conservation Rate (Irrigation)	6.54	/M gallons	Water Conservation Rate (Irrigation)	6.54	/M gallons
<u>Multi-Family (Large)</u>					
First 37,000 gallons	\$ 143.64	(Minimum)			
Water Rater per 1,000 gal over Minimum	3.67	/M gallons			
Water Conservation Rate (Irrigation)	6.54	/M gallons			

TABLE 5 – MONTHLY SEWER RATES (EFFECTIVE OCTOBER 2021)

Residential			Commercial		
<u>Single Family⁽¹⁾</u>			<u>Large</u>		
First 8,000 gallons	\$ 17.57	(Minimum)	First 37,000 gallons	\$ 224.60	(Minimum)
Over 8,000 gallons	5.92	/M gallons	Over 37,000 gallons	5.92	/M gallons
<u>Multi-Family (Small)</u>			<u>Small</u>		
First 15,000 gallons	\$ 94.48	(Minimum)	First 5,000 gallons	\$ 35.31	(Minimum)
Over 15,000 gallons	5.92	/Thousand gallons	Over 5,000 gallons	5.92	/M gallons
<u>Multi-Family (Large)</u>					
First 37,000 gallons	\$ 224.60	(Minimum)			
Over 37,000 gallons	5.92	/Thousand gallons			

(1) Maximum 8,000 gallons.

CITY OF ARLINGTON, TEXAS

TABLE 1 – WATER AND WASTEWATER SYSTEM

CONDENSED STATEMENT OF OPERATIONS
Fiscal Year Ended September 30
(amount in thousands)

CONDENSED STATEMENT OF OPERATIONS
Fiscal Year Ended September 30
(amounts in thousands)

<u>Revenues</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Water Sales	\$ 80,695	\$ 81,555	\$ 75,933	\$ 81,476	\$ 71,151
Wastewater Service	74,934	73,241	70,492	67,071	60,324
Interest Income	891	1,804	4,073	859	444
Other Income	14,272	10,251	8,764	7,411	6,532
Total Revenues	<u>\$ 170,792</u>	<u>\$166,851</u>	<u>\$ 159,262</u>	<u>\$ 156,817</u>	<u>\$ 138,451</u>
<u>Expenses</u>					
Labor Costs	\$ 16,788	\$ 16,962	\$ 16,834	\$ 15,519	\$ 15,602
Supplies	2,727	2,766	3,338	2,046	2,051
Maintenance	3,959	4,235	4,198	3,936	4,021
Water Supply (The District)	24,289	20,406	19,781	22,622	24,905
Wastewater Treatment Contracts	39,310	38,731	36,780	34,550	32,884
Utilities	2,454	2,461	2,330	2,204	2,875
Other Expenses	10,157	4,449	4,493	4,327	4,293
Total Operating Expenses Before Depreciation	<u>\$ 99,684</u>	<u>\$ 90,010</u>	<u>\$ 87,754</u>	<u>\$ 85,204</u>	<u>\$ 86,631</u>
Net Revenues of the System	\$ 71,108	\$ 76,841	\$ 71,508	\$ 71,613	\$ 51,820
Interest During Construction Included Above	<u>(3)</u>	<u>-</u>	<u>(1,129)</u>	<u>(786)</u>	<u>(418)</u>
Net Revenues Available for Debt Service	<u>\$ 71,105</u>	<u>\$ 76,841</u>	<u>\$ 70,379</u>	<u>\$ 70,827</u>	<u>\$ 51,402</u>
Debt Service Paid ⁽¹⁾	\$ 29,243	\$ 30,971	\$ 24,899	\$ 21,823	\$ 18,419
Water Customers	105,884	105,180	104,140	103,333	102,727
Sewer Customers	104,028	103,328	102,266	101,463	100,932

Note: Unaudited Financial Statements

⁽¹⁾ Excludes Trinity River Authority Revenue Bonds, accrued interest from bond sales, and refunding or cash defeasances.

TABLE 2 – COVERAGE AND FUND BALANCES (AMOUNTS IN THOUSANDS)

Water and Wastewater System Revenue Bonds Outstanding (as of 9/30/21)	\$ 323,100
Net Revenues Available for Debt Service	\$ 71,105
Principal and Interest Requirements, FY2022	\$ 31,526
Coverage of FY2022 Requirements by 9/30/21 Net Available for Debt Service	2.26 x
Average Annual Principal and Interest Requirements, FY2022-2041	\$ 19,401
Coverage of Average Requirements by 9/30/21 Net Available for Debt Service	3.67 x
Maximum Annual Principal and Interest Requirements, FY2022	\$ 31,526
Coverage of Maximum Requirements by 9/30/21 Net Available for Debt Service	2.26 x
Interest and Sinking Fund Balance	\$ 10,328
Reserve Fund Balance	\$ 19,401

TABLE 3 – WATER USAGE

Fiscal Year Ended 9/30	Total Water Pumped MG	Average Water Pumped MGD	Maximum Day Pumpage MGD
2017	18,746	51.36	76.83
2018	18,367	50.32	108.17
2019	18,816	51.55	88.40
2020	18,474	50.61	89.24
2021	18,316	50.18	83.52

TABLE 4 – WATER RATES (EFFECTIVE JANUARY 1, 2022)

Water Rates (Fixed Monthly Fee)	
Meter Size	Monthly
5/8 x 3/4" ($\leq 2,000$ gal)	\$ 7.31
5/8 x 3/4" ($\geq 3,000$ gal)	10.61
1"	20.91
1 1/2"	47.79
2"	83.43
3"	196.73
4"	313.12
6"	729.24
8"	1,140.21
10"	1,713.92

Conservation Rates Block Structure

RESIDENTIAL

<u>Usage (1,000 gal)</u>	<u>Water</u>
0 - 2	\$ 2.08
3 - 10	2.87
11 - 15	4.14
16 - 29	5.80
≥ 30	6.98

COMMERCIAL

<u>Usage (1,000 gal)</u>	<u>Water</u>
0 - 15	\$ 3.30
≥ 16	3.48

IRRIGATION

<u>Usage (1,000 gal)</u>	<u>Rate</u>
0 - 29	\$ 5.80
≥ 30	6.98

CONSTRUCTION

<u>Usage (1,000 gal)</u>	<u>Rate</u>
0 - 99	\$ 6.08
≥ 100	7.66

TABLE 5 – SEWER RATES (EFFECTIVE JANUARY 1, 2022)

Sewer Rates (based on water consumption)	
Meter Size	Monthly Charge
5/8 x 3/4" ($\leq 2,000$ gal)	\$ 7.87
5/8 x 3/4" ($\geq 3,000$ gal)	13.33
1"	24.23
1 1/2"	53.68
2"	90.36
3"	279.26
4"	416.69
6"	1,133.57
8"	1,493.50
10"	2,177.52

Conservation Rates Block Structure	
RESIDENTIAL	
Usage (1,000 gal)	Wastewater
0 - 2	\$ 5.28
3 - 10	5.28
11 - 15	5.28
16 - 29	5.28
≥ 30	5.28
COMMERCIAL	
Usage (1,000 gal)	Wastewater
0 - 15	\$ 5.28
≥ 16	5.28

CITY OF BEDFORD, TEXAS

TABLE 1 – WATER AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
<u>Revenues</u>	2021	2020	2019	2018	2017
Water Sales	\$ 14,596,419	\$ 14,446,353	\$ 13,439,448	\$14,145,865	\$13,197,953
Charges for Sewer Services	8,676,974	8,656,588	8,611,401	8,150,136	7,616,896
Interest Income	329,888	492,134	869,842	750,250	342,261
Other	210,840	278,549	192,916	232,180	180,949
Total Revenue	\$ 23,814,121	\$ 23,873,624	\$ 23,113,607	\$23,278,431	\$21,338,059
<u>Expenses</u> ⁽¹⁾					
Water Supply and Distribution	\$ 8,763,667	\$ 9,131,274	\$ 9,130,552	\$ 8,692,222	\$ 8,972,551
Wastewater Collection and Disposal	4,900,651	5,117,514	5,240,615	4,829,038	4,353,139
Billing and Collection	1,974,280	1,108,377	1,261,290	1,400,718	1,389,577
Public Services/Engineering	957,720	917,768	899,111	910,904	1,038,085
Total Expense	\$ 16,596,318	\$ 16,274,933	\$ 16,531,568	\$15,832,882	\$15,753,352
Net Available for Debt Service	\$ 7,217,803	\$ 7,598,691	\$ 6,582,039	\$ 7,445,549	\$ 5,584,707
Administrative Overhead/Payment in Lieu of Taxes	3,340,983	2,678,290	2,534,486	2,475,683	2,359,853
Net Operating Income	\$ 3,876,820	\$ 4,920,401	\$ 4,047,553	\$4,969,866	\$3,224,854
Water Customers	23,246	23,271	23,246	23,225	23,216
Sewer Customers	22,781	22,809	22,781	22,737	22,743

(1) Excludes depreciation.

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, the City has no water and sewer revenue bonds outstanding.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City has no authorized but unissued revenue bonds, and pursuant to State law is not required to approve its revenue bonds through election.

TABLE 4 – MONTHLY WATER RATES (EFFECTIVE JANUARY 2022)

With the exception of multi-family dwellings the minimum charge for various sized meters per month shall be:

Meter Size	Rates per Month
5/8 inch Meter	\$ 20.23
5/8 inch Meter (Citizens aged 65 and over)	18.39
1 inch Meter	39.27
1 inch Meter (Citizens aged 65 and over)	36.78
1 ½ inch Meter	80.90
2 inch Meter	129.49
3 inch Meter	242.81
4 inch Meter	388.54
6 inch Meter	1,456.98
Fire Hydrant	214.30

All water used per month

4.44 per 1,000 gallons

TABLE 5 – MONTHLY SEWER RATES (EFFECTIVE JANUARY 2022)¹

Meter Size	Rates per Month
5/8 or ¾ inch Meter	\$ 13.07
5/8 inch Meter (Citizens aged 65 and over)	11.86
1 inch Meter	19.62
1 inch Meter (Citizens aged 65 and over)	17.83
1 ½ Meter	30.59
2 inch Meter	43.72
3 inch Meter	78.72
4 inch Meter	118.18
6 inch Meter	227.72
Volume Charge ⁽²⁾	3.51 per 1,000 gallons up to 12,000 gallons

(1) Based on average volume of water billed during December, January and February (residential).

(2) No charge over 12,000 gallons- residential accounts only.

CITY OF CARROLLTON, TEXAS

TABLE 1 – WATER AND WASTEWATER SYSTEM OPERATING STATEMENT AND REVENUE BONDS COVERAGE (UNAUDITED)

	2021	2020	2019	2018	2017
Revenues	\$ 49,234,955	\$ 49,848,279	\$ 46,192,294	\$ 45,476,534	\$ 40,014,788
Expenses:					
Personnel Services	3,765,284	3,983,593	4,320,610	4,206,038	3,989,218
Supplies and Services	30,287,030	30,109,494	29,152,264	29,415,211	26,136,178
Utilities	885,921	1,011,379	937,553	890,563	946,111
Allocations	1,033,616	774,800	859,139	810,228	1,222,871
Provision for Doubtful accounts	89,923	89,923	103,091	102,478	39,523
Transfers Out	4,919,956	4,552,223	4,497,117	3,970,635	3,658,286
Total Expenses	40,981,730	40,521,412	39,869,774	39,395,153	35,992,187
Net Available for Debt Service	\$ 8,253,225	\$ 9,326,864	\$ 6,322,520	\$ 6,081,381	\$ 4,022,601
Customer Count Water/Sewer	36,902	39,300	37,482	37,686	37,168
Average Annual Debt Service	\$ 986,773	\$ 1,070,043	\$ 1,142,303	\$ 1,237,640	\$ 1,385,524
Times of the Average Annual Debt Service	8.36	8.72	5.53	4.91	2.90
Average Annual Debt Service - 2021/2034					\$ 986,773
Coverage of Average Annual Debt Service at 9/30/21 Net Available					\$ 8.36
Maximum Annual Debt Service - 2021/2034					2,144,500
Coverage of Maximum Annual Debt Service at 9/30/21 Net Available					\$ 3.85

TABLE 2 – COVERAGE AND FUND BALANCES

Waterworks and Sewer System Revenue Bonds					
Fiscal Year	Total Revenues (a)	Less: Operating Expenses (b)	Net Available Revenue	Average Annual Requirement	Times Coverage
2011	37,264,408	28,195,996	9,068,412	1,843,461	3.43
2012	35,011,924	29,623,511	5,388,413	1,775,052	5.11
2013	35,256,384	30,439,911	4,816,473	1,609,769	3.35
2014	34,102,074	31,036,497	3,065,577	1,552,989	3.10
2015	35,668,929	30,912,620	4,756,309	1,488,696	2.06
2016	37,738,309	33,738,639	3,999,670	1,460,318	3.26
2017	40,014,788	35,992,187	4,022,601	1,426,329	2.80
2018	45,476,534	39,395,153	6,081,381	1,385,524	2.90
2019	46,192,294	39,869,774	6,322,520	1,142,303	5.53
2020	49,848,279	40,521,415	9,326,864	1,070,043	8.72
2021	49,234,955	40,981,730	8,253,225	986,773	8.36

Source: Comprehensive Annual Financial Report

Notes:

- (a) Includes operating revenues (charges for services and miscellaneous income), investment income, and transfers in of the Water and Sewer Fund.
- (b) Includes operating expenses minus depreciation plus transfers out of the Water and Sewer Fund.

FUND BALANCES
(As of September 30, 2021)
(Unaudited)

Reserve Fund	\$ 986,773
Interest and Sinking Fund	893,542
Total Fund Balances	\$ 1,880,315

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City did not have any authorized but unissued water and sewer system revenue bonds.

TABLE 4 – TOP TEN WATER CUSTOMERS

TOP TEN WATER CUSTOMERS
(as of 9/30/2021)
(Unaudited)

<u>Name</u>	<u>Type</u>	<u>Revenues</u>	<u>% of Total Water Revenues ¹</u>
1 Carrollton-Farmers Branch ISD	School District	\$ 110,912	0.41%
2 Western Extrusion Inc	Manufacturing	46,566	0.17%
3 Lewisville ISD	School District	45,126	0.17%
4 Rudy's Tortillas	Manufacturing	39,376	0.15%
5 Frankel Family Trust	Apartments	35,201	0.13%
6 Frankford POE LLC	Apartments	34,055	0.13%
7 AVBH Autumn Chase LLC	Apartments	31,862	0.12%
8 Spicewood Crossing Apts	Apartments	30,416	0.11%
9 Dallas ICR Partners	Apartments	27,838	0.10%
10 Prologis	Real State	26,509	0.10%
TOTAL		\$ 427,861	1.58%

⁽¹⁾ Total water revenues from October 1, 2020 through September 30, 2021 was \$27,050,212.
Source: City of Carrollton Utility Customer Service Department.

TABLE 5 – WATER USAGE

<u>Fiscal Year Ended 9/30</u>	<u>Average Daily Use In Gallons</u>	<u>Maximum Daily Use In Gallons</u>	<u>Total Gallons for Year</u>
2012	20,808,000	40,680,000	7,594,764,000
2013	20,171,000	38,388,000	7,362,343,000
2014	19,054,000	32,262,000	6,954,726,000
2015	19,594,000	41,609,000	7,151,918,000
2016	19,524,000	35,439,000	7,126,366,000
2017	19,753,000	29,339,000	7,209,845,000
2018	20,762,000	37,720,000	7,578,297,000
2019	20,303,000	37,735,000	7,410,532,000
2020	21,791,000	38,799,000	7,953,874,000
2021	21,816,000	37,337,000	7,962,892,000

Source: City of Carrollton Water Distribution Department.

TABLE 6 –MONTHLY WATER RATE

MONTHLY WATER RATE
(Effective January 1, 2022)
(unaudited)

Monthly Water Rates:**Minimum monthly charge, including the first 2,000 gallons of use:**

Single-family residential domestic and irrigation use	\$	14.34
Commercial (including apartments and portable meters), industrial and commercial irrigation use:		
5/8" meter	\$	14.62
1" meter		22.52
1.5" meter		35.74
2" meter		51.58
3" meter		93.80
4" meter		141.30
6" meter		273.31
8" meter		431.72
10" meter		616.50
Fire Line regardless of size		74.16

Use over the 2,000 gallons included in the minimum monthly charge:

Single-family residential domestic use:

Meter Readings from October through April:

All Over 2,000 gallons (per 1,000 gallons)	\$	3.39
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Meter Readings from May through September:

Next 8,000 gallons (per 1,000 gallons)		3.39
All Over 10,000 gallons (per 1,000 gallons)		4.55
All Over 25,000 gallons (per 1,000 gallons)		5.68

Irrigation use:

Next 23,000 gallons (per 1,000 gallons)	\$	3.48
Next 25,000 gallons (per 1,000 gallons)		4.15
Next 50,000 gallons (per 1,000 gallons)		4.70
Next 100,000 gallons (per 1,000 gallons)		5.29
All use over 200,000 gallons (per 1,000 gallons)		5.90

Commercial use (including apartments and portable meters):

All use over 2,000 gallons (per 1,000 gallons)	\$	2.41
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Industrial Use: Industrial use rates for water service will apply to customers in the business of assembly or manufacturing of goods and for which water usage equals or exceed 750,000 gallons per month for nine out of twelve months in the year:

All use over 2,000 gallons (per 1,000 gallons)	\$	2.13
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TABLE 7 –MONTHLY SEWER RATE**MONTHLY SEWER RATE**
(Effective January 1, 2022)**Monthly Sewer Rates:**

Residential use:

First 2,000 gallons, minimum	\$	15.55
All use over 2,000 gallons (per 1,000 gallons)		3.62

Commercial (including apartments), Industrial and Irrigation minimum monthly charges, including the first 2,000 gallons of use:

5/8" meter	\$	15.55
1" meter		22.52
1.5" meter		34.07
2" meter		47.91
3" meter		84.89
4" meter		126.81
6" meter		241.88
8" meter		380.44
10" meter		542.07

Commercial and Industrial use:

All use over 2,000 gallons (per 1,000 gallons)	\$	3.62
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⁽¹⁾ Rates effective January 1, 2022.

CITY OF CEDAR HILL, TEXAS

TABLE 1 – WATERWORKS AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

Fiscal Year Ended September 30,					
OPERATING REVENUES	2021	2020	2019	2018	2017
Water Sales	\$ 10,811,555	\$ 10,778,075	\$ 9,823,907	\$ 10,646,994	\$ 9,727,964
Sewer Sales	8,152,339	7,529,783	7,577,437	7,441,070	7,638,292
Other Charges	280,021	238,816	214,114	453,557	313,168
Interest Revenue	85,118	181,122	358,088	131,821	81,424
Total Operating Income	\$ 19,329,033	\$ 18,727,796	\$ 17,973,546	\$ 18,673,442	\$ 17,760,848
OPERATING EXPENSES					
Sewage Treatment	\$ 6,646,067	\$ 7,083,099	\$ 6,603,899	\$ 5,749,625	\$ 5,020,910
Purchase of Water	3,585,183	3,452,702	3,364,221	3,940,900	3,622,867
Personnel Services	3,438,485	3,361,071	3,314,393	2,943,875	3,007,211
Gross Receipts Tax	1,055,250	1,005,000	918,000	900,000	900,000
Heat, Light and Power	275,296	272,556	255,147	291,439	344,652
Maintenance	227,228	237,669	249,053	262,431	567,298
Contractual Services	1,817,509	1,824,088	1,421,859	1,255,668	1,308,768
Materials and Supplies	282,643	226,001	239,187	264,813	353,115
Miscellaneous	64,385	59,666	81,286	77,145	148,683
Total Operating Expenses	\$ 17,392,046	\$ 17,521,852	\$ 16,447,045	\$ 15,685,896	\$ 15,273,504
NET REVENUES	<u>\$ 1,936,987</u>	<u>\$ 1,205,944</u>	<u>\$ 1,526,501</u>	<u>\$ 2,987,546</u>	<u>\$ 2,487,344</u>
Water Customers	16,544	16,559	16,492	16,404	16,333
Sewer Customers	15,152	15,033	14,987	14,976	14,940

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, the City has no outstanding Waterworks and Sewer System Revenue debt.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of January 31, 2022, the City has no voted but unissued revenue bond, and pursuant to State law, the City is not required to approve its revenue bonds through election.

TABLE 4 – HISTORICAL WATER USAGE (GALLONS)

Fiscal Year Ended 9/30	Daily Average (MGD)	Peak Day (MGD)	Peak Month (MGD)	Total Usage (MGD)	Water Revenue
2017	5.53	8.5	207.2	2,017.2	\$ 9,546,653
2018	6.22	8.4	251.2	2,269.6	10,646,994
2019	5.89	9.2	276.9	2,151.5	9,823,907
2020	5.98	8.3	250.1	2,181.1	10,778,075
2021	5.55	8.8	215.6	2,025.9	10,811,555

TABLE 5 – MONTHLY WATER RATES (EFFECTIVE NOVEMBER 1, 2021)

UNIFORM RATES			
Residential:	Water (Fixed Base Rate (includes first 1,000 gallons)	\$	13.80
	Water (Consumption Rate, after first 1,000 gallons)	\$	6.41
Commercial:	Water (Fixed Base Rate (includes first 1,000 gallons)	\$	13.80
	Water (Consumption Rate, after first 1,000 gallons)	\$	6.41
	Base (Based on Meter Size)		
		<1 inch	\$ 13.80
		1.5 inch	26.00
		2 inch	40.00
		3 inch	80.00
		4 inch	140.00
		6 inch	225.00
		8 inch	400.00

TABLE 6 – MONTHLY SEWER RATES (EFFECTIVE NOVEMBER 1, 2021)

UNIFORM RATES			
Residential:	Sewer (Fixed Base Rate (includes first 1,000 gallons)	\$	10.60
	(Residential Sewer Capped @ \$80/month)		
	Sewer (Consumption Rate, after first 1,000 gallons)	\$	8.75
Commercial	Sewer (Fixed Base Rate (includes first 1,000 gallons)	\$	10.60
	Sewer (Consumption Rate, after first 1,000 gallons)	\$	8.20
	(No Cap)		

TABLE 7 – CAPITAL RECOVERY FEES

As of December 31, 2021 the capital recovery fee funds may be used for capital projects and to pay debt service on projects for which the fee was levied and to date has produced \$17,946,119 including interest for the City:

Water Sources	\$ 10,685,364
Sewer Sources	4,362,709
Investment Earnings	2,898,046
TOTAL REVENUES	\$ 17,946,119

To date, the City has used approximately \$16,294,040 of the funds for water and wastewater projects and has remaining funds of \$1,652,079.

CITY OF COLLEYVILLE, TEXAS

TABLE 1 – WATERWORKS AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues					
Metered Water Sales	\$ 11,766,720	\$ 11,734,812	\$ 10,352,045	\$ 11,329,423	\$ 10,958,905
Sewer Service Charges	4,730,415	4,206,156	4,399,186	4,382,440	3,876,154
Miscellaneous Charges and Fees	942,782	947,526	1,324,495	1,621,028	1,121,270
Interest Income	31,280	233,882	400,706	183,685	89,306
Total Revenues	\$ 17,471,197	\$ 17,122,376	\$ 16,476,432	\$ 17,516,576	\$ 16,045,635
Expenses					
Personnel Services	\$ 2,194,442	\$ 2,085,201	\$ 2,013,905	\$ 1,882,513	\$ 1,833,303
Maintenance and Contractual Services	11,693,167	12,572,446	11,270,485	11,075,599	10,709,725
Materials and Supplies	412,230	420,189	203,093	268,939	134,848
Total Expenses	\$ 14,299,839	\$ 15,077,836	\$ 13,487,483	\$ 13,227,051	\$ 12,677,876
Net Available for Debt Service	\$ 3,171,358	\$ 2,044,540	\$ 2,988,949	\$ 4,289,525	\$ 3,367,759
Water Customers	10,608	10,487	10,422	10,215	9,987
Sewer Customers	9,832	9,619	9,453	9,444	9,270

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2018, the City has no water and sewer revenue bonds outstanding.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2018, the City has no authorized but unissued revenue debt.

TABLE 4 – WATER USAGE

Fiscal Year Ended 9/30	Average Day Usage	Total Usage
2016	5,889,263	2,198,573,300
2017	6,355,085	2,288,180,700
2018	6,233,718	2,524,355,800
2019	6,418,359	2,342,701,000
2020	7,026,907	2,564,821,000
2021	6,679,425	2,437,990,000

TABLE 5 – MONTHLY WATER RATES (EFFECTIVE JANUARY 1, 2022)

Meter Size	In-City Customers \$/M Gallons	Out-City Customers \$/M Gallons
1 inch or less	\$ 14.06	\$ 18.06
1.5 inch Meter	28.12	\$ 32.12
2 inch Meter	45.00	\$ 49.00
3 inch Meter	84.37	\$ 88.37
4 inch Meter	140.61	\$ 144.61
Volumetric Water Charge	4.47 per 1,000 gallons	4.47 per 1,000 gallons

TABLE 6 – MONTHLY SEWER RATES (EFFECTIVE JANUARY 1, 2022)

	<u>Residential</u>	<u>Non- Residential</u>
Base sewer charge	\$ 12.32	\$ 18.32
Volume charge per 1,000 gallons ⁽¹⁾	3.17	7.17
City average sewer rate is 9,000 gallons per household ^{(2) (3)}	\$ 28.49	

(1) Based on average winter water consumption in December, January & February

(2) For new residents first year only, until winter average is established.

CITY OF COPPELL, TEXAS

TABLE 1 – WATERWORKS AND SEWER SYSTEM OPERATING SYSTEM

		Fiscal Year Ended September 30,				
<u>Operating Revenues</u>	-	2021	2020	2019	2018	2017
Water and Sewer Sales		\$19,505,844	\$18,168,446	\$18,090,956	\$18,413,459	\$16,253,789
Water and Sewer Connection Fees		17,780	16,210	29,610	22,160	31,466
Interest and Miscellaneous		900,012	1,208,971	1,703,542	1,226,940	435,971
Capital Recovery Fees		115,785	319,728	242,649	283,050	308,511
Total Revenues		<u>\$20,539,421</u>	<u>\$19,713,355</u>	<u>\$20,066,757</u>	<u>\$19,945,609</u>	<u>\$17,029,737</u>
<u>Operating Expenses</u>	-					
Purchase of Water		\$6,606,300	\$6,345,705	\$6,246,967	\$6,829,548	\$6,277,347
Purchase of Sewer Treatment		4,007,093	3,987,567	3,692,905	3,824,702	4,390,477
Salaries and Wages		1,424,776	1,448,983	1,804,077	1,585,511	1,525,053
Supplies and Services		<u>3,266,374</u>	<u>3,161,167</u>	<u>3,414,995</u>	<u>4,050,381</u>	<u>3,582,192</u>
Total Expenses		<u>\$15,304,543</u>	<u>\$14,943,422</u>	<u>\$15,158,944</u>	<u>\$16,290,142</u>	<u>\$15,775,069</u>
Net Available for Debt Service		<u>\$5,234,878</u>	<u>\$4,769,933</u>	<u>\$4,907,813</u>	<u>\$3,655,467</u>	<u>\$1,254,668</u>
Water Customers		13,508	13,471	13,428	13,394	13,327
Sewer Customers		12,325	12,309	12,267	12,236	12,174

TABLE 2 – COVERAGE AND FUND BALANCE⁽¹⁾

Average Annual Principal and Interest Requirements, 2022 - 2040	\$	1,702,392	
Coverage of Average Annual Requirements by 9/30/21 Net Income		3.08	x
Maximum Principal and Interest Requirements, 2022	\$	2,107,752	
Coverage of Maximum Requirements by 9/30/21 Net Income		2.48	x
Waterworks and Sewer System-Related Tax Bonds Outstanding, 9/30/21	\$	27,020,000	
Interest and Sinking Fund, 9/30/21	\$	4,676	
Reserve Fund, 9/30/21	\$	-	

(1) The City no longer has Water and Sewer revenue bonds outstanding. However, a portion of the City's outstanding General Obligation bonds are funded by Water and Sewer revenue.

TABLE 3 – COVERAGE AND FUND BALANCE

As of September 30, 2021, the City has no authorized but unissued revenue debt.

TABLE 4 – WATER USAGE

Fiscal Year Ended 9/30	Estimated City Population	Water Usage		
		Average Day Usage	Peak Day Usage	Total Usage
2017	40,820	7,125,059	14,733,000	2,600,646,424
2018	41,100	7,613,365	19,499,000	2,778,878,079
2019	41,290	6,941,581	18,499,000	2,533,676,991
2020	41,410	7,890,971	17,415,000	2,888,095,250
2021	42,983	7,694,673	15,172,000	2,808,555,500

TABLE 5 – MONTHLY WATER RATES

New Rates

(Effective June 1, 2021)

First 1,000 gallons	\$21.00 (minimum)
\$3.05 per 1,000 gallons over initial 1,000 gallons up to 15,000 gallons	
\$3.82 per 1,000 gallons over 15,000 gallons up to 25,000 gallons	
\$4.78 per 1,000 gallons over 25,000 gallons	

Previous Rates

(Effective February 1, 2018)

First 1,000 gallons	\$21.00 (minimum)
\$3.15 per 1,000 gallons over initial 1,000 gallons	

Seasonal Conservation Water Rate: (June - October Billings)

All over 25,000 gallons	\$3.94 per 1,000 gallons
-------------------------	--------------------------

TABLE 6 – SEWAGE FLOW

Fiscal Year Ended 9/30	Amount in Gallons	Average Daily Sewer Flow
2017	1,377,439,000	3,773,805
2018	1,195,195,000	3,274,507
2019	1,322,502,000	3,623,293
2020	1,240,093,000	3,397,515
2021	1,239,324,000	3,395,408

TABLE 7 – MONTHLY SEWER RATES

New Rates

(Effective June 1, 2021)

First 1,000 gallons	\$22.40 (minimum)	
\$2.24 per 1,000 gallons over initial 1,000 gallons		
Maximum Charge (Residential Only)	\$	49.28
No maximum for other customers		

Previous Rates

(Effective February 1, 2018)

First 1,000 gallons	\$22.40 (minimum)	
\$2.24 per 1,000 gallons over initial 1,000 gallons		
Maximum Charge (Residential Only)	\$	51.52
No maximum for other customers		

CITY OF DALLAS, TEXAS

TABLE 1 – WHOLESALE TREATED WATER CUSTOMERS

Treated water is now supplied on a wholesale basis to the following cities and authorities under contracts expiring in the calendar year indicated.

Entity	Year	Entity	Year
Addison	2042	Flower Mound	2047
Carrollton	2043	Glenn Heights	2052
Cedar Hill	2044	Grand Prairie	2042
Cockrell Hill	2044	Hutchins	2042
Combine WSC	2035	Irving	2033
Coppell	2047	Lancaster	2041
Balch Springs	2045	Lewisville	2046
Dallas/Fort Worth International Airport	2045	Ovilla	2035
DeSoto	2043	Red Oak	2033
Duncanville	2044	Seagoville	2043
Ellis County WCID#1	2033	The Colony	2040
Farmers Branch	2040		

Dallas and its wholesale treated water customers negotiated and reached consensus on a thirty-year Memorandum of Agreement for wholesale treated water rate-setting methodology. The new Memorandum of Agreement was approved by the Dallas City Council on May 12, 2010. Wholesale rates for treated water service to all customer cities and authorities are determined per the provisions of the new Memorandum of Agreement.

As of August 13, 2003, the City Council approved individual contracts between Dallas Water Utilities and the City of Red Oak, Rockett SUD and Ellis County WCID#1 for wholesale supply of treated water. The City of Red Oak began taking water in Spring 2009. The contract with Rockett SUD was terminated in 2009. Ellis County WCID#1 is not yet connected to Dallas Water System. These contracts will expire in the year 2033.

In addition to a Wholesale Treated Water Contract, the Cities of Irving and Dallas adopted the Water Treatment Services Contract on January 8, 1998. This agreement allows Irving to store 9,700 acre feet of its Lake Chapman water in Lake Lewisville and for Dallas to treat Irving's water at the Elm Fork Water Treatment Plant. The effective date of the Water Treatment Services Contract and the Wholesale Treated Water Contract with Irving is June 30, 2003. Both contract terms are for thirty years (see "The Water and Wastewater System - Water Supply - Lake Lewisville").

Dallas has a designated planning and service area in the 2014 update to the LRWSP. In accordance with the plans, Dallas is planning for the long range needs of all its existing customers and anticipate renewal of all existing contracts.

TABLE 2 – TREATED WATER PRIMARY PUMPAGE (MILLION GALLONS)

Unaudited

<u>Fiscal Year</u>	<u>Peak Day</u>	<u>Average Day</u>	<u>Total</u>
2017	511	372	135,664
2018	607	389	141,920
2019	606	369	134,600
2020	588	380	139,092
2021	687	382	139,364

Unaudited

TABLE 3 – TREATED WATER CONSUMPTION BY CUSTOMER CLASS (UNAUDITED)

	<u>Fiscal Year Ended September 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Retail</u>					
Residential	23,469	24,371	21,890	25,203	23,377
General Service	32,724	33,287	32,743	34,595	33,842
Optional General Service ⁽¹⁾	4,326	4,621	4,149	5,179	4,672
Total Retail	<u>60,519</u>	<u>62,279</u>	<u>58,782</u>	<u>64,976</u>	<u>61,891</u>
<u>Wholesale</u>	<u>55,202</u>	<u>58,563</u>	<u>52,175</u>	<u>58,372</u>	<u>55,086</u>
Total	<u>115,720</u>	<u>120,842</u>	<u>110,956</u>	<u>123,348</u>	<u>116,977</u>

⁽¹⁾ Customers consistently using one million gallons or more monthly.

TABLE 4A – TEN LARGEST WHOLESALE TREATED WATER CUSTOMERS**Unaudited**

	Fiscal Year 2021 Water Consumption
Wholesale	
City of Carrollton	7,215
City of Grand Prairie	5,769
City of Irving(1)	4,177
City of Lewisville	3,323
City of Coppell	3,308
City of DeSoto	3,069
City of Farmers Branch	2,772
City of Lancaster	2,451
City of Cedar Hill	2,171
City of Duncanville	1,828
Total	36,082

(1) In addition to the 4,177 MG treated water provided under the treated water contract, Dallas Water Utilities also treated 11,229 MG of raw water from Irving's Lake Chapman under the Dallas Water Utilities/Irving treatment services contract reflects "as billed" consumption.

TABLE 4B – TEN LARGEST RETAIL TREATED WATER CUSTOMERS (MILLION GALLONS)**Unaudited**

	Fiscal Year 2021 Water Consumption
Retail	
Texas Instruments Inc.	1,735
Niagara Bottling Inc	534
UT Southwestern Medical Center	483
White Wave Food Company	349
Dallas County Facilities Management	275
Dallas County Health Dept/Pleasant Grove Health Clinic	225
Nestle Water North America	224
Quaker Oats Inc	182
Baylor Healthcare	154
Presbyterian Hospital	137
Total Ten Largest Retail Customers	4,298
Other	56,220
Total Retail Treated Water Consumption	60,519

TABLE 5 – WHOLESALE WASTEWATER CUSTOMERS

Customer cities receiving "wholesale" wastewater services are principally as follows, with contractual terms of service now extending to calendar years indicated.

Unaudited

Addison (portion)	2044	Hutchins	2044
Cockrell Hill	2044	Mesquite (portion)	2036
Balch Springs	2045	Richardson (portion)	2037
Duncanville (portion)	2044	Seagoville	2033
Highland Park	2044	University Park	2044
		Wilmer	2044

TABLE 6 – TREATED WASTEWATER FLOW

Fiscal Year	Maximum Day Treated Effluent	Average Day Treated Effluent	Total Treated Effluent
2017	302	162	59,147
2018	460	171	62,424
2019	552	231	84,370
2020	428	198	72,437
2021	397	196	71,646

TABLE 7 – RETAIL CUSTOMER CHARGE**Unaudited**

The monthly customer charge for retail treated water service and wastewater service are fixed amounts based upon meter size. Both water and wastewater charges are shown below to present the total customer charge for combined water and wastewater service.

	Monthly Retail Customer Charge		
	Water	Wastewater	Combined
5/8 Inch Meter	\$ 5.46	\$ 4.83	10.29
3/4 Inch Meter	7.58	6.63	14.21
1 Inch Meter	11.05	9.55	20.60
1 1/2 Inch Meter	20.50	18.48	38.98
2 Inch Meter	33.36	28.79	62.15
3 Inch Meter	78.93	70.20	149.13
4 Inch Meter	129.79	112.53	242.32
6 Inch Meter	257.74	221.50	479.24
8 Inch Meter	429.01	369.75	798.76
10 Inch Meter or larger	658.74	580.96	1,239.70

The rates charged wastewater customers are based upon the cost providing wastewater service, as required by the USEPA.

TABLE 8 – RETAIL USAGE CHARGE**Unaudited**

(as of October 1, 2021)

	Monthly Retail Rate Per 1,000 Gallons	
	Water	Wastewater
<u>Residential</u>		
Up to 4,000 Gallons	\$ 1.90	\$ 5.41 ⁽¹⁾
4,001 to 10,000 Gallons	4.11	\$ 5.41 ⁽¹⁾
10,001 to 20,000 Gallons	6.70	\$ 5.41 ⁽¹⁾
20,001 to 30,000	9.55	\$ 5.41 ⁽¹⁾
Above 30,000	11.10	\$ 5.41
<u>General Service</u>		
Up to 10,000 Gallons	\$ 4.43	\$ 4.56
Above 10,000 Gallons	4.83	\$ 4.56
Above 10,000 and usage 1.4x annual monthly average	7.38	\$ 4.56
Wastewater metered separately		4.26
<u>Optional General Service</u>		
1st Million Gallons or Less	\$ 2,684.47 ⁽²⁾	\$ 4.21
Above 1 Million Gallons (Per 1,000 Gallons)	4.00	4.21
Wastewater metered separately		4.26

⁽¹⁾ Wastewater rates for residential accounts are applied to average water consumption billed in December, January, February, and March, up to 40,000 gallons per month, or actual water consumption if lower.

⁽²⁾ Fixed amount, not a volume rate.

The retail usage charge applies in addition to the customer charge shown in Table 7. The usage charge is generally stated as a rate per 1,000 gallons. Both the retail water usage charge and the retail wastewater usage charge are applied to volume of water used, except for that wastewater which is metered separately. Wastewater meters are purchased by general service customers (typically large business customers) when separate wastewater metering is advantageous to them. Retail usage charges are established for three customer classes as set forth above. For residential wastewater customers, the retail usage charge is based upon average water consumption during winter months, or actual water usage for each month if lower. Each of the rates for usage charges and for customer charges is subject to 5% additional charge if not paid when due.

TABLE 9 – WHOLESALE CUSTOMER CHARGES (AS OF OCTOBER 1, 2021)**Unaudited**

Wholesale rates are as follows, for each type of wholesale service:

Treated Water Service:

Customers with rate-of-flow controllers: \$0.4480 per thousand gallons of water used, plus \$312,607 annually per million gallons of daily capacity reserved.

Customers without rate-of-flow controllers (or if a flat rate is provided by contract): \$2.4121 per thousand gallons of water used.

Untreated Water Service:

Customers inside or outside the City: \$1.0323 per thousand gallons of water used (\$0.4272 for interruptable service).

Wastewater Service:

\$3.1433 per thousand gallons of wastewater discharged. A surcharge is applied for wastewater of excessive strength.

TABLE 10 – WATERWORKS AND SEWER SYSTEM REVENUE BOND REQUIREMENTS

Date	Principal ⁽¹⁾	All Interest ⁽¹⁾	Total ⁽¹⁾	% of Principal Retired
09/30/22	125,635,000	85,790,370	211,425,370	
09/30/23	124,510,000	84,038,508	208,548,508	
09/30/24	114,010,000	80,067,874	194,077,874	
09/30/25	105,795,000	76,052,747	181,847,747	
09/30/26	95,480,000	72,225,439	167,705,439	22.6%
09/30/27	99,405,000	68,534,777	167,939,777	
09/30/28	103,130,000	64,795,534	167,925,534	
09/30/29	106,700,000	61,216,142	167,916,142	
09/30/30	102,910,000	57,400,435	160,310,435	
09/30/31	92,190,000	53,487,739	145,677,739	42.7%
09/30/32	95,875,000	49,806,407	145,681,407	
09/30/33	100,285,000	45,927,281	146,212,281	
09/30/34	104,230,000	41,975,744	146,205,744	
09/30/35	108,220,000	38,003,395	146,223,395	
09/30/36	112,245,000	33,966,941	146,211,941	63.5%
09/30/37	101,330,000	30,138,443	131,468,443	
09/30/38	92,745,000	26,725,165	119,470,165	
09/30/39	86,510,000	23,618,755	110,128,755	
09/30/40	89,530,000	20,600,097	110,130,097	
09/30/41	79,780,000	17,817,554	97,597,554	81.5%
09/30/42	73,260,000	15,171,644	88,431,644	
09/30/43	66,530,000	12,563,244	79,093,244	
09/30/44	62,495,000	10,089,817	72,584,817	
09/30/45	64,990,000	7,596,571	72,586,571	
09/30/46	55,455,000	5,291,756	60,746,756	94.4%
09/30/47	45,740,000	3,477,199	49,217,199	
09/30/48	36,270,000	2,151,962	38,421,962	
09/30/49	25,335,000	1,257,350	26,592,350	
09/30/50	23,415,000	553,007	23,968,007	
09/30/51	8,945,000	101,277	9,046,277	100.0%
	2,502,950,000	1,090,443,174	3,593,393,174	

(1) Numbers may not sum due to rounding.

TABLE 11 – HISTORICAL COVERATE RATIOS**Unaudited**

Table 14 herein entitled "Projected Coverage and Fund Balances" indicates projected coverage levels after the present issuance of Bonds, using net revenues of the fiscal year ended September 30, 2021. The table below presents coverage ratios for ten previous years. The figures shown are revenue bond coverage of average annual principal and interest requirements and of maximum annual principal and interest requirements, for all Revenue Bonds outstanding at September 30 of each year. Net revenues used to compute the coverage levels for each year presented below are for the same fiscal year ended September 30.

<u>Year</u>	<u>Average</u>	<u>Maximum</u>	<u>Year</u>	<u>Average</u>	<u>Maximum</u>
2021	2.78x ⁽¹⁾	1.63x ⁽¹⁾	2016	2.80x	1.74x
2020	2.88x	1.68x	2015	2.67x	1.54x
2019	2.96x	1.74x	2014	2.99x	1.81x
2018	3.18x	1.96x	2013	3.10x	1.85x
2017	3.10x	1.85x	2012	2.99x	1.73x

(1) Preliminary unaudited information provided by City staff with information available at time of presentation.

TABLE 12 – OPERATIONS AND MAINTENANCE FOR WATER SUPPLY AND WASTEWATER TREATMENT**Unaudited**

The City has obtained most of its water supply through contractual agreements with surface reservoir operating entities. Also, a small portion of the City's wastewater is treated by the Trinity River Authority and the City of Garland. In addition, "THE WATER AND WASTEWATER SYSTEM - Water Supply - Lake Palestine", the City's financial obligation to Tarrant Regional Water District for the Integrated Pipeline Project is treated as an operating expense. The following table summarizes the monetary effect, as of September 30, 2021, of major agreements for raw water supply and wastewater treatment and the Integrated Pipeline Project:

<u>Raw Water Supply</u>	<u>Contract With</u>	<u>Operation and Maintenance Expenses 2021⁽¹⁾</u>
Lake Ray Roberts	United States	\$ 351
Lake Fork	Sabine River Authority	12,600
Lake Palestine	Upper Neches River Municipal Water Authority	506
Lake Tawakoni	Sabine River Authority	5,242
Lakes Lewisville and Grapevine	United States	1,134
<u>Wastewater Treatment</u>		
Wastewater Treatment	Trinity River Authority	7,616
Wastewater Treatment	City of Garland	974
<u>Integrated Pipeline Project</u>		
Water Transmission	Tarrant Regional Water District	25,833
		\$ 54,256

(1) Unaudited

TABLE 13 – SUMMARY OF OPERATIONS (amounts in thousands)**Unaudited**

	Fiscal Year Ended September 30,					Unaudited
	2021 ⁽²⁾	2020	2019	2018	2017	
Operating Revenues						
Water	412,158	392,387	371,729	414,485	383,869	
Wastewater	263,022	243,553	245,781	254,139	248,600	
	<u>\$ 675,180</u>	<u>\$ 635,940</u>	<u>\$ 617,510</u>	<u>\$ 668,624</u>	<u>\$ 632,469</u>	
Operating Expenses						
Operation and Maintenance	\$ 386,629	\$ 349,568	\$ 366,410	\$ 323,341	\$ 325,231	
Depreciation and Amortization	138,891	133,860	128,545	123,315	116,375	
	<u>\$ 525,520</u>	<u>\$ 483,428</u>	<u>\$ 494,955</u>	<u>\$ 446,656</u>	<u>\$ 441,606</u>	
Operating Income	\$ 149,660	\$ 152,512	\$ 122,555	\$ 221,968	\$ 190,863	
Net Interest Expense ⁽¹⁾	(94,573)	(96,110)	(90,957)	(98,290)	(60,183)	
Capital Contribution Received	25,568	18,910	19,584	32,805	11,815	
Net Transfers	(24,333)	(28,862)	(29,104)	(27,337)	(23,465)	
Gain/(Loss) From Property Disposal	(35)	(180)	(1,092)	(318)	(19,223)	
Other Income	-	-	-	-	23,204	
Change in Net Position	<u>\$ 56,287</u>	<u>\$ 46,270</u>	<u>\$ 20,986</u>	<u>\$ 128,828</u>	<u>\$ 123,011</u>	
Water Customer Accounts	305,000	303,000	300,000	296,000	296,000	
Wastewater Customer Accounts	289,000	287,000	285,000	280,000	280,000	
Water Connections	337,000	336,000	335,000	334,000	333,000	

(1) Interest earnings and capitalized interest are included above as a reduction of Net Interest Expense.

(2) Preliminary unaudited financial information provided by City staff with information available at time of presentation.

TABLE 14 – PROJECTED COVERAGE AND FUND BALANCES⁽¹⁾

Average Annual Principal and Interest Requirements, Fiscal Years 2022-2051	\$ 123,898,242
Coverage of Average Requirements by Fiscal Year Ended 9-30-21 Net Revenues	2.78 x
Maximum Principal and Interest Requirements, Fiscal Year 2022	\$ 211,425,370
Coverage of Maximum Requirements by Fiscal Year Ended 9-30-21 Net Revenues	1.63 x
Waterworks and Sewer System Revenue Bonds to be Outstanding (as of 09/30/2021)	\$ 2,502,950,000
Interest and Sinking fund (as of 9-30-21)	\$ 168,315,047
Reserve Fund (as of 9-30-21)	\$ 117,597,444

(1) Preliminary unaudited information provided by City staff with information available at time of presentation.

**TABLE 15 – SUMMARY OF NET REVENUES FOR REVENUE BOND
COVERAGE CASH BASIS (amounts in thousands)⁽¹⁾**

Unaudited

	Fiscal Year Ended September 30,				
	2021 ⁽³⁾	2020	2019	2018	2017
Gross Revenues					
Customer Charges	\$ 672,857	\$ 645,228	\$ 606,836	\$ 667,954	\$ 627,100
Interest Received	4,469	12,030	19,345	7,984	3,442
	<u>\$ 677,326</u>	<u>\$ 657,258</u>	<u>\$ 626,181</u>	<u>\$ 675,938</u>	<u>\$ 630,542</u>
Operating Expenditures					
Personnel Services	\$ 81,866	\$ 95,604	\$ 80,829	\$ 92,389	\$ 91,019
Supplies and Materials	98,247	68,961	95,031	82,564	75,103
Contractual and Other Services ⁽²⁾	152,456	142,087	102,789	114,517	117,547
	<u>\$ 332,569</u>	<u>\$ 306,652</u>	<u>\$ 278,649</u>	<u>\$ 289,470</u>	<u>\$ 283,669</u>
Net Revenues Available for Debt Service	<u>\$ 344,757</u>	<u>\$ 350,606</u>	<u>\$ 347,532</u>	<u>\$ 386,468</u>	<u>\$ 346,873</u>

(1) The figures shown in this table are presented on a cash basis and were developed in accordance with the provisions contained in the City's Water Works and Sewer System Revenue Bond Ordinance. Gross Revenues include cash receipts derived from operation and ownership of the System. Operating Expenditures are operating cash disbursements and payments required by certain reservoir and other contracts, included forth is purpose under provisions of state law. Operating Expenditures exclude payments for capital purposes and for related debt, and will exclude any future payments to the City in lieu of ad valorem taxes, if made, as permitted by a May 1993 amendment to the City Charter (see "The Water and Wastewater System - Background") and "Water and Wastewater Services Rates."

(2) Cash payments for contractual services includes payments for the Water Transmission Facilities Financing Agreement in the amount of \$26,308. Per Texas Government Code, Section 1502.056(c), "a contract between a municipality and an issuer, as defined by Section 1201.002, under which the municipality obtains from the issuer or the issuer provides part or all of the facilities or services of a utility system to the municipality may provide that payments made by the municipality from the revenue of the utility system are an operating expense of the municipality's utility system."

(3) Preliminary unaudited financial information provided by City staff with information available at time of presentation.

TABLE 16 – NET ASSETS AND LONG-TERM DEBT (amounts in thousands)

	Fiscal Year Ended September 30,				
	2021 ⁽³⁾	2020	2019	2018	2017
Net Position - System Equity⁽¹⁾					
Capital assets, net of related debt	\$2,724,544	\$ 2,673,126	\$ 2,592,605	\$ 2,463,526	\$ 2,346,196
Nonspendable					
Restricted	258,162	264,515	250,683	249,840	247,723
Unrestricted	(167,730)	(178,952)	(130,869)	(21,933)	(2,098)
Total Equity	<u>\$2,814,976</u>	<u>\$ 2,758,689</u>	<u>\$ 2,712,419</u>	<u>\$ 2,691,433</u>	<u>\$ 2,591,821</u>
Long-Term Debt Less Current Maturities					
Revenue Bonds Payable ⁽²⁾	\$2,583,925	\$ 2,517,619	\$ 2,314,573	\$ 2,372,298	\$ 2,262,097
Pension Obligation Bonds ⁽²⁾	49,876	56,791	63,038	65,336	67,635
	<u>\$2,633,801</u>	<u>\$ 2,574,410</u>	<u>\$ 2,377,611</u>	<u>\$ 2,437,634</u>	<u>\$ 2,329,732</u>
Total	<u>\$5,448,777</u>	<u>\$ 5,333,099</u>	<u>\$ 5,090,030</u>	<u>\$ 5,129,067</u>	<u>\$ 4,921,553</u>
Percentage Equity	51.7%	51.7%	53.3%	52.5%	52.7%

(1) In accordance with GASB Statement 63. System Equity is now termed Net Position.

(2) Due to the implementation of GASB 63 and 65, deferred loss is no longer reported as a component of long term debt.

(3) Preliminary unaudited financial information provided by City staff with information available at time of presentation.

TABLE 17 – CURRENT INVESTMENTS

As of December 31, 2021, the following percentages by investment type applied to the City's investable funds, which had an aggregate market value of \$2,660,017,017. These amounts show the investments in the Airport Revenue Fund and all other City funds including its General Fund. Only amounts in the Airport Revenue Fund comprise Net Revenues which secure payment of the Bonds.

Type of Investment	Market Value	%
U.S. Agencies Bonds	\$ 2,092,462,313	78.66%
U.S. Treasury Bonds	179,799,120	6.76%
Public Funds Interest Checking Account	100,349,180	3.77%
Money Market Mutual Funds and Pools	287,406,404	10.80%

DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD

The Dallas-Fort Worth International Airport Board is a Contracting Party in the Regional Wastewater System.

The Board

The Dallas Fort Worth International Airport is jointly owned by the Cities of Dallas and Fort Worth. The Airport (located within the cities of Grapevine, Irving, Coppell, and Euless) is equidistant (17 miles) from Dallas and Fort Worth.

The Airport was created by the 1968 Contract and Agreement between the Cities of Dallas and Fort Worth. Under the terms of the Contract and Agreement, the Airport is operated by a Board of Directors on behalf of the Owner Cities. The Board is authorized to plan, acquire, establish, develop, construct, maintain, equip, operate, lease regulate and police the Airport and is charged with the responsibility for exercising on behalf of the Owner Cities the powers of each with respect thereto.

The Board consists of 12 members, 11 of whom are voting members with 7 from the City of Dallas and 4 from the City of Fort Worth, in accordance with each city's ownership interest in the Airport. The 12th position between the airports host cities of Irving, Grapevine, Euless, and Coppell. The Board is a semi-autonomous body charged with governing the Airport and may enter into contracts without approval of the City Councils except for sales of land or leases in excess of 40 years. Airport Revenue Bonds are issued jointly by the Owner Cities by Concurrent Bond Ordinance approved by the City Councils of the Owner Cities and are secured solely by certain revenues of the Airport.

Rate Covenant

The Cities have covenanted that the Board will fix and place into effect, directly or through leases, contracts or agreements with users of the Airport, a schedule of rentals, rates, fees and charges for the use, operation and occupancy of the Airport premises and Facilities and related services (collectively, the "Airport Rates"), which is reasonably estimated to produce the amounts set forth in the following two paragraphs (the "Rate Covenant"). From time to time and as often as it appears necessary, the Authorized Officers (as defined in the Master Bond Ordinance) will make recommendations to the Board as to the revision of the Airport Rates. Upon receiving such recommendations, the Board will revise, insofar as it may legally do so, the Airport Rates for the use, operation and occupancy of the Airport, its Facilities, and related services in order to continually fulfill the requirements set forth in the Master Bond Ordinance. This Rate Covenant is not to be construed to require adjustment or revision in long-term agreements which by their terms are not subject to adjustment or revision.

The Master Bond Ordinance obligates the Board to set Airport Rates to levels at least sufficient to produce in each Fiscal Year (i) Gross Revenues in an amount at least sufficient to pay the Operation and Maintenance Expenses, plus 1.25 times the amount of Accrued Aggregate Debt Service and (ii) Current Gross Revenue in an amount at least sufficient to pay Operation and Maintenance Expenses plus 1.00 times Accrued Aggregate Debt Service, adjusted by taking into consideration certain investment earnings, accruing during each Fiscal Year, respectively, plus (iii) an amount equal to the amounts required to pay any other obligations payable from Gross Revenues of the Airport, including Subordinate Lien Obligations, but excluding Special Revenue Bonds and Special Facility Bonds, and plus (iv) any additional amounts required by the terms of any Additional Supplemental Ordinance. Additionally, the Master Bond Ordinance obligate the Board to set Airport Rates to levels at least sufficient to produce in each Fiscal Year Current Gross Revenues sufficient to pay the amounts provided in clauses (i), (iii) and (iv) of the paragraph immediately above, plus 1.00 times the amount of Accrued Aggregate Debt Service accruing during each Fiscal Year, respectively.

The Board will cause all rentals, fee, rates and charges pertaining to the Airport to be collected when and as due, will prescribe and enforce rules and regulations for the payment thereof and for the consequences of nonpayment for the rental, use, operation and occupancy of and services by the Airport, and will provide methods of collection and penalties to the end that the Gross Revenues and the Current Gross Revenues will be adequate to meet these respective requirements.

Airline Use Agreement

Effective October 1, 2010, the Airport and Certain Airlines entered a new Use Agreement. The Use Agreement expires September 30, 2020. On May 7, 2020, the Airport approved a one-year extension of the expiration of the Use Agreement to September 30, 2021.

CITY OF DUNCANVILLE, TEXAS

TABLE 1 – WATERWORKS AND SEWER SYSTEM OPERATING SYSTEM

	Fiscal Year Ended September 30,				
<u>Revenues</u>	2021	2020	2019	2018	2017
Water Sales	\$ 7,326,509	\$ 8,008,654	\$ 8,052,228	\$ 8,643,980	\$ 7,448,323
Sewer Services	9,329,673	9,380,468	9,827,083	9,967,610	9,513,439
Investment Income	33,419	159,501	212,122	131,771	61,798
Service Fees and Miscellaneous	143,506	224,361	366,559	380,591	1,511,542
Total Revenues	<u>\$ 16,833,107</u>	<u>\$ 17,772,984</u>	<u>\$ 18,457,992</u>	<u>\$ 19,123,952</u>	<u>\$ 18,535,102</u>
<u>Expenses</u>					
Water Services	\$ 4,350,796	\$ 4,036,472	\$ 4,059,941	\$ 4,475,108	\$ 5,529,839
Wastewater Treatment	6,265,263	5,820,033	5,407,305	4,811,431	5,409,775
Administration and Fiscal	1,204,585	1,736,601	1,751,748	1,428,096	3,835,491
Total Expenses	<u>\$ 11,820,644</u>	<u>\$ 11,593,106</u>	<u>\$ 11,218,994</u>	<u>\$ 10,714,635</u>	<u>\$ 14,775,105</u>
Net Available for Debt Service	<u>\$ 5,012,463</u>	<u>\$ 6,179,878</u>	<u>\$ 7,238,998</u>	<u>\$ 8,409,317</u>	<u>\$ 3,759,997</u>
Water Customers	12,729	12,664	12,629	12,626	12,583
Sewer Customers	11,393	11,433	11,401	11,395	11,347

TABLE 2 – DEBT COVERGE AND FUND BALANCES

As of September 30, 2021, the City has no Waterworks and Sewer System Revenue Debt.

TABLE 3 – AUTHORIZED BUT UNISSUED BONDS

As of September 30, 2021, the City of Duncanville, Texas has no authorized but unissued water and sewer revenue debt outstanding.

TABLE 4 – HISTORICAL WATER CONSUMPTION (IN 000'S OF GALLONS)

Fiscal Year Ended 9/30	Average Daily Usage in Gallons	Peak Daily Usage in Gallons	Total Water Treated and Purchased
2017	4,635	9,638	1,249,110
2018	4,434	8,104	1,543,577
2019	4,363	8,132	1,592,391
2020	4,408	8,360	1,610,155
2021	4,637	8,892	1,692,569

TABLE 5 – TOP TEN CUSTOMERS

Customer	Water Usage Gallons	Water Revenue
TMIF 800 LINK LP	13,351,000	\$ 112,644
AGM MAIN PARK LP	20,013,000	123,757
CENTR RIDGE APTS	12,157,000	73,400
C H GUENTHER & SON INC	25,488,000	138,763
CO3 MEADOWS ON MERRILL 200 LLC	15,167,000	103,059
WESTWOOD TOWNHOMES	5,103,000	39,899
G & E3 APARTMENT REIT BELLA RUSCELLO	11,580,000	84,275
PC WEXFORD LLC (WEXFORD TOWNHOMES)	7,822,000	52,500
LA MEXICANA TORTILLA FACTORY INC	11,692,000	59,144
MERRILL SQUARA APARTMENTS	6,278,000	48,541
Total	128,651,000	\$ 835,983

TABLE 6 – WATER RATES (EFFECTIVE OCTOBER 1, 2017)

Water Rates			
--------------------	--	--	--

Residential ⁽¹⁾

\$ 14.00	First 1,000 Gallons (minimum charge).
3.76	per 2,000 to 7,000 gallons usage
4.85	per 8,000 to 15,000 gallons usage
5.98	per 16,000 to 30,000 gallons usage
7.09	per 31,000 and above gallons usage

Commercial

\$ 14.00	First 1,000 Gallons (minimum charge).
3.38	per 2,000 to 7,000 gallons usage
4.41	per 8,000 to 15,000 gallons usage
5.45	per 16,000 to 30,000 gallons usage
5.45	per 31,000 and above gallons usage

Irrigation

\$ 14.00	First 1,000 Gallons (minimum charge).
3.85	per 2,000 to 7,000 gallons usage
4.98	per 8,000 to 15,000 gallons usage
6.11	per 16,000 to 30,000 gallons usage
7.22	per 31,000 and above gallons usage

Schools

\$ 14.00	First 1,000 Gallons (minimum charge).
5.48	per 2,000 to 7,000 gallons usage
6.49	per 8,000 to 15,000 gallons usage
7.49	per 16,000 to 30,000 gallons usage
8.50	per 31,000 and above gallons usage

Apartments & Multi Family

\$ 14.00	First 1,000 Gallons (minimum charge).
3.38	per 2,000 to 7,000 gallons usage
4.41	per 8,000 to 15,000 gallons usage
5.45	per 16,000 to 30,000 gallons usage
5.45	per 31,000 and above gallons usage

Municipal

\$ 14.00	First 1,000 Gallons (minimum charge).
6.49	per 2,000 to 7,000 gallons usage
7.49	per 8,000 to 15,000 gallons usage
8.50	per 16,000 to 30,000 gallons usage
9.49	per 31,000 and above gallons usage

(1) Residential rates are determined by meter readings / consumption based on billing for January, February, March.

TABLE 7 –MONTHLY SEWER RATES (EFFECTIVE OCTOBER 1, 2017)

User Class	Monthly Charge	
	Fixed Rate	Variable Rate
Residential ⁽¹⁾	\$ 19.25	\$ 8.22 /1,000 Gallons (Max 20,000 Gallons)
Multi-Family	9.07 /Unit	9.25 /1,000 Gallons @ 90%
Commercial	9.07 /Connection	9.07 /1,000 Gallons @ 85%
Schools	9.07 /Connection	9.07 /1,000 Gallons @ 85%
Municipal	9.07 /Connection	9.07 /1,000 Gallons @ 85%

(1) Residential rates are determined by meter readings / consumption based on billing for January, February, March.

CITY OF EULESS, TEXAS

TABLE 1 – WATERWORKS AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
<u>Revenues</u>	2021	2020	2019	2018	2017
Water Service	\$15,211,265	\$14,960,883	\$13,859,748	\$14,272,800	\$12,517,495
Reclaimed Water Service	696,759	726,069	498,987	607,955	511,593
Sewer Service	10,327,836	10,180,945	9,694,746	9,498,280	8,386,398
Service Fees & Miscellaneous	2,287,992	1,066,257	2,347,250	3,125,779	2,763,326
Interest Income	40,779	336,597	645,791	321,276	121,552
Total Revenues	\$28,615,631	\$27,270,751	\$27,046,522	\$27,826,090	\$24,300,364
<u>Expenses</u>					
General and Administrative	506,121	\$495,120	\$495,567	\$496,414	\$474,404
Water Production	8,751,434	9,117,138	7,474,888	8,112,473	7,520,566
Water Distribution	1,382,230	1,348,709	1,168,841	1,205,851	1,040,073
Utility Engineering	369,771	371,615	612,694	501,861	383,641
Sewage Collection and Treatment	5,477,052	5,846,430	5,070,324	4,641,973	3,881,277
Nondepartmental	3,780,293	4,094,283	4,346,681	4,188,777	4,251,995
Geographic Information	672,916	650,672	627,879	600,580	570,335
Service Center	1,182,479	1,177,419	1,209,424	1,133,055	1,127,408
Total Expenses	\$22,122,296	\$23,101,386	\$21,006,298	\$20,880,984	\$19,249,699
Net Available for Debt Service	\$6,493,335	\$4,169,365	\$6,040,224	\$6,945,106	\$5,050,665
Water Customers	27,855	27,467	26,592	25,970	25,970
Sewer Customers	27,117	26,731	25,940	25,225	25,225

TABLE 2 – DEBT COVERAGE AND FUND BALANCES

Net Available for Debt Service, 9/30/21	\$ 6,493,335
Average Annual Principal and Interest Requirements, 2022 - 2049.....	\$ 750,550
Coverage of Average Annual Requirements by 9/30/20 Net Available for Debt Service.....	8.65x
Maximum Principal and Interest Requirements, 2023.....	\$ 1,214,747
Coverage of Maximum Annual Requirements by 9/30/21 Net Available for Debt Service.....	5.35x
Projected Waterworks and Sewer System Revenue Bonds Outstanding, 9/30/20	\$17,780,000

Interest and Sinking Fund, 9/30/21.....	\$ 598,639
Reserve Fund, 9/30/21.....	\$ 827,464

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS²

Date Authorized	Purpose	Amount Authorized	Issued To Date	Unissued
1/17/1970	Water	\$ 4,000,000 #	\$ 3,500,000 #	\$ 500,000
1/17/1970	Sewer Improvements	1,000,000 #	300,000 #	700,000
Total		<u>\$ 5,000,000</u>	<u>\$ 3,800,000</u>	<u>\$ 1,200,000</u> ⁽¹⁾

(1) The City has no intent to issue these bonds. Due to the age of the authorization, the City can issue Water and Sewer Revenue Bonds at any time without voted authorization.

TABLE 4 – HISTORICAL WATER USE

Fiscal Year Ended	Daily Average	Peak Day	Total Water Consumption (000's)	Water Revenue	Well Production (000's)	Trinity River Authority (000's)
2017	6.48 MGD	9.88 MGD	2,363,707	\$ 13,029,088	439,255	1,766,692
2018	6.93 MGD	12.05 MGD	2,528,936	14,880,755	580,337	1,767,677
2019	5.91 MGD	10.55 MGD	2,156,364	14,358,735	569,697	1,586,667
2020	6.17 MGD	10.99 MGD	2,258,870	15,686,952	8,520	2,250,350
2021	5.99 MGD	9.9 MGD	2,187,563	15,914,024	-	2,187,563

TABLE 5 – MONTHLY WATER RATES (EFFECTIVE OCTOBER 1, 2020)

Gallons of Water	Residential per 1,000/gal	Sprinkler per 1,000/gal
0-2,000	\$4.21	\$5.47
3,000 - 8,999	\$5.14	\$5.47
9,000 - 15,999	\$5.71	\$5.71
16,000 - 35,000	\$6.24	\$6.24
Over 35,000	\$6.84	\$6.84
Commercial, Industrial, Multi-Family	\$5.47	
Fire Hydrant, Gas Well, Supplemental Irrigation	\$10.73	

Water Service Meter Charge

Meter Size (Inches)	Monthly Base Charge
5/8" - 3/4" ⁽¹⁾	\$12.75
1"	\$14.90
1 1/2"	\$20.88

2"	\$34.59
3"	\$70.36
4"	\$124.04
5"	\$195.60
6"	\$279.09

(1) All Residential (including Multi-Family) accounts shall be charged for a 5/8" Meter.

TABLE 6 – MONTHLY SEWER RATES (EFFECTIVE OCTOBER 1, 2020)

Wastewater Rates (Effective October 1, 2021)

<u>Inside City</u>	<u>Outside City</u>
\$11.00 + \$4.34 per 1,000 gallons of 90% of metered water and shall not exceed 12,000 gallons for residential, 100% of metered water for commercial and industrial	\$15.50 + \$4.34 per 1,000 gallons of 90% of metered water and shall not exceed 12,000 gallons for residential, 100% of metered water for commercial and industrial

CITY OF FARMERS BRANCH, TEXAS

TABLE 1 – CONDENSED STATEMENT OF OPERATIONS

	FISCAL YEARS ENDED SEPTEMBER 30				
	2021	2020	2019	2018	2017
REVENUES					
Charges for services	\$ 27,321,970	\$ 26,312,327	\$ 24,264,193	\$ 23,719,987	\$ 19,943,106
Investment income	(15,076)	188,591	228,282	72,068	32,834
Miscellaneous	7,658	16,355	35,886	98,751	20,069
Total revenues	<u>27,314,552</u>	<u>26,517,273</u>	<u>24,528,361</u>	<u>23,890,806</u>	<u>19,996,009</u>
EXPENSES					
Personal services	1,932,363	2,263,041	2,310,746	2,004,824	2,169,120
Materials and supplies	265,954	256,041	277,884	267,072	251,666
Maintenance and utilities	1,443,145	1,198,884	1,415,092	1,512,971	1,424,595
Purchase of water	5,658,171	5,424,919	5,343,572	6,084,328	5,598,144
Sewage treatment	<u>4,782,110</u>	<u>4,188,084</u>	<u>4,511,094</u>	<u>4,833,069</u>	<u>4,260,938</u>
Total expenses	<u>14,081,743</u>	<u>13,330,969</u>	<u>13,858,388</u>	<u>14,702,264</u>	<u>13,704,463</u>
Net available for debt service	<u>\$ 13,232,809</u>	<u>\$ 13,186,304</u>	<u>\$ 10,669,973</u>	<u>\$ 9,188,542</u>	<u>\$ 6,291,546</u>
CUSTOMERS	10,784	10,477	10,182	9,937	9,770

Notes:

The above calculation of amounts available for payment of system debt service excludes non-cash expenses such as depreciation and amortization. Debt service payments are also excluded. Certain nonoperating revenue sources, principally investment income, are included.

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, the City has no water and sewer revenue bonds outstanding.

As of September 30, 2021, the City has no authorized but unissued revenue debt.

TABLE 3 – TOP TEN WATER CUSTOMERS

CONSUMER	TYPE OF INDUSTRY	2020-21	% OF	2020-21	% OF
		CONSUMPTION	TOTAL	REVENUES	REVENUES
		(GALLONS)	CONSUMPTION		
Qorvo Texas LLC	Real Estate	39,430,000	1.4%	\$ 280,994	2.0%
FB Creek Partners (Cooks Creek Apts)	Multi-Family Housing	29,093,000	1.0%	224,953	1.6%
Royal Texas Partners LLC Billingsley	Multi-Family Housing	28,017,000	1.0%	259,905	1.8%
Prop Serv II, Inc	Real Estate	25,691,000	0.9%	227,498	1.6%
DFW Mercer Apartments LLC	Multi-Family Housing	23,529,000	0.8%	211,583	1.5%
Lakeview at Parkside	Multi-Family Housing	21,177,000	0.8%	229,268	1.6%
Dallas County Community College	Education	19,580,000	0.7%	181,924	1.3%
Lakeside Lofts	Multi-Family Housing	18,527,000	0.7%	176,860	1.3%
Tara Place	Multi-Family Housing	18,490,000	0.7%	141,593	1.0%
Fenton Mercer Hold Co	Real Estate	18,391,000	0.7%	142,277	1.0%

TABLE 4 – WATER AND SEWER RATES

FISCAL YEAR	WATER RATES				SEWER RATES			
	MONTHLY	PER 1,000 GALLONS			MONTHLY	RATE PER 1,000 GALLONS		
	BASE	OVER			BASE	OVER		
	2,000	NEXT 8,000	NEXT 10,000	20,000	2,000	NEXT 8,000	10,000	
	GALLONS	GALLONS	GALLONS	GALLONS	GALLONS	GALLONS (1)	GALLONS (1)	
2012	\$ 11.69	\$ 3.17	\$ 3.57	\$ 3.71	\$ 12.22	\$ 1.66	\$ 1.66	
2013	12.04	3.27	3.68	3.82	12.59	1.71	1.71	
2014	12.76	3.47	3.90	4.05	13.35	1.81	1.81	
2015	14.29	3.89	4.37	4.54	14.95	2.03	2.03	
2016	16.44	4.47	5.03	5.22	17.19	2.33	2.33	
2017	17.92	4.87	5.48	5.69	18.74	2.54	2.54	
2018	19.75	5.40	6.05	6.30	20.65	2.80	3.80	
2019	20.94	5.72	6.41	6.68	21.89	2.97	4.03	
2020	21.99	6.01	6.73	7.01	22.99	3.12	4.23	
2021	21.99	6.01	6.73	7.01	22.99	3.12	4.23	

Notes:

Rates are based on 3/4" and 5/8" meters, which are the standard household meter sizes. The City charges an additional rate for non-standard meter sizes.

(1) Private residents are not charged for sewer beyond 10,000 gallons.

CITY OF FORT WORTH, TEXAS

TABLE 1 – WATERWORKS AND SEWER CONDENSED STATEMENT OF OPERATIONS (000's OMITTED)

	Fiscal Year Ended September 30,				
Revenues	2021	2020	2019	2018	2017
Charges for Services	\$486,106	\$ 477,940	\$ 452,989	\$ 466,462	\$ 424,078
Other Operating Revenue	1,144	940	448	1,709	1,537
Interest on Investments	6,924	10,236	14,071	7,645	3,649
Miscellaneous Revenue	-	-	-	-	-
Total Revenues	\$494,174	\$ 489,116	\$ 467,508	\$ 475,816	\$ 429,264
Expenses ⁽²⁾					
Personnel Services	\$ 84,027 ⁽³⁾	\$ 78,719 ⁽⁴⁾	\$ 76,690 ⁽⁵⁾	\$ 72,765 ⁽⁶⁾	\$ 67,799 ⁽⁷⁾
Supplies and Materials	25,746	26,493	25,830	25,149	24,024
Contractual Services	165,418	154,025	151,340	159,440	147,819
Total Expenses	\$275,191	\$ 259,237	\$ 253,860	\$ 257,354	\$ 239,642
Net Available for Debt Service	\$218,983	\$ 229,879	\$ 213,648	\$ 218,462	\$ 189,622
Water Accounts ⁽⁸⁾	277,027	269,888	260,369	253,735	246,988
Sewer Accounts ⁽⁸⁾	265,264	258,303	249,377	243,038	236,649

⁽¹⁾ Sources for 2017-2021 are Annual Comprehensive Financial Reports (ACFR) for the corresponding fiscal year, City of Fort Worth.

⁽²⁾ Expenses exclude depreciation (a non-cash expense).

⁽³⁾ For 2021, Personnel Services includes Net Pension Obligation. See page 30 of the City's Fiscal Year End 2021 ACFR.

⁽⁴⁾ For 2020, Personnel Services excludes non-cash expenses. See page 170 of the City's Fiscal Year End 2020 ACFR.

⁽⁵⁾ For 2019, Personnel Services excludes non-cash expenses. See page 169 of the City's Fiscal Year End 2019 ACFR.

⁽⁶⁾ For 2018, Personnel Services excludes non-cash expenses. See page 165 of the City's Fiscal Year End 2018 ACFR.

⁽⁷⁾ For 2017, Personnel Services excludes non-cash expenses. See page 169 of the City's Fiscal Year End 2017 ACFR.

⁽⁸⁾ Actual number of accounts, not in thousands.

TABLE 2 – COVERAGE AND FUND BALANCES

Average Annual Principal and Interest Requirements, 2022 - 2051 ⁽¹⁾	\$ 42,830,564
Coverage of Average Annual Requirements by 9/30/21 Net Available for Debt Service	5.11x
Maximum Principal and Interest Requirements, 2022 ⁽¹⁾	\$ 96,320,327
Coverage of Maximum Requirements by 9/30/21 Net Available for Debt Service	2.27x
Water and Sewer System Revenue Bonds Outstanding, 2/1/22 ⁽¹⁾	\$ 959,015,000
Interest and Sinking Fund, 2/1/22 ⁽²⁾	\$ 84,793,154
Reserve Fund Balance, 2/1/22	\$ 8,870,021 ⁽³⁾

⁽¹⁾ Includes all Outstanding Parity Obligations.

⁽²⁾ Figures furnished by City staff. Shown on a cash basis, excluding accruals.

⁽³⁾ Required Reserve funded with cash. Amount shown is cash balance.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS⁽¹⁾

Purpose of Authorization	Date Authorized	Amount Authorized	Amount Previously Issued	Unissued Balance
Water Improvements	2/7/1978	20,000,000	16,500,000	3,500,000
Sewer Improvements	2/7/1978	24,000,000	10,000,000	14,000,000
Water Improvements	4/14/1983	25,250,000	6,000,000	19,250,000
Sewer Improvements	4/14/1983	12,300,000	8,000,000	4,300,000
Totals		<u>81,550,000</u>	<u>40,500,000</u>	<u>41,050,000</u>

⁽¹⁾ The City has adopted a policy whereby consistent with the laws of the State of Texas and the City Charter, an election is no longer required for the City to issue Water and Sewer System Revenue Bonds supported by a lien on a pledge of the Pledged Revenues of the City's system. The City does not anticipate issuing any of the "Authorized but Unissued Revenue Bonds" described above.

TABLE 4 – HISTORICAL WATER CONSUMPTION DATA (INSIDE CITY LIMITS)⁽¹⁾

Fiscal Year Ending 9/30	Accounts in Service	Total Water Pumped, M.G.	Average Pumped Daily, M.G.D.	Maximum Day's Pumpage, M.G.D.	Average GPD Per Account	Ratio Maximum Day to Average Day
2017	246,957	43,751.1	119.9	263.30	485	2.20x
2018	253,704	43,622.5	119.5	359.80	471	3.01x
2019	260,369	43,666.0	119.6	308.40	459	2.58x
2020	269,888	47,181.5	129.3	334.80	479	2.59x
2021	277,027	47,129.7	129.1	293.00	466	2.27x

Source: City's Water Department.

TABLE 5 – TEN LARGEST WATER CUSTOMERS (BASED ON GALLONS CONSUMED)⁽¹⁾

Customer	Total 2021 Consumption (Gallons)	Revenue	% of Total Water Usage
Miller Brewing Company	685,023,425	\$ 2,446,798	1.19%
Tarrant County	347,332,881	1,552,567	0.75%
Alcon Laboratories	326,250,599	1,318,110	0.64%
Fort Worth ISD	214,043,978	1,313,580	0.64%
Texas Christian University	198,126,430	1,022,640	0.50%
Lockheed Martin Corp Aircraft	193,619,876	698,173	0.34%
Cott Beverages USA	176,052,692	636,713	0.31%
Cocal Cola Business Services	135,314,308	490,269	0.24%
Dannon Company Inc.	128,201,074	472,731	0.23%
Zoological Assn	127,174,307	515,426	0.25%
	<u>2,531,139,570</u>	<u>\$ 10,467,007</u>	<u>5.08%</u>

(1) Source: City's Water Department

Table 5 - Ten Largest Water Customers (Based on Gallons Consumed)

Customer	Total 2021 Consumption (Gallons)	Revenue	% of Total Water Usage
Miller Brewing Company	685,023,425	\$ 2,446,798	1.19%
Tarrant County	347,332,881	1,552,567	0.75%
Alcon Laboratories	326,250,599	1,318,110	0.64%
Fort Worth ISD	214,043,978	1,313,580	0.64%
Texas Christian University	198,126,430	1,022,640	0.50%
Lockheed Martin Corp Aircraft	193,619,876	698,173	0.34%
Cott Beverages USA	176,052,692	636,713	0.31%
Cocal Cola Business Services	135,314,308	490,269	0.24%
Dannon Company Inc.	128,201,074	472,731	0.23%
Zoological Assn	127,174,307	515,426	0.25%
	<u>2,531,139,570</u>	<u>\$ 10,467,007</u>	<u>5.08%</u>

Source: City's Water Department.

TABLE 6 – ALL WATER SOLD BY CATEGORY (MILLION GALLONS, BY FISCAL YEAR)⁽¹⁾

Year Ending 9/30	Residential	Commercial	Industrial	Wholesale Customers	Yard Meters	Total Water Sales
2017	17,198.2	11,040.9	3,317.1	20,975.4	3,514.6	56,046.2
2018	19,653.7	11,442.7	3,248.3	22,262.7	4,273.4	60,880.8
2019	16,981.9	10,858.7	3,162.3	21,215.8	3,086.2	55,304.9
2020	20,729.8	10,844.2	3,158.3	21,155.8	4,266.2	60,154.3
2021	20,403.2	12,397.1	2,280.5	21,374.8	3,850.6	60,306.2

(1) City's Water Department

TABLE 7 – TREATED WATER PUMPED (MILLION GALLONS)⁽¹⁾

Fiscal Year	Inside City Limits	Outside City Limits	Total Water Pumped
2017	43,751.1	21,066.1	64,817.2
2018	43,622.5	27,446.9	71,069.4
2019	43,666.0	20,384.9	64,050.9
2020	47,181.5	21,172.7	68,354.2
2021	47,129.7	21,374.8	68,504.5

(1) City's Water Department

TABLE 8 – MONTHLY WATER RATES (EFFECTIVE JANUARY 1, 2020)⁽¹⁾

Monthly Service Charge: Based on the size of meter serving the customer.

A monthly service charge in the following amount shall be charged based on the size of the meter serving the customers⁽²⁾

Inside City Limits		Outside City Limits	
Meter Size	Monthly Service Charge	Meter Size	Monthly Service Charge
5/8" x 3/4"	\$ 12.10	5/8" x 3/4"	\$ 15.13
3/4" x 3/4"	12.35	3/4" x 3/4"	15.44
1"	25.55	1"	31.94
1 1/2"	48.00	1 1/2"	60.00
2"	75.00	2"	93.75
3"	198.40	3"	248.00
4"	339.80	4"	424.75
6"	721.45	6"	901.81
8"	1,260.20	8"	1,575.25
10"	1,888.75	10"	2,360.94
12"	N/A	12"	N/A

(1) Source: City's Water Department

(2) Rates for outside-the-city-limit customers have a 1.25x multiplier.

TABLE 9 – MONTHLY WATER RATES (VOLUME CHARGE ONLY)⁽¹⁾

Volume Charge: Based on volume of water used.⁽¹⁾

Inside City Limits

Residential Customers Rate		Irrigation Rate		Gas Well Driller Rate	
Cubic Feet	Rate	Cubic Feet	Rate	Cubic Feet	Rate
First 600	\$2.19 per 100 Cu. Ft.	First 10,000	\$3.01 per 100 Cu. Ft.	All	\$5.85 per 100 Cu. Ft.
Next 1,200	3.07 per 100 Cu. Ft.	Over 10,000	3.90 per 100 Cu. Ft.		
Next 1,200	3.92 per 100 Cu. Ft.				
Over 3,000	4.73 per 100 Cu. Ft.				

Commercial Rate		Industrial Rate	
Cubic Feet	Rate	Cubic Feet	Rate
All	\$2.69 per 100 Cu. Ft.	All	\$2.61 per 100 Cu. Ft.

Outside City Limits

Residential Customers Rate		Irrigation Rate		Gas Well Driller Rate	
Cubic Feet	Rate	Cubic Feet	Rate	Cubic Feet	Rate
First 600	\$2.74 per 100 Cu. Ft.	First 10,000	\$3.76 per 100 Cu. Ft.	All	\$7.31 per 100 Cu. Ft.
Next 1,200	3.84 per 100 Cu. Ft.	Over 10,000	4.88 per 100 Cu. Ft.		
Next 1,200	4.90 per 100 Cu. Ft.				
Over 3,000	5.91 per 100 Cu. Ft.				

Commercial Rate		Industrial Rate	
Cubic Feet	Rate	Cubic Feet	Rate
All	\$3.36 per 100 Cu. Ft.	All	\$3.26 per 100 Cu. Ft.

Raw Water Service

(Effective October 1, 2019)

All use per month \$1.36798 per 1,000 gallons for Tarrant Regional Water District

Source: City's Water Department and the City Code, as amended.

(1) Rates for outside-the-city-limit customers have a 1.25x multiplier.

TABLE 10 – RATES FOR WHOLESALE WATER CONTRACTS

Rates for Wholesale Water Service (Effective January 1, 2020)

The City has a contract for raw water supply with Tarrant Regional Water District (the "District"). The contract allows the District to proceed with operation of Richland Chambers, West Fork and Cedar Creek Reservoirs.

Prior to October 1 of each year, the District will establish its operating budget and will advise the City of the charge for raw water. This amount can vary each year, and if the revenue does not equal the expenditures, the rate can and will be adjusted to recover additional costs.

Charges to the City for water sold to customers inside the District include a raw water component, plus a street rental charge of 5% and a system loss charge of 4% which increases the raw water cost to wholesale customers inside the District to \$1.36798 per 1,000 gallons. The Volume Charge is made up of two components: (1) the total raw water cost to the wholesale customer of \$1.36798 per 1,000 gallons; and (2) the cost of treatment, pumping, etc. to deliver water to the wholesale customer's meter at \$0.8226 per 1,000 gallons. The total volume charge will be \$2.19060 per 1,000 gallons.

1. Monthly charges are based on the greater of either \$1,000 or a sum equal to the Volume Charge for the actual volume of water taken plus 1/12 of the sum of the estimated Rate of Use Charges and a \$25 per meter charge. For purposes of estimating the rate of use payments, the current rate of use charges will be derived from the prior Fiscal Year's Maximum Day Demand, Maximum Hour Demand and Average Daily Use.

Computations for the monthly charge based on the water used and for the Rate of Use Charge shall be made in accordance with the following rates:

	All Wholesale
Volume Charge, per 1,000 Gallons	\$ 2.19060
Excess Maximum Day Demand (per MGD of daily demand in excess of average day demand)	\$ 200,862
Excess Maximum Hour Demand (annual charge per MGD of hourly demand in excess of maximum day demand)	\$ 29,767
Service Charge per Meter per Month	\$ 25

2. Annual payments will be the greater of the following:

- The charges calculated by applying the current Volume Charge to annual consumption, the appropriate meter reading and billing charge, and the Rate of Use Charge for the current fiscal year; or
- The current fiscal year volume charge, the appropriate meter reading and billing charge, and the current Fiscal Year Rate of Use Charge applied to the average of the Maximum Day Demand above Average Daily Use and the average of the Maximum Hour Demand above Maximum Day Demand for the most recently completed three Fiscal Years, which include the current Fiscal Year; or
- If no water is taken during the year, a stand-by charge applies.

TABLE 11 – STATUS OF CONTRACTS – WHOLESALE CUSTOMERS

Wholesale Customer	Contract Expiration Date			Wholesale Customer	Contract Expiration Date		
	Water	Wastewater	Reclaimed		Water	Wastewater	Reclaimed
Aledo	9/30/2031	(2)	(3)	Lake Worth	9/30/2031	9/30/2037	(3)
Arlington	(1)	(2)	12/8/2029	Northlake	9/30/2031	(2)	(3)
Benbrook	9/30/2031	9/30/2037	(3)	North Richland Hills	9/30/2031	9/30/2037	(3)
Bethesda Water Supply	9/30/2031	9/30/2037	(3)	Pantego	(1)	9/30/2037	(3)
Blue Mound	(1)	9/30/2037	(3)	Richland Hills	9/30/2031	9/30/2037	(3)
Burleson	9/30/2031	9/30/2037	(3)	River Oaks	9/30/2031	9/30/2037	(3)
Crowley	9/30/2031	9/30/2037	(3)	Roanoke	9/30/2031	(2)	(3)
Dalworthington Gardens	9/30/2031	(2)	(3)	Saginaw	9/30/2031	9/30/2037	(3)
DFW Airport	9/30/2031	(2)	12/8/2029	Sansom Park	9/30/2031	9/30/2037	(3)
Edgecliff Village	9/30/2031	9/30/2037	(3)	Southlake	9/30/2031	(2)	(3)
Eules	(1)	(2)	12/8/2029	Trinity River Authority	(1)	9/30/2037	(3)
Everman	9/30/2031	9/30/2037	(3)	Trinity River Authority (Mosier Valley)	2/28/2039	(2)	(3)
Forest Hill	9/30/2031	9/30/2037	(3)	Trophy Club Municipal Utility District 1	9/30/2031	(2)	(3)
Grand Prairie	9/30/2031	(2)	(3)	Watauga	(1)	9/30/2037	(3)
Haltom City	9/30/2031	9/30/2037	(3)	Westlake	9/30/2031	(2)	(3)
Haslet	9/30/2031	(2)	(3)	Westover Hills	9/30/2031	9/30/2037	(3)
Hudson Oaks (4)	9/30/2031	(2)	(3)	Westworth Village	9/30/2031	9/30/2037	(3)
Hurst	9/30/2031	9/30/2037	(3)	White Settlement	9/30/2031	9/30/2037	(3)
Keller	9/30/2031	(2)	(3)	Willow Park	9/30/2031	(2)	(3)
Kennedale/D. Strickland	9/30/2031	9/30/2037	(3)				

Source: The City's Water Department.

(1) The City does not supply water to this entity.

(2) The City does not treat wastewater from this entity.

(3) The City does not supply reclaimed water to this entity.

(4) The City does not yet bill this entity for water services.

TABLE 12 – TEN LARGEST WASTEWATER CUSTOMERS

Customer	Total 2021		% of Total Wastewater Usage
	Usage (Gallons)	Revenue	
Miller Brewing Company	431,592,842	\$ 2,281,320	1.47%
Tarrant County	271,104,687	1,566,992	1.01%
Texas Health Resources	178,961,447	1,052,793	0.68%
Kroger Company	114,293,148	981,655	0.63%
Fort Worth ISD	152,223,390	964,546	0.62%
Alcon Laboratories	204,159,347	777,882	0.50%
Dannon Company Inc.	104,803,259	758,084	0.49%
Cott Beverages USA	131,388,055	482,692	0.31%
Lockheed Martin	98,949,152	381,907	0.25%
Bell Helicopter Textron	90,608,151	331,034	0.21%
	1,778,083,478	\$ 9,578,905	6.19%

Source: City's Water Department.

Note: These accounts represent retail (inside City) customers only.

TABLE 13 –WASTEWATER SALES BY CUSTOMER CLASS FROM FISCAL YEAR 2020 BILLING RECORDS⁽¹⁾

Customer Class	Number of Accounts	Volume Billed MG	Sales
Residential	249,575	12,954	\$94,371,079
Commercial	14,319	10,291	63,011,924
Commercial Monitored ⁽²⁾	925	76	470,158
Industrial	270	91	602,406
Industrial Monitored ⁽²⁾	170	976	3,293,353
Municipalities	23	11,682	27,526,208
Effluent	5	1,088	3,599,692
Total	<u>265,287</u>	<u>37,157.2</u>	<u>\$ 192,874,820</u>

Source: City's Water Department and the City Code, as amended.

⁽¹⁾ Monitored customers are broken out separately as they are also charged for their Bio-chemical Oxygen Demand and Total Suspended Solids.

TABLE 14 –WASTEWATER RETAIL SERVICE RATES (EFFECTIVE JANUARY 1, 2020)⁽¹⁾**Rates for Sewerage Service Only**

The following schedule of rates per month, or fraction thereof, shall be the charges to all residential and nonresidential customers for furnishing sewerage service to such customers located within the City. The residential monthly volume charge for sewerage service shall be the charges to the residential class for furnishing sewerage service to residential sewer customers located within the City. The nonresidential monthly volume charge for sewerage service shall be the charges to the nonresidential customer class for furnishing sewerage service to nonresidential sewer customers located within the City.

Monthly Service Charge for Sewerage Service Only

<u>Inside City Limits</u>		<u>Outside City Limits ⁽¹⁾</u>	
<u>Meter Size (inches)</u>	<u>Monthly Charge</u>	<u>Meter Size (inches)</u>	<u>Monthly Charge</u>
5/8 x 3/4	\$ 6.85	5/8 x 3/4	\$ 8.56
3/4 x 3/4	7.15	3/4 x 3/4	8.94
1	12.60	1	15.75
1-1/2	22.25	1-1/2	27.81
2	33.75	2	42.19
3	86.65	3	108.31
4	147.20	4	184.00
6	310.60	6	388.25
8	541.30	8	676.63
10	810.40	10	1,013.00
12	1,013.00	12	1,266.25

Monthly Volume Charge for Sewerage Service Only

A monthly volume charge shall also be charged to residential customers in the amount of four dollars and seventeen cents (\$4.17) per one hundred (100) cubic feet of water used, and to nonresidential/non-monitored customers in the amount of four dollars and six cents (\$4.06) per one hundred (100) cubic feet of water used, or wastewater produced, as more specifically set forth hereinafter.

The monthly volume charges for residential class customers will be based on the individual customer's average monthly water use during the preceding winter quarter months of December, January, and February. The volumes used to compute these charges are based on the amount of water used by the residential class customer as measured by a meter. Where no preceding winter quarter average is available from records, the director shall estimate a volume to be used for this monthly volume charge.

The monthly charges to the nonresidential/non-monitored customers will be based on total water use as measured by appropriate meters, with the provision that if a customer can prove, to the satisfaction of the director, that a significant portion of the metered water usage does not enter the sanitary sewers, the customer will be charged for only that volume entering the sewers, as determined by a method approved by the director.

A monthly volume charge shall be charged to monitored customers in the amount of two dollars and thirty-six cents (\$2.36) per one hundred (100) cubic feet of water used. The Bio-chemical Oxygen Demand ("BOD") strength charge shall be \$0.2738 per pound of BOD, the suspended solids strength charge shall be \$0.1841 per pound of suspended solids and the dissolved solids strength charge will be \$0.0420 per pound of dissolved solids (applicable to gas well drillers). Monitoring and pretreatment charge will be equal to the actual cost incurred.

⁽¹⁾ Rates for outside-the-city limit customers have a 1.25x multiplier.

TABLE 15 –WASTEWATER WHOLESALE SERVICE RATES (EFFECTIVE OCTOBER 1, 2020)

Rates for Wholesale Wastewater Contracts		
Volume (\$/1,000 gallons)	\$	1.3333
BOD (\$/pound) ⁽¹⁾		0.4407
Total Suspended Solids (\$/pound)		0.2649
Customer (\$/month)		75.0000

⁽¹⁾ Bio-chemical Oxygen Demand ("BOD")

TABLE 16 –WATER AND SEWER REVENUE DEBT SERVICE REQUIREMENTS

FYE 9/30	Outstanding Parity Obligations			% of Principal Retired
	Principal	Interest	Total	
2022	\$ 63,715,000	\$ 32,605,327	\$ 96,320,327	
2023	60,105,000	29,852,319	89,957,319	
2024	60,255,000	27,583,428	87,838,428	
2025	56,890,000	25,257,688	82,147,688	
2026	55,075,000	23,031,690	78,106,690	30.87%
2027	55,230,000	20,823,400	76,053,400	
2028	44,550,000	18,877,548	63,427,548	
2029	46,230,000	17,166,891	63,396,891	
2030	45,970,000	15,376,020	61,346,020	
2031	38,610,000	13,763,485	52,373,485	54.91%
2032	39,985,000	12,364,417	52,349,417	
2033	36,560,000	11,049,597	47,609,597	
2034	37,810,000	9,770,759	47,580,759	
2035	28,375,000	8,704,100	37,079,100	
2036	23,355,000	8,011,690	31,366,690	72.23%
2037	20,050,000	7,484,820	27,534,820	
2038	20,560,000	6,976,243	27,536,243	
2039	21,110,000	6,426,442	27,536,442	
2040	21,700,000	5,831,039	27,531,039	
2041	19,075,000	5,237,697	24,312,697	82.92%
2042	19,670,000	4,648,330	24,318,330	
2043	20,290,000	4,036,733	24,326,733	
2044	20,950,000	3,404,871	24,354,871	
2045	21,630,000	2,742,898	24,372,898	
2046	22,340,000	2,051,279	24,391,279	93.86%
2047	20,425,000	1,371,658	21,796,658	
2048	14,920,000	820,316	15,740,316	
2049	12,575,000	427,888	13,002,888	
2050	7,720,000	166,394	7,886,394	
2051	3,285,000	36,956	3,321,956	100.00%
	<u>\$ 959,015,000</u>	<u>\$ 325,901,921</u>	<u>\$ 1,284,916,921</u>	

TABLE 17 – STATEMENT OF WATER AND SEWER FUND EQUITY (000's OMITTED)⁽¹⁾

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Cash and Investments	\$ 181,970	\$ 152,355	\$ 97,861	\$ 110,312	\$ 93,996
Receivables, Inventories and Prepaid Expenses	63,371	67,169	63,304	56,162	53,041
Restricted Assets	719,649	736,003	668,317	531,236	428,586
Property, Plant and Equipment, Net ⁽²⁾	3,141,470	2,904,993	2,723,555	2,646,754	2,559,289
Total Resources	\$ 4,106,460	\$ 3,860,520	\$ 3,553,037	\$ 3,344,464	\$ 3,134,912
Less:					
Less: Revenue Bonds and Other Liabilities	\$ 1,488,145	\$ 1,455,636	\$ 1,424,425	\$ 1,343,522	\$ 1,172,446
Water and Sewer Equity	\$ 2,618,315	\$ 2,404,884	\$ 2,128,612	\$ 2,000,942	\$ 1,962,466
Equity as Percentage of Assets	63.76%	62.29%	59.91%	59.83%	62.60%

⁽¹⁾ For more information on the System's Net Position, see the City's Comprehensive Annual Financial Report, Statement of Net Position - Proprietary Funds.

⁽²⁾ Includes capitalized bond issue cost and prepaid insurance.

TABLE 18 – CURRENT INVESTMENTS

As of January 31, 2022 the City's total investable funds were invested in the following categories:

Description	Percent of Total Market Value	Book Value	Market Value
Federal Agency Coupon Securities	14.57%	\$ 302,181,111	\$ 303,061,077
Treasuries Coupon Securities	24.72%	512,856,176	514,249,234
Municipal Obligations	2.26%	47,473,091	46,998,110
JP Morgan High Yield Savings Account	1.00%	20,713,612	20,713,612
JP Morgan Money Market Account	22.33%	464,490,739	464,490,739
Texas Class (LGIP)	17.07%	355,193,009	355,193,009
LOGIC (LGIP)	14.00%	291,242,655	291,242,655
Wells Fargo Bank	4.06%	84,541,535	84,541,535
	100.00%	\$2,078,691,927	\$2,080,489,970

CITY OF GRAND PRAIRIE, TEXAS

TABLE 1 – WATERWORKS AND SEWER CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues ⁽¹⁾					
Sales to Customers	\$ 48,486,361	\$ 47,152,407	\$ 42,337,949	\$ 44,893,468	\$ 40,565,531
Wastewater Charges to Customers	30,735,699	29,819,236	28,616,537	28,328,868	26,663,505
Wastewater Surcharge/Monitoring	829,791	864,098	824,590	846,222	870,104
Impact Fees	2,103,858	2,411,560	2,757,880	2,743,483	2,652,051
Other	293,469	329,446	418,505	905,254	2,273,191
Total Revenues	\$ 82,449,178	\$ 80,576,747	\$ 74,955,461	\$ 77,717,295	\$ 73,024,382
Expenses ⁽²⁾					
Salaries & Personnel Benefits	\$ 12,662,732	\$ 8,980,138	\$ 8,724,269	\$ 8,072,319	\$ 8,149,266
Professional Services	6,254,924	5,361,752	6,501,575	6,236,044	9,637,701
Franchise Fees	3,408,287	3,085,068	2,840,985	2,927,443	2,691,080
Water Purchase	16,749,528	17,194,531	13,463,858	16,917,148	14,780,509
Wastewater Treatment	20,926,676	17,778,836	18,689,151	15,644,623	14,988,513
Other ⁽³⁾	6,479,987	5,987,712	6,875,638	6,650,589	5,284,002
Total Expenses	\$ 66,482,134	\$ 58,388,037	\$ 57,095,476	\$ 56,448,166	\$ 55,531,071
Available for Debt Service	\$ 15,967,044	\$ 22,188,710	\$ 17,859,985	\$ 21,269,129	\$ 17,493,311

(1) Includes operating and non-operating revenue.

(2) Excludes depreciation and debt service expense.

(3) Includes payments with respect to TRA Water Contract Bonds secured by surplus revenues and, if needed, by an ad valorem tax.

TABLE 2 – COVERAGE AND FUND BALANCES

Average Annual Principal and Interest Requirements, All Water and Wastewater System Revenue Bonds, Fiscal Year Ended 9/30/2022	\$	2,636,693	
Coverage of Average Annual Requirements based on 9/30/2021 Estimated Revenue Available for Debt Service		6.06	x
Total Principal and Interest Requirements of all debt obligations paid from Water and Wastewater Treatment Fund Water and Wastewater System Revenue Bond, Contract and Tax Obligations issued for System Improvements, Fiscal Year Ended 9/30/2022	\$	6,509,044	
Coverage of Total Requirements based on 9/30/2021 Estimated Revenue Available for Debt Service		2.45	x

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS.

As of September 30, 2021, the City has not authorized revenue bonds.

TABLE 4 – DALLAS WATER UTILITIES

Fiscal Year Ended 9/30	Dallas Water Utilities		City of Ft. Worth	City of Cedar Hill Midlothian		City of Cedar Hill/Midlothian	Total Cost of Water Purchased
	Volume Charges	Demand charges	Volume Charges	Volume Charges	Demand Charges	Volume Charges	
2017	\$ 3,246,558	\$ 9,119,618	\$ 1,336,357	\$ 2,186,657	\$ 2,186,657	\$ -	\$ 15,889,190
2018	3,624,469	9,479,477	1,984,800	2,051,049	2,051,049	-	17,139,795
2019	2,096,198	7,556,649	1,764,335	2,046,677	2,046,677	-	13,463,859
2020	3,518,313	10,108,439	1,722,731	1,845,048	120,516	57,287	17,194,531
2021	2,747,196	10,337,927	1,772,039	1,892,366	140,139	88,490	16,749,528

TABLE 5 – WATER AND WASTEWATER RATES⁽¹⁾

Water Rates (Per 1,000 Gallons)	Current 10/1/2021	Current 10/1/2020
Classification		
Residential		
Per 1,000 gallons, total usage 3,000 gallons or less	\$ 0.12	\$ 0.12
Per 1,000 gallons, total usage more than 3,000 gallons, and up to and including 20,000 gallons	4.62	4.42
Per 1,000 gallons, all quantities over 20,000 gallons	8.29	7.93
Commercial	5.14	4.92
Industrial	5.14	4.92
Governmental	4.33	4.14
Fire Hydrant	9.69	9.27
Minimum Monthly Charge (Based on Meter Size):		
5/8" or 3/4"	\$ 16.96	\$ 16.23
1"	21.82	20.88
1 1/4"	26.09	24.97
1 1/2"	28.33	27.11
2"	46.66	44.65
3"	144.66	138.43
4"	179.33	171.61
6"	268.87	257.29
8"	374.20	358.09
10"	390.43	373.62
12"	410.81	393.12
Wastewater Rates (Per 1,000 Gallons)		
Classification		
Residential	\$ 4.71	\$ 4.51
Commercial	6.09	5.83
Industrial	6.09	5.83
Governmental	5.06	4.84
Wastewater Minimum charges based on meter size		
5/8" or 3/4"	\$ 15.42	\$ 14.76
1"	16.70	15.98
1 1/4"	19.47	18.63
1 1/2"	20.30	19.43
2"	24.20	23.16
3"	35.84	34.30
4"	47.59	45.54
6"	73.84	70.66
8"	104.46	99.96
10"	133.74	127.98
12"	149.83	143.38

(1) Source: City Staff.

TABLE 6 – AVERAGE DAILY WATER USAGE (GALLONS)

Fiscal Year Ended 9/30	Average Daily Usage	Maximum Day's Use	Total Pumped In
2017	25,613,487	36,316,452	9,348,922,755
2018	26,064,236	39,935,407	9,513,445,970
2019	25,695,470	40,241,588	9,378,845,231
2020	25,309,444	39,398,631	9,237,947,193
2021	26,820,923	51,820,977	9,655,532,244

TABLE 7 – AVERAGE DAILY WASTEWATER FLOW

Fiscal Year Ended 9/30	Average Daily Usage
2017	16,307,400
2018	17,758,618
2019	19,182,600
2020	18,386,940
2021	17,769,071

TABLE 8 – WASTEWATER TREATMENT

Fiscal Year Ended 9/30	Wastewater Treatment			Joe Pool Intake	Joe Pool Corp of Engineers	Total
	Maintenance	Debt Service	Subtotal			
2017	\$ 5,946,771	\$ 8,153,527	\$ 14,100,298	\$ 8,347	\$ 201,735	\$ 14,310,380
2018	5,612,671	10,134,974	15,747,645	5,324	-	15,752,969
2019	7,054,098	11,646,796	18,700,894	14,105	-	18,714,999
2020	6,275,525	12,078,406	18,353,931	19,791	-	18,373,722
2021	6,870,093	14,732,121	21,602,214	24,529	-	21,626,744

TABLE 9 – TEN LARGEST WATER AND WASTEWATER CUSTOMERS

Customer	Fiscal Year Ended September 30, 2021			
	Total	Amount Billed		
	Consumption ⁽¹⁾	Billed	Water	Wastewater
Bell Helicopter	111,972	\$ 1,073,140	\$ 550,902	\$ 522,237
Coca-Cola North America	70,797	623,534	348,321	275,213
Fresh Express	53,441	520,036	266,553	253,483
Bigelow Colorado DBA Budget Suites	49,717	464,473	244,608	219,866
North Texas Healthcare Laundry	43,251	416,116	215,052	201,064
Lockheed-Martin	30,977	278,196	152,407	125,789
Canyon Grove LP DBA Canyon Grove Apts	29,911	328,678	236,352	92,326
Poly America Inc.	29,328	264,245	144,294	119,951
Bigelow Arizona DBA Budget Suites	29,137	267,001	143,354	123,647
Mountain Creek Homeowners	28,403	340,005	224,393	115,612
Totals	476,934	\$ 4,575,424	\$ 2,526,236	\$ 2,049,188

(1) In 1,000 Gallons

CITY OF GRAPEVINE, TEXAS

TABLE 1 – WATERWORKS AND SEWER CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
<u>Revenues:</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Charges for Services	\$ 29,309,066	\$ 27,223,906	\$ 24,278,495	\$ 28,266,627	\$ 23,717,015
<u>Operating Expenses: ⁽¹⁾</u>					
Salaries and Benefits	\$ 4,402,684	\$ 2,990,220	\$ 5,272,997	\$ 3,509,269	\$ 3,084,396
Maintenance, Repairs and Supplies	13,546,547	12,836,218	12,242,992	12,890,731	11,722,817
Refuse Collections	2,436,435	2,284,889	-	-	-
General and Administrative	3,684,033	3,613,044	2,955,402	2,897,724	3,083,757
Total Operating Expenses	<u>\$ 24,069,699</u>	<u>\$ 21,724,371</u>	<u>\$ 20,471,391</u>	<u>\$ 19,297,724</u>	<u>\$ 17,890,970</u>
Net Revenue from Operations	\$ 5,239,367	\$ 5,499,535	\$ 3,807,104	\$ 8,968,903	\$ 5,826,045
Investment Income	25,266	294,536	647,245	576,981	304,108
Impact Fee - Balance	2,871,462	3,147,224	3,713,745	4,187,117	3,466,783
Other Net	(241,396)	(265,542)	(299,087)	(34,369)	-
Net Available for Debt Service	<u>\$ 7,894,699</u>	<u>\$ 8,675,753</u>	<u>\$ 7,869,007</u>	<u>\$ 13,698,632</u>	<u>\$ 9,596,936</u>
Average Annual Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Average Annual Debt Coverage	0.00x	0.00x	0.00x	0.00x	0.00x
Average Annual Debt Coverage without Impact Fees	0.00x	0.00x	0.00x	0.00x	0.00x
Water Customers	14,954	14,887	14,869	14,788	14,732
Wastewater Customers	13,853	13,797	13,766	13,696	13,632

(1) Excludes depreciation and amortization.

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, the City has no water and sewer revenue bonds outstanding.

TABLE 3 – WATER USAGE

<u>Fiscal Year</u>	<u>Peak Day Usage (Gallons)</u>	<u>Average Day Usage (Gallons)</u>	<u>Total Usage Gallons⁽¹⁾</u>
2017	15,384,000	9,195,000	3,363,064,000
2018	16,379,000	9,479,000	3,459,896,000
2019	17,098,000	7,747,000	2,827,887,000
2020	17,437,000	8,505,000	3,114,166,000
2021	14,362,000	8,591,000	3,139,594,000

(1) Water consumption pumped or treated.

TABLE 4 – MONTHLY WATER RATES (EFFECTIVE FEBRUARY 1, 2022)

General Water Consumption		
First	2,000 gallons	\$14.50 (Minimum)
Over	2,000 gallons	4.07/1,000 gal

Size of Meter	Minimum Gallons	Minimum Monthly Charges
3/4" x 5/8"	2,000	\$ 14.50
1"	9,000	42.91
1 1/2"	21,000	91.69
2"	34,000	144.51
3"	78,000	323.34
4"	100,000	412.75
6"	134,000	550.94
8"	239,000	977.64
Larger than 8"		To be agreed

Fire sprinkler connection - \$32.40

TABLE 5 – MONTHLY SEWER RATES (EFFECTIVE FEBRUARY 1, 2022)

Residential Service			Commercial Service		
First	2,000 gallons	\$10.36 (Minimum)	First	2,000 gallons	\$15.30 (Minimum)
Over	2,000 gallons	4.33 /1,000 gallons	Over	2,000 gallons	4.33 /1,000 gallons

TABLE 6 – APPLICATION AND COST DEPOSIT FOR WATER, WASTEWATER AND REFUSE SERVICE (EFFECTIVE DECEMBER 1, 2017)

Single-Family residential, minimum ⁽¹⁾	\$ 50.00
Multi-Family (apartments), (payable on per dwelling unit basis)	40.00
Commercial, minimum	40.00
Commercial, sprinkler systems (per meter)	40.00
Industrial, minimum	230.00
3/4" Construction Meter	125.00
2" Construction Meter	750.00
Master Deposit Account	250.00

(1) Only one deposit shall be required when more than one meter is installed at a single-family residence.

CITY OF HURST, TEXAS

TABLE 1 – WATERWORKS AND SEWER CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues					
Water Sales	\$ 13,187,195	\$ 13,656,263	\$ 13,000,684	\$ 13,952,194	\$ 13,102,864
Storm Water Drainage	7,944,379	7,860,005	7,769,045	7,976,315	7,596,710
Interest on Investments	58,626	320,795	776,772	569,791	484,013
Miscellaneous	443,886	263,343	158,784	129,947	143,376
Total Revenue	<u>\$ 21,634,086</u>	<u>\$ 22,100,406</u>	<u>\$ 21,705,285</u>	<u>\$ 22,628,247</u>	<u>\$ 21,326,963</u>
Expenses					
Personnel Services	\$ 4,102,418	\$ 4,470,423	\$ 4,689,857	\$ 4,371,099	\$ 4,451,203
Contractual Services	8,059,590	8,649,308	9,192,894	8,623,281	8,186,274
Repairs and Maintenance	407,669	477,268	522,216	519,868	482,141
Materials and Supplies	148,073	173,122	139,876	140,537	139,468
Indirect Cost/Street Rental Fees	3,863,405	3,692,379	3,792,379	3,711,957	3,632,164
Other	1,161,036	1,156,596	1,293,557	1,178,542	1,110,552
Total Expense	<u>\$ 17,742,191</u>	<u>\$ 18,619,096</u>	<u>\$ 19,630,779</u>	<u>\$ 18,545,284</u>	<u>\$ 18,001,802</u>
Net Available for Debt Service	<u>\$ 3,891,895</u>	<u>\$ 3,481,310</u>	<u>\$ 2,074,506</u>	<u>\$ 4,082,963</u>	<u>\$ 3,325,161</u>
Water Customers	12,393	12,896	12,385	12,193	12,327
Sewer Customers	12,145	12,638	12,080	12,002	12,134

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, there is no Water and Sewer revenue debt outstanding.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City has no unauthorized but unissued revenue debt.

TABLE 4 – HISTORICAL WATER USAGE

Fiscal Year Ended	Water Usage		
	Average Day Usage	Peak Day Usage	Total Usage
9/30	(Gallons)	(Gallons)	(Gallons)
2017	5,164,517	7,764,000	1,885,048,820
2018	5,239,512	8,507,000	1,912,421,800
2019	4,875,727	8,603,000	1,779,640,530
2020	4,960,691	8,871,000	1,810,652,350
2021	4,967,330	8,198,000	1,813,075,354

TABLE 5 – MONTHLY WATER RATES (EFFECTIVE OCTOBER 1, 2021)*

All customers		
Minimum	2,000 gallons *	\$18.23
Over	2,000 gallons	7.32 per 1,000 gallons

* Commercial meters 1" or smaller are assessed an additional base fee of \$2; Commercial meters 1.5" and above are assessed an additional base fee of \$7.

TABLE 6 – MONTHLY SEWER RATES (EFFECTIVE OCTOBER 1, 2021)*

All customers		
Minimum	\$	13.19
All Flows		4.23 per 1,000 gallons

* For commercial meters 1" or smaller, an additional base fee of \$2 is assessed; For commercial meters greater than 1", an additional base fee of \$5 is assessed.

CITY OF IRVING, TEXAS

TABLE 1 – HISTORICAL WATER CONSUMPTION (THOUSANDS OF GALLONS)

Fiscal Year Ended 9/30	Daily Average	Peak Day	Peak Month	Water Pumped	Water Billed	Water Revenue
2017	35,792	56,000	1,410,960	13,689,570	12,115,652	62,064,292
2018	39,253	66,000	1,741,600	14,327,480	13,060,886	69,520,741
2019	36,470	64,770	1,713,039	13,311,657	11,553,598	64,167,992
2020	37,500	62,330	1,660,290	13,726,450	12,403,563	65,114,652
2021	36,995	54,770	1,447,190	13,388,310	11,728,760	64,331,014

TABLE 2 – TEN LARGEST WATER CUSTOMERS FOR FY 2021 (BASED ON GALLONS CONSUMED)

Customer	Type of Industry	Water Usage (000's)	% of Total Water Usage	Water Revenue	% of Total Water Revenue
Dr. Pepper	Soft Drink Bottler	346,180	2.95%	\$ 1,543,642	2.40%
Frito Lay	Food Processor	241,790	2.06%	1,356,510	2.11%
America's Beverage	Soft Drink Bottler	146,896	1.25%	654,996	1.02%
Irving ISD	School District	91,744	0.78%	491,776	0.76%
Mid America Apartments, LP	Apartments	87,763	0.75%	488,512	0.76%
MacArthur Place at 183	Apartments	66,937	0.57%	374,577	0.58%
RRE Parkridge Holdings, LLC	Apartments	56,447	0.48%	315,107	0.49%
Las Colinas Association	Homeowner's Associ	56,209	0.48%	289,336	0.45%
Bel Air Las Colinas	Apartments	51,242	0.44%	287,008	0.45%
Quality Technology Services, LL	Data Center	47,792	0.41%	274,858	0.43%
Total		<u>1,193,000</u>	<u>10.17%</u>	<u>\$ 6,076,322</u>	<u>9.45%</u>

Citywide Total	11,728,760	64,331,014
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TABLE 3 – MONTHLY WATER RATES

	Previous Rates (Effective 10/01/2020)	Present Rates (Effective 10/01/2021)
(a) Monthly Service Charge		
First 3,000 gallons of water, or less		
5/8" and 3/4" Meter	\$11.67	\$11.67
1" Meter	\$14.14	\$14.14
1 1/2" Meter	\$19.82	\$19.82
2" Meter	\$27.97	\$27.97
3" Meter	\$45.02	\$45.02
4" Meter	\$63.01	\$63.01
6" Meter	\$110.18	\$110.18
8" Meter	\$139.16	\$139.16
10" Meter	\$202.27	\$202.27
12" Meter	\$301.19	\$301.19
(b) Residential water rates:		
Next 7,000 gallons , per 1,000 gallons	\$4.72	\$4.72
Next 10,000 gallons, per 1,000 gallons	\$5.09	\$5.09
All over 20,000 gallons:		
October-May consumption, per 1,000 gallons	\$5.44	\$5.44
June -September consumption, per 1,000 gallons	\$5.98	\$5.98
(c) Apartment water rates:		
Next 7,000 gallons, per 1,000 gallons	\$4.72	\$4.72
Next 10,000 gallons, per 1,000 gallons	\$5.09	\$5.09
All over 20,000 gallons:		
October-May consumption, per 1,000 gallons	\$5.44	\$5.44
June -September consumption, per 1,000 gallons	\$5.98	\$5.98
(d) Commercial water rates:		
Next 7,000 gallons, per 1,000 gallons	\$4.72	\$4.72
Next 10,000 gallons, per 1,000 gallons	\$5.09	\$5.09
All over 20,000 gallons:		
October-May consumption, per 1,000 gallons	\$5.44	\$5.44
June -September consumption, per 1,000 gallons	\$5.98	\$5.98
(e) Large Industrial water rates:		
All over 3,000 gallons, per 1,000 gallons	\$4.46	\$4.46

TABLE 4 – WASTEWATER USAGE (THOUSANDS OF GALLONS)

Fiscal Year Ended 9/30	Daily Average	Monthly Average	Total Usage	Total Revenues
2017	24,415	759,288	9,111,457	34,045,731
2018	25,731	780,223	9,362,673	35,435,108
2019	28,601	873,613	10,483,350	35,696,113
2020	26,433	806,358	9,676,291	37,610,233
2021	24,552	746,899	8,962,788	40,716,697

TABLE 5 – MONTHLY SEWER RATES

	Previous Rates (Effective 10/01/2020) per 1,000 gallons	Current Rates (Effective 10/01/2021) per 1,000 gallons
Residential: First 2,000 gallons	\$7.54	\$7.90
Over 2,000 gallons	\$4.05	\$4.42
Commercial: Monthly Service Charge		
First 10,000 gallons of consumption, or less		
5/8" and 3/4" Meter	\$36.49	\$36.49
1" Meter	\$36.49	\$36.49
1 1/2" Meter	\$36.53	\$36.57
2" Meter	\$38.29	\$40.17
3" Meter	\$40.77	\$45.56
4" Meter	\$42.91	\$50.46
6" Meter	\$45.99	\$57.96
8" Meter	\$48.20	\$63.67
10" Meter	\$49.98	\$68.46
12" Meter	\$53.21	\$77.59
Over 10,000 gallons	\$4.39	\$4.81
Industrial: Monthly Service Charge		
First 15,000 gallons of consumption, or less		
5/8" and 3/4" Meter	\$54.74	\$54.74
1" Meter	\$54.74	\$54.74
1 1/2" Meter	\$54.74	\$54.74
2" Meter	\$55.15	\$55.57
3" Meter	\$58.73	\$63.02
4" Meter	\$61.81	\$69.79
6" Meter	\$66.25	\$80.17
8" Meter	\$69.43	\$88.07
10" Meter	\$72.00	\$94.70
12" Meter	\$76.65	\$107.33
Over 15,000 gallons	\$4.39	\$4.81

TABLE 6 – DEBT SERVICE REQUIREMENTS

Fiscal Year Ended 9/30	Outstanding Total Debt		
	Principal	Interest	Total
2022	15,040,000	6,369,875	21,409,875
2023	13,725,000	5,704,425	19,429,425
2024	12,990,000	5,135,188	18,125,188
2025	11,995,000	4,585,725	16,580,725
2026	11,940,000	4,056,600	15,996,600
2027	11,220,000	3,577,269	14,797,269
2028	10,600,000	3,090,769	13,690,769
2029	9,735,000	2,650,569	12,385,569
2030	9,365,000	2,238,388	11,603,388
2031	9,725,000	1,888,413	11,613,413
2032	8,445,000	1,564,481	10,009,481
2033	7,910,000	1,291,875	9,201,875
2034	6,915,000	1,022,362	7,937,362
2035	7,125,000	824,162	7,949,162
2036	6,390,000	610,725	7,000,725
2037	5,545,000	411,900	5,956,900
2038	4,250,000	254,925	4,504,925
2039	3,225,000	142,700	3,367,700
2040	2,155,000	67,100	2,222,100
2041	1,200,000	24,000	1,224,000
Totals	<u>\$ 169,495,000</u>	<u>\$ 45,511,451</u>	<u>\$ 215,006,451</u>

TABLE 7 – AUTHORIZED BUT UNISSUED REVENUE BONDS

The City has no voted but unissued bonds, and pursuant to State law, the City is not required to approve its revenue bond through election.

TABLE 8 – CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30				
	2021	2020	2019	2018	2017
Operating Revenues:					
Charges for Services	\$ 110,187,787	\$ 108,179,102	\$ 104,760,318	\$ 112,051,868	\$ 106,758,462
Total Operating Revenues	\$ 110,187,787	\$ 108,179,102	\$ 104,760,318	\$ 112,051,868	\$ 106,758,462
Operating Expenses:					
Water Purchases	\$ 10,582,114	\$ 10,030,950	\$ 10,021,141	\$ 9,047,727	\$ 12,254,911
Sewer Treatment Costs	31,105,968	28,908,169	28,670,974	25,611,616	23,071,870
Personnel Services	13,111,385	13,138,614	12,931,978	12,726,268	12,040,573
Contractual Services	2,624,539	2,608,582 ⁽²⁾	-	-	-
Pension Expense	(945,313)	494,649 ⁽³⁾	1,311,104	315,754	1,211,611
OPEB Expense	77,778	37,316 ⁽³⁾	20,992	61,562	-
Supplies	2,908,493	3,454,848	3,824,300	3,351,686	3,052,070
Maintenance	2,794,878	3,041,619	2,164,230	2,261,609	2,322,477
Light and Power	2,370,873	2,561,250	1,612,880	2,735,960	1,428,704
Depreciation	15,291,763	18,478,891	16,876,972	16,270,156	15,813,271
Sundry Charges	295,375	460,422	289,037	209,174	252,380
Administrative Charges	6,792,575	6,483,522	5,889,070	5,567,363	5,443,749
Other	717,612	1,373,203	5,236,411	3,176,736	4,046,862
Total Operating Expenses	\$ 87,728,040	\$ 91,072,035	\$ 88,849,089	\$ 81,335,611	\$ 80,938,478
Operating income (loss)	\$ 22,459,747	\$ 17,107,067	\$ 15,911,229	\$ 30,716,257	\$ 25,819,984
Add:					
Depreciation	15,291,763	18,478,891	16,876,972	16,270,156	15,813,271
Pension Expense	(945,313)	494,649	1,311,104	315,754	1,211,611
OPEB Expense	77,778	37,316	20,992	61,562	-
Interest Income	104,432	1,340,153	3,000,302	1,739,774	724,660
Net Revenue Available for Debt Service	\$ 36,988,407	\$ 37,458,076	\$ 37,120,599	\$ 49,103,503	\$ 43,569,526
Average Annual Debt Service Requirement	\$ 10,750,323	\$ 11,308,865	\$ 11,258,205	\$ 11,226,187	\$ 11,778,043
Coverage Ratio	3.44 ⁽¹⁾	3.31 ⁽¹⁾	3.30 ⁽¹⁾	4.37 ⁽¹⁾	3.69 ⁽¹⁾
Maximum Annual Debt Service Requirement	\$ 21,409,875	\$ 22,479,709	\$ 23,414,600	\$ 23,765,613	\$ 23,765,613
Coverage Ratio	1.73 ⁽¹⁾	1.67 ⁽¹⁾	1.59 ⁽¹⁾	2.07 ⁽¹⁾	1.83 ⁽¹⁾

⁽¹⁾ GASB 68 implemented in FY 2015 and GASB 75 implemented in FY 2018 requires the recognition of pension expense and OPEB expense, respectively, based on actuarial valuations. Both of these obligations have been excluded from the coverage calculation based on the definition of net revenues available for debt service in the Ordinance.

⁽²⁾ For the fiscal year ended September 30, 2020, Contractual Services expenses was segregated from Other expenses to improve statement classifications. These expenses remain a component of total operating expenses.

⁽³⁾ For the fiscal year ended September 30, 2020, Pension Expense and OPEB Expense were presented with Personnel Services expenses within the City's annual comprehensive financial report (ACFR). For the purpose of calculating net revenue available for debt service, these amounts were presented separately.

TABLE 9 – COVERAGE AND FUND BALANCES

Average Annual Principal and Interest Requirements, 2022 - 2041	\$ 10,750,323
Coverage of Average Requirements by 2021 Net Revenue Available for Debt Service	3.44
Maximum Principal and Interest Requirements, 2022	\$ 21,409,875
Coverage of Maximum Requirements by 2021 Net Revenue Available for Debt Service	1.73
Waterworks and Sewer System Revenue Bonds Outstanding as of FYE September 30, 2021	\$ 169,495,000
New Lien Bond Interest and Sinking Fund, 9/30/21	\$ 2,833,433
New Lien Bond Reserve Fund, 9/30/21	\$ 8,334,936

TABLE 10 – CONNECTIONS

	Fiscal Year Ended September 30,				
	2021 ⁽¹⁾	2020 ⁽²⁾	2019 ⁽³⁾	2018 ⁽⁴⁾	2017 ⁽⁵⁾
Water Customers	50,624	50,028	49,353	48,495	47,504
Sewer Customers	47,017	46,533	45,656	45,447	44,741

⁽¹⁾ Includes 1,079 master meters (excluding private fire) serving 59,558 apartments and other multiple units

⁽²⁾ Includes 1,095 master meters (excluding private fire) serving 58,924 apartments and other multiple units

⁽³⁾ Includes 1,071 master meters (excluding private fire) serving 58,547 apartments and other multiple units

⁽⁴⁾ Includes 1,063 master meters (excluding private fire) serving 54,785 apartments and other multiple units

⁽⁵⁾ Includes 1,094 master meters (excluding private fire) serving 54,104 apartments and other multiple units

TABLE 11 – CITY’S EQUITY IN SYSTEM

	Fiscal Year Ended September 30				
	2021	2020	2019	2018	2017
Land	\$ 8,136,147	\$ 7,794,895	\$ 7,542,490	\$ 7,532,058	\$ 7,463,388
Water rights	20,939,506	20,939,506	20,939,506	20,939,506	20,939,506
Plant / infrastructure	756,158,083	734,130,473	707,293,574	685,445,064	663,052,609
Construction in progress	65,926,863	63,440,000	62,398,612	39,410,561	33,647,246
Less accumulated depreciation	(333,759,077)	(318,476,178)	(300,005,874)	(283,128,902)	(266,865,856)
Total capital assets, net	\$ 517,401,522	\$ 507,828,696	\$ 498,168,308	\$ 470,198,287	\$ 458,236,893
Cash and Investments	\$ 141,484,056	\$ 126,723,839	\$ 118,296,805	\$ 132,432,578	\$ 111,650,374
Other Resources	17,727,320	18,540,470	23,564,341	20,952,033	20,504,895
Total Resources	\$ 676,612,898	\$ 653,093,005	\$ 640,029,454	\$ 623,582,898	\$ 590,392,162
Deferred Outflow of Resources	\$ 3,210,881	\$ 3,299,229	\$ 7,836,319	\$ 4,732,786	\$ 8,135,725
Obligations					
Revenue Bond Payable	\$ 182,997,353	\$ 180,286,237	\$ 182,656,007	\$ 184,315,770	\$ 185,412,836
Other Obligations	42,575,735	40,305,713	47,760,900	41,631,111	44,298,275
Total Obligations	\$ 225,573,088	\$ 220,591,950	\$ 230,416,907	\$ 225,946,881	\$ 229,711,111
Deferred Inflow of Resources	\$ 3,866,481	\$ 3,464,378	\$ 374,522	\$ 1,777,949	\$ 277,926
City's Equity in System	\$ 450,384,210	\$ 432,335,906	\$ 417,074,344	\$ 400,590,854	\$ 368,538,850
Percentage City Equity in System	66.56%	66.20%	65.16%	64.24%	62.42%

TABLE 12 – CITY OF IRVING INVESTMENT AS OF DECEMBER 31, 2021

	Carrying Value	Market Value
Pooled investments		
Federal Farm Credit Bank (Farm Credit)	\$ 4,998,833	\$ 4,999,861
Federal Home Loan Bank	45,633,409	45,615,751
Texpool Investment Pool	128,929,600	128,929,600
TexStar Investment Pool	129,083,900	129,083,900
Treasury bill (T-bill)	209,554,404	209,522,687
Subtotal	\$ 518,200,147	\$ 518,151,798
Supplemental Benefit Plan (SBP)		
United States Treasury Notes	\$ 8,272,339	\$ 8,272,339
Common Stocks	21,463,220	21,463,220
Foreign Stocks	11,992,977	11,992,977
Alternative Investment/Hedge Fund	12,633,276	12,633,276
Mutual Funds	30,024,532	30,024,532
Corporate Bonds	5,829,728	5,829,728
Foreign Bonds	289,693	289,693
Money Market	25,596,366	25,596,366
Subtotal	116,102,131	116,102,131
Total	\$ 634,302,277	\$ 634,253,929

CITY OF KELLER, TEXAS

TABLE 1 – WATERWORKS AND SEWER CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Gross Revenue ⁽¹⁾	\$26,553,597	\$ 26,810,295	\$26,551,271	\$ 27,778,566	\$26,649,913
Expenses ⁽²⁾					
Water Purchased	8,306,796	8,745,082	8,457,766	9,225,455	8,175,358
Other	13,317,100	11,682,203	12,361,543	11,754,360	11,884,698
Total Expenses	\$21,623,896	\$ 20,427,285	\$20,819,309	\$ 20,979,815	\$20,060,056
Net Revenue Available for Debt Service	<u>\$ 4,929,701</u>	<u>\$ 6,383,010</u>	<u>\$ 5,731,962</u>	<u>\$ 6,345,650</u>	<u>\$ 6,382,617</u>
Water Customers	16,071	15,906	15,856	15,766	15,631
Sewer Customers	13,797	13,732	13,585	13,457	13,325

(1) Operating Revenues, investment interest and miscellaneous income.

(2) Total Operating expenses, plus payments on contractual obligations, exclusive of depreciation.

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, the City of Keller, Texas has no water and sewer revenue debt outstanding.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City of Keller, Texas, has no authorized but unissued revenue bonds.

TABLE 4 – WATER USAGE⁽¹⁾

Fiscal Year Ended	Total	Average	Peak
30-Sep	Number of Pumped Gallons	Daily Pumped	Daily Pumped
2017	2,926,543,638	8,017,928	19,360,000
2018	3,063,218,382	8,392,379	20,280,000
2019	2,803,078,565	7,679,667	19,000,000
2020	3,088,872,064	8,462,663	23,850,000
2021	2,750,380,515	7,535,289	17,630,000

(1) Information provided by City staff.

TABLE 5 – TEN LARGEST WATER CUSTOMERS

Customer	Type of Industry	Fiscal 2021 Water Usage (000's)	Estimated Percent of Water Usage	Water Revenues Received
City of Keller	Municipal Government	16,716	0.57%	\$70,891
Keller Independent School District	School District	15,127	0.51%	113,641
City of Keller Irrigation	Municipal Government	11,118	0.38%	38,994
Grand Estates at Keller, LP	Multi-Family Residential	10,979	0.37%	83,973
Olympus Stone Glen	Apartments	10,246	0.35%	78,690
Olympus Town Center	Apartments	8,995	0.30%	69,319
Conservatory Senior Housing	Commercial	6,447	0.22%	49,048
Landscape System of Texas	Residential	5,127	0.17%	38,206
Olympus Town Center	Apartments	4,536	0.15%	33,797
Heritage House C/O Apex Healthcare	Residential	4,324	0.15%	32,123
		<u>93,613</u>	<u>3.17%</u>	<u>608,682</u>
	All Other Customers	2,859,327	96.83%	18,539,387
	Total Water Sold	<u>2,952,940</u>	<u>100.00%</u>	<u>\$ 19,148,069</u>
		0		

TABLE 6 – MONTHLY WATER RATES (EFFECTIVE DECEMBER 1, 2021)⁽¹⁾

	Residential		Non-Residential	
0 to 2,000 gallons	\$ 22.74	Minimum ⁽²⁾	\$ 22.74	Minimum ⁽²⁾
0 to 2,000 gallons	3.39	/M gallons	3.40	/M gallons
2,001 to 10,000 gallons	4.64	/M gallons	4.64	/M gallons
10,001 to 20,000 gallons	5.06	/M gallons	5.81	/M gallons
20,001 to 25,000 gallons	5.64	/M gallons	6.65	/M gallons
25,001 to 40,000 gallons	7.12	/M gallons	7.12	/M gallons
+40,000 gallons	7.70	/M gallons	7.70	/M gallons

(1) The above rates include the current wholesale pass-through rate of \$3.393 per 1,000 gallons.

(2) Minimum varies according to meter size. Rates indicated are for 5/8 inch meter.

TABLE 7 – MONTHLY SEWER RATES (EFFECTIVE OCTOBER 1, 2021)

Residential:	\$ 14.17	Minimum ⁽¹⁾⁽²⁾ plus	\$4.56	/M Gallons
	(Based on December, January and February Average water consumption) Maximum to 20,000 Gallons			
Non Residential:	\$ 14.17	Minimum ⁽¹⁾⁽²⁾ plus	\$4.37	/M Gallons
	(Based on monthly water consumption, no maximum.)			
Outside City limits:	1.15 times the above rates.			

(1) The above rates include the current wholesale pass-through rate of \$2.827 per 1,000 gallons.

(2) Minimum varies according to meter size. Rates indicated are for a 5/8 inch meter.

CITY OF MANSFIELD, TEXAS

TABLE 1 – WATERWORKS AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
<u>Revenues</u>	2021	2020	2019	2018	2017
Water Service	\$ 21,938,151	\$ 22,091,764	\$ 20,401,003	\$ 22,008,371	\$ 19,639,307
Sewer Service	13,364,600	13,338,839	12,805,588	12,580,718	11,533,077
Charges for Services	1,014,403	1,633,661	1,710,937	1,394,059	1,613,957
Interest Earnings	9,818	249,422	620,381	371,649	164,312
Impact Fees	5,881,597	4,879,934	2,939,992	3,500,583	2,357,803
Total Revenues	\$ 42,208,569	\$ 42,193,620	\$ 38,477,901	\$ 39,855,380	\$ 35,308,456
<u>Expenses</u>					
Costs of Sales and services	\$ 21,323,874	\$ 19,565,236	\$ 19,342,805	\$ 19,722,391	\$ 16,955,343
Administration	2,792,112	5,386,645	4,220,376	3,128,042	3,316,384
Total Expenses	\$ 24,115,986	\$ 24,951,881	\$ 23,563,181	\$ 22,850,433	\$ 20,271,727
Net Available for Debt Service	\$ 18,092,583	\$ 17,241,739	\$ 14,914,720	\$ 17,004,947	\$ 15,036,729
Water Customers	24,346	23,364	22,408	21,629	21,291
Sewer Customers	21,278	20,501	19,813	19,282	18,765

TABLE 2 – COVERAGE AND FUND BALANCES

Average Annual Principal and Interest Requirements, 2022-2035	\$ 2,379,538
Coverage of Average Requirements by 9/30/21 Net Available for Debt Service	7.60x
Maximum Principal and Interest Requirements, 2022	\$ 4,595,888
Coverage of Maximum Requirements by 9/30/21 Net Available for Debt Service	3.94x
Waterworks and Sewer System Bonds Outstanding, 9/30/21	\$ 27,420,000
Water and Sewer Sinking and Reserve Funds, 9/30/21	\$ 3,954,183

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City has no authorized unissued revenue debt

TABLE 4 – HISTORICAL WATER CONSUMPTION

Fiscal Year Ended 9/30	Total Usage	Peak Day	Average Day
2017	4,480,309,000	20,975,000	12,256,000
2018	4,923,147,000	26,662,000	13,673,000
2019	4,794,009,000	28,495,000	13,134,000
2020	5,073,568,000	26,659,000	13,900,000
2021	5,426,870,000	31,000,000	14,868,000

TABLE 5 – TEN LARGEST WATER CUSTOMERS

Customer	2021 Water Usage	% of Total Water Usage	Water Revenue	Percent of Water Revenues
Johnson County SUD	2,169,830,000	48.43%	\$ 2,907,464	12.65%
Mansfield ISD	106,776,630	2.38%	841,174	3.66%
City of Mansfield	75,529,380	1.69%	521,492	2.27%
Methodist Mansfield Medical Center	36,039,740	0.80%	165,396	0.72%
Mid America Apartments LP	31,233,139	0.70%	139,589	0.61%
Walnut Creek Country Club	31,155,330	0.70%	53,808	0.23%
Southwaste - Dallas	30,882,220	0.69%	12,537	0.05%
City of Grand Prairie	30,803,696	0.69%	34,203	0.15%
Mansfield National Golf Club	28,177,690	0.63%	42,382	0.18%
Mouser Electronics	24,801,640	0.55%	128,217	0.56%
	<u>2,565,229,465</u>	<u>57.26%</u>	<u>\$ 4,846,262</u>	<u>21.08%</u>
	4,480,309,000			

(1) - As of September 30, 2021

TABLE 6 – MONTHLY WATER RATES

Meter Size	Current Rates Effective as of October 2020
Residential < 2,000 Gallons	\$7.45
3/4" & 5/8"	22.57
1"	56.43
1 1/2"	112.85
2"	180.56
3"	361.12
4"	620.68
6"	1,263.92
Volume Rate per 1,000 Gallons Water (Effective October 2020)	
	Residential / Commercial
First 2,000 Gallons	Industrial \$0.00
Next 30,000 Gallons	2.61 3.29
Over 32,000 Gallons	3.26 4.11

TABLE 7 – WASTEWATER USAGE (GALLONS)

Fiscal Year Ending 9/30	Amount in Gallons (000)
2017	1,962,366
2018	2,025,919
2019	2,303,352
2020	2,966,274
2021	2,320,276 ⁽¹⁾

TABLE 8 – MONTHLY SEWER RATES

	Current Rates Effective as of October, 2020
<u>Residential</u>	
Base 2,000 Gallons	\$ 10.02
Base 2,001 Gallons	28.54
Each 1,000 Over 2,000 Gallons	3.78
Maximum	73.90
Sewer Service Only - Flat Rate	58.78
<u>Commercial</u>	
Base 2,000 Gallons	\$ 28.54
Each 1,000 Over 2,000 Gallons	3.78

CITY OF NORTH RICHLAND HILLS, TEXAS

TABLE 1 – WATER AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
<u>Operating Revenues</u>	2021 ⁽⁴⁾	2020	2019	2018	2017
Water and Sewer Service Sales	\$ 37,776,903	\$ 37,717,774	\$ 33,269,751	\$ 35,273,429	\$ 30,603,821
Service Charges	1,152,491	980,050	1,034,523	1,059,589	1,010,802
Inspection Fees	125,839	100,547	153,849	146,835	179,866
Other Intergovernmental	-	102,925	175,940	57,724	112,583
Other Revenues	80,438	1,292,807	1,653,232	-	-
Other Income (Expense)	-	-	-	2,782 ⁽¹⁾	2,598
Total Revenues	\$ 39,135,671	\$ 40,194,103	\$ 36,287,295	\$ 36,540,359	\$ 31,909,670
<u>Operating Expenses</u> ⁽²⁾					
Contractual Services	\$ 2,517,882	\$ 2,033,131	\$ 2,199,732	\$ 1,099,321	\$ 821,472
Water Purchases	10,812,479	10,174,957	9,646,946	11,206,231	9,716,518
Wastewater Treatment Services	5,719,702	6,774,685	6,272,760	5,421,439	5,492,011
Personal Services	6,062,192	3,236,664	5,157,277	6,135,097 ⁽³⁾	6,056,695
Repairs and Maintenance	3,913,065	7,941,828	4,949,647	5,181,869	5,537,661
Supplies	291,786	338,890	251,074	344,084	352,867
Total Operating Expenses	\$ 29,317,106	\$ 30,500,155	\$ 28,477,436	\$ 29,388,041	\$ 27,977,223
Net Available for Debt Service	\$ 9,818,565	\$ 9,693,948	\$ 7,809,859	\$ 7,152,318	\$ 3,932,446
Water Connections	23,004	22,990	22,707	22,492	21,879
Sewer Connections	21,558	21,237	20,958	20,711	20,496

(1) Excludes non-cash Developer Contributions of \$2,146,963.

(2) Excludes depreciation.

(3) For 2018, Personal Services excludes non-cash OPEB entries of (\$2,854,199) associated with Governmental Accounting Standards Board ("GASB") Statement 75.

(4) Unaudited.

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021, the City has no water and sewer revenue bonds outstanding.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City has not authorized but unissued revenue bonds.

TABLE 4 – TOP TEN WATER USERS

Customer	Type of Property	FYE 9/30/21 Water Usage (In Gallons)	Percent of Total Water Usage
Doskocil Food (Tyson)	Food Processor	79,746,404	2.33%
BISD	Schools	31,588,483	0.92%
8500 Harwood	Apartments	28,196,817	0.83%
Bluffs at Iron Horse	Hospital	20,583,644	0.60%
Star Delano	Apartments	17,692,137	0.52%
NRH20 Water Park	Apartments	16,078,679	0.47%
Star Meadows	Apartments	15,558,662	0.46%
North Hills Hospital	Apartments	14,796,973	0.43%
Riata Park Apartments	Apartments	14,154,890	0.41%
6525 Glenview LLC	Apartments	13,681,593	0.40%
		<u>252,078,283</u>	<u>7.38%</u>

TABLE 5 – WATER USAGE⁽¹⁾

Fiscal Year Ended 9/30	Peak Day Usage	Average Day Usage	Total Usage
2017	15,682,000	8,628,669	3,158,092,990
2018	19,557,000	9,334,402	3,416,391,186
2019	17,542,000	8,238,766	3,007,149,432
2020	19,817,000	8,990,904	3,290,670,987
2021	16,848,000	8,834,743	3,224,681,280

(1) Gallons.

TABLE 6 – WATER RATES (EFFECTIVE NOVEMBER 1, 2019)

1. Billing policy for single family residential meter:

The monthly bill will be computed as follows. The minimum bill taken from Schedule A plus a volume charge of \$4.65 per 1,000 gallons on monthly volume failing in tier 1 and volume charge of \$4.74 per 1,000 gallons on a monthly greater than 22,441 gallons.

2. Billing policy where more than one user or building is tied onto the same meter:

It will be the policy of the city to bill each homes, duplex, triplex, offices or any other building where more than one user is tied on the same meter at the rate of \$17.50 per unit per month minimum for the first 2,000 gallons of water used per unit, plus volume charges calculated from Schedule A.

3. Billing for apartment complexes and trailer parks:

A. \$17.50 per month for each apartment or trailer for the first 2,000 gallons of water used plus volume charges calculated from Schedule A.

B. Apartment house or trailer park owner shall furnish a certified statement of occupancy prior to the 10th of each month. Failure to file occupancy statement will result in billing for 100% occupancy.

Schedule A				
(Volume Used in Gallons)				
Meter Size (inches)	3/4"	1"	1 1/2"	2"
Minimum Bill	\$ 17.50	\$ 29.00	\$ 58.00	\$ 93.00
Volume Charge				
Minimum Bill for the first:	2,000	3,340	6,650	10,644
Tier 1: \$4.65 for all between:	2,001-22,440	3,341-22,440	6,651-22,440	10,645-22,440
Tier 2: \$4.74 for all above:	22,441	22,441	22,441	22,441
Water Pass Through Charge:	Public \$2.86 per 1,000 gallons			

Commercial /Other Water Rates

Rates include a base charge and volume charges for each 1,000 gallons consumed over the base. There is also a pass through rate for the purchase of water from the City of Fort Worth and the Trinity River Authority. (Pass through rates are subject to change annually by the City of Fort Worth and Trinity River Authority. The City of North Richland Hills does not mark up or make a profit off pass through rates.)

Commercial Multi Unit/Tenant

All Meter Sizes

Base rate per unit, first 2,000 gallons	\$ 17.50
Tier 1: 2,001 - 9,724 gallons, per 1,000 gallons	4.65
Tier 2: 9,725 gallons and over	4.74
Pass through rate:	2.86

All Other Commercial/Industrial Classes

Three quarter inch meter

Base rate per unit, first 2,000 gallons	\$ 17.50
Tier 1: 2,001 - 9,724 gallons, per 1,000 gallons	4.65
Tier 2: 9,725 gallons and over	4.74
Pass through rate:	2.86

One inch meter

Base rate per unit, first 3,340 gallons	\$ 29.00
Tier 1: 3,341 - 9,724 gallons, per 1,000 gallons	4.65
Tier 2: 9,725 gallons and over	4.74
Pass through rate:	2.86

One and one-half inch meter

Base rate per unit, first 6,650 gallons	\$ 58.00
---	----------

Tier 1: 6,651 - 9,724 gallons, per 1,000 gallons	4.65
Tier 2: 9,725 gallons and over	4.74
Pass through rate:	2.86

Two inch meter

Base: first 10,644 gallons, per 1,000 gallons	\$ 93.00
Tier: 10,645 gallons and over, per 1,000 gallons	4.74
Pass through rate, per 1,000 gallons:	2.86

Three inch meter

Base: first 19,971 gallons	\$ 175.00
Tier: 19,972 gallons and over, per 1,000 gallons	4.74
Pass through rate, per 1,000 gallons:	2.86

Four inch meter

Base: first 21,311 gallons	\$ 187.00
Tier: 21,312 gallons and over, per 1000 gallons	4.74
Pass through rate, per 1,000 gallons:	2.86

Six inch meter

Base: first 66,565 gallons	\$ 583.00
Tier: 66,566 gallons and over, per 1000 gallons	4.74
Pass through rate, per 1,000 gallons:	2.86

Eight inch meter

Base: first 119,830 gallons	\$ 1,050.00
Tier: 119,831 gallons and over, per 1,000 gallons	4.74
Pass through rate, per 1,000 gallons	2.86

Fire Hydrant, Loading Dock/Tank Truck Customers

Base:	\$ 175.00
Volume rate for all usage per 1,000 gallons	4.78
Pass through rate, per 1,000 gallons	2.86

TABLE 7 – SEWER RATES (EFFECTIVE NOVEMBER 1, 2019)

Single Family Residential Sewer Rates (Effective October 1, 2019)

Rates include a base charge and volume charges for each 1,000 gallons. The volume charge is based on your average water use during the winter quarter (December, January, and February) and is capped at 18,700 gallons. There is also a pass through rate for the treatment of sewage by the City of Fort Worth and the Trinity River Authority

Effective October 1, 2019

Base:	\$ 11.00
Volume:	2.06
Pass through rate:	2.41

Commercial Multi Unit/Tenant Sewer Rates

Rates include a base charge per unit and volume charges for each 1,000 gallons. There is also a pass through rate for the treatment of sewage by the City of Fort Worth and the Trinity River Authority

Effective October 1, 2019

Base per unit:	\$	11.00
Volume:		2.06
Pass through rate:		2.41

All Other Commercial/Industrial Classes Sewer Rates

Rates include a base charge and volume charges for each 1,000 gallons. There is also a pass through rate for the treatment of sewage by the City of Fort Worth and the Trinity River Authority.

Effective October 1, 2019

Base:	\$	11.00
Volume:		2.06
Pass through rate:		2.41

TABLE 8 – DEPOSITS

Schedule B (Water and Sewer Deposits) (Effective Jan 1, 2009)							
Customer Type	Water	Sewer without BOD/TS S	Total Deposit without BOD/TS S	Customer Type	Water	Sewer with BOD/TS S	Total Deposit with BOD/TS S
Residential: All sizes:	\$ 60.00	\$ 40.00	\$ 100.00	Residential: All sizes:	\$ -	\$ -	\$ -
Commercial:				Commercial:			
3/4"	\$ 70.00	\$ 50.00	\$ 120.00	3/4"	\$70.00	\$200.00	\$270.00
1"	200.00	100.00	300.00	1"	200.00	275.00	475.00
1 ½"	380.00	350.00	730.00	1 ½"	380.00	700.00	1,080.00
2"	800.00	600.00	1,400.00	2"	800.00	1,200.00	2,000.00
3"	800.00	700.00	1,500.00	3"	800.00	1,300.00	2,100.00
4-8"	3,300.00	3,000.00	6,300.00	4-8"	3,300.00	6,000.00	9,300.00
Multi-family: All Sizes/Per Unit	\$50.00	\$30.00	\$80.00	Multi-family: All Sizes/Per Unit	\$ -	\$ -	\$ -

CITY OF SOUTHLAKE, TEXAS

TABLE 1 – WATER AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
<u>Revenues</u>					
Water and Sewer	\$ 31,936,803	\$ 32,104,550	\$ 30,399,969	\$ 32,193,537	\$ 27,810,073
Service Fees	134,337	166,791	122,226	35,824	129,431
Interest Income	32,272	566,411	868,227	320,473	167,068
Other Revenues	-	-	-	4,166	3,968
Total Revenues	<u>\$ 32,103,412</u>	<u>\$ 32,837,752</u>	<u>\$ 31,390,422</u>	<u>\$ 32,554,000</u>	<u>\$ 28,110,540</u>
<u>Expenses</u>					
Water Purchased	\$ 8,755,564	\$ 8,824,706	\$ 9,949,100	\$ 12,731,166	\$ 9,254,571
Other Expenses	11,074,298	12,733,118	14,479,239	10,331,217	9,643,383
Total Expenses	<u>\$ 19,829,862</u>	<u>\$ 21,557,824</u>	<u>\$ 24,428,339</u>	<u>\$ 23,062,383</u>	<u>\$ 18,897,954</u>
Net Available for Debt Service	<u>\$ 12,273,550</u>	<u>\$ 11,279,928</u>	<u>\$ 6,962,083</u>	<u>\$ 9,491,617</u>	<u>\$ 9,212,586</u>
Water Customers	11,392	11,309	11,133	11,092	10,941
Sewer Customers	9,200	9,117	9,008	8,908	8,889

TABLE 2 – COVERAGE AND FUND BALANCES

As of September 30, 2021 the City no longer has Water and Sewer revenue bonds outstanding.

TABLE 3 – AUTHORIZED BUT UNISSUED REVENUE BONDS

As of September 30, 2021, the City has no authorized but unissued revenue bonds.

TABLE 4 – HISTORICAL WATER CONSUMPTION DATA

Fiscal Year Ended 9/30	Total Number of Pumped Gallons (in Billions)	Average Daily Pumped	Peak Daily Pumped	Revenues Received
2017	3,206,363	8,784,555	16,263,000	\$ 18,596,958
2018	3,187,781	8,733,648	21,032,000	22,589,224
2019	2,762,227	7,567,744	19,551,000	18,482,858
2020	3,013,801	8,256,990	21,087,000	21,497,353
2021	3,057,824	8,377,603	21,029,612	20,458,811

TABLE 5 – TEN LARGEST WATER CUSTOMERS

Customer	Water Usage		Revenue	% of Revenue
	Gallons	% of Usage		
City of Southlake Parks	48,888,208	1.79%	\$ 404,672	1.98%
Veriizon Wireless Southlake	24,389,672	0.89%	178,053	0.87%
Kite Realty	22,779,787	0.83%	219,615	1.07%
Carroll ISD	18,654,533	0.68%	260,254	1.27%
TD Ameritrade	10,149,359	0.37%	75,966	0.37%
Excel Southlake, LP	9,656,272	0.35%	79,385	0.39%
HEB	8,660,645	0.32%	61,784	0.30%
Timarron Owners Association	8,281,274	0.30%	70,498	0.34%
Varidesk LLC	8,262,000	0.30%	68,493	0.33%
Gateway Church	7,576,249	0.28%	61,092	0.30%

TABLE 6 – MONTHLY WATER RATES (EFFECTIVE OCTOBER 1, 2021)

		Residential					
		Inside City (1" METER)	Outside City (1" METER)				
First 2,000	gallons	\$41.51 (Minimum)	\$41.51 (Minimum)				
2,001-10,000	gallons	4.64 per 1,000 gallons	4.64 per 1,000 gallons				
10,001-25,000	gallons	5.33 per 1,000 gallons	5.33 per 1,000 gallons				
25,001-40,000	gallons	6.13 per 1,000 gallons	6.13 per 1,000 gallons				
Over 40,001	gallons	7.05 per 1,000 gallons	7.05 per 1,000 gallons				
Elderly/Hardship Waiver Rates:							
First 2,000	gallons	\$19.15(Minimum)					
2001 +	gallons	4.13 per 1,000 gallons					
		Commercial					
		Meter Size					
Gallons		1.0"	2.0"	3.0"	4.0"	6.0"	8.0"
First 3,000		\$64.07					
First 5,000							
First 7,000			\$144.84				
First 10,000				\$206.85			
First 12,000					\$247.22		
First 15,000						\$309.21	
First 18,000							\$371.22
		3,001 - 10,000	gallons	\$	4.64	per 1,000 gallons	
		10,001 - 25,000	gallons		5.33	per 1,000 gallons	
		25,001 - 40,000	gallons		6.13	per 1,000 gallons	
		Over - 40,001	gallons		7.05	per 1,000 gallons	

TABLE 7 – MONTHLY SEWER RATES (EFFECTIVE OCTOBER 1, 2021)

Residential			
First 2,000 gallons	\$	38.94	
2,001-10,000 gallons		4.48	per 1,000 gallons
Maximum Residential Charge		74.78	
Commercial			
First 2,000 gallons	\$	38.94	per 1,000 gallons
2,001+ gallons		4.48	

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APPENDIX C

**CERTAIN FINANCIAL AND OPERATING DATA OF
CENTRAL REGIONAL WASTEWATER SYSTEM ENTERPRISE FUND**

TRINITY RIVER AUTHORITY OF TEXAS

PROPRIETARY FUNDS STATEMENT OF NET POSITION NOVEMBER 30, 2021

	MAJOR ENTERPRISE FUNDS			
	CENTRAL REGIONAL WASTEWATER	TARRANT COUNTY WATER SUPPLY	LIVINGSTON WALLISVILLE PROJECT	TEN MILE CREEK REGIONAL WASTEWATER
Assets				
Current Assets:				
Unrestricted Assets:				
Cash	\$ -	-	15,187	-
Equity in Pooled Cash and Investments	30,506,806	8,415,885	279,609	2,479,920
Accounts Receivable, Net of Allowance	42,337	23,310	31,162	6,383
Accounts Receivable - Contracting Parties	3,586,702	-	1,105,444	33,245
Contract Receivable - Current	-	-	-	-
Interest Receivable	-	-	-	-
System Contribution Receivable - Current	-	-	-	-
Due from Other Authority Funds	17,742	-	-	-
Due from (to) Restricted Assets	(10,000,000)	-	-	-
Prepays and Other Assets	211,730	6,571	4,472	106,905
Inventory	1,277,244	-	-	-
Total Unrestricted Assets	25,642,561	8,445,766	1,435,874	2,626,453
Restricted Assets:				
Equity in Pooled Cash and Investments	143,923,585	34,101,692	7,288,823	47,843,991
Money Market Fund	583,386	-	-	-
Accounts Receivable	634,718	-	-	-
Accounts Receivable - Contracting Parties	-	-	-	-
Accrued Investment Income	5	-	-	-
Due from (to) Current Assets	10,000,000	-	-	-
Prepays and Other Assets	675,000	-	-	-
Total Restricted Assets	155,816,694	34,101,692	7,288,823	47,843,991
Total Current Assets	181,459,255	42,547,458	8,724,697	50,470,444
Noncurrent Assets:				
Capital Assets:				
Land and Easements	35,214,552	4,399,928	52,283,347	5,528,614
Water Storage Rights	-	-	10,580,707	-
Sewage System and Extensions	1,483,659,635	-	-	211,040,964
Buildings	-	-	-	-
Recreational Facilities	-	-	-	-
Reservoir and Facilities	-	-	50,654,575	-
Water Transportation and Treatment Facilities	-	245,356,228	-	-
Machinery and Equipment	7,398,738	1,645,317	1,307,937	1,688,165
Construction-in-Progress	377,774,377	14,294,060	6,253,727	10,322,835
Accumulated Depreciation	(545,152,697)	(102,296,655)	(25,599,076)	(82,333,667)
Total Capital Assets, Net	1,358,894,605	163,398,878	95,481,217	146,246,911
Other Noncurrent Assets:				
Direct Financing Arrangement Receivable	-	-	-	-
Contract Receivable - Long Term	-	-	-	-
System Contribution Receivable, Less Current	-	-	-	-
Total Other Noncurrent Assets	-	-	-	-
Total Noncurrent Assets	1,358,894,605	163,398,878	95,481,217	146,246,911
Total Assets	\$ 1,540,353,860	205,946,336	104,205,914	196,717,355
Deferred Outflows of Resources				
Deferred Amount on Refunding	\$ 6,440,770	2,048,582	-	483,280
Other Post Employment Benefits	-	-	-	-
Total Deferred Outflows of Resources	\$ 6,440,770	2,048,582	-	483,280

	MAJOR ENTERPRISE FUNDS			
	CENTRAL REGIONAL WASTEWATER	TARRANT COUNTY WATER SUPPLY	LIVINGSTON WALLISVILLE PROJECT	TEN MILE CREEK REGIONAL WASTEWATER
Liabilities				
Current Liabilities:				
Payable from Unrestricted Assets:				
Accounts Payable and Accrued Expenses	\$ 2,224,607	369,234	100,989	338,673
Accounts Payable - Contracting Parties	8,388,620	3,877,086	-	1,615,369
Compensated Absences	74,295	13,758	18,724	7,583
Accrued Interest Payable	-	-	242,722	-
Due to Other Authority Funds	-	21,004	64,348	23,578
System Contribution Payable - Current	-	-	-	-
Unearned Revenue	1,840	955	365	-
Claims Payable	-	-	-	-
Obligations to Contracting Parties - Current	-	-	4,750,000	-
Contracts Payable - Current Maturities	-	-	150,554	-
Total Payable from Unrestricted Assets	10,689,362	4,282,037	5,327,702	1,985,203
Payable from Restricted Assets:				
Accounts and Retainage Payable	24,716,291	1,024,739	994,707	949,206
Accrued Interest Payable	12,406,430	1,738,844	-	1,581,546
Unearned Revenue	-	-	-	-
Revenue Bonds - Current Maturities	53,885,000	10,035,000	-	8,545,000
Total Payable from Restricted Assets	91,007,721	12,798,583	994,707	11,075,752
Total Current Liabilities	101,697,083	17,080,620	6,322,409	13,060,955
Long-Term Liabilities:				
Compensated Absences, Less Current	747,619	137,702	187,084	77,248
System Contribution Payable, Less Current	-	-	-	-
Unearned Revenue	-	-	-	-
Other Post Employment Benefits	-	-	-	-
Obligations to Contracting Parties, Less Current	-	-	60,733,732	-
Contracts Payable, Less Current Maturities	-	-	8,067,567	-
Revenue Bonds Payable, Less Current Maturities	986,288,366	113,025,260	-	121,000,766
Total Long-Term Liabilities, Net	987,035,985	113,162,962	68,988,383	121,078,014
Total Liabilities	\$ 1,088,733,068	130,243,582	75,310,792	134,138,969
Deferred Inflows of Resources				
Deferred Gain on Refunding	\$ -	-	-	-
Premium for Deferred Charges	-	-	-	-
Other Post Employment Benefits	-	-	-	-
Total Deferred Inflows of Resources	\$ -	-	-	-
Net Position				
Net Investment in Capital Assets	\$ 365,869,081	57,370,052	21,779,364	50,260,479
Restricted for:				
Debt Service	74,329,216	16,355,257	-	11,987,185
Construction	2,557,685	-	6,294,116	-
Other Purpose	1,100,000	-	-	250,000
Unrestricted	14,205,580	4,026,027	821,642	564,002
Total Net Position	\$ 458,061,562	77,751,336	28,895,122	63,061,666

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

TRINITY RIVER AUTHORITY OF TEXAS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2021

	MAJOR ENTERPRISE FUNDS			
	CENTRAL REGIONAL WASTEWATER	TARRANT COUNTY WATER SUPPLY	LIVINGSTON WALLISVILLE PROJECT	TEN MILE CREEK REGIONAL WASTEWATER
Operating Revenues:				
Wastewater Contract Revenue	\$ 152,455,021	-	-	20,179,345
Water Supply Contract Revenue	-	36,722,214	-	-
Water Storage Contract Revenue	-	-	12,647,054	-
Raw Water Contract Revenue	-	-	-	-
Direct Financing Arrangement Revenue	-	-	-	-
Recreational Facilities Fees	-	-	-	-
Reclaimed Wastewater Revenue	251,147	-	-	-
Professional Services	714,032	-	162,560	-
Insurance Premiums	-	-	-	-
Management Fees	-	-	-	-
Grant Revenue	-	-	7,367	-
Joint Project Administration	-	-	-	-
Other	4,120,070	1,184	157,035	2,037
Total Operating Revenues	157,540,270	36,723,398	12,974,016	20,181,382
Operating Expenses:				
Salaries and Benefits	14,486,129	2,541,538	2,216,415	1,819,444
Supplies	6,826,561	2,007,406	170,820	660,058
Other Services and Charges	31,498,278	17,427,361	6,702,850	4,434,401
Depreciation	32,939,488	6,033,975	931,458	4,501,619
Total Operating Expenses	85,750,456	28,010,280	10,021,543	11,415,522
Operating Income (Loss)	71,789,814	8,713,118	2,952,473	8,765,860
Non-Operating Revenues (Expenses):				
Interest Expense	(27,136,723)	(3,416,613)	(265,179)	(3,583,227)
Debt Issuance Costs	(734,477)	-	-	-
Investment Income (Loss)	194,576	27,772	6,477	37,549
Debt Related Fees	(51,172)	(11,471)	-	(8,204)
Gain (Loss) on Sale of Capital Assets	(3,430,290)	22,111	18,923	4,624
Other	84,898	3,933	1,471	40,697
Total Non-Operating Revenues (Expenses) - Net	(31,073,188)	(3,374,268)	(238,308)	(3,508,561)
Income (Loss) Before Contributions and Transfers	40,716,626	5,338,850	2,714,165	5,257,299
CONTRIBUTIONS	2,747,320	-	-	-
CONTRIBUTION REFUNDS	-	-	-	-
TRANSFERS IN	-	-	135,118	-
TRANSFERS OUT	(73,815)	-	-	-
Change in Net Position	43,390,131	5,338,850	2,849,283	5,257,299
Net Position - December 1, 2020	414,671,431	72,412,486	26,045,839	57,804,367
Net Position - November 30, 2021	\$ 458,061,562	77,751,336	28,895,122	63,061,666

TRINITY RIVER AUTHORITY OF TEXAS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2021

	MAJOR ENTERPRISE FUNDS			
	CENTRAL REGIONAL WASTEWATER	TARRANT COUNTY WATER SUPPLY	LIVINGSTON WALLISVILLE PROJECT	TEN MILE CREEK REGIONAL WASTEWATER
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 162,662,520	40,599,300	4,225,752	23,119,921
Cash Received from Other Authority Funds for Services	1,309,557	1,184	66,651	-
Cash Received on Direct Financing Arrangement	-	-	-	-
Cash Received from Claim Refunds	-	-	-	-
Cash Payments for Claims	-	-	-	-
Cash Payments for Premiums and Administration	-	-	-	-
Cash Payments to Customers	(3,102,959)	(6,514,877)	-	(1,317,905)
Cash Payments to Suppliers for Goods and Services	(29,492,676)	(17,833,254)	(1,430,694)	(3,376,850)
Cash Payments for Employee Services	(14,514,858)	(2,500,751)	(2,153,371)	(1,825,361)
Cash Payments to Other Authority Funds for Services	(9,070,789)	(1,538,006)	(894,835)	(1,630,958)
Cash from Other Sources	49,235	3,933	328,737	40,977
Net Cash Provided by (Used for) Operating Activities	107,840,030	12,217,529	142,240	15,009,824
Cash Flows from Non-Capital Financing Activities:				
Transfers from Other Authority Funds	-	-	-	-
Transfers to Other Authority Funds	(22,720)	-	-	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	(22,720)	-	-	-
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(91,760,851)	(11,327,106)	(2,769,309)	(8,683,910)
Principal Paid on Revenue Bond Maturities	(54,930,000)	(9,470,000)	-	(8,620,000)
Interest Paid on Revenue Bonds	(40,062,417)	(5,422,656)	-	(5,087,555)
Principal Payments on Contracts Payable	-	-	(145,855)	-
Interest Paid on Contracts Payable	-	-	(269,487)	-
Interest Paid on Retainage	(12,571)	(182)	-	(4,124)
Debt Related Fees	(54,150)	(11,667)	-	(10,164)
Net Proceeds from Issuance of Bonds	-	-	-	-
Cash Deposited in Trust for Defeasance of Debt	(2,110,098)	-	-	-
Debt Issuance Costs Paid	-	-	-	-
Debt Issuance Costs Refunded	2,174	-	-	-
Proceeds from the Sale of Capital Assets	-	-	13,031	-
Contribution Refunded	-	-	-	-
Contribution Received	2,747,320	-	-	-
Transfers from Other Authority Funds	-	-	135,118	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(186,180,593)	(26,231,611)	(3,036,502)	(22,405,753)
Cash Flows from Investing Activities:				
Cash Received for Investment Income	194,598	27,772	6,477	37,549
Net Cash Provided by (Used for) Investing Activities	194,598	27,772	6,477	37,549
Total Change in Cash and Cash Equivalents	(78,168,685)	(13,986,310)	(2,887,785)	(7,358,380)
Cash and Cash Equivalents, Beginning of Year	253,182,462	56,503,887	10,471,404	57,682,291
Cash and Cash Equivalents, End of Year	\$ 175,013,777	42,517,577	7,583,619	50,323,911

(continued -2)

	MAJOR ENTERPRISE FUNDS			
	CENTRAL REGIONAL WASTEWATER	TARRANT COUNTY WATER SUPPLY	LIVINGSTON WALLISVILLE PROJECT	TEN MILE CREEK REGIONAL WASTEWATER
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$ 71,789,814	8,713,118	2,952,473	8,765,860
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	32,939,488	6,033,975	931,458	4,501,619
Miscellaneous Income	84,898	3,933	1,471	40,697
Change in Assets and Liabilities:				
Accounts Receivable	(4,036)	-	31,415	(1,758)
Accounts Receivable - Contracting Parties	(1,971,758)	-	(183,730)	1,325,207
Claim Refunds Receivable	-	-	-	-
Contracts Receivable	-	-	-	-
Interest Receivable	-	-	-	-
Due from Other Authority Funds	(17,596)	-	-	-
Prepays and Other Assets	(26,695)	(145)	(4,236)	(5,708)
Inventory	(59,072)	-	-	-
Direct Financing Arrangement Receivable	-	-	-	-
Accounts Payable and Accrued Expenses	(97,110)	73,293	(197,871)	97,328
Compensated Absences	(82,079)	9,861	(1,421)	(33,983)
Accounts Payable - Contracting Parties	5,285,661	(2,637,791)	-	297,464
Due to Other Authority Funds	(2,192)	21,004	64,348	23,578
Unearned Revenue	707	281	365	(480)
Claims Payable	-	-	-	-
Obligations to Contracting Parties	-	-	(3,452,032)	-
OPEB Obligation	-	-	-	-
Premium for Deferred Charges	-	-	-	-
Total Adjustments	36,050,216	3,504,411	(2,810,233)	6,243,964
Net Cash Provided by (Used for) Operating Activities	\$ 107,840,030	12,217,529	142,240	15,009,824
Supplemental Noncash Disclosures:				
Gain/Loss on Disposal of Capital Assets	\$ (3,465,654)	-	-	-
Amortization of Bond Premium/Discount	(14,024,052)	(2,222,437)	-	(1,489,869)
Amortization of Gain/Loss on Refunding	787,296	353,718	-	97,645
Change in Liabilities Related to Capital Assets	1,707,023	(597,704)	439,635	(2,253,578)
Change in Assets Related to Capital Assets	35,364	23,310	5,892	4,625
Bond Proceeds Deposited in Trust for Defeasance of Debt	(85,539,708)	-	-	-
Bond Issuance Costs Retained from Bond Proceeds	(737,387)	-	-	-
Transfer of Capital Assets	(51,095)	-	-	-
Capital Asset Contributions	-	-	-	-
RECONCILIATION OF CASH AND CASH EQUIVALENTS AT END OF YEAR:				
Unrestricted Assets:				
Cash	\$ -	\$ -	15,187	\$ -
Equity in Pooled Cash and Investments	30,506,806	8,415,885	279,609	2,479,920
Restricted Assets:				
Cash	-	-	-	-
Equity in Pooled Cash and Investments	143,923,585	34,101,692	7,288,823	47,843,991
Money Market Fund	583,386	-	-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 175,013,777	\$ 42,517,577	\$ 7,583,619	\$ 50,323,911

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

TRINITY RIVER AUTHORITY OF TEXAS

NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF NET POSITION NOVEMBER 30, 2021

	DENTON CREEK REGIONAL WASTEWATER	RED OAK CREEK REGIONAL WASTEWATER	MOUNTAIN CREEK REGIONAL WASTEWATER	HUNTSVILLE REGIONAL WATER SUPPLY
Assets				
Current Assets:				
Unrestricted Assets:				
Cash	\$ -	-	-	-
Equity in Pooled Cash and Investments	28,026	971,627	2,028,163	1,044,552
Accounts Receivable, Net of Allowance	24,052	1,280	-	-
Accounts Receivable - Contracting Parties	1,267,841	426,775	14,997	-
Contract Receivable - Current	-	-	-	-
Interest Receivable	-	-	-	-
System Contribution Receivable - Current	-	-	331,578	-
Due from Other Authority Funds	29	1,039	-	5
Prepays and Other Assets	48,829	28,663	15,496	2,144
Total Unrestricted Assets	1,368,777	1,429,384	2,390,234	1,046,701
Restricted Assets:				
Equity in Pooled Cash and Investments	43,851,568	60,027,585	27,335,282	-
Money Market Fund	1,126,117	-	-	-
Accounts Receivable	-	2,165	-	-
Accounts Receivable - Contracting Parties	-	-	-	-
Accrued Investment Income	9	-	-	-
Total Restricted Assets	44,977,694	60,029,750	27,335,282	-
Total Current Assets	46,346,471	61,459,134	29,725,516	1,046,701
Noncurrent Assets:				
Capital Assets:				
Land and Easements	4,137,985	5,617,402	893,679	349,469
Water Storage Rights	-	-	-	-
Sewage System and Extensions	156,383,430	85,724,989	23,939,009	-
Buildings	-	-	-	-
Recreational Facilities	-	-	-	-
Water Transportation and Treatment Facilities	-	-	-	48,787,959
Machinery and Equipment	384,991	254,160	373,881	750,672
Construction-in-Progress	20,582,744	9,707,963	21,224,543	-
Accumulated Depreciation	(41,263,298)	(21,264,447)	(7,610,692)	(25,204,453)
Total Capital Assets, Net	140,225,852	80,040,067	38,820,420	24,683,647
Other Noncurrent Assets:				
Direct Financing Arrangement Receivable	-	-	-	-
Contract Receivable - Long Term	-	-	-	-
System Contribution Receivable, Less Current	-	-	1,292,553	-
Total Other Noncurrent Assets	-	-	1,292,553	-
Total Noncurrent Assets	140,225,852	80,040,067	40,112,973	24,683,647
Total Assets	\$ 186,572,323	141,499,201	69,838,489	25,730,348
Deferred Outflows of Resources				
Deferred Amount on Refunding	\$ 269,355	442,353	-	-
Total Deferred Outflows of Resources	\$ 269,355	442,353	-	-

	DENTON CREEK REGIONAL WASTEWATER	RED OAK CREEK REGIONAL WASTEWATER	MOUNTAIN CREEK REGIONAL WASTEWATER	HUNTSVILLE REGIONAL WATER SUPPLY
Liabilities				
Current Liabilities:				
Payable from Unrestricted Assets:				
Accounts Payable and Accrued Expenses	\$ 248,595	67,000	101,711	146,040
Accounts Payable - Contracting Parties	619,553	1,020,027	1,398,605	371,988
Compensated Absences	3,242	11,886	1,210	3,381
Accrued Interest Payable	-	-	-	-
Due to Other Authority Funds	40,139	-	7,546	9,221
System Contribution Payable - Current	-	-	331,578	-
Unearned Revenue	-	-	-	-
Contracts Payable - Current Maturities	-	-	-	-
Total Payable from Unrestricted Assets	911,529	1,098,913	1,840,650	530,630
Payable from Restricted Assets:				
Accounts and Retainage Payable	1,815,583	2,078,753	1,694,271	-
Accrued Interest Payable	1,644,837	1,168,210	625,263	-
Unearned Revenue	24,739	-	-	-
Revenue Bonds - Current Maturities	8,285,000	4,995,000	1,895,000	-
Total Payable from Restricted Assets	11,770,159	8,241,963	4,214,534	-
Total Current Liabilities	12,681,688	9,340,876	6,055,184	530,630
Long-Term Liabilities:				
Compensated Absences, Less Current	32,408	119,108	11,866	33,636
System Contribution Payable, Less Current	-	-	1,292,553	-
Unearned Revenue	-	-	-	-
Contracts Payable, Less Current Maturities	-	-	-	-
Revenue Bonds Payable, Less Current Maturities	131,346,511	111,455,725	53,198,345	-
Total Long-Term Liabilities, Net	131,378,919	111,574,833	54,502,764	33,636
Total Liabilities	\$ 144,060,607	120,915,709	60,557,948	564,266
Deferred Inflows of Resources				
Deferred Gain on Refunding	\$ 23,257	8,699	-	-
Premium for Deferred Charges	-	-	-	-
Total Deferred Inflows of Resources	\$ 23,257	8,699	-	-
Net Position				
Net Investment in Capital Assets	\$ 26,136,806	9,297,636	4,491,056	24,683,647
Restricted for:				
Debt Service	16,096,168	11,483,147	4,238,985	-
Construction	-	-	-	-
Other Purpose	100,000	25,000	12,782	-
Unrestricted	424,840	211,363	537,718	482,435
Total Net Position	\$ 42,757,814	21,017,146	9,280,541	25,166,082

TRINITY RIVER AUTHORITY OF TEXAS

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2021

	DENTON CREEK REGIONAL WASTEWATER	RED OAK CREEK REGIONAL WASTEWATER	MOUNTAIN CREEK REGIONAL WASTEWATER	HUNTSVILLE REGIONAL WATER SUPPLY
Operating Revenues:				
Wastewater Contract Revenue	\$ 18,751,461	10,809,793	5,293,794	-
Water Supply Contract Revenue	-	-	-	5,250,632
Water Storage Contract Revenue	-	-	-	-
Raw Water Contract Revenue	-	-	-	-
Direct Financing Arrangement Revenue	-	-	-	-
Recreational Facilities Fees	-	-	-	-
Other	-	-	67,593	-
Total Operating Revenues	18,751,461	10,809,793	5,361,387	5,250,632
Operating Expenses:				
Salaries and Benefits	1,163,681	785,045	710,305	656,367
Supplies	723,370	136,687	79,114	1,003,976
Other Services and Charges	4,510,355	1,792,518	1,211,218	3,559,045
Depreciation	3,871,297	1,728,941	693,658	1,126,424
Total Operating Expenses	10,268,703	4,443,191	2,694,295	6,345,812
Operating Income (Loss)	8,482,758	6,366,602	2,667,092	(1,095,180)
Non-Operating Revenues (Expenses):				
Interest Expense	(3,457,178)	(2,642,917)	(1,353,425)	(21,690)
Debt Issuance Costs	-	(656,258)	-	-
Investment Income (Loss)	32,559	26,481	27,503	3,517
Debt Related Fees	(19,410)	(11,018)	(7,028)	(1,423)
Gain (Loss) on Sale of Capital Assets	8,926	(2,806,664)	-	-
Other	40,446	120	-	2
Total Non-Operating Revenues (Expenses) - Net	(3,394,657)	(6,090,256)	(1,332,950)	(19,594)
Income (Loss) Before Contributions	5,088,101	276,346	1,334,142	(1,114,774)
CONTRIBUTIONS	-	-	-	-
CONTRIBUTION REFUNDS	-	-	-	(382,787)
TRANSFERS IN	-	-	-	-
Change in Net Position	5,088,101	276,346	1,334,142	(1,497,561)
Net Position - December 1, 2020	37,669,713	20,740,800	7,946,399	26,663,643
Net Position - November 30, 2021	\$ 42,757,814	21,017,146	9,280,541	25,166,082

TRINITY RIVER AUTHORITY OF TEXAS

NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2021

	DENTON CREEK REGIONAL WASTEWATER	RED OAK CREEK REGIONAL WASTEWATER	MOUNTAIN CREEK REGIONAL WASTEWATER	HUNTSVILLE REGIONAL WATER SUPPLY
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 18,463,473	12,178,756	6,690,321	5,579,854
Cash Received on Direct Financing Arrangement	-	-	-	-
Cash Payments to Customers	(915,595)	(928,361)	(359,854)	(152,487)
Cash Payments to Suppliers for Goods and Services	(4,181,012)	(1,324,078)	(831,280)	(2,240,939)
Cash Payments for Employee Services	(1,121,052)	(769,542)	(707,087)	(643,268)
Cash Payments to Other Funds for Services	(1,024,475)	(630,127)	(436,776)	(2,265,091)
Cash from Other Sources	25,321	-	-	2
Net Cash Provided by (Used For) Operating Activities	11,246,660	8,526,648	4,355,324	278,071
Cash Flows from Non-Capital Financing Activities:				
Transfer from Other Authority Funds	-	-	-	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	-	-	-	-
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(8,997,377)	(9,762,076)	(12,437,902)	(19,773)
Principal Paid on Revenue Bond Maturities	(7,725,000)	(4,880,000)	(1,185,000)	(1,920,000)
Interest Paid on Revenue Bonds	(4,787,534)	(3,534,627)	(1,922,581)	(57,600)
Principal Paid on Contracts Payable	-	-	-	-
Interest Paid on Contracts Payable	-	-	-	-
Interest Paid on Retainage	(3,771)	(269)	(1,743)	-
Debt Related Fees	(18,478)	(12,126)	(7,957)	(1,483)
Net Proceeds from Issuance of Bonds	-	25,989,289	-	-
Cash Deposited in Trust for Defeasance of Debt	-	-	-	-
Debt Issuance Costs Paid	-	(250,365)	-	-
Debt Issuance Costs Refunded	7,014	-	-	-
Contributions Refunded	-	-	-	(382,787)
Contributions Received	-	-	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(21,525,146)	7,549,826	(15,555,183)	(2,381,643)
Cash Flows from Investing Activities:				
Cash Received for Investment Income	32,559	26,481	27,503	3,517
Net Cash Provided by (Used For) Investing Activities	32,559	26,481	27,503	3,517
Total Change in Cash and Cash Equivalents	(10,245,927)	16,102,955	(11,172,356)	(2,100,055)
Cash and Cash Equivalents, Beginning of Year	55,251,638	44,896,257	40,535,801	3,144,607
Cash and Cash Equivalents, End of Year	\$ 45,005,711	60,999,212	29,363,445	1,044,552

	DENTON CREEK REGIONAL WASTEWATER	RED OAK CREEK REGIONAL WASTEWATER	MOUNTAIN CREEK REGIONAL WASTEWATER	HUNTSVILLE REGIONAL WATER SUPPLY
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$ 8,482,758	6,366,602	2,667,092	(1,095,180)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	3,871,297	1,728,941	693,658	1,126,424
Miscellaneous Income	40,446	120	-	2
Change in Assets and Liabilities:				
Accounts Receivable	(15,125)	(120)	-	-
Accounts Receivable - Contracting Parties	(907,541)	348,935	(2,078)	-
Contracts Receivable	-	-	-	-
Interest Receivable	-	-	-	-
Due from Other Authority Funds	12	9,562	5,670	37
Prepays and Other Assets	(1,847)	(911)	(587)	(109)
Direct Financing Arrangement Receivable	-	-	-	-
Accounts Payable and Accrued Expenses	34,414	(19,519)	24,885	59,691
Compensated Absences	(1,192)	3,950	(1,460)	1,252
Accounts Payable - Contracting Parties	(296,042)	91,667	1,038,750	219,501
Due to Other Authority Funds	40,139	(2,579)	(3,013)	9,221
Unearned Revenue	(659)	-	(67,593)	(42,768)
Premium for Deferred Charges	-	-	-	-
Total Adjustments	2,763,902	2,160,046	1,688,232	1,373,251
Net Cash Provided by (Used For) Operating Activities	\$ 11,246,660	8,526,648	4,355,324	278,071
Supplemental Noncash Disclosures:				
Gain/Loss on Disposal of Capital Assets	\$ -	(2,807,172)	-	-
Amortization of Bond Premium/Discount	(1,561,334)	(973,693)	(553,972)	-
Amortization of Gain/Loss on Refunding	33,077	61,406	-	(16,710)
Change in Liabilities Related to Capital Assets	(1,485,336)	(952,745)	(625,166)	-
Change in Assets Related to Capital Assets	8,926	509	-	-
Bond Proceeds Deposited in Trust for Defeasance of Debt	-	(7,795,405)	-	-
Bond Issuance Costs Retained from Bond Proceeds	-	(408,709)	-	-

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APPENDIX D

FORM OF BOND COUNSEL'S OPINION

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Proposed Form of Opinion of Bond Counsel

*An opinion in substantially the following form will be delivered by McCall,
Parkhurst & Horton L.L.P., Bond Counsel, upon the delivery of the
Bonds, assuming no material changes in facts or law.*

**TRINITY RIVER AUTHORITY OF TEXAS
REGIONAL WASTEWATER SYSTEM REVENUE BONDS, SERIES 2022**

IN THE AGGREGATE PRINCIPAL AMOUNT OF \$130,805,000

AS BOND COUNSEL FOR THE TRINITY RIVER AUTHORITY OF TEXAS (the **Issuer**) of the Bonds described above (the **Bonds**), we have examined into the legality and validity of the Bonds, which are payable, bear interest and are subject to further provisions, all in accordance with the terms and conditions stated in the text of the Bonds and the resolution of the Issuer authorizing the issuance of the Bonds, including the Pricing Certificate of General Manager authorized thereby (collectively, the **Resolution**).

WE HAVE EXAMINED the Constitution and laws of the State of Texas, certified copies of the proceedings of the Issuer and other documents authorizing and relating to the issuance of said Bonds, including one of the executed Bonds (Bond Number T-1).

BASED ON SAID EXAMINATION, IT IS OUR OPINION that said Bonds have been authorized, issued and duly delivered in accordance with law; and that except as may be limited by laws applicable to the Issuer relating to federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, which rights may be limited by general principles of equity which permit the exercise of judicial discretion, (i) the covenants and agreements in the Resolution constitute valid and binding obligations of the Issuer, and the Bonds constitute valid and legally binding special obligations of the Issuer, which, together with other bonds, are secured by and payable from a first lien on and pledge of the Issuer's **Net Revenues** from the **Contracts** (as such terms are defined in the Resolution) between the Authority and the Contracting Parties specified in the Resolution, being the Town of Addison and the Cities of Arlington, Bedford, Carrollton, Cedar Hill, Colleyville, Coppell, Dallas, Duncanville, Euless, Farmers Branch, Fort Worth, Grand Prairie, Grapevine, Hurst, Irving, Keller, Mansfield, North Richland Hills, and Southlake, Texas, and the Dallas-Fort Worth International Airport Board, and which may in the future include additional parties, and (ii) said Contracts are authorized by law, have been duly executed, are valid, and are legally binding upon and enforceable by the parties thereto in accordance with their terms and provisions.

THE ISSUER has reserved the right, subject to the restrictions stated in the Resolution, to issue additional parity revenue bonds which also may be secured by and made payable from a first lien on and pledge of the aforesaid Net Revenues on a parity with the Bonds.



THE ISSUER also has reserved the right, subject to the restrictions stated in the Resolution, to amend the Resolution with the approval of owners of two-thirds of the aggregate principal amount of all outstanding parity bonds which are secured by and payable from a first lien on and pledge of the aforesaid Net Revenues.

THE REGISTERED OWNERS of the Bonds shall never have the right to demand payment of the principal thereof or interest thereon from any source whatsoever other than specified in the Resolution.

IT IS FURTHER OUR OPINION, except as discussed below, that the interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date of this opinion. We are further of the opinion that the Bonds are not "specified private activity bonds" and that, accordingly, interest on the Bonds will not be included as an individual or corporate alternative minimum tax preference item under Section 57(a)(5) of the Internal Revenue Code of 1986 (the *Code*). In expressing the opinions, we have relied on, and assume compliance by the Issuer with, certain covenants regarding the use and investment of the proceeds of the Bonds and the use of the property financed therewith. We call your attention to the fact that if such representations are determined to be inaccurate or upon failure by the Issuer to comply with such covenants, interest on the Bonds may become includable in gross income retroactively to the date of issuance of the Bonds.

EXCEPT AS STATED ABOVE, we express no opinion as to any other federal, state or local tax consequences of acquiring, carrying, owning or disposing of the Bonds.

WE EXPRESS NO OPINION as to any insurance policies issued with respect to the payments due for the principal of and interest on the Bonds, nor as to any such insurance policies issued in the future.

OUR SOLE ENGAGEMENT in connection with the issuance of the Bonds is as Bond Counsel for the Issuer, and, in that capacity, we have been engaged by the Issuer for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas, and with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes, and for no other reason or purpose. We have not been requested to investigate or verify, and have not independently investigated or verified any records, data, or other material relating to the financial condition or capabilities of the Issuer or the Initial Contracting Parties or the disclosure thereof in connection with the sale of the Bonds and have not assumed any responsibility with respect thereto or with respect to the adequacy of the Net Revenues. We express no opinion and make no comment with respect to the marketability of the Bonds and have relied solely on certificates executed by officials of the Issuer as to the current outstanding indebtedness of, and sufficiency of the Net Revenues. Our role in connection with the Issuer's offering document prepared for use in connection with the sale of the Bonds has been limited as described therein.



OUR OPINIONS ARE BASED ON EXISTING LAW, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of a result and are not binding on the Internal Revenue Service (the *Service*). Rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the Issuer as the taxpayer. We observe that the Issuer has covenanted not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

Respectfully,

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