

AGENDA

TO: THE BOARD OF DIRECTORS OF MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY, COMAL COUNTY, TEXAS, AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Meyer Ranch Municipal Utility District of Comal County will hold a special meeting on October 14, 2020 at 2:00 p.m.

In accordance with the Governor's emergency proclamation suspending certain provisions of the Texas Open Meetings Act effective March 16, 2020 in response to the COVID-19 virus, the meeting will be conducted remotely. All persons, including members of the public, may participate in the meeting by using the instructions below.

Weblink Instructions:

Members of the public may join the meeting through the following web link:
<https://global.gotomeeting.com/join/171471677>

Telephonic Instructions:

Members of the public may join the meeting telephonically by dialing the following telephone number: +1 (571) 317-3122

When your call is answered and when prompted, enter in the following Meeting ID below followed by the pound sign (#): 171-471-677

Public Comment:

Public comment will be allowed during the Public Comment agenda item.

Meeting Packet:

A copy of the meeting packet is available at the following website: <https://txdistrictinfo.org>

Meeting Topics:

The meeting will be held for the following purposes:

1. Public Comment.
2. Consider and take action regarding the potential sale and issuance of \$3,375,000 Meyer Ranch Municipal Utility District of Comal County Unlimited Tax Road Bonds, Series 2020 (the "Bonds")
 - A. Approve Preliminary Official Statement and Notice of Sale of the Bonds;

- B. Authorize Publication of Notice of Sale of the Bonds; and
 - C. Authorize McGrath & Co., PLLC to proceed with preparation of Agreed Upon Procedures Report relating to disbursement of Bond proceeds and calculation of Developer Interest.
3. Consider and take action regarding approval of the minutes from the Board of Directors' September 11, 2020 meeting.
 4. Consider and take action regarding District utility operations, maintenance and service matters.
 - a. Receive Operator's Report regarding monthly operations; and
 - b. Consider, take action, and approve Wastewater and Drainage System Repairs and Maintenance.
 5. Consider and take action regarding Engineer's Report:
 - c. Engineer's Status Report Regarding Ongoing Design, Permitting and Construction Projects.
 - d. Approval of Award of Contract(s) by CCD Meyer Ranch Land LLC for Construction of Public Infrastructure Improvements
 - e. Approval of Construction Pay Estimates and Change Orders for Construction of Public Infrastructure Improvements:
 - i. Meyer Ranch Unit 1 & 2 Water, Sewer and Drainage Infrastructure Improvements;
 - ii. Meyer Ranch Unit 3 Water, Sewer and Drainage Infrastructure Improvements;
 - iii. Meyer Ranch Unit 4 Water, Sewer and Drainage Infrastructure Improvements;
 - iv. Meyer Ranch Unit 5 Water, Sewer and Drainage Infrastructure Improvements;
 - v. Meyer Ranch Units 6 and 7 Water, Sewer and Drainage Infrastructure Improvements;
 - vi. Meyer Ranch Wastewater Treatment Plant Site Utilities; and
 - vii. Meyer Ranch Resource Recovery and Reuse System Site Package 2 (Wastewater Treatment Plant Facility).
 6. Consider and take action regarding Wastewater Treatment and Disposal Services:

- a. Status report, discussion and possible action regarding Construction of Meyer Ranch Water Resource Recovery Facility and Reuse System Site Package 2 (wastewater treatment plant facility improvements); and
 - b. Status report, discussion and possible action regarding Lease for Interim Wastewater Treatment and Disposal Services.
7. Receive Developer's Report regarding the status of development and sales activities within the District.
8. Consider and take action regarding acceptance of conveyance of real property interests for public infrastructure projects.
9. Consider and take action regarding Bookkeepers Report and Payment of Bills and Invoices.

Anthony S. Corbett

Attorney for the District

The Board of Directors may go into Executive Session if necessary, pursuant to the applicable section of Subchapter D, Chapter 551, Texas Government Code, of the Texas Open Meetings Act, on any of the above matters. No final action, decision or vote will be taken on any subject or matter in Executive Session.

The District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call 512-328-2008 for further information.

OFFICIAL NOTICE OF SALE

\$3,375,000
MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY
(A Political Subdivision of the State of Texas Located in Comal County, Texas)
UNLIMITED TAX ROAD BONDS, SERIES 2020

Selling (Bids Due): Monday, November 16, 2020 at 9:00 AM, CST
Award Expected: 12:00 P.M., CST

The Bonds are obligations solely of Meyer Ranch Municipal Utility District of Comal County (the "District") and are not obligations of Comal Independent School District; Comal County, Texas; the State of Texas or any entity other than the District.

THE DISTRICT EXPECTS TO DESIGNATE THE BONDS AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

THE SALE

BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING . . . The Board of Directors (the "Board") of the District is inviting competitive bids for the purchase of \$3,375,000 Unlimited Tax Road Bonds, Series 2020 (the "Bonds"). Sealed bids may be submitted by either of three alternative procedures: (1) written bids; (2) electronic bids; or (3) telephone or facsimile bids. Prospective bidders may select one of the three alternative bidding procedures in their sole discretion. Neither the District nor its Financial Advisor, Specialized Public Finance Inc., assumes any responsibility or liability for a prospective bidding procedure.

The District and Specialized Public Finance Inc. assume no responsibility or liability with respect to any irregularities associated with the submission of bids by telephone, facsimile or electronic options.

Specialized Public Finance Inc. will not be responsible for submitting any bids received after the deadline. For the purpose of determining compliance with any and all time deadlines set forth in this Official Notice of Sale, for all alternative bidding procedures, the official time shall be the time maintained only by the Parity Electronic Bid Submission System ("PARITY").

PROCEDURE NUMBER 1: SEALED, WRITTEN BIDS DELIVERED IN PERSON . . . Bids, plainly marked "Bid for Bonds" should be addressed to "Board of Directors of Meyer Ranch Municipal Utility District of Comal County" and should be delivered to the District's Financial Advisor, Garry Kimball, Specialized Public Finance Inc., at 248 Addie Roy Road, Suite B-103, Austin, Texas 78746, by 9:00 A.M., CST, on November 16, 2020 ("the date of the bid opening").

PROCEDURE NUMBER 2: ELECTRONIC BIDDING PROCEDURES . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 9:00 A.M., CST, on the date of the bid opening. ***Bidders must also submit, by 9:00 A.M., CST, on the date of the bid opening, SIGNED Official Bid Forms to Garry Kimball, Specialized Public Finance Inc., 248 Addie Roy Road, Suite B-103, Austin, Texas 78746.***

Subscription to the i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid through PARITY. Further information about PARITY, including any fee charged, may be obtained from Dalcomp/Parity, 395 Hudson Street, New York, New York 10014, attention: Jennifer Emery (212) 806-8304.

The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe to the bidding system. An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. Neither Specialized Public Finance Inc. nor the District shall be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and Official Bid Form. If any provision of this Official Notice of Sale conflicts with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control.

For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the District, as described under "Basis of Award" below.

PROCEDURE NUMBER 3: BIDS BY TELEPHONE OR FACSIMILE . . . Bidders must submit by 9:00 A.M., CST, on the date of the bid opening, SIGNED Official Bid Forms to Garry Kimball, Specialized Public Finance Inc., at 248 Addie Roy Road, Suite B-103, Austin, Texas 78746, and submit their bid by telephone or facsimile (fax) by 9:00 A.M., CST, on the date of the bid opening.

Telephone bids will be accepted at (512) 275-7300, between 8:30 A.M. and 9:00 A.M., CST on the date of the bid opening.

Fax bids must be received between 8:30 A.M. and 9:00 A.M., CST, on the date of the bid opening at (512) 275-7305, attention: Garry Kimball.

PLACE AND TIME OF BID OPENING . . . The Board will publicly review and award the sale of the Bonds at the designated meeting place outside the boundaries of the District, at the offices of McLean & Howard, L.L.P. located at 901 South MoPac Expressway, Building II, Suite 225, Austin, Texas 78746 at 12:00 P.M., CST on Monday, November 16, 2020. All bids, including those being hand delivered, must be received by 9:00 A.M., CST on the date of the bid opening. Any bid received after the scheduled time for receipt will not be accepted by the Board and will be returned unopened.

AWARD OF BONDS . . . The District will take action to award the Bonds or reject any or all bids promptly upon the opening of bids. Upon awarding the Bonds to the winning bidder (the “Initial Purchaser”), the Board will adopt an order authorizing the issuance of the Bonds (the “Bond Order”). Sale of the Bonds will be made subject to the terms, conditions and provisions of the Bond Order, to which Bond Order reference is hereby made for all purposes. The District reserves the right to reject any and all bids and to waive any irregularities, except the time of filing.

WITHDRAWAL OF THE BIDS . . . Any bid may be withdrawn by an authorized representative of the bidder at any time prior to the time set for receipt of bids. Thereafter, all bids shall remain firm for six hours after the time for receipt of the bids. The award of or rejection of bids will occur within this time period.

EXTENSION OF SALE DATE . . . The District reserves the right to extend the date and/or time for the receipt of bids by giving notice, by Bond Buyer Wire Service, and by posting a notice at the place established for receipt of bids, not later than 3:00 PM, CST, on Friday, November 13, 2020 of the new date and time for receipt of bids. Such notice shall be considered an amendment to this Official Notice of Sale.

THE BONDS

DESCRIPTION OF BONDS . . . The Bonds will be dated December 16, 2020, and interest will accrue from the date of Initial Delivery (as defined herein), will be payable on August 15, 2021, and on each February 15 and August 15 thereafter until the earlier of 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, New York, New York (“DTC”) pursuant to the book-entry-only system described herein. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** The Bonds will be issued in fully registered form only, in denominations of \$5,000 or any integral multiple of \$5,000 for any one maturity, and principal and interest will be paid by BOKF, NA (the “Paying Agent/Registrar”) 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 Preliminary Official Statement (made a part hereof) for a more complete description of the Bonds, including redemption provisions. The Bonds will mature on August 15 in the years and amounts as follows:

MATURITY SCHEDULE

Maturity (August 15)	Principal Amount	Maturity (August 15)	Principal Amount
2023	\$ 70,000	2037	\$ 115,000
2024	70,000	2038	120,000
2025	75,000	2039	125,000
2026	75,000	2040	130,000
2027	80,000	2041	135,000
2028	80,000	2042	140,000
2029	85,000	2043	150,000
2030	90,000	2044	155,000
2031	95,000	2045	160,000
2032	95,000	2046	165,000
2033	100,000	2047	175,000
2034	105,000	2048	180,000
2035	110,000	2049	185,000
2036	115,000	2050	195,000

OPTIONAL REDEMPTION PROVISIONS . . . Bonds maturing on and after August 15, 2027, are subject to redemption prior to maturity, at the option of the District, as a whole or, from time to time in part, on August 15, 2026, or on any date thereafter, at a price of par plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. If less than all of the Bonds are redeemed at any time, the maturities of the Bonds to be redeemed shall be selected by the District.

MANDATORY SINKING FUND REDEMPTION . . . If the successful bidder designates principal amounts to be combined into one or more term bonds (“Term Bonds”), each such Term Bond shall be subject to mandatory sinking fund redemption commencing on August 15 of the first year which has been combined to form such Term Bond and continuing on August 15 in each year thereafter

until the stated maturity date of that Term Bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth above under the captioned "MATURITY SCHEDULE." Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par by lot or other customary method. The principal amount of Term Bonds to be mandatorily redeemed in each year shall be reduced by the principal amount of Term Bonds that have been redeemed in such year and have not been the basis for any prior optional redemption.

OTHER TERMS AND COVENANTS . . . Other terms of the Bonds and various covenants of the District are contained in the Bond Order, which is described in the Preliminary Official Statement, to which reference is made for all purposes.

SOURCE AND SECURITY OF PAYMENT . . . The Bonds will constitute valid and legally binding obligations of the District, with principal and interest payable solely from the proceeds of a continuing, direct, annual ad valorem tax levied against all taxable property located within the District, without legal limitation as to rate or amount. The Bonds are obligations solely of the District and are not obligations of Comal Independent School District; Comal County, Texas; the State of Texas or any entity other than the District.

BOOK-ENTRY-ONLY SYSTEM . . . The District intends to utilize the book-entry-only system of DTC. See "BOOK-ENTRY-ONLY SYSTEM" in the Preliminary Official Statement.

REGISTERED FORM REQUIREMENT . . . Section 149(a) of the Internal Revenue Code of 1986, as amended, requires that all tax-exempt obligations (with certain exceptions that do not include the Bonds) must be in registered form in order for the interest payable on such obligations to be excluded from the Registered Owners' income for federal income tax purposes.

SUCCESSOR PAYING AGENT/REGISTRAR . . . Provision is made in the Bond Order for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any paying agent/registrar selected by the District shall be a corporation organized and doing business under the laws of the United States of America or any state thereof subject to supervision or examination by federal or state banking authorities.

NO MUNICIPAL BOND RATING OR INSURANCE . . . The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made. No application has been made to any municipal bond insurance company for qualification of the Bonds for municipal bond insurance.

CONDITIONS OF SALE

TYPES OF BIDS AND INTEREST RATES . . . The Bonds will be sold in one block on an "all or none" basis at a price of not less than ninety-seven percent (97%) of the par value. Bidders are to name the rate or rates of interest to be borne by the Bonds, provided that each interest rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. The net effective interest rate on the Bonds may not exceed a rate which is three percentage points (3.00%) above the highest "20 Bond Index" as reported by the "Bond Buyer" during the thirty (30) day period prior to the date of this Official Notice of Sale. Subject to the conditions below, no limitation will be imposed upon bidders as to the number of interest rates that may be used, but the highest interest rate bid may not exceed the lowest interest rate bid by more than 3.0% in rate. All Bonds maturing within a single year must bear the same rate of interest. No bids for the Bonds involving supplemental interest rates will be considered. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid. No bid generating a cash premium greater than \$5,000 will be considered.

POST BID MODIFICATION OF PRINCIPAL AMOUNTS PER MATURITY . . . After selecting the winning bid, the aggregate principal amount of the Bonds per maturity and the principal amortization schedule may be adjusted as determined by the District and its Financial Advisor in \$5,000 increments to reflect the actual interest rates and to create a substantially level debt service schedule for the District. Such adjustments will not change the aggregate principal amount of the Bonds and will not change the aggregate principal amount per maturity by more than 15% from the amount set forth herein. The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. The District will use its best efforts to communicate to the winning bidder any such adjustments within four (4) hours after the opening of bids. Purchaser's compensation will be based upon the final par amount after any adjustments thereto, subsequent to the receipt and tabulation of the winning bid, within the aforementioned parameters.

In the event of any adjustment of the maturity schedule for the Bonds as described above, no rebidding or recalculation of the proposals submitted will be required or permitted. The bid price for such an adjustment will reflect changes in the dollar amount per maturity of the par amount of the Bonds from the selling compensation that would have been received based on the purchase price in the winning bid and the initial reoffering terms. Any such adjustments of the aggregate principal amount of the Bonds per maturity and/or of the maturity schedule for the Bonds made by the District or its Financial Advisor shall be subsequent to the award of the Bonds to the winning bidder as determined pursuant to conditions herein and shall not affect such determination. The winning bidder may not withdraw its bid as a result of any changes made within the aforementioned limits.

BASIS OF AWARD . . . For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the interest rate or rates specified therein, the total dollar value of all interest on the Bonds from the date of Initial Delivery to their respective maturities and adding thereto any discount bid, if any, or subtracting therefrom any premium bid, if any. The District reserves the right to reject any or all bids and to waive any and all irregularities except time of filing. Subject to such rights, the Bonds will be awarded to the bidder whose bid, under the above computation, produces the lowest net effective interest rate to the District. In the event mathematical discrepancies between the interest rate or rates and the interest costs determined therefrom, as both appear on the Official Bid Form, the bid will be solely governed by the interest rates shown on the Official Bid Form.

In order to provide the District with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Initial Purchaser will be required to provide the District with a breakdown of its “underwriting spread” among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 . . . In accordance with Texas Government Code Section 2252.908 (the “Interested Party Disclosure Act”), the District may not award the Bonds to a bidder unless the winning bidder either:

- (i) submits a Certificate of Interested Parties Form 1295 (the “TEC Form 1295”) to the District as prescribed by the Texas Ethics Commission (“TEC”), or
- (ii) certifies in the Official Bid Form that it is exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

In the event that the bidder’s bid for the Bonds is the best bid received, the District, acting through its financial advisor, will promptly notify the winning bidder. That notification will serve as the District’s conditional verbal acceptance of the bid, and, unless the bidder is exempt from filing a TEC Form 1295, such notification will obligate the winning bidder to promptly file a completed TEC Form 1295, as described below, in order to allow the District to complete the award. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein.

For purposes of completing the TEC Form 1295, box 2 is name of the governmental entity (*Meyer Ranch Municipal Utility District of Comal County*) and box 3 is the identification number assigned to this contract by the District (*Meyer Ranch MUD UTB 2020*) and description of the goods or services (*Purchase of the Meyer Ranch Municipal Utility District of Comal County Unlimited Tax Bonds, Series 2020*). **The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the “Disclosure Rules”) require certain business entities contracting with the District to complete the TEC Form 1295 electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, complete the unsworn declaration, sign, and deliver, in physical form, the certified TEC Form 1295 that is generated by the TEC’s “electronic portal” to the District. The completed and signed TEC Form 1295 must be sent by email, to the District’s financial advisor at garry@spfmuni.com, as soon as possible following the notification of conditional verbal acceptance and prior to the final written award.** Upon receipt of the final written award, the winning bidder must submit the TEC Form 1295 with original signatures by email to Bond Counsel as follows: tcorbett@mcleanhowardlaw.com.

To the extent that the bidder is not exempt from filing a TEC Form 1295 and therefor makes such filing with the District, the Interested Party Disclosure Act and the TEC Form 1295 provide that such declaration is made “under oath and under penalty of perjury.” Consequently, a bidder should take appropriate steps prior to completion of the TEC Form 1295 to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the TEC Form 1295. **Time will be of the essence in submitting the form to the District, and no final award will be made by the District regarding the sale of the Bonds until a completed TEC Form 1295 is received. The District reserves the right to reject any bid that does not satisfy the requirement of a completed TEC Form 1295, as described herein.** Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the conditional winning bid. Instructional videos on logging in and creating a certificate are provided on the TEC’s website at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

IMPACT OF BIDDING SYNDICATE ON AWARD . . . For purposes of contracting for the sale of the Bonds, the entity signing the bid form as Initial Purchaser shall be solely responsible for the payment of the purchase price of the Bonds. The Initial Purchaser may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the District is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

GOOD FAITH DEPOSIT . . . A Good Faith Deposit, payable to the “Meyer Ranch Municipal Utility District of Comal County” in the amount of \$67,500, is required. Such Good Faith Deposit shall be a wire transfer, bank cashier’s check or certified check (which is to be retained uncashed by the District pending the Initial Purchaser’s compliance with the terms of the bid and this Notice of Sale and Bidding Instructions). The Good Faith Deposit may be provided to the District via wire transfer (the District will provide wire instructions to the winning bidder), or in the form of a certified or cashier’s check. The Good Faith Deposit will be retained by the District and (a) (i) if the Initial Purchaser utilizes a cashier’s check as its Good Faith Deposit, said cashier’s

check will be returned to the Initial Purchaser after delivery of the Bonds, (ii) if the Initial Purchaser utilizes a wire transfer method for its Good Faith Deposit, said wire transfer will be applied to the purchase price at the delivery of the Bonds; or (b) will be retained by the District as liquidated damages if the Initial Purchaser defaults with respect to its purchase of the Bonds in accordance with its bid; or (c) will be returned to the Initial Purchaser if the Bonds are not issued by the District for any reason which does not constitute a default by the Initial Purchaser.

COMPLIANCE WITH LAW PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT ISRAEL AND CERTAIN COMPANIES ENGAGED IN BUSINESS WITH IRAN, SUDAN OR FOREIGN TERRORIST ORGANIZATIONS . . . Pursuant to Chapter 2270, Texas Government Code, the District will not award the Bonds to a bidder unless the bidder verifies that, at the time of execution and delivery of its bid and, except to the extent otherwise required by applicable federal law, to the date of the delivery of the Bonds, neither the bidder nor any syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott Israel. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended. Such verification is included in the Official Bid Form attached to this Notice of Sale. Further, by submission of a bid, and as a condition of the award and delivery of the Bonds, the bidder must represent that, pursuant to Section 2252.152 of the Texas Government Code, and except to the extent otherwise required or permitted by or under federal law, neither the bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the bidder (i) engages in business with Iran, Sudan, or foreign terrorist organization as defined in Section 2252.151(2), Texas Government Code or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code. At the request of the District, the bidder agrees to execute further written certification as may be necessary or convenient for the District to establish compliance with these laws.

DELIVERY AND ACCOMPANYING DOCUMENTS

INITIAL DELIVERY OF INITIAL BOND . . . Initial delivery (“Initial Delivery”) will be accomplished by the issuance of one initial bond payable in installments (collectively, the “Initial Bond”), either in typed or printed form, in the aggregate principal amount of \$3,375,000, registered in the name of the Initial Purchaser, manually signed by the President or Vice President and Secretary or Assistant Secretary of the Board, or executed by the facsimile signatures of the President or Vice President and Secretary or Assistant Secretary of the Board, and approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of Texas or his authorized deputy. Upon delivery of the Initial Bond, the Paying Agent/Registrar shall immediately cancel the Initial Bond and one definitive Bond for each maturity will be registered and delivered only to Cede & Co. in connection with DTC’s book-entry-only system. Initial Delivery will be at a corporate trust office of the Paying Agent/Registrar in Dallas, Texas. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Initial Purchaser will be given six (6) business days’ notice of the time fixed for delivery of the Bonds. It is anticipated that Initial Delivery can be made on or about December 16, 2020, and subject to the aforementioned notice it is understood and agreed that the Initial Purchaser will accept delivery of and make payment for the Bonds by 10:00 A.M., CST, on December 16, 2020, or thereafter on the date the Bonds are tendered for delivery, up to and including December 30, 2020. If for any reason the District is unable to make delivery on or before December 30, 2020, then the District shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (30) days. If the Initial Purchaser does not elect to extend its offer within six (6) business days thereafter, then its Good Faith Deposit will be returned, and both the District and the Initial Purchaser shall be relieved of any further obligation.

CUSIP NUMBERS . . . It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Initial Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. The Financial Advisor will obtain CUSIP identification numbers from the CUSIP Service Bureau, New York, New York prior to the date of sale. CUSIP identification numbers will be made available to the Initial Purchaser at the time the Bonds are awarded or as soon thereafter as practicable.

CONDITIONS TO DELIVERY . . . The obligation to take up and pay for the Bonds is subject to the following conditions: issuance of an approving opinion of the Attorney General of Texas, the Initial Purchaser’s receipt of typewritten bonds, the legal opinion of Bond Counsel, and the No-Litigation Certificate, all of which are described herein, and the non-occurrence of the events described below under the caption “No Material Adverse Change.” In addition, if the District fails to comply with its obligations described in the Preliminary Official Statement, the Initial Purchaser may terminate its contract to purchase the Bonds by delivering written notice to the District within five (5) days thereafter.

LEGAL OPINIONS . . . The District will furnish without cost to the Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the unqualified approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and binding obligations of the District, payable from the proceeds of an annual ad valorem tax levied, without legal limit as to rate or amount, upon all taxable property within the District, and, based upon an examination of such transcript of proceedings, the approving legal opinion of McLean & Howard, L.L.P., Austin, Texas, to the effect that the Bonds are valid and binding obligations of the District payable from the sources and enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by governmental immunity, bankruptcy,

insolvency, reorganization, moratorium or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principal of equity and the tax opinion of McCall, Parkhurst and Horton L.L.P. to the effect that the interest on the Bonds is 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."

ESTABLISHING THE ISSUE PRICE FOR THE BONDS . . . The District intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of municipal bonds), which require, among other things, that the District receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the "Competitive Sale Requirement").

In the event that the bidding process does not satisfy the Competitive Sale Requirement bids will **not** be subject to cancellation and the winning bidder (i) agrees to promptly report to the District the first prices at which at least 10% of each maturity of the Bonds (the "First Price Maturity") have been sold to the Public on the Sale Date (the "10% Test") and (ii) agrees to hold-the-offering-price of each maturity of the Bonds that does not satisfy the 10% Test ("Hold-the-Price Maturity"), as described below.

In order to provide the District with information that enables it to comply with the establishment of the issue price of the Bonds under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the District or to the District's financial advisor, (the "District's Financial Advisor") a certification as to the Bonds' "issue price" (the "Issue Price Certificate") substantially in the form and to the effect accompanying this Notice of Sale, within 5 business days of the Closing Date. In the event the winning bidder will not reoffer any maturity of the Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the District. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

For purposes of this section of this Notice of Sale:

- (i) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to the Underwriter,
- (ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),
- (iii) "Related Party" means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "Sale Date" means the date that the Bonds are awarded by the District to the winning bidder.

All actions to be taken by the District under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District's Financial Advisor, and any notice or report to be provided to the District may be provided to the District's Financial Advisor.

The District will consider any bid submitted pursuant to this Notice of Sale to be a firm offer for the purchase of the Bonds, as specified in the bid and, if so stated, in the Official Bid Form.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the

10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wire.

By submitting a bid, the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell any Hold-the-Price Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of (1) the close of the fifth (5th) business day after the Sale Date; or (2) the date on which the Underwriters have sold at least 10% of that Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public. The winning bidder shall promptly advise the District when the Underwriters have sold 10% of a Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

CERTIFICATION REGARDING OFFERING PRICE OF BONDS: In order to provide the District with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended (the “Code”) relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Initial Purchaser will be required to complete, execute and deliver to the District (on or before the date of delivery of the Bonds) a certification regarding “issue price” substantially in the form accompanying this Official Notice of Sale. If the Initial Purchaser will not reoffer the Bonds for sale or has not sold a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in a manner approved by the District. In no event will the District fail to deliver the Bonds as a result of the Initial Purchaser’s inability to certify actual sales of Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the date of delivery of the Bonds if its bid is accepted by the District. It will be the responsibility of the Initial Purchaser to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

NO-LITIGATION CERTIFICATE . . . With the delivery of the Bonds, the President or Vice President and Secretary or Assistant Secretary of the Board will, on behalf of the District, execute and deliver to the Initial Purchaser a certificate dated as of the date of delivery, to the effect that no litigation of any nature of which the District has notice is pending against or, to the best knowledge of the District’s certifying officers, threatened against the District, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the authorization, execution or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for authorization, execution or delivery of the Bonds; or affecting the validity of the Bonds, the corporate existence or boundaries of the District or the title of the then present officers and directors of the Board.

NO MATERIAL ADVERSE CHANGE . . . The obligations of the District to deliver the Bonds and of the Initial Purchaser to accept delivery of and pay for the Bonds are subject to the condition that to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the conditions of the District from those set forth in or contemplated by the Official Statement, as it may have been supplemented or amended through the date of sale.

QUALIFIED TAX-EXEMPT OBLIGATIONS . . . The District expects to designate the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b) of the Code and will represent that the total amount of tax-exempt obligations (including the Bonds) issued by it during the calendar year 2020 is not expected to exceed \$10,000,000. See “TAX MATTERS – Qualified Tax-Exempt Obligations for Financial Institutions.”

GENERAL CONSIDERATIONS

RISK FACTORS . . . The Bonds involve certain risk factors. Prospective bidders are urged to examine carefully the entire Preliminary Official Statement, made a part hereof, with respect to the investment security of the Bonds. Particular attention should be given to the information set forth therein under the caption “RISK FACTORS.”

RESERVATION OF RIGHTS . . . The District reserves the right to reject any and all bids and to waive any and all irregularities except time of filing.

NOT AN OFFER TO SELL . . . This Official Notice of Sale does not alone constitute an offer to sell the Bonds but is merely notice of sale of the Bonds. The invitation for bids on the Bonds is being made by means of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form.

FINAL OFFICIAL STATEMENT . . . The District has prepared and authorized distribution of the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but does not presently intend to prepare any other document or version for such purpose except as described below. The District will be responsible for completing the Official Statement by inserting the interest rates and the purchase price bid by the Initial Purchaser and the initial public offering yields as provided by the Initial Purchaser to the District, and for preparing and inserting the final debt service schedule. The District does not intend to amend or supplement the Official Statement otherwise, except to take into account certain subsequent events, if any, as described below in “– Changes to Official Statement.” Accordingly, the District deems the accompanying Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for the omission of the foregoing items. By delivering

the final Official Statement or any amendment or supplement thereto in the requested quantity to the purchaser on or after the sale date, the District represents the same to be complete as of such date, within the meaning of SEC Rule 15c2-12(e)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are or will be made by the District are those described in the Preliminary Official Statement under “PREPARATION OF OFFICIAL STATEMENT – Certification of Official Statement.”

CHANGES TO OFFICIAL STATEMENT . . . If, subsequent to the date of the Official Statement to and including the date the Initial Purchaser is no longer required to provide an Official Statement to potential customers who request the same pursuant to 15c2-12 of the federal Securities Exchange Act of 1934 (the “Rule”) (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from a nationally recognized repository but in no case less than 25 days after the “end of the underwriting period”), the District learns or is notified by the Initial Purchaser of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the District will promptly prepare and supply to the Initial Purchaser a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Initial Purchaser, unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds as described above. See “DELIVERY AND ACCOMPANYING DOCUMENTS – Conditions to Delivery.” The obligation of the District to update or change the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser (the “end of the underwriting period” within the meaning of the Rule), unless the Initial Purchaser provides written notice to the District that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation to update or change the Official Statement will extend for an additional period of time of 25 days after all the Bonds have been sold to ultimate customers (but not more than 90 days after the date the District delivers the Bonds to the Initial Purchaser). In the event the Initial Purchaser provides written notice to the District that less than all of the Bonds have been sold to ultimate customers, the Initial Purchaser agrees to notify the District in writing following the occurrence of the “end of the underwriting period” as defined in the Rule.

DELIVERY OF OFFICIAL STATEMENTS . . . The District will furnish Official Statements to the Initial Purchaser (and to each participating member of the underwriting syndicate, if any, of the Bonds, within the meaning of the Rule, designated by the Initial Purchaser), within seven (7) business days after the sale date. The District will also furnish to the Initial Purchaser a like number of any supplement or amendment prepared by the District for dissemination to potential purchasers of the Bonds as described above as well as such additional copies of the Official Statement or any supplement or amendment as the Initial Purchaser may reasonably request as described above in “– Changes to Official Statement” above.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE . . . The offer and sale of the Bonds has not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder; and the Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, nor have the Bonds been registered or qualified under the securities acts of any other jurisdiction. The District assumes no responsibility for registration or 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 registration or 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 or qualification provisions. By submission of its bid, the Initial Purchaser represents that the sale of the Bonds in states other than the State of Texas will be made pursuant to exemptions from registration or qualification, or where necessary, the Initial Purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the Initial Purchaser, at the Initial Purchaser’s written request and expense, in registering or qualifying the Bonds or obtaining an exemption from registration or qualification (other than filing a consent to service of process in such state), in any state where such action is necessary.

CONTINUING DISCLOSURE . . . The District will agree in the Bond Order to provide certain periodic information and notices of certain specified events in accordance with the Rule, as described in the Preliminary Official Statement under “CONTINUING DISCLOSURE OF INFORMATION.” The Initial Purchaser’s obligation to accept and pay for the Bonds is conditioned upon delivery to the Initial Purchaser(s) or its (their) agent of a certified copy of the Bond Order containing the agreement described under such heading.

ADDITIONAL COPIES OF DOCUMENTS . . . Additional copies of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form may be obtained from the Financial Advisor, Garry Kimball, Specialized Public Finance Inc., 248 Addie Roy Road, Suite B-103, Austin, Texas 78746.

TOMMY TUCKER

President
Board of Directors
Meyer Ranch Municipal Utility District of Comal County

November 2, 2020

OFFICIAL BID FORM

President and Board of Directors
Meyer Ranch Municipal Utility District of Comal County
c/o Specialized Public Finance Inc.
248 Addie Roy Road, Suite B-103
Austin, Texas 78746

Board of Directors:

We have read in detail your Official Notice of Sale and accompanying Preliminary Official Statement dated November 2, 2020, relating to the Meyer Ranch Municipal Utility District of Comal County (the "District") and its \$3,375,000 Unlimited Tax Road Bonds, Series 2020 (the "Bonds"), as made a part hereof. We realize that the Bonds involve certain risk factors, and we have made inspections and investigations as we deem necessary relating to the District and to the investment quality of the Bonds.

For your legally issued Bonds, in the aggregate principal amount of \$3,375,000, we will pay you a price of \$ _____, representing approximately _____% of the par value. Such Bonds mature August 15, in each of the years and in the amounts and interest rates shown below:

Maturity (August 15)	Principal Amount	Interest Rate	Maturity (August 15)	Principal Amount	Interest Rate
2023	\$ 70,000	%	2037	\$ 115,000	%
2024	70,000	%	2038	120,000	%
2025	75,000	%	2039	125,000	%
2026	75,000	%	2040	130,000	%
2027	80,000	%	2041	135,000	%
2028	80,000	%	2042	140,000	%
2029	85,000	%	2043	150,000	%
2030	90,000	%	2044	155,000	%
2031	95,000	%	2045	160,000	%
2032	95,000	%	2046	165,000	%
2033	100,000	%	2047	175,000	%
2034	105,000	%	2048	180,000	%
2035	110,000	%	2049	185,000	%
2036	115,000	%	2050	195,000	%

Of the principal maturities set forth in the table above, we have created term bonds as indicated in the following table (which may include multiple term bonds, one term bond or no term bond if none is indicated). For those years which have been combined into a term bond, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term bond maturity date shall mature in such year. The term bonds created are as follows:

Term Bonds Maturing August 15	Year of First Mandatory Redemption	Principal Amount	Interest Rate
			%
			%
			%
			%
			%

Our calculation (which is not a part of this bid) of the interest cost from the above is:

TOTAL INTEREST COST FROM 12/16/2020	\$ _____
PLUS DOLLAR AMOUNT OF DISCOUNT	\$ _____
NET INTEREST COST	\$ _____
NET EFFECTIVE INTEREST RATE	_____%

A wire transfer or a cashiers or certified check to the District in the amount of \$67,500 will be made available in accordance with the Notice of Sale made a part hereof. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Notice of Sale, the proceeds of this deposit shall be retained by the District as complete liquidated damages against us. Please check the box below to designate your Good Faith Deposit option.

The undersigned agrees to complete, execute, and deliver to the District, by the date of delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to the District.

We understand the sale of the Bonds has not been registered under the United States Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder; the Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities acts of any other jurisdiction. We hereby represent the sale of the Bonds in jurisdictions other than Texas will be made only pursuant to exemptions from registration or qualification and that where necessary, we will register or qualify the Bonds in accordance with the securities laws and regulations of the jurisdiction in which the Bonds are offered or sold.

We further understand that the District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement or other information concerning the District and the Bonds to anyone other than to us.

We agree to provide in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award.

The undersigned hereby certifies that it and its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Official Bid Form is a contract for goods or services, will not boycott Israel during the term of this Official Bid Form. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The undersigned understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit.

The undersigned represents that neither it nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the undersigned and each of its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The undersigned understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit."

The undersigned certifies that it [is]/[is not] exempt from filing the Texas Ethics Commission (the "TEC") Certificate of Interested Parties Form 1295 (the "Form 1295") by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

Respectfully submitted,

Name of Initial Purchaser or Manager

Authorized Representative

Phone Number

Signature

Please check one of the options below regarding Good Faith Deposit:
Submit by Wire Transfer ☐

Submit by Bank Cashier's/Certified Check ☐

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Meyer Ranch Municipal Utility District of Comal County this the 16th day of November, 2020.

ATTEST:

Secretary
Board of Directors
Meyer Ranch Municipal Utility District of Comal County

President
Board of Directors
Meyer Ranch Municipal Utility District of Comal County

ISSUE PRICE CERTIFICATE

(sales where 3 bids are received)

The undersigned, as the underwriter or the manager of the syndicate of underwriters ("Purchaser"), with respect to the purchase at competitive sale of the Unlimited Tax Road Bonds, Series 2020 issued by the Meyer Ranch Municipal Utility District of Comal County ("Issuer") in the aggregate principal amount of \$3,375,000 ("Bonds"), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Bonds by the Purchaser, the Purchaser's reasonably expected initial offering prices of each maturity of the Bonds with the same credit and payment terms (the "Expected Offering Prices") to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds.

(b) The Purchaser had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

(c) The bid submitted by the Purchaser constituted a firm bid to purchase the Bonds.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst and Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____.

_____, as Purchaser

By: _____

Name: _____

ISSUE PRICE CERTIFICATE

(sales where 3 bids are not received)

The undersigned, as the underwriter or the manager of the syndicate of underwriters ("Purchaser"), with respect to the purchase at competitive sale of the Unlimited Tax Road Bonds, Series 2020 issued by the Meyer Ranch Municipal Utility District of Comal County ("Issuer") in the aggregate principal amount of \$3,375,000 ("Bonds"), hereby certifies and represents, based on its records and information, as follows:

(a) Other than the Bonds maturing in ____ ("Hold-the-Price Maturities"), if any, the first prices at which at least ten percent ("Substantial Amount") of the principal amount of each maturity of the Bonds having the same credit and payment terms ("Maturity") was sold on the date of sale of the Bonds (the "Sale Date") to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter ("Public") are their respective initial offering prices (the "Initial Offering Prices"), as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.

(b) On or before the Sale Date, the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective Initial Offering Prices, as set forth in Schedule A hereto.

(c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Hold-the-Price Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Hold-the-Price Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Hold-the-Price Maturity.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst and Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____.

_____, as Purchaser

By: _____

Name: _____

SCHEDULE A

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

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PRELIMINARY OFFICIAL STATEMENT

Dated November 2, 2020

IN THE OPINION OF SPECIAL TAX COUNSEL TO THE DISTRICT, 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.

NEW ISSUE – BOOK-ENTRY-ONLY

THE DISTRICT EXPECTS TO DESIGNATE THE BONDS AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS. SEE “TAX MATTERS.”

\$3,375,000

MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY
(A Political Subdivision of the State of Texas Located in Comal County, Texas)
UNLIMITED TAX ROAD BONDS, SERIES 2020

Dated: December 16, 2020

Due: August 15, as shown on the inside cover page

Interest to accrue from the date of Initial Delivery (as defined below)

The bonds described above (the “Bonds”) are obligations solely of Meyer Ranch Municipal Utility District of Comal County (the “District”) and are not obligations of the State of Texas (“State”), Comal County (the “County”), Comal Independent School District or any entity other than the District.

The Bonds, when issued, will constitute valid and legally binding obligations of the District and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District. THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS DESCRIBED HEREIN. See “RISK FACTORS.”

PAYMENT TERMS . . . Principal of the Bonds is payable at maturity or earlier redemption at the principal payment office of the paying agent/registrar, initially BOKF, NA, Dallas, Texas, (the “Paying Agent” or the “Paying Agent/Registrar”) upon surrender of the Bonds for payment. Interest on the Bonds will accrue from the date of Initial Delivery and will be payable each August 15 and February 15, commencing August 15, 2021, until maturity or prior redemption. Interest on the Bonds will be payable on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be issued only in fully registered form in denominations of \$5,000 each or integral multiples thereof. The Bonds are subject to redemption prior to their maturity as provided on the inside cover page.

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent/Registrar directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds. See “THE BONDS – Book-Entry-Only System.”

PURPOSE . . . Proceeds of the Bonds will be used to finance the District’s share of the cost of constructing road improvements to serve the District. The remaining Bond proceeds will be used to: (i) capitalize interest requirements on the Bonds; (ii) pay developer interest; and (iii) pay certain engineering costs and costs associated with the issuance of the Bonds.

CUSIP PREFIX: 59312T
MATURITY SCHEDULE
SEE INSIDE COVER PAGE

LEGALITY . . . The Bonds are offered by the Initial Purchaser subject to prior sale, when, as and if issued by the District and accepted by the Initial Purchaser, subject, among other things, to the approval of the Initial Bond by the Attorney General of Texas and McLean & Howard, L.L.P., Bond Counsel, Austin, Texas, and McCall, Parkhurst and Horton L.L.P., Dallas, Texas, Special Tax Counsel (see “APPENDIX A – Form of Bond Counsel’s Opinion” and “APPENDIX B – Form of Special Tax Counsel’s Opinion).

DELIVERY . . . Delivery of the Bonds is expected through the facilities of DTC on December 16, 2020 (“Initial Delivery”).

BIDS DUE ON MONDAY, NOVEMBER 16, 2020, BY 9:00 AM, CST

MATURITY SCHEDULE

8/15 Maturity	Principal Amount	Interest Rate	Initial Yield ^(a)	CUSIP Numbers ^(b)
2023	\$ 70,000			
2024	70,000			
2025	75,000			
2026	75,000			
2027	80,000			
2028	80,000			
2029	85,000			
2030	90,000			
2031	95,000			
2032	95,000			
2033	100,000			
2034	105,000			
2035	110,000			
2036	115,000			
2037	115,000			
2038	120,000			
2039	125,000			
2040	130,000			
2041	135,000			
2042	140,000			
2043	150,000			
2044	155,000			
2045	160,000			
2046	165,000			
2047	175,000			
2048	180,000			
2049	185,000			
2050	195,000			

(Interest to accrue from the date of Initial Delivery)

- (a) Initial yield represents the initial offering yield to the public, which has been established by the Initial Purchaser for offers to the public and which subsequently may be changed.
- (b) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the Initial Purchaser, the District, nor the Financial Advisor is responsible for the selection or correctness of the CUSIP numbers set forth herein.

REDEMPTION PROVISIONS . . . The District reserves the right to redeem, prior to maturity, in integral multiples of \$5,000, those Bonds maturing on and after August 15, 2027 in whole or from time to time in part, on August 15, 2026, or on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption. Additionally, the Bonds may be subject to mandatory sinking fund redemption in the event the Initial Purchaser elects to aggregate two or more consecutive maturities as term Bonds. See “THE BONDS – Redemption.”

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For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, this document constitutes a Preliminary Official Statement of the District with respect to the Bonds that has been “deemed final” by the District as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

The Official Statement, when further supplemented by adding information specifying the interest rates and certain other information relating to the Bonds, shall constitute a “FINAL OFFICIAL STATEMENT” of the District with respect to the Bonds, as that term is defined in the Rule.

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. No dealer, broker, salesman or other person has been authorized by the District 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. 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 an offer in such jurisdiction.

The information set forth herein has been obtained from the District and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Financial Advisor. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized.

The information and expressions of opinion contained herein 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 District or other matters described.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND, CONSEQUENTLY, HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTION IN WHICH THE BONDS HAVE BEEN REGISTERED, OR EXEMPTED, SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

NEITHER THE DISTRICT NOR THE FINANCIAL ADVISOR MAKE 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.

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SALE AND DISTRIBUTION OF THE BONDS

AWARD OF THE BONDS . . . After requesting competitive bids for the Bonds, the District accepted the bid resulting in the lowest net effective interest rate, which bid was tendered by _____ (the "Initial Purchaser") bearing the interest rates shown on the inside cover page hereof, at a price of approximately _____% of the par value thereof which resulted in a net effective interest rate of _____% as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended (the "IBA" method).

PRICES AND MARKETABILITY . . . The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Initial Purchaser on or before the date of delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity has been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Initial Purchaser regarding the reoffering yields or prices of the Bonds. Information concerning reoffering yields or prices is the responsibility of the Initial Purchaser.

The prices and other terms with respect to the offering and sale of the Bonds may be changed from time-to-time by the Initial Purchaser after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Initial Purchaser may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The District has no control over trading of the Bonds in the secondary market. Moreover, there is no guarantee that a secondary market will be made in the Bonds. In such a secondary market, the difference between the bid and asked price of utility district bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional municipal entities, as bonds of such entities are more generally bought, sold or traded in the secondary market.

SECURITIES LAWS . . . No registration statement relating to the offer and sale of the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or 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 or qualification provisions in such other jurisdiction.

NO MUNICIPAL BOND RATING OR INSURANCE

The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made. No application has been made to any municipal bond insurance company for qualification of the Bonds for municipal bond insurance.

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OFFICIAL STATEMENT SUMMARY

The following material is qualified in its entirety by the more detailed information and financial statements appearing elsewhere 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 DISTRICT

THE ISSUER..... The District is a municipal utility district created by an Order of the TCEQ dated October 11, 2016. The creation of the District was confirmed at an election held within the District on November 7, 2017. The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to utility districts, particularly Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 7989 of the Texas Special District Local Laws Code. The District also has road powers pursuant to Section 52, Article III of the Texas Constitution. See “THE DISTRICT – General.”

At the time of its creation, the District contained approximately 691.451 acres of land. Since the creation of the District, there have been no annexations or exclusions of land.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation and treatment of wastewater; and the control and diversion of storm water. The District is also authorized to design, finance, construct and convey macadamized, graveled, or paved roads and improvements, including storm drainage in aid of these roads. The District may issue bonds and other forms of indebtedness to purchase or construct such facilities. The District is also empowered to contract for or employ its own peace officers and, after approval by the TCEQ and the voters of the District, to establish, operate, and maintain fire-fighting facilities.

LOCATION..... The District is located wholly within unincorporated Comal County and is not within the extraterritorial jurisdiction of any city. The District is located within the boundaries of the Comal Independent School District. All lands within the District are located northwest of the City of New Braunfels, Texas on State Highway 46. See “THE DISTRICT – Location.”

THE DEVELOPER The developer of the 691.451 acres of land within the District is CCD Meyer Ranch Land LLC (the “Developer”), a Delaware limited liability company. The Developer’s ownership is comprised of the following entities: Meyer Comal Development, LLC, a Texas limited liability company and HC Austin Meyer LLC, a Delaware limited liability company. The Developer manages the project and is directly engaged in sales and marketing efforts for the currently unsold platted lots and certain other property within the District. See “THE DEVELOPER – Description of Developer” and “THE DISTRICT – Current Status of Development.”

DEVELOPMENT WITHIN THE DISTRICT Of the 691.451 acres within the District, approximately 109 acres have been developed by the Developer with utility facilities as a single-family residential subdivision. As of September 1, 2020, the development in the District consisted of 171 completed homes (of which 131 were occupied), 43 homes under construction, and 129 lots available for home construction within the District.

Following the issuance of the Bonds, the District will still owe the Developer approximately \$22.5 million for additional road, water, wastewater and drainage facilities which have been constructed to date. See “THE DISTRICT – Current Status of Development.”

HOMEBUILDERS..... The Developer has marketed its lots directly to homebuilders. As of September 1, 2020, the Developer has sold lots to the following builders: Ashton Woods Homes, Highland Homes, Gehan Homes, Bella Vista Homes, Trendmaker Homes and Juell Homes. See “THE DEVELOPER – Homebuilders within the District.”

THE BONDS

DESCRIPTION	The Bonds in the aggregate principal amount of \$3,375,000 mature serially in varying amounts on August 15 of each year from 2023 through 2050, inclusive, in the principal amounts set forth on the inside cover page hereof. Interest accrues from the date of Initial Delivery and is payable August 15, 2021 and each February 15 and August 15 thereafter until maturity or earlier redemption. The Bonds are offered in fully registered form in integral multiples of \$5,000 for any one maturity. See “THE BONDS – General Description.”
REDEMPTION	The District reserves the right to redeem, prior to maturity, in integral multiples of \$5,000, those Bonds maturing on and after August 15, 2027 in whole or from time to time in part, on August 15, 2026, or on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption. Additionally, the Bonds may be subject to mandatory sinking fund redemption in the event the Initial Purchaser elects to aggregate two or more consecutive maturities as term Bonds. See “THE BONDS – Redemption.”
SOURCE OF PAYMENT	Principal of and interest on the Bonds are payable from the proceeds of a continuing direct annual ad valorem tax levied upon all taxable property within the District, which under Texas law is not legally limited as to rate or amount. See “TAXING PROCEDURES.” The Bonds are obligations solely of the District and are not obligations of the Comal Independent School District; Comal County, Texas; the State of Texas; or any entity other than the District. See “THE BONDS – Source of and Security for Payment.”
PAYMENT RECORD	The Bonds constitute the first installment of bonds issued by the District. See “FINANCIAL STATEMENT – Outstanding Bonds.”
AUTHORITY FOR ISSUANCE	The Bonds are issued pursuant to Article III, Section 52 of the Texas Constitution and the general laws of the State of Texas including Chapter 7989 of the Texas Special District Local Laws Code, a bond election held within the District on November 7, 2017 and an order (the “Bond Order”) adopted by the Board of Directors of the District on the date of the sale of the Bonds. See “THE BONDS – Authority for Issuance.”
USE OF PROCEEDS	Proceeds from the sale of the Bonds will be used for (i) reimbursing for the costs of constructing, improving or acquiring, maintaining, financing and operating macadamized, graveled or paved roads and improvements in aid of those roads; (ii) funding approximately 24 months’ capitalized interest on the Bonds; and (iii) paying the costs associated with the issuance of the Bonds. See “THE BONDS – Sources and Uses of Proceeds.”
BONDS AUTHORIZED BUT UNISSUED	At an election held within the District on November 7, 2017, the voters within the District approved the issuance of \$207,675,000 in bonds for water, wastewater and drainage facilities, \$83,700,000 in bonds for roads and the issuance of \$437,062,500 in refunding bonds. After the sale of the Bonds, the District will have \$77,580,000 remaining in authorized but unissued road bonds. See “FINANCIAL STATEMENT – Outstanding Bonds” and “THE BONDS – Future Debt.”
MUNICIPAL BOND RATING	The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made.
MUNICIPAL BOND INSURANCE	No application has been made to any municipal bond insurance company for qualification of the Bonds for municipal bond insurance.
QUALIFIED TAX-EXEMPT OBLIGATIONS	The District expects to designate the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended, and have represented that the total amount of tax-exempt obligations (including the Bonds) issued by it during calendar year 2020 is not reasonably expected to exceed \$10,000,000. See “TAX MATTERS – Qualified Tax-Exempt Obligations for Financial Institutions.”

BOND COUNSEL AND GENERAL COUNSEL	McLean & Howard, L.L.P., Austin, Texas (see “APPENDIX A – Form of Bond Counsel’s Opinion”).
SPECIAL TAX COUNSEL	McCall, Parkhurst and Horton L.L.P., Dallas, Texas
FINANCIAL ADVISOR	Specialized Public Finance Inc., Austin, Texas
ENGINEER	BGE, Inc. (the “Engineer”), San Antonio, Texas

RISK FACTORS

The purchase and ownership of the Bonds involve certain risk factors and all prospective purchasers are urged to examine carefully the Official Statement, including particularly the section captioned “RISK FACTORS,” with respect to investment in the Bonds.

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SELECTED FINANCIAL INFORMATION
(Unaudited as of September 11, 2020)

2019 Certified Taxable Assessed Valuation	\$	18,789,610	(a)
2020 Certified Taxable Assessed Valuation	\$	39,731,983	(a)
Estimated Taxable Assessed Valuation (as of August 1, 2020)	\$	61,228,705	(b)

Gross Direct Debt Outstanding	\$	6,120,000	(c)
Estimated Overlapping Debt		<u>1,007,362</u>	(d)
Gross Direct Debt Outstanding and Estimated Overlapping Debt	\$	7,127,362	

Ratios of Gross Direct Debt Outstanding to:

2020 Certified Taxable Assessed Valuation	15.40%
Estimated Taxable Assessed Valuation (as of August 1, 2020)	10.00%

Ratios of Gross Direct Debt Outstanding and Estimated Overlapping Debt to:

2020 Certified Taxable Assessed Valuation	17.94%
Estimated Taxable Assessed Valuation (as of August 1, 2020)	11.64%

2020 Tax Rate:

Debt Service	\$	0.3500	
Maintenance & Operation		<u>0.6000</u>	
Total	\$	0.9500	(e)

General Operating Fund Balance as of September 11, 2020 (unaudited)	\$	73,344	
Debt Service Fund Balance as of September 11, 2020 (unaudited)	\$	395,160	(f)
Capital Projects Fund Balance as of September 11, 2020 (unaudited)	\$	1,930	

Projected Average Annual Debt Service Requirement on the Bonds and outstanding debt (2020-2050)	\$	330,399	(c)
Projected Maximum Annual Debt Service Requirement on the Bonds and outstanding debt (2048)	\$	367,638	(c)

Tax Rates Required to Pay Projected Average Annual Debt Service (2020-2050) at a 95% Collection Rate

Based upon 2020 Certified Taxable Assessed Valuation	\$	0.8754	
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Tax Rates Required to Pay Projected Maximum Annual Debt Service (2048) at a 95% Collection Rate

Based upon 2020 Certified Taxable Assessed Valuation	\$	0.9740	
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Number of Active Connections as of September 1, 2020:

Single Family Homes – Completed	171
Single Family Homes – Occupied	131
Single Family Homes Under Construction	43
Lots Available for Home Construction	129
Estimated Population as of September 1, 2020	459 ^(g)

(a) Assessed valuation of the District as certified by the Comal Appraisal District (“CAD”). See “TAXING PROCEDURES.”

(b) As estimated by the CAD as of August 1, 2020 for informational purposes only.

(c) Includes the Bonds. See “DEBT SERVICE REQUIREMENTS.”

(d) See “FINANCIAL STATEMENTS – Estimated Overlapping Debt.”

(e) The District levied a 2020 total tax rate of \$0.9500. See “Table 9 – District Tax Rates.”

(f) Includes capitalized interest on the Bonds, estimated to contribute an additional \$270,000 to the debt service fund balance shown (representing 2 years of capitalized interest calculated at 4.00%). Neither Texas law nor the Bond Order requires that the District maintain any particular sum in the District’s Debt Service Fund. Preliminary, subject to change.

(g) Based upon 3.5 residents per completed and occupied single family home.

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OFFICIAL STATEMENT
Relating to
\$3,375,000
MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY
(A Political Subdivision of the State of Texas Located in Comal County, Texas)
UNLIMITED TAX ROAD BONDS, SERIES 2020

INTRODUCTION

This Official Statement provides certain information in connection with the issuance by the Meyer Ranch Municipal Utility District of Comal County (the “District”), a political subdivision of the State of Texas (the “State”), of its \$3,375,000 Unlimited Tax Road Bonds, Series 2020 (the “Bonds”).

The Bonds are issued pursuant to an order (the “Bond Order”) adopted by the Board of Directors of the District on the date of the sale of the Bonds, pursuant to Article III, Section 52 of the Constitution and general laws of the State including Chapter 7989 of the Texas Special District Local Laws Code, and a bond election held within the District on November 7, 2017.

Unless otherwise indicated, capitalized terms used in this Official Statement have the same meaning assigned to such terms in the Bond Order.

Included in this Official Statement are descriptions of the Bonds and certain information about the District and its finances. ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT. Copies of such documents may be obtained from the District c/o McLean & Howard, L.L.P., 901 South MoPac Expressway, Suite 225, Austin, Texas 78746 or from the District’s Financial Advisor, Specialized Public Finance Inc., 248 Addie Roy Road, Suite B-103, Austin, Texas, 78746, upon payment of reasonable copying, mailing and handling charges.

THE BONDS

GENERAL DESCRIPTION . . . The Bonds are dated December 16, 2020 and will mature on August 15 of the years and in the principal amounts, and will bear interest at the rates per annum, set forth on the inside cover page hereof. Interest on the Bonds will accrue from the date of Initial Delivery, will be paid on August 15, 2021 and each February 15 and August 15 thereafter until maturity or earlier redemption and will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued in fully registered form only, without coupons, in denominations of \$5,000 or any integral multiple thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York, acting as securities depository for the Bonds until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co., as the nominee of DTC, is the registered owner of the Bonds, principal of and interest on the Bonds will be payable by the paying agent to DTC, which will be solely responsible for making such payment to the beneficial owners of the Bonds. The initial paying agent for the Bonds is BOKF, NA, Dallas, Texas (the “Paying Agent” or “Paying Agent/Registrar”).

REDEMPTION . . . The District reserves the right, at its option, to redeem the Bonds maturing on and after August 15, 2027, prior to their scheduled maturities, in whole or in part, in integral multiples of \$5,000 on August 15, 2026, or any date thereafter, at a price of par value plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If less than all of the Bonds are redeemed at any time, the maturities of the Bonds to be redeemed will be selected by the District. If less than all the Bonds of a certain maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar by lot or other random method (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form).

Notice of Redemption . . . At least 30 calendar 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 by United States mail, first-class postage prepaid, at least 30 calendar days prior to the date fixed for redemption, to the registered owner of each Bond to be redeemed at its address as it appeared on the 45th calendar day prior to such redemption date and to major securities depositories and bond information services.

The Bonds of a denomination larger than \$5,000 may be redeemed in part (\$5,000 or any multiple thereof). Any Bond to be partially redeemed must be surrendered in exchange for one or more new Bonds of the same maturity for the unredeemed portion of the principal of the Bonds so surrendered. In the event of redemption of less than all of the Bonds, the particular Bonds to be redeemed shall be selected by the District, if less than all of the Bonds of a particular maturity are to be redeemed, the Paying Agent is required to select the Bonds of such maturity to be redeemed by lot.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Order have been met and money sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed will have been received by the Paying Agent prior to the giving of such notice of redemption, such notice will state that said redemption

may, at the option of the District, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not fulfilled, such notice will be of no force and effect, the District will not redeem such Bonds, and the Paying Agent will give notice in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

DTC REDEMPTION PROVISION . . . The Paying Agent/Registrar and the District, so long as a book-entry-only system ("Book-Entry-Only-System") is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Bond Order or other notices with respect to the Bonds only to DTC. Any failure by DTC to advise any DTC Participant, as herein defined, or of any Direct Participant or Indirect Participant, as herein defined, 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 District 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 Direct Participants and Indirect Participants may implement a redemption of such Bonds and such redemption will not be conducted by the District or the Paying Agent/Registrar. Neither the District nor the Paying Agent/Registrar will have any responsibility to the 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 Direct Participants, Indirect Participants, or beneficial owners of the selection of portions of the Bonds for redemption.

TERMINATION OF BOOK-ENTRY-ONLY SYSTEM . . . The District is initially utilizing the Book-Entry-Only System of DTC. See "BOOK-ENTRY-ONLY SYSTEM." In the event that the Book-Entry-Only System is discontinued by DTC or the District, the following provisions will be applicable to the Bonds.

Payment . . . Principal of the Bonds will be payable at maturity to the registered owners as shown by the registration books maintained by the Paying Agent upon presentation and surrender of the Bonds to the Paying Agent at the designated office for payment of the Paying Agent in Dallas, Texas (the "Designated Payment/Transfer Office"). Interest on the Bonds will be payable by check or draft, dated as of the applicable interest payment date, sent by the Paying Agent by United States mail, first-class, postage prepaid, to the registered owners at their respective addresses shown on such records, or by such other method acceptable to the Paying Agent requested by registered owner at the risk and expense of the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent is located are required or authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

Registration . . . If the Book-Entry-Only System is discontinued, the Bonds may be transferred and re-registered on the registration books of the Paying Agent only upon presentation and surrender thereof to the Paying Agent at the Designated Payment/Transfer Office. A Bond also may be exchanged for a Bond or Bonds of like maturity and interest and having a like aggregate principal amount or maturity amount, as the case may, upon presentation and surrender at the Designated Payment/Transfer Office. All Bonds surrendered for transfer or exchange must be endorsed for assignment by the execution by the registered owner or his duly authorized agent of an assignment form on the Bonds or other instruction of transfer acceptable to the Paying Agent. Transfer and exchange of Bonds will 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 transfer or exchange. A new Bond or Bonds, in lieu of the Bond being transferred or exchanged, will be delivered by the Paying Agent to the registered owner, at the Designated Payment/Transfer Office of the Paying Agent or by United States mail, first-class, postage prepaid. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner not more than three (3) business days after the receipt of the Bonds to be canceled in the exchange or transfer in the denominations of \$5,000 or any integral multiple thereof.

Limitation on Transfer of Bonds . . . Neither the District nor the Paying Agent shall be required to make any transfer, conversion or exchange to an assignee of the registered owner of the Bonds (i) during the period commencing on the close of business on the last calendar day of the month (whether or not a business day) preceding each interest payment date (the "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 called for redemption, in whole or in part, within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond.

Replacement Bonds . . . If a Bond is mutilated, the Paying Agent will provide a replacement Bond in exchange for the mutilated bond. If a Bond is destroyed, lost or stolen, the Paying Agent will provide a replacement Bond upon (i) the filing by the registered owner with the Paying Agent of evidence satisfactory to the Paying Agent of the destruction, loss or theft of the Bond and the authenticity of the registered owner's ownership and (ii) the furnishing to the Paying Agent of indemnification in an amount satisfactory to hold the District and the Paying Agent harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond must be borne by the registered owner. The provisions of the Bond Order relating to the replacement Bonds are exclusive and to the extent lawful, preclude all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

AUTHORITY FOR ISSUANCE . . . At an election held within the District on November 7, 2017, voters within the District authorized \$207,675,000 in bonds for water, wastewater and drainage facilities, \$83,700,000 in bonds for road improvements and the issuance of refunding bonds in the amount of \$437,062,500. The Bonds constitute the first installment of road bonds issued by the District. After the sale of the Bonds, \$77,580,000 principal amount of District road bonds will remain authorized but unissued. The District has not issued any bonds for water, wastewater or drainage facilities or for refunding purposes. The Bonds are issued pursuant to the terms and provisions of the Bond Order; Article III, Section 52 of the Texas Constitution; and the general laws of the State of Texas, including Chapter 7989 of the Texas Special District Local Laws Code.

SOURCES AND USES OF PROCEEDS . . . The proceeds from the sale of the Bonds are expected to be applied as follows:

Sources:	
Par Amount of Bonds	\$
Reoffering Premium	
Total Sources	\$
Uses:	
Deposit to Project Fund	\$
Deposit to Debt Service Fund (capitalized interest)	
Underwriter's Discount	
Costs of Issuance	
Total Uses	\$

SOURCE OF AND SECURITY FOR PAYMENT . . . The Bonds will be payable from and secured by a pledge of the proceeds of a continuing, direct, annual ad valorem tax without legal limitation as to rate or amount levied against all taxable property located within the District. The Board covenants in the Bond Order that, while any of the Bonds are outstanding and the District is in existence, it will levy an annual ad valorem tax and will undertake to collect such a tax against all taxable property within the District at a rate from year to year sufficient, full allowance being made for anticipated delinquencies, together with revenues and receipts from other sources which are legally available for such purposes, to pay interest on the Bonds as it becomes due, to provide a sinking fund for the payment of principal of the Bonds when due or the redemption price at any earlier required redemption date, to pay when due any other contractual obligations of the District payable in whole or in part from taxes, and to pay the expenses of assessing and collecting such tax. The net proceeds from taxes levied to pay debt service on the Bonds are required to be placed in a special account of the District designated its "Debt Service Fund" for the Bonds.

The Bonds are obligations solely of the District and are not obligations of Comal Independent School District; Comal County, Texas; the State of Texas; or any political subdivision or entity other than the District.

PAYMENT RECORD . . . The Bonds constitute the first installment of bonds issued by the District. Therefore, the District has no payment history.

FLOW OF FUNDS . . . The Bond Order creates the establishment and maintenance by the District of a Debt Service Fund and a Capital Projects Fund.

Each fund shall be kept separate and apart from all other funds of the District. The Debt Service Fund shall constitute a trust fund which shall be held in trust for the benefit of the registered owner of the Bonds.

Any cash balance in any fund must be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of municipal utility districts having an aggregate market value, exclusive of accrued interest, at all times equal to the cash balance in the fund to which such securities are pledged.

Debt Service Fund . . . The Bond Order establishes the Debt Service Fund to be used to pay principal and interest on and Paying Agent fees in respect to the Bonds. The Bond Order requires that the District deposit to the credit of the Debt Service Fund (i) from the delivery of the Bonds to the Initial Purchaser, the amount received from proceeds of the Bonds representing accrued interest, if any, and approximately twenty-four months' capitalized interest on the Bonds, (ii) District ad valorem taxes (and penalties and interest thereon) levied to pay debt service requirements on (or fees and expenses of the Paying Agent with respect of) the Bonds, and (iii) such other funds as the Board shall, at its option, deem advisable. The Bond Order requires that the Debt Service Fund be applied solely to provide for the payment of the principal or redemption price of and interest on the Bonds when due, and to pay fees to Paying Agent when due.

Capital Projects Fund . . . The Capital Projects Fund is the capital improvements fund of the District. The Bond Order requires the District to deposit to the credit of the Capital Projects Fund the balance of the proceeds of the Bonds remaining after the deposits to the Debt Service Fund provided in the Bond Order. The Capital Projects Fund may be applied solely to (i) pay the costs necessary or appropriate to accomplish the purposes for which the Bonds are issued, (ii) pay the costs of issuing the Bonds and (iii) to the extent the proceeds of the Bonds and investment income attributable thereto are in excess of the amounts required to acquire and construct road facilities, then in the discretion of the District to transfer such unexpended proceeds or income to the Debt Service Fund.

DEFEASANCE OF OUTSTANDING BONDS . . . General . . . The Bond Order provides for the defeasance of the Bonds and the termination of the pledge of taxes and all other general defeasance covenants in the Bond Order under certain circumstances. Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding within the meaning of the Bond Order (a "Defeased Bond"), except to the extent provided below for the Paying Agent to continue payments, when the payment of all principal and interest payable with respect to such Bond to the due date or dates thereof (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities (defined below) that mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment, or (3) any combination of (1) and (2) above, and when proper arrangements have been made by the District with the Paying Agent or an eligible trust company or commercial bank for the payment of its services until after all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes levied and pledged, as provided in the Bond Order and such principal and interest shall be payable solely from such money or Defeasance Securities, and shall not be regarded as outstanding under the Bond Order.

Any money so deposited with or made available to the Paying Agent or an eligible trust company or commercial bank also may be invested at the written direction of the District in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent or an eligible trust company or commercial bank that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be remitted to the District or deposited as directed in writing by the District.

Until all Defeased Bonds shall have become due and payable, the Paying Agent shall perform the services of Registrar for such Defeased Bonds the same as if they had not been defeased, and the District shall make proper arrangements to provide and pay for such services as required by the Bond Order.

For purposes of these provisions, "Defeasance Securities" means (i) direct non-callable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) non-callable 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 Board of Directors adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board of Directors adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds..

Any such obligations must be certified by an independent public accounting firm of national reputation to be of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to provide all debt service payments on the Bonds.

Retention of Rights . . . To the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the District retains the right under Texas law to later call the Defeased Bond for redemption in accordance with the provisions of the order authorizing its issuance, the District may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon satisfaction of the provisions set forth above regarding such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Debt.

Investments . . . Any escrow agreement or other instrument entered into between the District and the Paying Agent or an eligible trust company or commercial bank pursuant to which money and/or Defeasance Securities are held by the Paying Agent or an eligible trust company or commercial bank for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of certain requirements. All income from such Defeasance Securities received by the Paying Agent or an eligible trust company or commercial bank which is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, will be remitted to the District or deposited as directed in writing by the District.

PAYING AGENT/REGISTRAR . . . Principal of and semiannual interest on the Bonds will be paid by BOKF, NA having an office for payment in Dallas, Texas, the Paying Agent. The Paying Agent must be either a bank, trust company, financial institution or other entity duly qualified and equally authorized to serve and perform the duties as paying agent and registrar for the Bonds.

Provision is made in the Bond Order for the District to replace the Paying Agent by a resolution of the District giving notice to the Paying Agent of the termination of the appointment, stating the effective date of the termination and appointing a successor Paying Agent. If the Paying Agent is replaced by the District, the new Paying Agent shall be required to accept the previous Paying Agent's records and act in the same capacity as the previous Paying Agent. Any successor paying agent/registrar selected by the

District shall be subject to the same qualification requirements as the Paying Agent. The successor paying agent/registrar, if any, shall be determined by the Board of Directors and written notice thereof, specifying the name and address of such successor paying agent/registrar will be sent by the District or the successor paying agent/registrar to each registered owner by first-class mail, postage prepaid.

RECORD DATE . . . The Record Date for payment of the interest on Bonds on any regularly scheduled interest payment date is defined as the last calendar day of the month (whether or not a business day) preceding such interest payment date.

ISSUANCE OF ADDITIONAL DEBT . . . According to the District's engineer, the \$77,580,000 in principal amount of bonds authorized but unissued (after issuance of the Bonds), should be sufficient to reimburse the Developer for the road improvements serving the District. In addition, voters may authorize the issuance of additional bonds or other contractual obligations secured by ad valorem taxes. The District also has the right to issue refunding bonds, as well as revenue bonds and notes without voter approval. Furthermore, at an election held in the District on November 7, 2017, the voters within the District also approved the issuance of \$437,062,500 in refunding bonds and \$207,675,000 in unlimited tax bonds for water, wastewater and drainage facilities, none of which have been issued to date. See "FINANCIAL STATEMENT – Authorized But Unissued Bonds." The District has not issued any refunding bonds. Neither Texas law nor the Bond Order imposes a limitation on the amount of additional bonds which may be issued by the District. Any additional bonds issued by the District may dilute the security of the Bonds. See "RISK FACTORS." The District does not employ any formula with respect to assessed valuations, tax collections or otherwise to limit the amount of parity bonds which it may issue. The issuance of bonds for water, wastewater and drainage purposes is subject to approval of the TCEQ pursuant to its rules regarding issuance and feasibility of bonds. In addition, future changes in health or environmental regulations could require the construction and financing of additional improvements without any corresponding increases in taxable value in the District.

LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS . . . Pursuant to Section 49.186 of the Texas Water Code, bonds, notes or other obligations issued by a municipal utility district "shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the State, and all agencies, subdivisions, and instrumentalities of the State, including all counties, cities, towns, villages, school districts and all other kinds and types of districts, public agencies and bodies politic." Additionally, Section 49.186 of the Texas Water Code provides that bonds, notes or other obligations issued by a municipal utility district are eligible and lawful security for all deposits of public funds of the State and all agencies, subdivisions and instrumentalities of the State. For political subdivisions in Texas which have adopted investment policies and guidelines in accordance with the Public Funds Investment Act (Texas Government Code, Chapter 2256), the Bonds may have to be assigned a rating of not less than "A" or its equivalent as to investment quality by a national rating agency before such obligations are eligible investments for sinking funds and other public funds.

The District makes no representation that the Bonds will be acceptable to banks, savings and loan associations, or public entities for investment purposes or to secure deposits of public funds. The District has made no investigation of other laws, regulations or investment criteria which might apply to or otherwise limit the availability of the Bonds for investment or collateral purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds and as to the acceptability of the Bonds for investment or collateral purposes.

SPECIFIC TAX COVENANTS . . . In the Bond Order the District has covenanted with respect to, among other matters, the use of the proceeds of the Bonds and the manner in which the proceeds of the Bonds are to be invested. The District may omit to comply with any such covenant if it has received a written opinion of a nationally recognized bond counsel to the effect that regulations or rulings hereafter promulgated modify or expand provisions of the Internal Revenue Code of 1986, as amended (the "Code"), so that such covenant is ineffective or inapplicable or non-compliance with such covenant will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code.

ADDITIONAL COVENANTS . . . The District has additionally covenanted in the Bond Order that it will keep accurate records and accounts and employ an independent certified public accountant to audit and report on its financial affairs at the close of each fiscal year, such audits to be in accordance with applicable law, rules and regulations and open to inspection in the office of the District.

REMEDIES IN EVENT OF DEFAULT . . . The Bond Order establishes specific events of default with respect to the Bonds. If the District defaults in the payment of the principal of or interest on the Bonds when due, or the District defaults in the observance or performance of any of the covenants, conditions, or obligations of the District, the failure to perform which materially, adversely affects the rights of the owners, including but not limited to, their prospect or ability to be repaid in accordance with the Bond Order, and the continuation thereof for a period of 60 days after notice of such default is given by any owner to the District, the Bond Order and Chapter 54 of the Texas Water Code provides that any registered owner is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the District to make such payment or observe and perform such covenants, obligations, or conditions. 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 Bond Order and the District's obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, subject to 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. The Bond Order does not provide for the appointment of a trustee to represent the interest of the Bondholders upon any failure of the District to perform in accordance with the terms of the Bond Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. On

June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 49 Tex. Sup. CT. J. 819 (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 District’s sovereign immunity from a suit for money damages, Bondholders may not be able to bring such a suit against the District for breach of the Bonds or Bond Order covenants. Even if a judgment against the District could be obtained, it could not be enforced by direct levy and execution against the District’s property. Further, the registered owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. Furthermore, the District 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, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. 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 District 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.

CONSOLIDATION . . . A district (such as the District) has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its water system with the water system(s) of the district(s) with which it is consolidating. The revenues of the consolidated system may be pledged equally to all first lien bonds of the consolidating districts. No representation is made that the District will consolidate its water system with any other district.

ALTERATION OF BOUNDARIES . . . In certain circumstances, under Texas law the District may alter its boundaries to: i) upon satisfying certain conditions, annex additional territory; and ii) exclude land subject to taxation within the District that does not need to utilize the service of District facilities if certain conditions are satisfied including the District simultaneously annexes land of at least equal value that may be practicably served by District facilities. Such land substitution is subject to the approval of the TCEQ. No representation is made concerning the likelihood that the District would effect any change in its boundaries.

APPROVAL OF THE BONDS . . . The Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas does not pass upon or guarantee the quality of the Bonds as an investment, nor does he pass upon the adequacy or accuracy of the information contained in this Official Statement.

AMENDMENTS TO THE BOND ORDER . . . The District may, without the consent of or notice to any registered owners, amend the Bond Order in any manner not detrimental to the interest of the registered owners, including the curing of an ambiguity, inconsistency, or formal defect or omission therein. In addition, the District may, with the written consent of the owners of a majority in principal amount of the Bonds then outstanding affected thereby, amend, add to, or rescind any of the provisions of the Bond Order, except that, without the consent of the owners of all of the Bonds affected, no such amendment, addition, or rescission may (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof or the rate of interest therein, change the place or places at, or the coin or currency in which, any Bond or the interest thereon is payable, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition, or rescission. In addition, a state, consistent with federal law, may within the exercise of its police powers make such modifications in the terms and conditions of contractual covenants relating to the payment of indebtedness of its political subdivisions as are reasonable and necessary for attainment of an important public purpose.

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 the DTC while the Bonds are registered in its nominee’s 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 District believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The District cannot and does not give any assurance that (i) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (ii) 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 (iii) 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 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 certificate will be issued for the Bonds, in the aggregate principal amount of such issue, 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 issues, corporate and municipal debt issues, and money market instruments (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 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 for 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 Standard & Poor's 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. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity 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 District 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).

All 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 District or the Paying Agent/Registrar, 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 District, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the District 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 District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

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 Bond Order will be given only to DTC.

RISK FACTORS

GENERAL . . . The Bonds, which are obligations of the District and are not obligations of the State of Texas; Comal County, Texas; Comal Independent School District, or any other political subdivision, will be secured by a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, levied on all taxable property located within the District. See “THE BONDS – Source of and Security for Payment.” The ultimate security for payment of principal of and interest on the Bonds depends on the ability of the District to collect from the property owners within the District all taxes levied against the property, or in the event of foreclosure, on the value of the taxable property with respect to taxes levied by the District and by other taxing authorities. The collection by the District of delinquent taxes owed to it and the enforcement by registered owners of the District’s obligation to collect sufficient taxes may be a costly and lengthy process. Furthermore, the District cannot and does not make any representations that continued development of property within the District will accumulate or maintain taxable values sufficient to justify continued payment by property owners or that there will be a market for the property. See “Registered Owners’ Remedies” below.

FACTORS AFFECTING TAXABLE VALUES AND TAX PAYMENTS . . . ***Economic Factors, Interest Rates, Credit Availability and Residential Foreclosures:*** A substantial percentage of the taxable value of the District results from the current market value of single-family residences and developed lots. The market value of such homes and lots is related to general economic conditions affecting the demand for and taxable value of residences. Demand for lots and residential dwellings can be significantly affected by factors such as interest rates, credit availability, construction costs, energy availability and the economic prosperity and demographic characteristics of the urban centers toward which the marketing of lots is directed. Decreased levels of construction activity would tend to restrict the growth of property values in the District or could adversely impact existing values.

Interest rates and the availability of credit, including mortgage and development funding, have a direct impact on the construction activity, particularly short-term interest rates at which the Developer and Homebuilders are able to obtain financing for development and construction costs. Interest rate levels and the general availability of credit may affect the ability of a landowner with undeveloped property to undertake and complete development activities within the District and the ability of potential homeowners to purchase homes. Because of the numerous and changing factors affecting the availability of funds, the District is unable to assess the future availability of such funds for continued development and construction within the District. In addition, the success of development within the District and growth of District taxable property values are, to a great extent, a function of the San Antonio metropolitan and regional economics.

Competition . . . The demand for single-family homes in the District could be affected by competition from other residential developments including other residential developments located in other utility districts located near the District. In addition to competition for new home sales from other developments, there are numerous previously-owned homes in more established neighborhoods closer to downtown San Antonio that are for sale. Such homes could represent additional competition for homes proposed to be sold within the District.

The competitive position of the Developer in the sale of developed lots and of prospective builders in the construction of single-family residential houses within the District is affected by most of the factors discussed in this section. Such a competitive position is directly related to the growth and maintenance of taxable values in the District and tax revenues to be received by the District. The District can give no assurance that building and marketing programs in the District by the Developer will be implemented or, if implemented, will be successful.

Developer under No Obligation to the District: There is no commitment from, or obligation of, any developer to proceed at any particular rate or according to any specified plan with the development of land or the construction of homes in the District, and there is no restriction on any landowner’s right to sell its land, including any developer. Failure to construct taxable improvements on developed lots and tracts and failure of landowners to develop their land would restrict the rate of growth of taxable value in the District. The District is also dependent upon developer and the other principal taxpayers for the timely payment of ad valorem taxes, and the District cannot predict what the future financial condition of either will be or what effect, if any, such financial conditions may have on their ability to pay taxes. See “THE DEVELOPER” and “TAX DATA – Principal Taxpayers.”

Impact on District Tax Rates: Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of the District property owners to pay their taxes. The 2020 Certified Assessed Valuation is \$39,731,983 (see “FINANCIAL STATEMENT”). After issuance of the Bonds, the Projected Maximum Annual Debt Service Requirement will be \$367,638 (2048) and the Projected Average Annual Debt Service Requirement will be \$330,399 (2020-2050, inclusive). A tax rate of \$0.9740/\$100 assessed valuation, at a 95% collection rate, would be necessary to pay the Projected Maximum Annual Debt Service Requirement of \$367,638, and a tax rate of \$0.8754/\$100

assessed valuation at a 95% collection rate would be necessary to pay the Projected Average Annual Debt Service Requirement of \$330,399 based upon the 2020 Certified Taxable Assessed Valuation.

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.

TAX COLLECTIONS AND FORECLOSURE REMEDIES . . . The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other local taxing authorities on the property against which taxes are levied, and such lien may be enforced by judicial foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by cumbersome, time-consuming and expensive collection procedures or market conditions affecting the marketability of taxable property within the District and limiting the proceeds from a foreclosure sale of such property. Moreover, the proceeds of any sale of property within the District available to pay debt service on the Bonds may be limited by the existence of other tax liens on the property (see "FINANCIAL STATEMENT – Estimated Overlapping Debt Statement"), by the current aggregate tax rate being levied against the property, and by other factors (a taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and all other types of property after the purchaser's deed issued at the foreclosure sale is filed in the county records). Finally, any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes assessed against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy court could approve a confirmation plan which allows the debtor to make installment payments on delinquent taxes for up to six years and a bankruptcy court may reduce the amount of any taxes assessed against the debtor, including those that have already been paid.

HOUSING MARKET, VOLATILITY AND RECENT FORECLOSURES . . . In past years, disruptions in the housing market have led to a significant number of foreclosures on single family homes nationally. In the District, there were no posted foreclosures on single-family homes by the Comal County Clerk's Office as of September 8, 2020. No assurance can be given whether the number of foreclosures will decrease or increase or that market conditions will improve.

REGISTERED OWNERS' REMEDIES . . . In the event of default in the payment of principal of or interest on the Bonds, the registered owners have the right to seek a writ of mandamus, requiring the District to levy adequate taxes each year to make such payments. Except for mandamus, the Bond Order does not specifically provide for remedies to protect and enforce the interest of the registered owners. 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. Although the registered owners could obtain a judgment against the District, such a judgment could not be enforced by direct levy and execution against the District's property. Further, the registered owners cannot themselves foreclose on property within the District or sell property within the District in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the registered owners may further be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District.

BANKRUPTCY LIMITATION TO REGISTERED OWNERS' RIGHTS . . . The enforceability of the rights and remedies of registered owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Subject to the requirements of Texas law discussed below, a political subdivision such as the District may voluntarily file a petition for relief from creditors under Chapter 9 of the Federal Bankruptcy Code, 11 USC sections 901-946. The filing of such petition would automatically stay the enforcement of registered owners' remedies, including mandamus and the foreclosure of tax liens upon property within the District discussed above. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismissed the petition, enters an order granting relief from the stay or otherwise allows creditors to proceed against the petitioning political subdivision. A political subdivision, such as the District, may qualify as a debtor eligible to proceed in a Chapter 9 case only if it (1) is specifically authorized to file for federal bankruptcy protection by applicable state law, (2) is insolvent or unable to meet its debts as they mature, (3) desires to effect a plan to adjust such debts, and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiations are impracticable. Under Texas law a municipal utility district, such as the District, must obtain the approval of the Commission as a condition to seeking relief under the Federal Bankruptcy Code. The Commission is required to investigate the financial condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, a district could file a voluntary bankruptcy petition under Chapter 9, thereby involving the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning district relief from its creditors. While such a decision might be applicable, the concomitant delay and loss of remedies to the registered owners could potentially and adversely impair the value of the registered owner's claim.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect a registered owner by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the registered owner's claim against a district.

THE EFFECT OF THE FINANCIAL INSTITUTIONS ACT OF 1989 ON TAX COLLECTIONS OF THE DISTRICT . . . The "Financial Institutions Reform, Recovery and Enforcement Act of 1989" ("FIRREA"), enacted on August 9, 1989, contains certain provisions which affect the time for protesting property valuations, the fixing of tax liens, and the collection of penalties and interest on delinquent taxes on real property owned by the Federal Deposit Insurance Corporation ("FDIC") when the FDIC is acting as the conservator or receiver of an insolvent financial institution.

Under FIRREA real property held by the FDIC is still subject to ad valorem taxation, but such act states (i) that no real property of the FDIC shall be subject to foreclosure or sale without the consent of the FDIC and no involuntary liens shall attach to such property, (ii) the FDIC shall not be liable for any penalties or fines, including those arising from the failure to pay any real or personal property tax when due and (iii) notwithstanding failure of a person to challenge an appraisal in accordance with state law, such value shall be determined as of the period for which such tax is imposed.

There has been little judicial determination of the validity of the provisions of FIRREA or how they are to be construed and reconciled with respect to conflicting state laws. However, certain recent federal court decisions have held that the FDIC is not liable for statutory penalties and interest authorized by State property tax law, and that although a lien for taxes may exist against real property, such lien may not be foreclosed without the consent of the FDIC, and no liens for penalties, fines, interest, attorneys fees, costs of abstract and research fees exist against the real property for the failure of the FDIC or a prior property owner to pay ad valorem taxes when due. It is also not known whether the FDIC will attempt to claim the FIRREA exemptions as to the time for contesting valuations and tax assessments made prior to and after the enactment of FIRREA. Accordingly, to the extent that the FIRREA provisions are valid and applicable to any property in the District, and to the extent that the FDIC attempts to enforce the same, these provisions may affect the timeliness of collection of taxes on property, if any, owned by the FDIC in the District, and may prevent the collection of penalties and interest on such taxes.

100-Year Flood Plain and Storm Drainage Information: "Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency (FEMA) has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100-year flood plain" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes must be built above the 100-year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. According to the District's Engineer, approximately 0.19 acres of land within the District are located within the 100-year flood plain as designated by the most recent Federal Emergency Management Agency Flood Insurance Rate Map.

The National Weather Service recently completed a rainfall study known as NOAA Atlas 14, Volume 11 Participation-Frequency Atlas of the United States ("Atlas 14") which shows that severe rainfall events are now occurring more frequently. Within Texas, the Atlas 14 study showed an increased number of rainfall events in a band extending from the upper Gulf Coast in the east and running west generally along the I-10 corridor to Central Texas. In particular, the study shows that Central Texas is more likely to experience larger storms than previously thought. Based on this study, various governmental entities, including Travis County, are contemplating amendments to their regulations that will potentially increase the size of the 100-year flood plain which interim flood plain is based on the current 500-year flood plain, resulting in the interim flood plain regulations applying to a larger number of properties, and potentially increasing the size of detention ponds and drainage facilities required for future construction in all areas (not just in the flood plain). Flood plain boundaries within the District may be redrawn based on the Atlas 14 study based on the higher statistical rainfall amount, and could mean higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the flood plain.

MARKETABILITY . . . The District has no understanding with the Initial Purchaser regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price for the Bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional issuers as such bonds are more generally bought, sold or traded in the secondary market.

CONTINUING COMPLIANCE WITH CERTAIN COVENANTS . . . Failure of the District to comply with certain covenants contained in the Bond Order on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

FUTURE DEBT . . . After the issuance of the Bonds, the Developer will continue to be owed approximately \$22.5 million for completed utility and road improvements to date. It is anticipated the District will issue bonds (when financially feasible) at a future date to fund the related Developer reimbursements. See "THE SYSTEM."

GOVERNMENTAL APPROVAL . . . As required by law, the Attorney General of Texas must approve the legality of the Bonds prior to their delivery.

The Attorney General of Texas does not pass upon or guarantees the security of the Bonds as an investment, nor upon the adequacy or accuracy of the information contained in this Official Statement.

ENVIRONMENTAL REGULATION . . . Wastewater treatment and water supply facilities are subject to stringent and complex environmental laws and regulations. Facilities must comply with environmental laws at the federal, state, and local levels. These laws and regulations can restrict or prohibit certain activities that affect the environment in many ways such as:

- Requiring permits for construction and operation of water supply wells and wastewater treatment facilities;
- Restricting the manner in which wastes are released into the air, water, or soils;
- Restricting or regulating the use of wetlands or other property;
- Requiring remedial action to prevent or mitigate pollution; and
- Imposing substantial liabilities for pollution resulting from facility operations.

Compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Sanctions against a municipal utility district or other type of district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements, and issuance of injunctions as to future compliance of and the ability to operate the District's water supply, wastewater treatment, and drainage facilities. Environmental laws and regulations can also impact an area's ability to grow and develop. The following is a discussion of certain environmental concerns that relate to districts. It should be noted that changes in environmental laws and regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Water Supply & Discharge Issues. Water supply and discharge regulations that the District may be required to comply with involve: (1) public water supply systems, (2) wastewater discharges from treatment facilities, (3) storm water discharges and (4) wetlands dredge and fill activities. Each of these is addressed below:

Pursuant to the federal Safe Drinking Water Act ("SDWA") and Environmental Protection Agency's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system.

Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000), with an effective date of March 5, 2018, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain nonstormwater discharges into surface water in the state. It has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

In 2015, the EPA and the United States Army Corps of Engineers ("USACE") promulgated a rule known as the Clean Water Rule ("CWR") aimed at redefining "waters of the United States" over which the EPA and USACE have jurisdiction under the CWA. The CWR significantly expands the scope of the federal government's CWA jurisdiction over intrastate water bodies and wetlands. The CWR could have an adverse impact on municipal utility districts, including the District, particularly with respect to jurisdictional wetland determinations, and could increase the size and scope of activities requiring USACE permits. The CWR has been challenged in various jurisdictions, including the Southern District of Texas, and the litigation challenging the CWR is still pending.

On February 28, 2017, the President signed an executive order ordering the EPA and USACE to modify or rescind the CWR. In response, the EPA and the USACE subsequently released a proposed rule rescinding the CWR, reinstating the regulatory text that existed prior to the adoption of the CWR and proposing the development of a revised definition of "waters of the United States." In June 2018, the EPA and USACE issued a supplemental notice of proposed rulemaking to the 2017 proposed action to repeal the 2015 definition of "waters of the United States" to clarify that the agencies are proposing to permanently repeal the CWR in its entirety and reinstate language in place before the adoption of the CWR while developing a revised definition of "waters of the United States." Meanwhile, in January 2018, the EPA and the USACE finalized a rule extending the effective date of the CWR until 2020 while the agencies finalize actions to repeal and replace the CWR. This rule delaying the effective date of the CWR was challenged in court and, on August 16, 2018, the U.S. District Court for the District of South Carolina issued a nationwide injunction rendering the rule extending the effective date of the CWR void, thereby reinstating the CWR in 26 states, including

Texas. However, on September 12, 2018, the U.S. District Court for the Southern District of Texas temporarily enjoined the implementation of the CWR in Texas, Louisiana and Mississippi until the case filed by the States of Texas, Louisiana and Mississippi in 2015 is finally resolved. Subsequently, on May 28, 2019, the U.S. District Court for the Southern District of Texas found that the CWR violated the notice-and-comment requirements of the Administrative Procedures Act, remanded the CWR to the EPA and USACE, and ordered that the preliminary injunction issued September 12, 2018, remain in place pending the proceedings on remand.

This rule delaying the effective date of the CWR was challenged in court and, on August 16, 2018, the U.S. District Court for the District of South Carolina issued a nation-wide injunction rendering the rule extending the effective date of the CWR void, thereby reinstating the CWR in 26 states, including Texas. However, on September 12, 2018, the U.S. District Court for the Southern District of Texas temporarily enjoined the implementation of the CWR in Texas, Louisiana and Mississippi until the case filed by the States of Texas, Louisiana and Mississippi in 2015 is finally resolved. Subsequently, on May 28, 2019, the U.S. District Court for the Southern District of Texas found that the CWR violated the notice-and-comment requirements of the Administrative Procedures Act, remanded the CWR to the EPA and USACE, and ordered that the preliminary injunction issued September 12, 2018, remain in place pending the proceedings on remand.

On December 11, 2018, the EPA and USACE released the proposed replacement definition of “waters of the United States.” The proposed definition outlines six categories of waters that would be considered “waters of the United States,” including traditional navigable waters, tributaries to those waters, certain ditches, certain lakes and ponds, impoundments of jurisdictional waters, and wetlands adjacent to jurisdictional waters. The proposed rule also details what are not “waters of the United States,” such as features that only contain water during or in response to rainfall (e.g., ephemeral features); groundwater; many ditches, including most roadside or farm ditches; prior converted cropland; stormwater control features; and waste treatment systems. The agencies took comment on the proposal for 60 days after publication in the Federal Register, which occurred on February 14, 2019.

On September 12, 2019, the EPA and USACE finalized a rule repealing the CWR, thus reinstating the regulatory text that existed prior to the adoption of the CWR. This repeal will officially become final sixty days after its publication in the Federal Register. Due to the pending rulemaking activity and rule challenge litigation, there is significant uncertainty regarding the ultimate scope of “waters of the United States” and the extent of EPA and USACE jurisdiction. Depending on the final outcome of such proceedings, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including permitting requirements.

Operations of the District are also potentially subject to stormwater discharge permitting requirements as set forth under the Clean Water Act and regulations implementing the Clean Water Act. The TCEQ adopted by reference the vast majority of the EPA regulations relating to stormwater discharges and currently has issued a general permit for stormwater discharges associated with industrial activities and has issued two general permits for stormwater discharges associated with construction activities and municipal separate stormwater systems. The District may also be required to develop and implement stormwater pollution prevention plans and stormwater management plans. The District could incur substantial costs to develop and implement such plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff. Failure to comply with these requirements may result in the imposition of administrative, civil, and criminal penalties as well as injunctive relief under the Clean Water Act or the Texas Water Code.

FORWARD-LOOKING STATEMENTS . . . The statements contained in this Official Statement, and in any other information provided by the District or Developer, that are not purely historical, are forward-looking statements, including statements regarding the District’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 District and Developer on the date hereof, and neither the District nor the Developer assume any obligation to update any such forward-looking statements.

The forward looking statements 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 first 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, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

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THE DISTRICT

GENERAL . . . The District is a municipal utility district created by an Order of the TCEQ dated October 11, 2016. The creation of the District was confirmed at an election held within the District on November 7, 2017. The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to utility districts, particularly Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 7989 of the Texas Special District Local Laws Code. The District also has road powers pursuant to Section 52, Article III of the Texas Constitution.

At the time of its creation, the District contained approximately 691.451 acres of land. Since the creation of the District, there have been no annexations or exclusions of land.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation and treatment of wastewater; and the control and diversion of storm water. The District is also authorized to design, finance, construct and convey macadamized, graveled or paved roads, and improvements in, including storm drainage, in aid of those roads. The District may issue bonds and other forms of indebtedness to purchase or construct such facilities. The District is also empowered to contract for or employ its own peace officers and, after approval by the TCEQ and the voters of the District, to establish, operate, and maintain fire-fighting facilities. See “THE BONDS – Issuance of Additional Debt.” The TCEQ exercises continuing supervisory jurisdiction over the District.

MANAGEMENT . . . *Board of Directors.* The District is governed by a Board, consisting of five directors, which has control over and management supervision of all affairs of the District. Directors’ terms are four years with elections held on the first Tuesday after the first Monday in May in each even numbered year. All of the directors listed below reside or own property in the District.

Name	Title	Term Expires
Tommy Tucker	President	2024
Talley Williams	Vice President	2024
Madison Inselmann	Secretary	2024
Michael Slack	Assistant Secretary	2022
Daniel A. Day	Assistant Secretary	2022

Consultants:

Tax Assessor/Collector . . . Land and improvements in the District are being appraised by the Comal Appraisal District (“CAD”) whose Chief Appraiser is Mr. Rufino Lozano. The Comal County Tax Assessor/Collector, Ms. Talcott, currently serves the District in this capacity under contract.

Bookkeeper . . . Bott & Douthitt PLLC (“Bott & Douthitt”) is charged with the responsibility of providing bookkeeping services for the District. Bott & Douthitt serves in a similar capacity for other special districts.

Auditor . . . The District’s financial statements for fiscal year ending September 30, 2019 were audited by McGrath & Co., PLLC, Certified Public Accountants, and excerpts of the District’s Audited Financial Statements as of September 30, 2019 have been included as APPENDIX A in reliance upon such firm’s authority in the field of accounting.

Engineer . . . The District’s consulting engineer is BGE, Inc. (the “Engineer”). Such firm serves as consulting engineer to other special districts.

Financial Advisor . . . Specialized Public Finance Inc. serves as the District’s financial advisor (the “Financial Advisor”). The fee for services rendered in connection with the issuance of the Bonds is based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fee is contingent upon the sale and delivery of the Bonds.

Bond Counsel and General Counsel . . . McLean & Howard, L.L.P., Austin, Texas serves as Bond Counsel and General Counsel in connection with the issuance of the District’s Bonds. The fees of Bond Counsel and General Counsel are contingent upon the sale of and delivery of the Bonds.

Special Tax Counsel . . . McCall, Parkhurst and Horton L.L.P., Dallas, Texas serves as Special Tax Counsel in connection with the issuance of the District’s Bonds. The fees of Special Tax Counsel are contingent upon the sale of and delivery of the Bonds.

LOCATION . . . The District is located wholly within unincorporated Comal County and is not within the extraterritorial jurisdiction of any city. The District is located within the boundaries of the Comal Independent School District. All lands within the District are located northwest of the City of New Braunfels, Texas on State Highway 46.

UNDEVELOPED ACREAGE . . . There are approximately 382 developable acres of land within the District that have not been provided with water, wastewater and storm drainage and detention facilities as of September 1, 2020. The District makes no representation as to when or if development of this acreage will occur. See “THE DISTRICT – Status of Development.”

CURRENT STATUS OF DEVELOPMENT . . . Of the approximately 691.451 acres within the District, approximately 109 acres have been developed for single family residential purposes by the Developer. As of September 1, 2020, the development in the District consisted of 171 completed homes (of which 131 were occupied), 43 homes under construction and 129 lots available for home construction.

The chart below reflects the status of development of the residential and commercial lands within the District as of September 1, 2020:

	<u>Net Acreage</u>	<u>Platted Lots</u>	<u>Completed Homes</u>	<u>Homes Under Construction</u>	<u>Vacant Lots</u>
A. Sections with Utility Facilities or Under Construction					
Developed	109	343	171	43	129
Remaining Developable Acreage	<u>382</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Developable Acreage	491				
C. Undevelopable Acreage					
Drainage, Detention, Floodplain, Parkland/Open Space	<u>200</u>				
Total Developable Acreage	691				

FUTURE DEVELOPMENT . . . As of the date hereof, there are remaining approximately 382 acres of land in the District, as yet undeveloped with water, sewer & drainage facilities and road improvements to support development. The initiation of any new development beyond that described in this Official Statement will be dependent on several factors including, to a great extent, general and economic conditions which would affect any party's ability to sell lots and/or other property and of any home builder to sell completed homes as described in this Official Statement under the caption "RISK FACTORS." If the undeveloped portion of the District is eventually developed, additions to the District's water, wastewater, and drainage systems required to service such undeveloped acreage may be financed by future issues of the District's bonds and developer contributions, if any, as required by the TCEQ.

ANNEXATION OF THE DISTRICT . . . The District is located wholly within unincorporated Comal County and is not within the extraterritorial jurisdiction of any city.

THE DEVELOPER

GENERAL . . . In general, the activities of a developer in a utility district, such as the District, include purchasing the land within the utility district; coordinating the design of the subdivision; coordinating the design of the utilities and streets to be constructed in the subdivision; coordinating the design of any community facilities to be built; defining a marketing program and building schedule; securing necessary governmental approvals and permits for development; arranging for the construction of the improvements within the subdivisions, including road improvements, water, wastewater, and drainage facilities pursuant to the rules of the TCEQ, as well as gas, telephone, cable television, and electric service; and selling improved lots and commercial reserves to homebuilders, other developers, or other first parties. The relative success or failure of a developer to perform such activities will have a profound effect on the security of the bonds issued by the District. A developer is generally under no obligation to a district to develop the property which it owns in a district. Furthermore, there is no restriction on a developer's right to sell any or all of the land which it owns within a district. In addition, a developer is ordinarily the major taxpayer within the district during the development phase of the property.

DESCRIPTION OF DEVELOPER . . . The developer of the 691.451 acres of land within the District is CCD Meyer Ranch Land LLC (the "Developer"), a Delaware limited liability company. The Developer's ownership is comprised of the following entities: Meyer Comal Development, LLC, a Texas limited liability company and HC Austin Meyer LLC, a Delaware limited liability company. The Developer manages the project and is directly engaged in sales and marketing efforts for the currently unsold platted lots and certain other property within the District. See "THE DISTRICT – Current Status of Development."

ACQUISITION AND DEVELOPMENT FINANCING . . . The Developer closed a \$28,000,000 credit facility with CCF Finance LLC, an Illinois limited liability company on June 7, 2017. The Loan agreement and Deed of Trust were amended on July 31, 2019 and increased to a loan of \$41,200,000. The loan is being used to finance the construction of infrastructure for the project. The loan also provided funding for community amenity and common area upgrades. The credit facility has a term of seven years and matures on August 31, 2024. The outstanding balance on the credit facility as of September 1, 2020 was \$25,465,882. The Developer is currently in full compliance with the credit facility.

HOMEBUILDERS WITHIN THE DISTRICT . . . The Developer has marketed its lots directly to homebuilders. As of September 1, 2020, the Developer has sold lots to the following builders: Ashton Woods Homes, Highland Homes, Gehan Homes, Bella Vista Homes, Trendmaker Homes and Juell Homes.

THE SYSTEM

REGULATION . . . Operation of the District's waterworks and wastewater facilities is subject to regulation by, among others, the US Environmental Protection Agency and the TCEQ. The rules and regulations promulgated by these agencies change periodically and are subject to further development and revision. The TCEQ makes annual inspections of the water and wastewater systems to assure compliance with their rules.

WATER SUPPLY AND DISTRIBUTION . . . SJWTX, Inc., a Texas corporation doing business as Canyon Lake Water Service Company ("CLWSC") holds a certificate of convenience and necessity that includes the lands within the District. CLWSC provides retail potable water service to the lands within the District pursuant to the "Water Utility Service Agreement" dated October 4, 2016, as amended on February 3, 2017, entered into by CLWSC, the District and Developer (the "Water Service Agreement"). Under the Water Service Agreement, CLWSC agreed to provide up to 1,650 living unit equivalents ("LUEs") of retail water service to lands within the District. CLWSC's obligation to provide retail water service is subject to certain conditions, including funding and construction of certain offsite and internal water infrastructure improvements, and payment of fees and charges, by the District or Developer. The Water Service Agreement provides for the District to own all internal water system improvements that it finances until the District's bonds are retired. CLWSC operates and maintains the completed water improvements pursuant to a lease purchase agreement.

The Water Service Agreement provides for CLWSC to furnish retail water service within the District on a phased basis according to completion of construction of certain improvements to the CLWSC waterworks system. The Phase 1 improvements consist of approximately 6,450 linear feet of 12-inch pipeline required to extend water service from CLWSC's existing waterworks system to the first phase of internal distribution lines constructed within the District. The Water Service Agreement provides for CLWSC to furnish up to 300 LUEs of water service within the District upon completion of the Phase 1 improvements. As of August 1, 2019, the Phase 1 water service improvements have been completed and accepted by CLWSC. In addition, as of August 1, 2019, the Developer has completed construction of the internal water distribution improvements required for the provision of water service to the first three phases of development within the District (Meyer Ranch Unit Nos. One through Three).

According to the District's engineer, 1,650 LUEs of water service capacity available under the Water Service Agreement is sufficient for full buildout within the District.

WASTEWATER COLLECTION AND TREATMENT . . . The District is the holder of Waste Discharge Permit No. WQ-0015314001 issued by TCEQ. The Permit authorizes the treatment and disposal of up to 390,000 gallons per day of treated wastewater effluent into Dry Creek, thence into Comal Creek, within the Guadalupe River Basin. The Permit authorizes the treatment and disposal of wastewater effluent on a phased basis. The first phase of the Permit authorizes the treatment and disposal of 150,000 gallons per day of treated wastewater effluent. The second phase of the permit authorizes the treatment and disposal of 270,000 gallons per day of treated wastewater effluent. The third and final phase of the Permit authorizes the treatment and disposal of 390,000 gallons per day of treated wastewater effluent.

The District previously awarded a contract for construction of site improvements for wastewater treatment plant facilities, and such site improvements are under construction. The District has completed plans and specifications for the first phase of the wastewater treatment plant facilities. As of November 1, 2019, the District is not a party to a contract for construction of the permanent treatment plant facilities.

The District currently disposes of wastewater through a "pump and haul" program pursuant to which a contractor collects wastewater from a holding tank for offsite treatment and disposal. On or about October 10, 2019, TCEQ informed the District's operator that the use of the sewage holding tank as part of the organized sewage collection system is prohibited within the Edwards Aquifer Recharge Zone. The District therefore intends to terminate pump and haul disposal of wastewater effluent, and instead contract for installation and operation of a temporary wastewater treatment unit that will discharge treated wastewater at the outfall location authorized under the Permit until permanent wastewater treatment plant facilities are completed. On October 21, 2019, the District submitted an application to TCEQ to modify the first phase of the Permit to 18,000 gallons per day to facilitate treatment and disposal of wastewater with the interim treatment facilities. Upon approval of the Permit amendment by TCEQ and completion of construction of related storage and discharge line improvements, the District will terminate pump and haul disposal of wastewater. TCEQ personnel verbally requested that pump and haul disposal of wastewater cease within 180 days. TCEQ has not advised the District what enforcement action would be taken, if any, if the District fails to timely terminate pump and haul disposal of wastewater.

According to the District's engineer, the 390,000 gpd of wastewater treatment and disposal capacity authorized under the final phase of the Permit is sufficient to serve the anticipated full buildout within the District.

UTILITY CONSTRUCTION AGREEMENTS . . . The District and Developer are parties to the following agreements (collectively, the "Reimbursement Agreements"): (i) that certain "Utility Construction and Reimbursement Agreement" dated July 11, 2017, as subsequently amended on April 13, 2018; and (ii) that certain "Road Improvements Construction and Reimbursement Agreement" dated July 11, 2017. The Reimbursement Agreements generally obligate the Developer to fund all water, wastewater, drainage and road improvements and facilities required for development of the lands within the District. The Reimbursement Agreements also obligate the District to issue its bonds to acquire the facilities or to otherwise reimburse the Developer's eligible costs at such

time as a sufficient tax base has been developed within the District. The District's obligation to issue its bonds for Developer reimbursement is subject to the terms and conditions set forth in the Reimbursement Agreements.

STORM WATER DRAINAGE . . . The storm drainage system that serves the District consists of curb and guttered streets and storm sewers. The collected storm water runoff is routed through detention and water quality ponds, thence into tributaries of Dry Creek and Comal Creek and ultimately to the Guadalupe River.

100-YEAR FLOOD PLAIN . . . A portion of the District is affected by the 100-year flood plain, as identified by the Federal Flood Insurance Administration Rate Map No. 48091C0245F for Comal County, Texas, dated September 2, 2009. On October 22, 2018 the Federal Emergency Management Agency ("FEMA") approved a Conditional Letter of Map Revision ("CLOMR") for Meyer Ranch Units 1 through 5 to allow minimal fills and grading within the floodplain to raise all lots within these subdivision sections out of the proposed developed floodplain. No lots are developed nor are any expected to be developed on land that is located within the boundary of the 100-year Flood Plain, as modified by the approved CLOMR.

"Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency ("FEMA") has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100-year flood plain" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes must be built above the 100-year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. The Flood Insurance Rate Map associated with the District indicates that none of the land in the District is located within the 100-year flood plain. See "THE DISTRICT – Land Use."

The National Weather Service recently completed a rainfall study known as Atlas 14 which shows that severe rainfall events are now occurring more frequently. Within Texas, the Atlas 14 study showed an increased number of rainfall events in a band extending from the upper Gulf Coast in the east and running west generally along the I-10 corridor to Central Texas. In particular the study shows that Central Texas is more likely to experience larger storms than previously thought. Based on this study, various governmental entities are contemplating amendments to their regulations that will potentially increase the size of the 100 year floodplain which interim floodplain is based on the current 500-year floodplain, resulting in the interim floodplain regulations applying to a larger number of properties, and potentially increasing the size of detention ponds and drainage facilities required for future construction in all areas (not just in the floodplain). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on the higher statistical rainfall amount, and could result in less developable property within the District, higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain.

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DEBT SERVICE REQUIREMENTS

TABLE 1 – PROJECTED DEBT SERVICE SCHEDULE

Fiscal Year Ended	Existing Debt			The Bonds			Total Debt
	Principal	Interest	Total	Principal	Interest ^(a)	Total	Service
12/31							
2020	\$ -	\$ 54,248	\$ 54,248	\$ -	\$ -	\$ -	\$ 54,248
2021	-	82,056	82,056	-	89,625	89,625	171,681
2022	55,000	82,056	137,056	-	135,000	135,000	272,056
2023	55,000	80,956	135,956	70,000	135,000	205,000	340,956
2024	60,000	79,856	139,856	70,000	132,200	202,200	342,056
2025	60,000	78,596	138,596	75,000	129,400	204,400	342,996
2026	65,000	77,276	142,276	75,000	126,400	201,400	343,676
2027	65,000	75,781	140,781	80,000	123,400	203,400	344,181
2028	70,000	74,221	144,221	80,000	120,200	200,200	344,421
2029	75,000	72,471	147,471	85,000	117,000	202,000	349,471
2030	75,000	70,521	145,521	90,000	113,600	203,600	349,121
2031	80,000	68,496	148,496	95,000	110,000	205,000	353,496
2032	80,000	66,256	146,256	95,000	106,200	201,200	347,456
2033	85,000	63,856	148,856	100,000	102,400	202,400	351,256
2034	90,000	61,306	151,306	105,000	98,400	203,400	354,706
2035	90,000	58,606	148,606	110,000	94,200	204,200	352,806
2036	95,000	55,906	150,906	115,000	89,800	204,800	355,706
2037	100,000	52,938	152,938	115,000	85,200	200,200	353,138
2038	105,000	49,813	154,813	120,000	80,600	200,600	355,413
2039	105,000	46,531	151,531	125,000	75,800	200,800	352,331
2040	110,000	43,250	153,250	130,000	70,800	200,800	354,050
2041	115,000	39,813	154,813	135,000	65,600	200,600	355,413
2042	120,000	36,075	156,075	140,000	60,200	200,200	356,275
2043	125,000	32,175	157,175	150,000	54,600	204,600	361,775
2044	130,000	28,113	158,113	155,000	48,600	203,600	361,713
2045	135,000	23,888	158,888	160,000	42,400	202,400	361,288
2046	140,000	19,500	159,500	165,000	36,000	201,000	360,500
2047	145,000	14,950	159,950	175,000	29,400	204,400	364,350
2048	155,000	10,238	165,238	180,000	22,400	202,400	367,638
2049	160,000	5,200	165,200	185,000	15,200	200,200	365,400
2050	-	-	-	195,000	7,800	202,800	202,800
	<u>\$ 2,745,000</u>	<u>\$ 1,604,950</u>	<u>\$ 4,349,950</u>	<u>\$ 3,375,000</u>	<u>\$ 2,517,425</u>	<u>\$ 5,892,425</u>	<u>\$ 10,242,375</u>

(a) Interest calculated at a net interest rate of 4.00% for purposes of illustration only. Preliminary, subject to change.

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FINANCIAL STATEMENT
(Unaudited)

TABLE 2 – TAXABLE ASSESSED VALUE

2019 Certified Taxable Assessed Valuation	\$ 18,789,610 ^(a)
2020 Certified Taxable Assessed Valuation	\$ 39,731,983 ^(a)
Estimated Taxable Assessed Valuation (as of August 1, 2020)	\$ 61,228,705 ^(b)
Gross Direct Debt Outstanding	\$ 6,120,000 ^(c)
Ratio of Gross Direct Debt Outstanding to 2020 Certified Assessed Valuation	15.40%
Ratio of Gross Direct Debt to Estimated Taxable Assessed Valuation (as of August 1, 2020)	10.00%

(a) Assessed valuation of the District as reported by the Comal Appraisal District (“CAD”). See “TAXING PROCEDURES.”

(b) As estimated by the CAD as of August 1, 2020 for informational purposes only.

(c) Includes the Bonds. See “DEBT SERVICE REQUIREMENTS.”

TABLE 3 - UNLIMITED TAX ROAD BONDS AUTHORIZED BUT UNISSUED

Purpose	Date Authorized	Amount Authorized	Heretofore Issued	Being Issued	Unissued Balance
Water, Sewer, Drainage	11/7/2017	\$ 207,675,000	\$ -	\$ -	\$ 207,675,000
Road Improvements	11/7/2017	83,700,000	2,745,000	3,375,000	77,580,000
Refunding	11/7/2017	437,062,500	-	-	437,062,500
Total		<u>\$ 728,437,500</u>	<u>\$ 2,745,000</u>	<u>\$ 3,375,000</u>	<u>\$ 722,317,500</u>

INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE DISTRICT . . . Under Texas law, the District is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (the “FDIC”) or by explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the FDIC or the National Credit Union Share Insurance Fund or their respective successors; (8) certificates of deposit and share certificates meeting the requirements of the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code, as amended) (the “PFIA”) (i) that are issued by or through an institution that has its main office or a branch office in Texas and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (6) or in any other manner and amount provided by law for District deposits; or (ii) that are invested by the District through a depository institution that has its main office or a branch office in the State of Texas and otherwise meets the requirements of the PFIA; (9) fully collateralized repurchase agreements that have a defined termination date, are fully secured by obligations described in clause (1), and are placed through a primary government securities dealer or a financial institution doing business in the State of Texas; (10) certain bankers’ acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least “A-1” or “P-1” or the equivalent by at least one nationally recognized credit rating agency; (11) commercial paper with a stated maturity of 270 days or less that is rated at least “A-1” or “P-1” or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank; (12) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that complies with Securities and Exchange Commission Rule 2a-7; (13) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, and either has a duration of one year or more and is invested exclusively in obligations described in the this paragraph, or has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities; (14) local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Code) as amended, whose assets consist exclusively of the obligations that are described above. A public funds investment pool must be continuously ranked no lower than “AAA,” “AAA-m” or at an equivalent rating by at least one nationally recognized rating service. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described below.

A political subdivision such as the District may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (6) above, clauses (11) through (13) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the District, held in the District's name and deposited at the time the investment is made with the District or a third party designated by the District; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less.

The District may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAAm" or an equivalent by at least one nationally recognized rating service. The District may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the District retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the District must do so by order, ordinance, or resolution.

The District is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that include a list of authorized investments for District funds, the maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund, groups methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the PFIA. All District funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each fund's investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, the District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived." At least quarterly the District's investment officers must submit an investment report to the Board of Directors detailing: (1) the investment position of the District, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, and any additions and changes to market value and the ending value of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategies and (b) Texas law. No person may invest District funds without express written authority from the Board of Directors.

Under Texas law, the District is additionally required to: (1) annually review its adopted policies and strategies, (2) require any investment officers with personal business relationships or family relationships with firms seeking to sell securities to the District to disclose the relationship and file a statement with the Texas Ethics Commission and the District, (3) require the registered principal of firms seeking to sell securities to the District to: (a) receive and review the District's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the District's investment policy, (5) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement, (6) restrict the investment in non-money market mutual funds in the aggregate to no more than 15% of the District's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service and (7) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements.

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ESTIMATED OVERLAPPING DEBT STATEMENT . . . Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed from several sources, including information contained in “Texas Municipal Reports,” published by the Municipal Advisory Council of Texas. Except for the amount relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person is entitled to rely upon information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional bonds since the dates stated in this table, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. Political subdivision overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance and/or general revenue purposes in addition to taxes of debt service and the tax burden for operation, maintenance and/or general purposes is not included in these figures.

Taxing Jurisdiction	Total Tax Supported Debt	Estimated % Applicable	District's Overlapping Tax Supported Debt as of 8/31/20
Comal County	\$ 140,350,000	0.10%	\$ 140,350
Comal Independent School District	722,510,179	0.12%	867,012
Comal County ESD #2	-	0.41%	-
Comal County ESD #3	-	0.41%	-
Meyer Ranch MUD of Comal County	6,120,000	100.00%	6,120,000 ^(a)
Total Direct and Overlapping Tax Supported Debt			\$ 7,127,362
Ratio of Direct and Overlapping Tax Supported Debt to 2020 Certified TAV			17.94%
Ratio of Direct and Overlapping Tax Supported Debt to Estimated August 1, 2020 TAV			11.64%

(a) Includes the Bonds.

TAX DATA

TABLE 4 – TAX RATE AND COLLECTIONS

The following statement of tax collections sets forth in condensed form the historical fiscal year tax collection experience of the District. Such summary has been prepared by the Financial Advisor for inclusion herein based upon information from District audits and records of the District’s Tax Assessor/Collector. Reference is made to such audits and records for further and more complete information.

Fiscal Year Ended 9/30	Tax Rate	General Operating Fund	Debt I&S Fund	Tax Levy	% Total Collections
2020	\$ 0.9500	\$ 0.9500	\$ -	\$ 178,501	99.12% (a)
2021	\$ 0.9500	\$ 0.6000	\$ 0.3500	\$ 377,454	NA ^(a)

(a) Fiscal year 2020 collections through 7/31/20. Collections for year ended September 30, 2020 are due January 31, 2020.

TAX RATE LIMITATION . . . The District’s tax rate for debt service on the Bonds is legally unlimited as to rate and amount.

MAINTENANCE TAX . . . The District has the statutory authority to levy and collect an annual ad valorem tax for maintaining, repairing and operating the District’s facilities and for paying administrative expenses of the District, if such maintenance tax is authorized by the District’s voters. An election for such a tax was held on November 7, 2017 at which time a maintenance tax not to exceed \$1.00 per \$100 assessed valuation was approved by the District’s voters. The District adopted a 2020 tax year maintenance tax of \$0.6000.

TABLE 5 – PRINCIPAL TAXPAYERS . . . The following list of principal taxpayers was provided by the Comal Appraisal District based on the 2020 tax rolls of the District, which reflect ownership as of January 1 of each year shown.

Taxpayer	Taxable Assessed Value	% of 2020 Taxable Assessed Valuation
CCD Meyer Ranch Land LLC ^(a)	\$ 6,875,680	17.31%
Bella Vista CMI, Ltd.	2,807,581	7.07%
Gehan Homes Ltd.	1,587,937	4.00%
Ashton San Antonio Residential LLC	1,340,930	3.37%
Highland Homes Ltd.	993,550	2.50%
Trendmaker Homes Inc.	990,000	2.49%
NAV Construction LLC	743,210	1.87%
Williams Scotsman Inc.	594,540	1.50%
Gauger, Michael D. & Ellen S.	403,730	1.02%
Boone, Daniel & Linda	377,100	0.95%
	<u>\$ 16,714,258</u>	<u>42.07%</u>

(a) The Developer.

TAX ADEQUACY FOR DEBT SERVICE

The calculations shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation from the 2020 Certified Taxable Assessed Valuation and utilize tax rates adequate to service the District's total projected debt service requirements, including the Bonds (at an assumed interest rate for purposes of illustration). No available debt service funds are reflected in these computations. See "RISK FACTORS – Impact on District Tax Rates."

Projected Average Annual Debt Service Requirements on the Bonds (2020-2050)	\$ 330,399
\$0.8754 Tax Rate on 2020 Certified Taxable Assessed Valuation of \$39,731,983 @ 95% collections	\$ 330,423
Projected Maximum Annual Debt Service Requirements on the Bonds (2048)	\$ 367,638
\$0.9740 Tax Rate on 2020 Certified Taxable Assessed Valuation of \$39,731,983 @ 95% collections	\$ 367,640

TAXING PROCEDURES

AUTHORITY TO LEVY TAXES . . . The Board is authorized to levy an annual ad valorem tax on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Bonds, their pro rata share of debt service on any contract tax bonds and any additional bonds or obligations payable from taxes which the District may hereafter issue (see "RISK FACTORS – Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Order to levy such a tax from year-to-year as described more fully herein under "THE BONDS – Source of and Security for Payment." Under Texas law, the Board is also authorized to levy and collect an ad valorem tax for the operation and maintenance of the District and its water and wastewater system and for the payment of certain contractual obligations, if authorized by its voters. See "TAX DATA – District Bond Tax Rate Limitation," and "TAX DATA – Maintenance Tax."

PROPERTY TAX CODE AND COUNTY-WIDE APPRAISAL DISTRICT . . . The Texas Property Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized herein.

The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units within the county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. CCAD has the responsibility for appraising property for all taxing units within Comal County, including the District. Such appraisal values are subject to review and change by the Comal County Appraisal Review Board (the "Appraisal Review Board"). The appraisal roll as approved by the Appraisal Review Board must be used by the District in establishing its tax roll and tax rate.

PROPERTY SUBJECT TO TAXATION BY THE DISTRICT . . . General: Except for certain exemptions provided by State law, all real property, tangible personal property held or used for the production of income, mobile homes, and certain categories of intangible

personal property with a tax situs in the District are subject to taxation by the District; however, no effort is expected to be made by the Appraisal District to include on a tax roll tangible or intangible personal property not devoted to commercial or industrial use. Principal categories of exempt property include: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; income producing tangible personal property or mineral interest with a taxable value of less than \$500; certain property used for the control of air, water or land pollution; solar and wind powered energy devices; certain non-profit cemeteries, farm products owned by the producer; and certain property owned by qualified charitable, religious, veterans, youth, or fraternal organizations. Goods, wares, ores and merchandise (other than oil, gas, or petroleum products) that are acquired in or imported into the state and forwarded out of state within 175 days thereafter are also exempt. Article VIII, Section 1-a of the Texas Constitution grants a \$3,000 homestead exemption for all homesteads taxed by counties for farm-to-market roads and flood control purposes. Property owned by a disabled veteran or by the spouse of certain children of a deceased disabled veteran or a veteran who died while on active duty is partially exempt to between \$5,000 and \$12,000 of assessed value depending upon the disability rating of the veteran. A veteran who receives a disability rating of 100% is entitled to an exemption for the full value of the veteran's residence homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. Also partially exempt are residence homesteads of certain persons who are disabled or at least 65 years old, not less than \$3,000 of appraised value or such higher amount as the Board or the District's voters may approve. The District's tax assessor/collector is authorized by statute to disregard such exemptions for the elderly and disabled if granting the exemptions would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemptions by the District.

Residential Homestead . . . The Board may exempt up to 20% of the market value of residential homesteads from ad valorem taxation. Such exemption would be in addition to any other applicable exemptions provided by law. However, if ad valorem taxes have previously been pledged for the payment of debt, then the Board may continue to levy and collect taxes against the exempted value of the homesteads until the debt is discharged if the cessation of the levy would impair the obligation of the contract by which the debt was created. The District has never adopted a general homestead exemption.

Tax Abatement . . . Comal County and the District may enter into tax abatement agreements with owners of real property within such zone. The tax abatement agreements may exempt from ad valorem taxation by the applicable taxing jurisdiction for a period of up to ten years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with a comprehensive plan. As of October 17, 2017, the District has not executed any abatement agreements.

Goods-in-Transit . . . Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of "goods-in-transit." "Goods-in-transit" is defined by a provision of the Tax Code, which is effective for tax years 2008 and thereafter, as personal property acquired or imported into Texas and transported to another location in the State or outside the State within 175 days of the date the property was acquired or imported into Texas. The exemption excludes oil, natural gas, petroleum products, aircraft and special inventory, including motor vehicle, vessel and out-board motor, heavy equipment and manufactured housing inventory. The Tax Code provisions permit local governmental entities, on a local option basis, to take official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax goods-in-transit during the following tax year. A taxpayer may receive only one of the freeport exemptions or the goods-in-transit exemptions for items of personal property. In February, 2008, the Board conducted a public hearing on the question of whether to provide for taxation of goods-in-transit and adopted a Resolution Providing for Taxation of Goods-in-Transit, by which the District took official action to tax goods-in-transit.

VALUATION OF PROPERTY FOR TAXATION . . . Generally, property in the District must be appraised by the CCAD at market value as of January 1 of each year. Once an appraisal roll is prepared and formally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code.

The Property Tax Code permits land designated for agricultural use, open space or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its fair market value. The Property Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price that such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of the agricultural use, open space or timberland designation or residential real property inventory designation must apply for the designation and the appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it as to another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three years for agricultural use and taxes for the previous five years for open space land and timberland.

The Property Tax Code requires the CCAD to implement a plan for periodic reappraisal of property. The plan must provide for appraisal of all real property in the CCAD at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the CCAD or whether reappraisals will be conducted on a zone or county-wide basis. The District, however, at its expense has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate

the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the CCAD chooses formally to include such values on its appraisal roll.

DISTRICT AND TAXPAYER REMEDIES . . . Under certain circumstances taxpayers and taxing units (such as the District), may appeal the orders of the Appraisal Review Board by filing a timely petition for review in State district court. In such event, the value of the property in question will be determined by the court or by a jury, if requested by any party. Additionally, taxing units may bring suit against the CCAD to compel compliance with the Property Tax Code.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

LEVY AND COLLECTION OF TAXES . . . The District is responsible for the levy and collection of its taxes unless it elects to transfer the collection functions to another governmental entity. By August 15 of each year, or as soon thereafter as practicable, the rate of taxation is set by the Board based upon the valuation of property within the District as of the preceding January 1. Taxes are due December 31, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to fifteen percent (15%) if imposed by the District. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances.

ROLLBACK OF OPERATION AND MAINTENANCE TAX RATE . . . Under current law, the qualified voters of the District have the right to petition for a rollback of the District's operation and maintenance tax rate only if the total tax bill on the average residence homestead increases by more than eight percent (8%). If a rollback election is called and passes, the rollback tax rate is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate. Thus, debt service and contract tax rates cannot be changed by a rollback election.

During the 86th Regular Legislative Session, Senate Bill 2 ("SB 2") was passed and signed by the Governor, with an effective date of January 1, 2020, which effectively restricts increases in the District's operation and maintenance tax rates by requiring rollback elections to reduce the operation and maintenance tax component of the District's total tax rate (collectively, the debt service tax rate, operation and maintenance tax rate, and contract tax rate are the "total tax rate"). See "SELECTED FINANCIAL INFORMATION" for a description of the District's current total tax rate. SB 2 requires a reduction in the operation and maintenance tax component of the District's total tax rate if the District's total tax rate surpasses the thresholds for specific classes of districts in SB 2. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

SB 2 classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per \$100 of taxable value are classified as "Low Tax Rate Districts." Districts that have finished, completed and issued bonds to pay for all improvements and facilities necessary to serve at least ninety-five percent (95%) of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed are classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its operation and maintenance tax rate pursuant to SB 2 is described for each classification below.

Low Tax Rate Districts: Low Tax Rate Districts that adopt a total tax rate that would impose more than 1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Low Tax Rate District is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts: Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Low Tax Rate District and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Low Tax Rate Districts.

Developing Districts: Districts that do not meet the classification of a Low Tax Rate District or a Developed District are classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If a rollback election is called and passes, the total tax rate for a Developing District is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

The District: A determination as to a district's status as a Low Tax Rate District, Developed District, or Developing District will be made on an annual basis, at the time a district sets its tax rate, beginning with the 2020 tax rate. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new rollback election calculation.

DISTRICT'S RIGHTS IN THE EVENT OF TAX DELINQUENCIES . . . Taxes levied by the District are a personal obligation of the owner of the property on January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of such other taxing units. See "FINANCIAL STATEMENT – Estimated Overlapping Debt Statement." A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem residential homestead property within two years after the purchaser's deed issued at the foreclosure sale is filed in the county records other property may be redeemed by a taxpayer within 180 days of such filing) or by bankruptcy proceedings which restrict the collection of taxpayer debts. See "RISK FACTORS – Tax Collections and Foreclosure Remedies."

EFFECT OF FIRREA ON TAX COLLECTIONS . . . The "Financial Institutions Reform, Recovery and Enforcement Act of 1989" ("FIRREA") contains provisions which affect the time for protesting property valuations, the fixing of tax liens and the collection of penalties and interest on delinquent taxes on real property owned by the FDIC when the FDIC is acting as the conservator or receiver of an insolvent financial institution.

Under FIRREA, real property held by the FDIC is still subject to ad valorem taxation, but such act states (i) that no real property of the FDIC shall be subject to foreclosure or sale without the consent of the FDIC and no involuntary lien shall attach to such property, (ii) the FDIC shall not be liable for any penalties or fines, including those arising from the failure to pay any real property taxes when due and (iii) notwithstanding the failure of a person to challenge an appraisal in accordance with state law, such value shall be determined as of the period for which such tax is imposed.

To the extent that the FIRREA provisions are valid and applicable to any property in the District, and to the extent that the FDIC attempts to enforce the same, these provisions may affect the timeliness of collection of taxes on property owned by the FDIC in the District, and may prevent the collection of penalties and interest on such taxes.

LEGAL MATTERS

LEGAL OPINIONS . . . Issuance of the Bonds is subject to the approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and binding obligations of the District payable from the proceeds of an annual ad valorem tax levied, without legal limit as to rate or amount, upon all taxable property within the District. Issuance of the Bonds is also subject to the legal opinion of McLean & Howard, L.L.P., Austin, Texas ("Bond Counsel"), based upon examination of a transcript of the proceedings incident to authorization and issuance of the Bonds, to the effect that the Bonds are valid and binding obligations of the District payable from the sources and enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by governmental immunity, bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity. Issuance of the Bonds is also subject to the legal opinion of McCall, Parkhurst & Horton L.L.P. ("Special Tax Counsel") that will address the matters described below under "TAX MATTERS." Such opinions will express no opinion with respect to the sufficiency of the security for or the marketability of the Bonds. In connection with the issuance of the Bonds, Bond Counsel has been engaged by, and only represents, the District.

The legal fees to be paid Bond Counsel and Special Tax Counsel for services rendered in connection with the issuance of the Bonds are based upon a percentage of Bonds actually issued, sold and delivered, and therefore, such fees are contingent upon 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.

NO-LITIGATION CERTIFICATE . . . The District will furnish to the Initial Purchaser a certificate, dated as of the date of delivery of the Bonds, executed by both the President and Secretary of the Board, to the effect that no litigation of any nature has been filed or is then pending or threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the issuance, execution or delivery of the Bonds; affecting the provisions made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution, or delivery of the Bonds; or affecting the validity of the Bonds.

NO MATERIAL ADVERSE CHANGE . . . The obligations of the Initial Purchaser to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District from that set forth or contemplated in the Official Statement.

TAX MATTERS

OPINION . . . On the date of initial delivery of the Bonds, McCall, Parkhurst and Horton L.L.P., Special Tax Counsel to the District, 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, Special Tax Counsel 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 B – Form of Special Tax Counsel Opinion.”

In rendering its opinion, Special Tax Counsel will rely upon (a) the opinion of McLean & Howard L.L.P., Bond Counsel, that the Bonds are valid and binding obligations of the District payable from the proceeds of a generally-applicable ad valorem tax, (b) the District’s federal tax certificate, and (c) covenants of the District relating to arbitrage and the application of the proceeds of the Bonds and the property financed or refinanced therewith. Failure by the District to comply with these representations or covenants could cause the interest on the Bonds to become included in gross income retroactively to the date of issuance.

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 the 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 to gross income retroactively to the date of issuance of the Bonds. The opinion of Special Tax Counsel is conditioned on compliance by the District with the covenants and requirements, and Special Tax Counsel has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Special Tax Counsel’s opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Special Tax Counsel’s opinion is not a guarantee of a result. 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 District with respect to the Bonds or the property financed or refinanced with the proceeds of the Bonds. Special Tax Counsel’s opinion represents its legal judgement based upon its review of Existing Law and the representations of the District that it deems relevant to render such opinion and is not a guarantee of a result. No assurances can be given as to whether 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 Special Tax Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the District 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 is 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 (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 accumulated, 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, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with subchapter C earnings and profits, foreign corporations subject to the branch profits tax, 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 RECENTLY ENACTED LEGISLATION AND 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.

QUALIFIED TAX-EXEMPT OBLIGATIONS FOR FINANCIAL INSTITUTIONS . . . Section 265(a) of the Code provides, in pertinent part, that interest paid or incurred by a taxpayer, including a "financial institution," on indebtedness incurred or continued to purchase or carry tax-exempt obligations is not deductible in determining the taxpayer's taxable income. Section 265(b) of the Code provides an exception to the disallowance of such deduction for any interest expense paid or incurred on indebtedness of a taxpayer that is a "financial institution" allocable to tax-exempt obligation, other than "private activity bonds," that are designated by a "qualified small issuer" as "qualified tax-exempt obligations." A "qualified small issuer" is any governmental issuer (together with any "on-behalf of" and "subordinate" issuers) who issues no more than \$10,000,000 of tax-exempt obligations during the calendar year. Section 265(b)(5) of the Code defines the term "financial institution" as any "bank" described in Section 585(a)(2) of the Code, or any person accepting deposits from the public in the ordinary course of such person's trade or business that is subject to federal or state supervision as a financial institution. Notwithstanding the exception to the disallowance of the deduction of interest on indebtedness related to "qualified tax-exempt obligations" provided by Section 265(b) of the Code, Section 291 of the Code provides that the allowable deduction to a "bank," as defined in Section 585(a)(2) of the Code, for interest on indebtedness incurred or continued to purchase "qualified tax-exempt obligations" shall be reduced by twenty-percent (20%) as a "financial institution preference item."

The District expects to designate the Bonds as "qualified tax-exempt obligations" within the meaning of section 265(b) of the Code. In furtherance of that designation, the District will covenant to take such action that would assure, or to refrain from such action that would adversely affect, the treatment of the Bonds as "qualified tax-exempt obligations." **Potential purchasers should be aware that if the issue price to the public exceeds \$10,000,000, there is a reasonable basis to conclude that the payment of a de minimis amount of premium in excess of \$10,000,000 is disregarded; however, the Internal Revenue Service could take a contrary view. If the Internal Revenue Service takes the position that the amount of such premium is not disregarded, then such obligations might fail to satisfy the \$10,000,000 limitation and the Bonds would not be "qualified tax-exempt obligations."**

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Order, the District has made the following agreement for the benefit of the registered and beneficial owners. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board ("MSRB"). This information will be available free of charge from the MSRB via its Electronic Municipal Market Access system at www.emma.msrb.org.

ANNUAL REPORTS . . . The District will provide certain updated financial information and operating data to certain information to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement in tables 1 through 4 and in APPENDIX C. The District will update and provide this information within six months after the end of each fiscal year. The District will provide the updated information to the MSRB.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements, if completed by the required time. If audited financial statements are not available within twelve months after any such fiscal year end, the District will file unaudited financial statements within twelve months after any such fiscal year end, and audited financial statements when the audit report becomes available.

The District's current fiscal year end is September 30. Accordingly, it must provide updated disclosure information by March 31 of each year and audited financial statements by March 31 unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

NOTICE OF CERTAIN EVENTS . . . The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice

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 Beneficial Owners 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 District or other obligated person within the meaning of CFR § 240.15c2-12 (the “Rule”); (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person within the meaning of the Rule or the sale of all or substantially all of the assets of the District or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of an definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation (as defined by the Rule, which includes certain debt, debt-like, and debt-related obligations) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, 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 a financial obligation of the District, any of which reflect financial difficulties.

AVAILABILITY OF INFORMATION FROM THE MSRB . . . The District has agreed to provide the foregoing information only to the MSRB. All documents provided by the District to the MSRB described above under “Annual Reports” and “Notice of Certain Events” will be in an electronic format and accompanied by identifying information as prescribed by the MSRB.

The address of the MSRB is 1900 Duke Street, Suite 600, Alexandria, VA 22314, and its telephone number is (703) 797-6600.

LIMITATIONS AND AMENDMENTS . . . The District has agreed to update information and to provide notices of specified events only as described above. The District has 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 District makes 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 District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Registered Owners may seek a writ of mandamus to compel the District to comply with its agreement.

This continuing disclosure agreement may be amended by the District 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 District, but only if (1) the provisions, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of the Bond Order that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the District (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Holders and beneficial owners of the Bonds. The District may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision 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.

COMPLIANCE WITH PRIOR UNDERTAKINGS . . . The District became obligated to file continuing disclosure in 2019. Since that time, they have complied with their continuing disclosure undertaking.

FINANCIAL ADVISOR

The Official Statement was compiled and edited under the supervision of Specialized Public Finance Inc. (the “Financial Advisor”), which firm is currently employed as Financial Advisor to the District. The fees paid to the Financial Advisor for services rendered in connection with the issuance and sale of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered, and therefore such fees are contingent on the sale and delivery of the Bonds. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to the issuer 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.

OFFICIAL STATEMENT

UPDATING THE OFFICIAL STATEMENT DURING UNDERWRITING PERIOD . . . If, subsequent to the date of the Official Statement to and including the date the Initial Purchaser is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from a nationally recognized repository but in no case less than 25 days after the “end of the underwriting period”), the District learns or is notified by the Initial Purchaser of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the District will promptly prepare and supply to the Initial Purchaser a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Initial Purchaser, unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds as described in the Notice of Sale under the heading “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS – Delivery.” The obligation of the District to update or change the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser (the “end of the underwriting period” within the meaning of the Rule), unless the Initial Purchaser provides written notice to the District that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation to update or change the Official Statement will extend for an additional period of time of 25 days after all of the Bonds have been sold to ultimate customers. In the event the Initial Purchaser provides written notice to the District that less than all of the Bonds have been sold to ultimate customers, the Initial Purchaser agrees to notify the District in writing following the occurrence of the “end of the underwriting period” as defined in the Rule.

CERTIFICATION AS TO OFFICIAL STATEMENT . . . The District, acting by and through its Board of Directors in its official capacity in reliance upon the experts listed above, hereby certifies, as of the date hereof, that to the best of its knowledge and belief, the information, statements and descriptions pertaining to the District and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information, description and statements concerning entities other than the District, including particularly other governmental entities, have been obtained from sources believed to be reliable, but the District has made no independent investigation or verification of such matters and makes no representation as to the accuracy or completeness thereof. Except as set forth in “CONTINUING DISCLOSURE OF INFORMATION” herein, the District has no obligation to disclose any changes in the affairs of the District and other matters described in this Official Statement subsequent to the “end of the underwriting period” which shall end when the District delivers the Bonds to the Initial Purchaser at closing, unless extended by the Initial Purchaser. All information with respect to the resale of the Bonds subsequent to the “end of the underwriting period” is the responsibility of the Initial Purchaser.

ANNUAL AUDITS . . . Under Texas Law, the District must keep its fiscal records in accordance with generally accepted accounting principles. It must also have its financial accounts and records audited by a certified or permitted public accountant within 120 days after the close of each fiscal year of the District, and must file each audit report with the TCEQ within 135 days after the close of the fiscal year so long as the District has bond outstanding. Copies of each audit report must also be filed in the office of the District. The District’s fiscal records and audit reports are available for public inspection during regular business hours, and the District is required by law to provide a copy of the District’s audit reports to any Registered Owner or other member of the public within a reasonable time on request, upon payment of prescribed charges.

This Official Statement was approved by the Board of Directors of Meyer Ranch Municipal Utility District of Comal County, as of the date shown on the first page hereof.

Secretary, Board of Directors
Meyer Ranch Municipal Utility District of Comal County

President, Board of Directors
Meyer Ranch Municipal Utility District of Comal County

PHOTOGRAPHS

The homes shown in the attached photographs are representative of the type of construction presently located within the District, and these photographs are presented solely to illustrate such construction.

The District makes no representation that any additional construction such as that as illustrated in the following photographs will occur in the District. See "THE DISTRICT."

APPENDIX A

FORM OF BOND COUNSEL'S OPINION

APPENDIX B

FORM OF SPECIAL TAX COUNSEL'S OPINION

APPENDIX C

Audited Financial Statements

The information contained in this appendix has been excerpted from the audited financial statements of Meyer Ranch Municipal Utility District for the fiscal year ended September 30, 2019. Certain information not considered to be relevant to this financing has been omitted; however, complete audit reports are available upon request.

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY
Friday, September 11, 2020

STATE OF TEXAS §
 §
COUNTY OF COMAL §

The Board of Directors of Meyer Ranch Municipal Utility District of Comal County (the “District”) held a regular meeting, open to the public, on Friday, September 11, 2020 at 12:00 p.m. Notices of the time, place and the subject of the meeting, and the actions to be taken at the meeting, were posted at the places and for the time required by the laws of the State of Texas. In accordance with the Governor’s emergency proclamation suspending certain provisions of the Texas Open Meetings Act effective March 16, 2020 in response to the COVID-19 pandemic, the meeting was conducted telephonically. All persons, including members of the public, could participate in the meeting telephonically by following the weblink or telephone instructions set forth on the posted meeting agenda.

The roll was called of the directors of the Board, to-wit:

Tommy Tucker	President
Talley Williams	Vice President
Madison Inselmann	Secretary
Michael Slack	Assistant Secretary
Daniel A. Day	Assistant Secretary

and all of said persons were present, thus constituting a quorum. Also present were James Wilson from Crown Community Development; Robert Long of Randolph Todd Development; Allen Douthitt from Bott & Douthitt PLLC; Seth Mearig of BGE, Inc.; Garry Kimball from Specialized Public Finance Inc., John Montgomery from Municipal Operations & Consulting, Inc.; and Anthony S. Corbett and Lauren Hughes of McLean & Howard, L.L.P.

1. The Board first considered approval of the minutes from the Board’s August 14, 2020 meeting. Upon a motion made by Director Day that was seconded by Director Slack, the Board unanimously approved the meeting minutes subject to correcting who attended the meeting on behalf of Crown Community Development.

2. Next, the Board convened a public hearing for adoption of final tax rates for the 2020 tax year. No public comments were received, and the Board closed the public hearing.

3. The Board then considered a Resolution Approving Budget for 2020-2021 Fiscal Year. Allen Douthitt presented a draft fiscal year budget. After discussion, Director Slack made a motion to Adopt the Resolution Approving Fiscal Year Budget as presented. Director Day seconded the motion, which the Board passed unanimously (5-0). A copy of the Resolution and approved Budget for the 2020-2021 Fiscal Year is attached as an exhibit to these minutes.

4. The Board then considered adoption of an Order levying final tax rates for the 2020 Tax Year. Garry Kimball presented tax rate recommendations to the Board. Upon a motion by Director Slack and a second by Director Day, the Board unanimously approved an Order Levying Taxes for Tax Year 2020, thereby approving a final maintenance tax rate of \$0.60/\$100 of taxable assessed valuation and a final debt service tax rate of \$0.35/\$100 assessed valuation, all in accordance with the Financial Advisor's recommendation. A copy of the Order approved by the Board is attached as an exhibit to these minutes.

5. Mr. Montgomery provided a report to the Board regarding wastewater treatment and disposal operations. The Board took no action in response to the report.

6. The Board then considered the Engineer's Report. Mr. Mearig provided the report regarding pending construction and engineering activities. Mr. Mearig recommended that the Board approve the following:

Meyer Ranch Unit 5 Pay App #5 in the amount of \$233,637.40

Director Williams made a motion to approve the above-referenced pay applications in accordance with the Engineer's recommendation. Director Slack seconded the motion, which the Board passed unanimously (5-0). A copy of the Engineer's Report is attached as an exhibit to these minutes.

7. Mr. Hinkle then provided a report regarding the status of development and sales activities within the District.

8. The Board then considered acceptance of conveyance of real property interests by CCD Meyer Ranch Land, LLC. The Board tabled this matter.

9. The Board then considered the pending sale and issuance of Meyer Ranch Municipal Utility District Unlimited Tax Road Bonds, Series 2020 (the "Bonds"). Mr. Corbett reported that an updated estimated of appraised values had not been received from the County yet, and the final sizing of the Bonds would be determined upon receipt of the estimate. No action was taken by the Board.

10. Mr. Douthitt then provided the Bookkeepers Report, including invoices for payment. After discussion, Director Inselmann moved that the Board approve the Bookkeeper's Report and the payment of bills and invoices as presented. The motion was seconded by Director

Williams and passed unanimously (5-0). Copies of the approved bills and invoices are attached as exhibits to these minutes.

Upon unanimous acclamation, the Board adjourned the meeting at approximately 12:30 p.m.

(SEAL)

Secretary, Board of Directors



ENGINEER'S REPORT

Date: October 14, 2020

To: Meyer Ranch MUD
Board of Directors

From: _____
Seth Mearig, P.E.
District Engineer

I. Engineer's Report:

A. Authorize Design, Advertisement for Bids and/or Award of Construction Contracts

B. Approval of Pay Applications (BGE as EOR)

- a. None at this time

C. Approval of Pay Applications (P-D as EOR)

- a. Meyer Ranch Unit 6 & 7 Pay App #1 in the amount of \$696,379.39
- b. Meyer Ranch Unit 6 & 7 Pay App #2 in the amount of \$689,294.70

D. Approval of Change Orders

- a. None at this time

E. Acceptance of Easements, Conveyances for Facilities

- a. None at this time

F. Development Activities

- a. Status on Meyer Ranch Unit 1 thru Unit 5 Project.
- b. Status on Meyer Ranch WWRF Package 2 Project.
- c. Status on Meyer Ranch Units 6 and 7 Project.

MEYER RANCH M.U.D. OF COMAL COUNTY

Accounting Report

October 14, 2020

- Review Cash Activity Report, including Receipts and Expenditures
 - ☒ Action Items:
 - Approve director and vendor payments.
 - Approve fund transfer.
- Review August 31, 2020 Financial Statements

Meyer Ranch M.U.D. of Comal County

January						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

March						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

[illegible]

Cash Activity Report

Meyer Ranch Municipal Utility District of Comal County
Cash Activity Report
August 31, 2020 - October 14, 2020

				ABC Bank	
				Operating Account	Bookkeeper's Account
Cash - Bank Balance as of August 31, 2020				\$ 41,361.54	\$ 16,248.47
Subsequent Activity Through October 14, 2020				(2,174.40)	5,739.85
Deposit		Service Revenues	\$ 32,825.60		
Transfer Approved at September 11, 2020 Meeting		To TexPool Operating Account	(35,000.00)		
		Subtotal - Operating Account	(2,174.40)		
Expenditures Approved at September 11, 2020 Meeting		Checks 5130 - 5140	\$ (91,639.21)		
Deposit		Developer Funding	100,000.00		
Hill Country Waste Solutions	5141	Trash and Recycle - August 2020	(2,575.94)		
Maxwebs Co	5142	Site Update - August 2020	(25.00)		
New Braunfels Utilities	5143	Electric - August 2020	(20.00)		
		Subtotal - Manager's Account	5,739.85		
Expenditures to be Approved at the October 14, 2020 Meeting (From Bookkeeper's Account)				\$ -	\$ (4,493.14)
<u>Vendor</u>	<u>Ck #</u>		<u>Amount</u>		
Daniel Day	5144	Director Fees - October 14, 2020	(138.53)		
Madison Inselmann	5145	Director Fees - October 14, 2020	(138.53)		
Michael Slack	5146	Director Fees - October 14, 2020	(138.52)		
Thomas Tucker	5147	Director Fees - October 14, 2020	(138.53)		
Talley Williams	5148	Director Fees - October 14, 2020	(138.53)		
Bott & Douthitt, P.L.L.C.	5149	Accounting Services - September 2020	(1,500.00)		
McLean & Howard, L.L.P.	5150	Legal Fees - September 2020	(2,300.50)		
		Total	(4,493.14)		
Transfer to be Approved at October 14, 2020 Board Meeting				(35,000.00)	-
Meyer Ranch M.U.D.		Transfer from ABC Operating to TexPool Operating	(35,000.00)		
			(35,000.00)		
Projected Cash Balance as of October 14, 2020				\$ 4,187.14	\$ 17,495.18

<p align="center">Meyer Ranch Municipal Utility District of Comal County Cash/Investment Activity Report August 31, 2020 - October 14, 2020</p>
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	Interest Rates	Balance 8/31/2020	Subsequent		Subtotal 10/14/2020	Transfers to be Approved 10/14/2020	Projected Balance 10/14/2020
			Receipts	Disbursements			
General Fund -							
Checking Account (Operating)	n/a	\$ 41,361.54	\$ 32,825.60	\$ (35,000.00)	\$ 39,187.14	\$ (35,000.00) (1)	\$ 4,187.14
Checking Account (Bookkeeper's)	n/a	16,248.47	100,000.00	(98,753.29)	17,495.18		17,495.18
TexPool - Operating Account	0.1363%	8,089.58	35,000.00	-	43,089.58	35,000.00 (1)	78,089.58
Total - General Fund		65,699.59	167,825.60	(133,753.29)	99,771.90	-	99,771.90
Debt Service Fund -							
TexPool - SR2019 Capitalized Interest	0.1363%	125,182.34	-	-	125,182.34	-	125,182.34
Total - Debt Service Fund		125,182.34	-	-	125,182.34	-	125,182.34
Capital Projects Fund -							
TexPool - SR2019 Capital Projects	0.1363%	1,930.19	-	-	1,930.19	-	1,930.19
Total - Capital Projects Fund		1,930.19	-	-	1,930.19	-	1,930.19
Total - All Funds		192,812.12	167,825.60	(133,753.29)	226,884.43	-	226,884.43

Transfer Letter Information:

⁽¹⁾ To transfer funds from ABC Operating Account to TexPool Operating Account: \$35,000.00

Tax Collection Report

9/9/2020 4:25:29PM

Totals for Entity:		MMR	MEYER RANCH MUD												
Year	Original Tax	Adjustments	Adjusted Tax	Base Tax Pd	Under	Disc	Eff Taxes Paid	Penalty	Interest	Att. Fee	Overage	Payments	Balance	%	#Owed
2018	1,062.96	0.00	1,062.96	1,062.96	0.00	0.00	1,062.96	0.00	0.00	0.00	0.00	1,062.96	0.00	100.00	0
2019	178,501.39	-426.59	178,074.80	177,029.79	0.01	0.00	177,029.80	355.32	167.22	185.75	0.01	177,738.09	1,045.00	99.41	2
Total for all Delinquent Years:															
	1,062.96	0.00	1,062.96	1,062.96	0.00	0.00	1,062.96	0.00	0.00	0.00	0.00	1,062.96	0.00		0
Totals for All Years:															
	179,564.35	-426.59	179,137.76	178,092.75	0.01	0.00	178,092.76	355.32	167.22	185.75	0.01	178,801.05	1,045.00		2
Refund Paid:															
				-426.59		0.00		0.00	0.00	0.00	0.00	-426.59			

Effective Taxes Paid = Base Tax Pd + Under + Disc
Amount Paid = Base Tax Pd + Penalty + Interest + Att. Fee+ Overage
Balance = Adjusted Tax- Eff Taxes Paid

Meyer Ranch MUD of Comal County
ANALYSIS OF TAXES COLLECTED FOR RECONCILIATION
FY 2019 - 2020

TAX YEAR	2019		
	General Fund	Debt Service Fund	Total
PERCENTAGE	\$ 0.9500	\$ -	\$ 0.9500
COLLECTIONS:			
OCT			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00
NOV			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	10,267.13	0.00	10,267.13
PENALTY	0.00	0.00	0.00
DEC			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	27,588.06	0.00	27,588.06
PENALTY	0.00	0.00	0.00
JAN			
TAX ADJUSTMENTS	(294.90)	0.00	(294.90)
BASE TAX REV	0.00	0.00	0.00
TAXES	116,297.67	0.00	116,297.67
PENALTY	0.00	0.00	0.00
FEB			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	20,168.52	0.00	20,168.52
PENALTY	36.58	0.00	36.58
MAR			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	(294.89)	0.00	(294.89)
TAXES	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00
APR			
TAX ADJUSTMENTS	(131.70)	0.00	(131.70)
BASE TAX REV	0.00	0.00	0.00
TAXES	522.50	0.00	522.50
PENALTY	57.48	0.00	57.48
MAY			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00
JUN			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	1,435.80	0.00	1,435.80
PENALTY	235.14	0.00	235.14
JUL			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	522.50	0.00	522.50
PENALTY	94.06	0.00	94.06
AUG			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	522.50	0.00	522.50
PENALTY	192.55	0.00	192.55
SEP			
TAX ADJUSTMENTS	0.00	0.00	0.00
BASE TAX REV	0.00	0.00	0.00
TAXES	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00
TOTAL			
BASE TAX REV	(294.89)	0.00	(294.89)
TAXES	177,324.68	0.00	177,324.68
PENALTY	615.81	0.00	615.81
TOTAL DISTRIBUTION	177,645.60	0.00	177,645.60
BEGINNING			
TAXES RECEIVABLE	178,501.39	0.00	178,501.39
TAX ADJUSTMENTS	(426.60)	0.00	0.00
BASE TAX REV	294.89	0.00	294.89
LESS: COLLECTIONS	(177,324.68)	0.00	(177,324.68)
TAX			
REC @ END OF PERIOD	1,045.00	0.00	1,045.00

Financial Statements

Meyer Ranch Municipal Utility District of Comal County
Governmental Funds Balance Sheet
August 31, 2020

	Governmental Funds			Governmental Funds Total
	General Fund	Debt Service Fund	Capital Projects Fund	
Assets				
Cash and Cash Equivalents				
Cash - Operating	\$ 41,361.54	\$ -	\$ -	\$ 41,361.54
Cash - Manager's Account	16,248.47	-	-	16,248.47
Cash Equivalents	8,089.58	125,182.34	1,930.19	135,202.11
Receivables				
Accounts Receivable	61,122.26	-	-	61,122.26
Property Taxes	1,045.00	-	-	1,045.00
Interfund	64.38	-	-	64.38
Prepaid Expense	33,019.33	-	-	33,019.33
Total Assets	\$ 160,950.56	\$ 125,182.34	\$ 1,930.19	\$ 288,063.09
Liabilities				
Accounts Payable	\$ 55,632.60	\$ -	\$ -	\$ 55,632.60
Accrued Expenses	14,000.00	-	-	14,000.00
TCEQ Tax Payable	629.39	-	-	629.39
Payroll Taxes Payable	206.52	-	-	206.52
Interfund	-	64.38	-	64.38
Total Liabilities	70,468.51	64.38	-	70,532.89
Deferred Inflows of Resources				
Property Taxes	1,045.00	-	-	1,045.00
Total Deferred Inflows of Resources	1,045.00	-	-	1,045.00
Fund Balance				
Fund Balances:				
Restricted for				
Debt Service	-	125,117.96	-	125,117.96
Capital Projects	-	-	1,930.19	1,930.19
Unassigned	89,437.05	-	-	89,437.05
Total Fund Balances	89,437.05	125,117.96	1,930.19	216,485.20
Total Liabilities and Fund Balances	\$ 160,950.56	\$ 125,182.34	\$ 1,930.19	\$ 288,063.09

See Accountants' Report.

Meyer Ranch Municipal Utility District of Comal County
Statement of Revenues,
Expenditures & Changes in Fund Balance-Governmental Funds
October 1, 2019 - August 31, 2020

	Governmental Funds			Governmental Funds Total
	General Fund	Debt Service Fund	Capital Projects Fund	
Revenues:				
Developer Funding	\$ 869,975.00	\$ -	\$ -	\$ 869,975.00
Property Taxes	177,645.61	-	-	177,645.61
Wastewater Revenue	134,281.69	-	-	134,281.69
Wastewater Penalties	629.96	-	-	629.96
Wastewater Tap Fees	60,000.00	-	-	60,000.00
Drainage Fees	16,027.63	-	-	16,027.63
Account Setup	8,280.00	-	-	8,280.00
Interest Income	17.78	199.32	1.99	219.09
Total Revenues	\$ 1,266,857.67	\$ 199.32	\$ 1.99	\$ 1,267,058.98
Expenditures:				
District Facilities -				
Operations Expense	72,545.44	-	-	72,545.44
Utilities	250.00	-	-	250.00
Garbage Fees	17,489.59	-	-	17,489.59
Repairs & Maintenance - Sewer	77,063.41	-	-	77,063.41
Pump and Haul	343,673.75	-	-	343,673.75
Street Lights	1,545.00	-	-	1,545.00
Lease - WWTP	227,850.00	-	-	227,850.00
Administrative Services -				
Director Fees, including payroll tax	7,750.81	-	-	7,750.81
Director Reimbursements	63.80	-	-	63.80
Wastewater Billing	18,191.72	-	-	18,191.72
Permit Fees	620.00	-	-	620.00
Tax Appraisal/Collection Fees	1,329.56	-	-	1,329.56
Insurance	1,229.46	-	-	1,229.46
Miscellaneous Expense	567.00	-	-	567.00
Professional Fees -				
Legal Fees	40,471.60	-	-	40,471.60
Engineering Fees	109,355.85	-	-	109,355.85
Bookkeeping Fees	15,050.00	-	-	15,050.00
Audit Fees	8,000.00	-	-	8,000.00
Debt Service -				
Interest Expense	-	54,248.30	82,880.00	137,128.30
Fiscal Agent Fees	-	64.38	-	64.38
Bond Issue Expense	-	-	204,396.28	204,396.28
Capital Outlay	277,347.43	-	2,261,426.00	2,538,773.43
Total Expenditures	1,220,394.42	54,312.68	2,548,702.28	3,823,409.38
Excess/(Deficiency) of Revenues over Expenditures	46,463.25	(54,113.36)	(2,548,700.29)	(2,556,350.40)
Other Financing Sources/(Uses):				
Bond Proceeds	-	179,231.32	2,565,768.68	2,745,000.00
Bond Premium	-	-	141.35	141.35
Bond Discount	-	-	(15,279.55)	(15,279.55)
Total Other Financing Sources/(Uses):	-	179,231.32	2,550,630.48	2,729,861.80
Excess/(Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	46,463.25	125,117.96	1,930.19	173,511.40
Fund Balance, October 1, 2019	42,973.80	-	-	42,973.80
Fund Balance, August 31, 2020	\$ 89,437.05	\$ 125,117.96	\$ 1,930.19	\$ 216,485.20

See Accountants' Report.

Supplementary Information

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General Fund

- Due to Developer
- Budgetary Comparison
- Revenues & Expenses: Actual + Budgeted
- A/P Aging Summary
- Adjustments Journal
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- General Ledger

Debt Service Fund

- Debt Service Schedule
- Adjustments Journal
- General Ledger

Capital Projects Fund

- General Ledger

General Fund

**Meyer Ranch MUD of Comal County
Analysis of Due to Developer
August 31, 2020**

Date	Amount
07/27/2017	\$ 50,000.00
03/23/2018	30,000.00
07/20/2018	11,500.00
12/20/2018	15,000.00
05/23/2019	35,000.00
09/24/2019	60,000.00
01/03/2020	30,000.00
02/12/2020	120,000.00
04/15/2020	150,000.00
05/07/2020	50,000.00
05/27/2020	179,975.00
07/24/2020	100,000.00
08/28/2020	240,000.00
	\$ 1,071,475.00

See Accountants' Report.

Meyer Ranch Municipal Utility District
Budgetary Comparison Schedule - General Fund
August 31, 2020

	CURRENT MONTH			YEAR TO DATE		
	Actual	Budget	Difference	Actual	Budget	Difference
Revenues:						
Wastewater Revenue	\$ 23,499.20	\$ 12,987.00	\$ 10,512.20	\$ 134,281.69	\$ 93,852.00	\$ 40,429.69
Wastewater Penalties	-	-	-	629.96	-	629.96
Wastewater Tap Fees	4,200.00	6,600.00	(2,400.00)	60,000.00	72,600.00	(12,600.00)
Drainage Fees	1,946.35	1,910.00	36.35	16,027.63	14,960.00	1,067.63
Account Setup	585.00	495.00	90.00	8,280.00	5,445.00	2,835.00
Property Tax, including penalties	715.05	-	715.05	177,645.61	178,501.00	(855.39)
Developer Advances	240,000.00	-	240,000.00	869,975.00	617,933.00	252,042.00
Interest Income	1.23	-	1.23	17.78	-	17.78
Total Revenues	270,946.83	21,992.00	248,954.83	1,266,857.67	983,291.00	283,566.67
Expenditures:						
Current-						
District Facilities -						
Operations Expense	7,500.00	10,791.00	3,291.00	72,545.44	59,126.00	(13,419.44)
Utilities	20.00	200.00	180.00	250.00	2,200.00	1,950.00
Garbage Collection	2,575.94	2,663.00	87.06	17,489.59	16,088.00	(1,401.59)
Repairs & Maintenance - Sewer	31,981.69	500.00	(31,481.69)	77,063.41	5,500.00	(71,563.41)
Liquid Haul	2,131.25	101,850.00	99,718.75	343,673.75	666,600.00	322,926.25
Drainage	-	1,000.00	1,000.00	-	11,000.00	11,000.00
Street Lights	-	300.00	300.00	1,545.00	2,400.00	855.00
Lease - WWTP	37,975.00	-	(37,975.00)	227,850.00	-	(227,850.00)
Administrative Services -						
Director Fees	600.00	750.00	150.00	7,200.00	3,750.00	(3,450.00)
Payroll Taxes	45.89	65.00	19.11	550.81	325.00	(225.81)
Director Reimbursement	-	20.00	20.00	63.80	100.00	36.20
Wastewater Billing	2,061.28	1,240.00	(821.28)	18,191.72	10,889.00	(7,302.72)
Tax Collector/Appraisal Fees	-	-	-	1,329.56	500.00	(829.56)
Insurance	(34.00)	-	34.00	1,229.46	1,450.00	220.54
Permit Fees	-	-	-	620.00	700.00	80.00
Public Notices	-	-	-	-	1,000.00	1,000.00
Miscellaneous Expense	50.00	100.00	50.00	567.00	1,100.00	533.00
Professional Fees -						
Legal Fees	1,751.02	3,000.00	1,248.98	40,471.60	33,000.00	(7,471.60)
Accounting Fees	1,500.00	1,500.00	-	15,050.00	13,200.00	(1,850.00)
Engineering Fees	3,000.00	3,000.00	-	109,355.85	33,000.00	(76,355.85)
Audit Fees	-	-	-	8,000.00	8,000.00	-
Capital Outlay	-	-	-	277,347.43	-	(277,347.43)
Total Expenditures	91,158.07	126,979.00	35,820.93	1,220,394.42	869,928.00	(350,466.42)
Excess/(Deficiency) of Revenues over Expenditures	\$ 179,788.76	\$ (104,987.00)	\$ 284,775.76	\$ 46,463.25	\$ 113,363.00	\$ (66,899.75)

Meyer Ranch Municipal Utility District of Comal County
Revenues and Expenditures - General Fund: Actual + Budgeted
Fiscal Year 2019-2020

	FY 2019-20 Budget Approved 9/13/19	Actual Oct-19	Actual Nov-19	Actual Dec-19	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Budget Sep-20	Projected Total	Projected Variance
Revenues:															
Property Taxes inc penalties	\$ 178,501	\$ -	\$ 10,267	\$ 27,588	\$ 116,298	\$ 20,205	\$ (295)	\$ 580	\$ -	\$ 1,671	\$ 617	\$ 715	\$ -	\$ 177,646	\$ (855)
Developer Funding	617,933	-	-	-	30,000	120,000	-	150,000	229,975	-	100,000	240,000	-	869,975	252,042
Service Revenue	107,730	6,919	6,991	7,672	7,722	8,020	11,603	11,638	12,280	14,872	23,297	23,499	13,878	148,390	40,660
Tap Fees	79,200	3,600	6,000	1,800	11,400	3,600	10,800	1,200	1,200	7,200	9,000	4,200	6,600	66,600	(12,600)
Application Fees	5,940	810	720	585	1,215	360	1,215	450	405	855	1,080	585	495	8,775	2,835
Drainage Fees	16,980	1,026	1,086	1,167	1,208	1,257	1,394	1,585	1,706	1,790	1,861	1,946	2,020	18,048	1,068
Penalties	-	285	-	-	-	-	114	-	-	-	-	-	-	399	399
Interest Income	-	-	-	-	-	-	-	2	5	6	4	1	-	18	18
Total Revenues	1,006,284	12,641	25,064	38,812	167,843	153,442	24,832	165,456	245,571	26,393	135,858	270,947	22,993	1,289,851	283,567
Expenditures:															
District Facilities															
Operations	70,754	3,348	2,535	396	4,183	5,395	2,574	12,153	12,463	11,000	11,000	7,500	11,628	84,173	(13,419)
Utilities	2,400	48	20	20	20	20	20	20	20	20	22	20	200	450	1,950
Solid Waste	18,991	677	851	1,004	1,266	1,288	1,484	1,746	1,987	2,227	2,383	2,576	2,903	20,393	(1,402)
Maintenance & Repair	6,000	10,947	4,844	195	207	5,104	3,271	7,249	4,075	4,190	5,000	31,982	500	77,563	(71,563)
Liquid Haul	776,700	30,225	25,350	33,248	33,150	36,075	39,750	73,350	57,525	12,870	-	2,131	110,100	453,774	322,926
Drainage	12,000	-	-	-	-	-	-	-	-	-	-	-	1,000	1,000	11,000
Street Lights	2,700	-	-	-	-	-	-	1,410	135	-	-	-	300	1,845	855
Lease - WWTP	-	-	-	-	-	32,500	-	43,450	37,975	37,975	37,975	37,975	-	227,850	(227,850)
Administrative Services															
Director Fees, inc payroll taxes	4,890	1,453	807	807	-	484	646	807	969	323	807	646	815	8,566	(3,676)
Director Reimbursements	120	26	13	13	-	-	13	-	-	-	-	-	20	84	36
Billing Services	12,179	1,612	1,246	1,174	2,002	967	2,131	1,295	1,287	1,878	2,538	2,061	1,290	19,482	(7,303)
Insurance	1,450	208	-	-	-	-	1,055	-	-	-	-	(34)	-	1,229	221
Permit Fees	700	620	-	-	-	-	-	-	-	-	-	-	-	620	80
Tax Appraisal/Collection Fees	500	-	-	435	-	-	435	-	460	-	-	-	-	1,330	(830)
Legal Notices and Publications	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000
Miscellaneous Expenses	1,200	-	-	10	5	-	-	400	52	25	25	50	100	667	533
Professional Fees															
Legal Fees	36,000	4,613	2,275	3,267	2,400	1,848	12,386	7,630	1,933	1,300	1,070	1,751	3,000	43,472	(7,472)
Audit Fees	8,000	-	-	-	7,500	-	500	-	-	-	-	-	-	8,000	-
Accounting Fees	14,700	1,100	1,100	1,400	1,050	1,400	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,550	(1,850)
Engineering Fees	36,000	31,383	9,172	7,058	4,569	9,112	10,141	17,192	8,527	6,055	3,148	3,000	3,000	112,356	(76,356)
Capital Outlay	-	-	-	51,172	61,301	2,925	30	161,920	-	-	-	-	-	277,347	(277,347)
Total Expenditures	1,006,284	86,259	48,213	100,198	117,653	97,118	75,936	330,121	128,906	79,363	65,468	91,158	136,356	1,356,750	(350,466)
Excess/(Deficiency) of Revenues over Expenditures															
	\$ -	\$ (73,618)	\$ (23,150)	\$ (61,386)	\$ 50,190	\$ 56,323	\$ (51,104)	\$ (164,666)	\$ 116,665	\$ (52,970)	\$ 70,390	\$ 179,789	\$ (113,363)	\$ (66,900)	\$ (66,900)

See Accountants' Report.

Meyer Ranch MUD of Comal County
A/P Aging Summary
As of August 31, 2020

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
BGE, Inc.	0.00	0.00	3,147.70	0.00	0.00	3,147.70
Bott & Douthitt, PLLC	1,500.00	0.00	0.00	0.00	0.00	1,500.00
Hill Country Waste Solutions, L.L.C.	2,575.94	0.00	0.00	0.00	0.00	2,575.94
Maxwebs Co	0.00	25.00	0.00	0.00	0.00	25.00
McLean & Howard, LLP	1,751.02	0.00	0.00	0.00	0.00	1,751.02
Municipal Operations & Consulting, Inc.	46,612.94	0.00	0.00	0.00	0.00	46,612.94
New Braunfels Utilities	20.00	0.00	0.00	0.00	0.00	20.00
TOTAL	<u>52,459.90</u>	<u>25.00</u>	<u>3,147.70</u>	<u>0.00</u>	<u>0.00</u>	<u>55,632.60</u>

See Accountant's Report.

Meyer Ranch MUD of Comal County
Adjusting Journal Entries
August 2020

Date	Num	Memo	Account	Debit	Credit
08/31/2020	8.1	Record Tax Collections	1150 · Taxes Receivable		522.50
		Record Tax Collections	2740 · Deferred Tax Revenue	522.50	
		Record Tax Collections	4320 · Property Taxes		522.50
		Record Tax Collections	4325 · Property Tax Penalties		192.55
		Record Tax Collections	1000 · Cash - Operating - ABC Bank	715.05	
				1,237.55	1,237.55
08/31/2020	8.2	Record August B&C	4200 · Wastewater Revenues		23,499.20
		Record August B&C	2139 · TCEQ Tax Liability		127.39
		Record August B&C	4800 · Drainage Fee		1,946.35
		Record August B&C	4700 · Wastewater Tap Fees		4,200.00
		Record August B&C	4900 · Account Setup		585.00
		Record August B&C	4330 · Wastewater Penalties	0.00	
		Record August B&C - 5%	6305 · Wastewater Billing	1,272.28	
		Record August B&C - Account Setup	6305 · Wastewater Billing	585.00	
		Record August B&C - Connections	6305 · Wastewater Billing	204.00	
		Record August B&C - Penalties	6305 · Wastewater Billing	0.00	
		Record August B&C	1325 · AR - Other	28,296.66	
				30,357.94	30,357.94
08/31/2020	8.3	Accrue BGE - August 2020	6322 · Engineering Fees	3,000.00	
		Accrue BGE - August 2020	2050 · Accrued Accounts Payable		3,000.00
				3,000.00	3,000.00
TOTAL				34,595.49	34,595.49

See Accountants' Report.

Meyer Ranch MUD of Comal County
Payroll Summary
August 2020

	Day, Daniel A		Inselmann, Madison		Slack, Michael		Tucker, Thomas G		Williams, Talley J		TOTAL	
	Aug 20	Oct '19 - Aug 20	Aug 20	Oct '19 - Aug 20	Aug 20	Oct '19 - Aug 20	Aug 20	Oct '19 - Aug 20	Aug 20	Oct '19 - Aug 20	Aug 20	Oct '19 - Aug 20
Employee Wages, Taxes and Adjustments												
Gross Pay												
Director Fees	150.00	1,500.00	150.00	1,500.00	150.00	1,350.00	0.00	1,500.00	150.00	1,350.00	600.00	7,200.00
Total Gross Pay	150.00	1,500.00	150.00	1,500.00	150.00	1,350.00	0.00	1,500.00	150.00	1,350.00	600.00	7,200.00
Adjusted Gross Pay	150.00	1,500.00	150.00	1,500.00	150.00	1,350.00	0.00	1,500.00	150.00	1,350.00	600.00	7,200.00
Taxes Withheld												
Federal Withholding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Medicare Employee	-2.17	-21.75	-2.17	-21.75	-2.18	-19.58	0.00	-21.75	-2.17	-19.58	-8.69	-104.41
Social Security Employee	-9.30	-93.00	-9.30	-93.00	-9.30	-83.70	0.00	-93.00	-9.30	-83.70	-37.20	-446.40
Medicare Employee Addl Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Taxes Withheld	-11.47	-114.75	-11.47	-114.75	-11.48	-103.28	0.00	-114.75	-11.47	-103.28	-45.89	-550.81
Additions to Net Pay												
Mileage Reimbursement	0.00	0.00	0.00	0.00	0.00	63.80	0.00	0.00	0.00	0.00	0.00	63.80
Total Additions to Net Pay	0.00	0.00	0.00	0.00	0.00	63.80	0.00	0.00	0.00	0.00	0.00	63.80
Net Pay	138.53	1,385.25	138.53	1,385.25	138.52	1,310.52	0.00	1,385.25	138.53	1,246.72	554.11	6,712.99
Employer Taxes and Contributions												
Medicare Company	2.17	21.75	2.17	21.75	2.18	19.58	0.00	21.75	2.17	19.58	8.69	104.41
Social Security Company	9.30	93.00	9.30	93.00	9.30	83.70	0.00	93.00	9.30	83.70	37.20	446.40
Total Employer Taxes and Contributions	11.47	114.75	11.47	114.75	11.48	103.28	0.00	114.75	11.47	103.28	45.89	550.81

See Accountant's Report.

Meyer Ranch MUD of Comal County

General Ledger

As of August 31, 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
1000 · Cash - Operating - ABC Bank									17,690.48
Deposit	08/13/2020				Deposit	1325 · AR - O...	22,922.01		40,612.49
Deposit	08/27/2020				Deposit	6410 · Insura...	34.00		40,646.49
General Journal	08/31/2020	8.1	*		Record Tax Collections	1150 · Taxes ...	715.05		41,361.54
Total 1000 · Cash - Operating - ABC Bank							23,671.06	0.00	41,361.54
1010 · Cash - Bookkeeper's - ABC Bank									12,238.61
Bill Pmt -Check	08/06/2020	5115		New Braunfels Utilities	VOID: Electric 1941 S Cr...	2000 · Accou...	0.00		12,238.61
Bill Pmt -Check	08/06/2020	5116		New Braunfels Utilities	Electric 1941 S Cranes ...	2000 · Accou...		22.00	12,216.61
Paycheck	08/14/2020	5119		Slack, Michael		-SPLIT-		138.52	12,078.09
Paycheck	08/14/2020	5117		Day, Daniel A		-SPLIT-		138.53	11,939.56
Paycheck	08/14/2020	5118		Inselmann, Madison		-SPLIT-		138.53	11,801.03
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	-SPLIT-	0.00		11,801.03
Paycheck	08/14/2020	5121		Williams, Talley J		-SPLIT-		138.53	11,662.50
Bill Pmt -Check	08/14/2020	5122		BGE, Inc.		2000 · Accou...		6,055.39	5,607.11
Bill Pmt -Check	08/14/2020	5123		Bott & Douthitt, PLLC	Accounting Services - Jul...	2000 · Accou...		1,500.00	4,107.11
Bill Pmt -Check	08/14/2020	5124		Integrated Water Ser...		2000 · Accou...		75,950.00	-71,842.89
Bill Pmt -Check	08/14/2020	5125		Maxwebs Co	Site Update - August 2020	2000 · Accou...		25.00	-71,867.89
Bill Pmt -Check	08/14/2020	5126		McLean & Howard, L...	General Legal - July 2020	2000 · Accou...		1,070.00	-72,937.89
Bill Pmt -Check	08/14/2020	5127		Municipal Operations...	Operations - June 2020	2000 · Accou...		72,480.75	-145,418.64
Bill Pmt -Check	08/14/2020	5128		Integrated Water Ser...		2000 · Accou...		75,950.00	-221,368.64
Bill Pmt -Check	08/19/2020	5129		Hill Country Waste S...	Trash & Recycle - July 2...	2000 · Accou...		2,382.89	-223,751.53
Deposit	08/28/2020				Deposit	4500 · Develo...	240,000.00		16,248.47
Total 1010 · Cash - Bookkeeper's - ABC Bank							240,000.00	235,990.14	16,248.47
1100 · TexPool Operating									8,088.35
Deposit	08/31/2020				Interest	5391 · Interes...	1.23		8,089.58
Total 1100 · TexPool Operating							1.23	0.00	8,089.58
11000 · Accounts Receivable									0.00
Total 11000 · Accounts Receivable									0.00
12000 · Undeposited Funds									0.00
Total 12000 · Undeposited Funds									0.00
1174 · Due From Capital									0.00
Total 1174 · Due From Capital									0.00
1150 · Taxes Receivable									1,567.50
General Journal	08/31/2020	8.1	*		Record Tax Collections	-SPLIT-		522.50	1,045.00
Total 1150 · Taxes Receivable							0.00	522.50	1,045.00
1325 · AR - Other									55,747.61
Deposit	08/13/2020	105497			Canyon Lake Water Serv...	1000 · Cash - ...		22,922.01	32,825.60
General Journal	08/31/2020	8.2	*		Record August B&C	4200 · Waste...	28,296.66		61,122.26
Total 1325 · AR - Other							28,296.66	22,922.01	61,122.26
2120 · Payroll Asset									0.00
Total 2120 · Payroll Asset									0.00
1173 · Due from Debt Service									64.38
Total 1173 · Due from Debt Service									64.38
1161 · Prepaid Expense									33,019.33
Total 1161 · Prepaid Expense									33,019.33
2000 · Accounts Payable									-200,583.73
Bill Pmt -Check	08/06/2020	5115		New Braunfels Utilities	VOID: Electric 1941 S Cr...	1010 · Cash - ...	0.00		-200,583.73
Bill Pmt -Check	08/06/2020	5116		New Braunfels Utilities	Electric 1941 S Cranes ...	1010 · Cash - ...	22.00		-200,561.73
Bill	08/06/2020	2382		Maxwebs Co	Site Update - August 2020	7395 · Miscell...		25.00	-200,586.73
Bill Pmt -Check	08/14/2020	5122		BGE, Inc.		1010 · Cash - ...	6,055.39		-194,531.34
Bill Pmt -Check	08/14/2020	5123		Bott & Douthitt, PLLC	Accounting Services - Jul...	1010 · Cash - ...	1,500.00		-193,031.34
Bill Pmt -Check	08/14/2020	5124		Integrated Water Ser...		1010 · Cash - ...	75,950.00		-117,081.34
Bill Pmt -Check	08/14/2020	5125		Maxwebs Co	Site Update - August 2020	1010 · Cash - ...	25.00		-117,056.34
Bill Pmt -Check	08/14/2020	5126		McLean & Howard, L...	General Legal - July 2020	1010 · Cash - ...	1,070.00		-115,986.34
Bill Pmt -Check	08/14/2020	5127		Municipal Operations...	Operations - June 2020	1010 · Cash - ...	72,480.75		-43,505.59
Bill	08/14/2020	5		Integrated Water Ser...	Meyer Ranch Temporary...	6340 · Lease ...		37,975.00	-81,480.59
Bill Pmt -Check	08/14/2020	5128		Integrated Water Ser...		1010 · Cash - ...	75,950.00		-5,530.59
Bill Pmt -Check	08/19/2020	5129		Hill Country Waste S...	Trash & Recycle - July 2...	1010 · Cash - ...	2,382.89		-3,147.70
Bill	08/24/2020	2386		Maxwebs Co	Site Update - August 2020	7395 · Miscell...		25.00	-3,172.70
Bill	08/31/2020	9365		Bott & Douthitt, PLLC	Accounting Services - Au...	6333 · Accou...		1,500.00	-4,672.70
Bill	08/31/2020	37472		McLean & Howard, L...	General Legal - August 2...	6320 · Legal		1,751.02	-6,423.72
Bill	08/31/2020	7196		Municipal Operations...	Operations - August 2020	-SPLIT-		46,612.94	-53,036.66
Bill	08/31/2020	35357		Hill Country Waste S...	Trash & Recycle - Augus...	6161 · Garba...		2,575.94	-55,612.60
Bill	08/31/2020	95974...		New Braunfels Utilities	Electric 1941 S Cranes ...	6160 · Utilities		20.00	-55,632.60
Total 2000 · Accounts Payable							235,436.03	90,484.90	-55,632.60
2100 · Overcollected Property Taxes									0.00
Total 2100 · Overcollected Property Taxes									0.00
2174 · Due to Capital									0.00
Total 2174 · Due to Capital									0.00
2050 · Accrued Accounts Payable									-16,000.00
Bill	08/31/2020	7196		Municipal Operations...	WWTP - July 2020	2000 · Accou...	5,000.00		-11,000.00
General Journal	08/31/2020	8.3	*		Accrue BGE - August 2020	6322 · Engine...		3,000.00	-14,000.00
Total 2050 · Accrued Accounts Payable							5,000.00	3,000.00	-14,000.00

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Meyer Ranch MUD of Comal County

General Ledger

As of August 31, 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
2139 · TCEQ Tax Liability									-502.00
General Journal	08/31/2020	8.2	*		Record August B&C	4200 · Waste...		127.39	-629.39
Total 2139 · TCEQ Tax Liability							0.00	127.39	-629.39
2400 · Payroll Liabilities									-114.74
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...	0.00		-114.74
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...	0.00		-114.74
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...		9.30	-124.04
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...		9.30	-133.34
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...		2.17	-135.51
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...		2.17	-137.68
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...	0.00		-137.68
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...	0.00		-137.68
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...		9.30	-146.98
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...		9.30	-156.28
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...		2.17	-158.45
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...		2.17	-160.62
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...	0.00		-160.62
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...	0.00		-160.62
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...		9.30	-169.92
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...		9.30	-179.22
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...		2.18	-181.40
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...		2.18	-183.58
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...	0.00		-183.58
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...		9.30	-192.88
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...		9.30	-202.18
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...		2.17	-204.35
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...		2.17	-206.52
Total 2400 · Payroll Liabilities							0.00	91.78	-206.52
2740 · Deferred Tax Revenue									-1,567.50
General Journal	08/31/2020	8.1	*		Record Tax Collections	1150 · Taxes ...	522.50		-1,045.00
Total 2740 · Deferred Tax Revenue							522.50	0.00	-1,045.00
30000 · Opening Balance Equity									0.00
Total 30000 · Opening Balance Equity									0.00
3200 · Fund Balance									-42,973.80
Total 3200 · Fund Balance									-42,973.80
4200 · Wastewater Revenues									-110,782.49
General Journal	08/31/2020	8.2	*		Record August B&C	-SPLIT-		23,499.20	-134,281.69
Total 4200 · Wastewater Revenues							0.00	23,499.20	-134,281.69
4330 · Wastewater Penalties									-629.96
General Journal	08/31/2020	8.2	*		Record August B&C	4200 · Waste...	0.00		-629.96
Total 4330 · Wastewater Penalties							0.00	0.00	-629.96
4700 · Wastewater Tap Fees									-55,800.00
General Journal	08/31/2020	8.2	*		Record August B&C	4200 · Waste...		4,200.00	-60,000.00
Total 4700 · Wastewater Tap Fees							0.00	4,200.00	-60,000.00
4800 · Drainage Fee									-14,081.28
General Journal	08/31/2020	8.2	*		Record August B&C	4200 · Waste...		1,946.35	-16,027.63
Total 4800 · Drainage Fee							0.00	1,946.35	-16,027.63
4900 · Account Setup									-7,695.00
General Journal	08/31/2020	8.2	*		Record August B&C	4200 · Waste...		585.00	-8,280.00
Total 4900 · Account Setup							0.00	585.00	-8,280.00
4320 · Property Taxes									-176,507.29
General Journal	08/31/2020	8.1	*		Record Tax Collections	1150 · Taxes ...		522.50	-177,029.79
Total 4320 · Property Taxes							0.00	522.50	-177,029.79
4325 · Property Tax Penalties									-423.27
General Journal	08/31/2020	8.1	*		Record Tax Collections	1150 · Taxes ...		192.55	-615.82
Total 4325 · Property Tax Penalties							0.00	192.55	-615.82
4500 · Developer Funding									-629,975.00
Deposit	08/28/2020	3381		CCD Meyer Ranch L...	Deposit	1010 · Cash - ...		240,000.00	-869,975.00
Total 4500 · Developer Funding							0.00	240,000.00	-869,975.00
5380 · Miscellaneous Income									0.00
Total 5380 · Miscellaneous Income									0.00
5391 · Interest Income									-16.55

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**Meyer Ranch MUD of Comal County
General Ledger**

As of August 31, 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
Deposit	08/31/2020				Interest	1100 · TexPo...		1.23	-17.78
Total 5391 · Interest Income							0.00	1.23	-17.78
District Facilities									658,233.31
6120 · Operations Expense									65,045.44
Bill	08/31/2020	7196		Municipal Operations...	Operations - August 2020	2000 · Accou...	7,500.00		72,545.44
Total 6120 · Operations Expense							7,500.00	0.00	72,545.44
6160 · Utilities									230.00
Bill	08/31/2020	95974...		New Braunfels Utilities	Electric 1941 S Cranes ...	2000 · Accou...	20.00		250.00
Total 6160 · Utilities							20.00	0.00	250.00
6161 · Garbage Collection									14,913.65
Bill	08/31/2020	35357		Hill Country Waste S...	Trash & Recycle - Augus...	2000 · Accou...	2,575.94		17,489.59
Total 6161 · Garbage Collection							2,575.94	0.00	17,489.59
6200 · Repairs & Maintenance - Sewer									45,081.72
Bill	08/31/2020	7196		Municipal Operations...	Lab Fees - August 2020	2000 · Accou...	4,306.50		49,388.22
Bill	08/31/2020	7196		Municipal Operations...	Storm Sewer - August 20...	2000 · Accou...	504.00		49,892.22
Bill	08/31/2020	7196		Municipal Operations...	WWTP -August 2020	2000 · Accou...	22,636.20		72,528.42
Bill	08/31/2020	7196		Municipal Operations...	WWTP - July 2020	2000 · Accou...	4,534.99		77,063.41
Total 6200 · Repairs & Maintenance - Sewer							31,981.69	0.00	77,063.41
6217 · Pump and Haul									341,542.50
Bill	08/31/2020	7196		Municipal Operations...	Sludge Hauls - August 2...	2000 · Accou...	2,131.25		343,673.75
Total 6217 · Pump and Haul							2,131.25	0.00	343,673.75
6210 · Drainage									0.00
Total 6210 · Drainage									0.00
6220 · Street Lights									1,545.00
Total 6220 · Street Lights									1,545.00
6340 · Lease WWTP									189,875.00
Bill	08/14/2020	5		Integrated Water Ser...	Meyer Ranch Temporary...	2000 · Accou...	37,975.00		227,850.00
Total 6340 · Lease WWTP							37,975.00	0.00	227,850.00
District Facilities - Other									0.00
Total District Facilities - Other									0.00
Total District Facilities							82,183.88	0.00	740,417.19
Administrative Expenses									27,029.18
6010 · Director Fees									6,600.00
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...	150.00		6,750.00
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...	150.00		6,900.00
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...	150.00		7,050.00
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		7,050.00
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...	150.00		7,200.00
Total 6010 · Director Fees							600.00	0.00	7,200.00
6020 · Payroll Taxes									504.92
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...	9.30		514.22
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...	2.17		516.39
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...	9.30		525.69
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...	2.17		527.86
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...	9.30		537.16
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...	2.18		539.34
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		539.34
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		539.34
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...	9.30		548.64
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...	2.17		550.81
Total 6020 · Payroll Taxes							45.89	0.00	550.81
6030 · Director Reimbursement									63.80
Paycheck	08/14/2020	5117		Day, Daniel A		1010 · Cash - ...	0.00		63.80
Paycheck	08/14/2020	5118		Inselmann, Madison		1010 · Cash - ...	0.00		63.80
Paycheck	08/14/2020	5119		Slack, Michael		1010 · Cash - ...	0.00		63.80
Paycheck	08/14/2020	5120		Tucker, Thomas G	VOID:	1010 · Cash - ...	0.00		63.80
Paycheck	08/14/2020	5121		Williams, Talley J		1010 · Cash - ...	0.00		63.80
Total 6030 · Director Reimbursement							0.00	0.00	63.80
6305 · Wastewater Billing									16,130.44
General Journal	08/31/2020	8.2	*		Record August B&C - 5%	4200 · Waste...	1,272.28		17,402.72
General Journal	08/31/2020	8.2	*		Record August B&C - Ac...	4200 · Waste...	585.00		17,987.72
General Journal	08/31/2020	8.2	*		Record August B&C - Co...	4200 · Waste...	204.00		18,191.72
General Journal	08/31/2020	8.2	*		Record August B&C - Pe...	4200 · Waste...	0.00		18,191.72
Total 6305 · Wastewater Billing							2,061.28	0.00	18,191.72
6325 · Election Expense									0.00
Total 6325 · Election Expense									0.00
6326 · Permit Fees									620.00
Total 6326 · Permit Fees									620.00

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Meyer Ranch MUD of Comal County

General Ledger

As of August 31, 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
6330 · Tax Appraisal/Collection Fees									1,329.56
Total 6330 · Tax Appraisal/Collection Fees									1,329.56
6338 · Legal Notices and Other Publica									0.00
Total 6338 · Legal Notices and Other Publica									0.00
6410 · Insurance									1,263.46
Deposit	08/27/2020	196238			TML - Refund	1000 · Cash - ...		34.00	1,229.46
Total 6410 · Insurance							0.00	34.00	1,229.46
7395 · Miscellaneous Expense									517.00
Bill	08/06/2020	2382		Maxwebs Co	Site Update - August 2020	2000 · Accou...	25.00		542.00
Bill	08/24/2020	2386		Maxwebs Co	Site Update - August 2020	2000 · Accou...	25.00		567.00
Total 7395 · Miscellaneous Expense							50.00	0.00	567.00
Administrative Expenses - Other									0.00
Total Administrative Expenses - Other									0.00
Total Administrative Expenses							2,757.17	34.00	29,752.35
Professional Fees									166,626.43
6320 · Legal									38,720.58
Bill	08/31/2020	37472		McLean & Howard, L...	General Legal - August 2...	2000 · Accou...	1,751.02		40,471.60
Total 6320 · Legal							1,751.02	0.00	40,471.60
6321 · Audit									8,000.00
Total 6321 · Audit									8,000.00
6322 · Engineering Fees									106,355.85
General Journal	08/31/2020	8.3	*		Accrue BGE - August 2020	2050 · Accrue...	3,000.00		109,355.85
Total 6322 · Engineering Fees							3,000.00	0.00	109,355.85
6333 · Accounting Fees									13,550.00
Bill	08/31/2020	9365		Bott & Douthitt, PLLC	Accounting Services - Au...	2000 · Accou...	1,500.00		15,050.00
Total 6333 · Accounting Fees							1,500.00	0.00	15,050.00
Professional Fees - Other									0.00
Total Professional Fees - Other									0.00
Total Professional Fees							6,251.02	0.00	172,877.45
7306 · Capital Outlay									277,347.43
Total 7306 · Capital Outlay									277,347.43
No acct									0.00
Total no acct									0.00
TOTAL							624,119.55	624,119.55	0.00

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Debt Service Fund

Meyer Ranch Municipal Utility District of Comal County
Debt Service Schedule

Due Date	Paid Date	Series 2019	
		Interest Rates 2.00% - 4.00%	
		Principal	Interest
2/15/2020	2/15/2020	-	-
8/15/2020	8/15/2020	-	54,248
FY 2020		-	54,248
2/15/2021		-	41,028
8/15/2021		-	41,028
FY 2021		-	82,056
2/15/2022		-	41,028
8/15/2022		55,000	41,028
FY 2022		55,000	82,056
2/15/2023		-	40,478
8/15/2023		55,000	40,478
FY 2023		55,000	80,956
2/15/2024		-	39,928
8/15/2024		60,000	39,928
FY 2024		60,000	79,856
2/15/2025		-	39,298
8/15/2025		60,000	39,298
FY 2025		60,000	78,596
2/15/2026		-	38,638
8/15/2026		65,000	38,638
FY 2026		65,000	77,276
2/15/2027		-	37,891
8/15/2027		65,000	37,891
FY 2027		65,000	75,781
2/15/2028		-	37,111
8/15/2028		70,000	37,111
FY 2028		70,000	74,221
2/15/2029		-	36,236
8/15/2029		75,000	36,236
FY 2029		75,000	72,471
2/15/2030		-	35,261
8/15/2030		75,000	35,261
FY 2030		75,000	70,521
2/15/2031		-	34,248
8/15/2031		80,000	34,248
FY 2031		80,000	68,496
2/15/2032		-	33,128
8/15/2032		80,000	33,128
FY 2032		80,000	66,256
2/15/2033		-	31,928
8/15/2033		85,000	31,928
FY 2033		85,000	63,856
2/15/2034		-	30,653
8/15/2034		90,000	30,653
FY 2034		90,000	61,306
2/15/2035		-	29,303
8/15/2035		90,000	29,303
FY 2035		90,000	58,606
2/15/2036		-	27,953
8/15/2036		95,000	27,953
FY 2036		95,000	55,906
2/15/2037		-	26,469
8/15/2037		100,000	26,469
FY 2037		100,000	52,938
2/15/2038		-	24,906
8/15/2038		105,000	24,906
FY 2038		105,000	49,813
2/15/2039		-	23,266
8/15/2039		105,000	23,266
FY 2039		105,000	46,531
2/15/2040		-	21,625
8/15/2040		110,000	21,625
FY 2040		110,000	43,250
2/15/2041		-	19,906
8/15/2041		115,000	19,906
FY 2041		115,000	39,813
2/15/2042		-	18,038
8/15/2042		120,000	18,038
FY 2042		120,000	36,075
2/15/2043		-	16,088
8/15/2043		125,000	16,088
FY 2043		125,000	32,175
2/15/2044		-	14,056
8/15/2044		130,000	14,056
FY 2044		130,000	28,113
2/15/2045		-	11,944
8/15/2045		135,000	11,944
FY 2045		135,000	23,888
2/15/2046		-	9,750
8/15/2046		140,000	9,750
FY 2046		140,000	19,500
2/15/2047		-	7,475
8/15/2047		145,000	7,475
FY 2047		145,000	14,950
2/15/2048		-	5,119
8/15/2048		155,000	5,119
FY 2048		155,000	10,238
2/15/2049		-	2,600
8/15/2049		160,000	2,600
FY 2049		160,000	5,200
Total		\$ 2,745,000	\$ 1,604,950

See Accountants' Report.

Meyer Ranch MUD of Comal County - DSF Roads
Adjusting Journal Entries
August 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Debit</u>	<u>Credit</u>
08/14/2020	8.1		Record SR 2019 Bond Payment	Interest Expense	54,248.30	
			Record SR 2019 Bond Payment	TexPool - SR2019 Cap I...		54,248.30
					54,248.30	54,248.30
TOTAL					54,248.30	54,248.30

See Accountants' Report.

Meyer Ranch MUD of Comal County - DSF Roads

General Ledger

As of August 31, 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
ABC - SR 2019 Cap Interest									0.00
Total ABC - SR 2019 Cap Interest									0.00
TexPool - SR2019 Cap Interest									179,408.30
General Journal	08/14/2020	8.1	*		Record SR 2019 Bond ...	Interest Expen...		54,248.30	125,160.00
Deposit	08/31/2020				Interest	Interest Income	22.34		125,182.34
Total TexPool - SR2019 Cap Interest							22.34	54,248.30	125,182.34
Due to General Fund									-64.38
Total Due to General Fund									-64.38
Payroll Liabilities									0.00
Total Payroll Liabilities									0.00
Opening Balance Equity									0.00
Total Opening Balance Equity									0.00
Perm. Restricted Net Assets									0.00
Total Perm. Restricted Net Assets									0.00
Temp. Restricted Net Assets									0.00
Total Temp. Restricted Net Assets									0.00
Unrestricted Net Assets									0.00
Total Unrestricted Net Assets									0.00
Interest Income									-176.98
Deposit	08/31/2020				Interest	TexPool - SR2...		22.34	-199.32
Total Interest Income							0.00	22.34	-199.32
Paying Agent Fees									64.38
Total Paying Agent Fees									64.38
Payroll Expenses									0.00
Total Payroll Expenses									0.00
Bond Proceeds									-179,231.32
Total Bond Proceeds									-179,231.32
Interest Expense									0.00
General Journal	08/14/2020	8.1	*		Record SR 2019 Bond ...	TexPool - SR2...	54,248.30		54,248.30
Total Interest Expense							54,248.30	0.00	54,248.30
No acct									0.00
Total no acct									0.00
TOTAL							54,270.64	54,270.64	0.00

See Accountants' Report.

Capital Projects Fund

**Meyer Ranch MUD of Comal County - CPF
General Ledger**

As of August 31, 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
TexPool SR2019 Capital Projects									1,929.88
Deposit	08/31/2020				Interest	Interest Income	0.31		1,930.19
Total TexPool SR2019 Capital Projects							0.31	0.00	1,930.19
Due From General Fund									0.00
Total Due From General Fund									0.00
Prepaid Expense									0.00
Total Prepaid Expense									0.00
Due to General Fund									0.00
Total Due to General Fund									0.00
Payroll Liabilities									0.00
Total Payroll Liabilities									0.00
Opening Balance Equity									0.00
Total Opening Balance Equity									0.00
Perm. Restricted Net Assets									0.00
Total Perm. Restricted Net Assets									0.00
Temp. Restricted Net Assets									0.00
Total Temp. Restricted Net Assets									0.00
Unrestricted Net Assets									0.00
Total Unrestricted Net Assets									0.00
Interest Income									-1.68
Deposit	08/31/2020				Interest	TexPool SR20...		0.31	-1.99
Total Interest Income							0.00	0.31	-1.99
Payroll Expenses									0.00
Total Payroll Expenses									0.00
Bond Premium									-141.35
Total Bond Premium									-141.35
Bond Proceeds									-2,565,768.68
Total Bond Proceeds									-2,565,768.68
Bond Discount									15,279.55
Total Bond Discount									15,279.55
Bond Issue Cost									204,396.28
Total Bond Issue Cost									204,396.28
Capital Outlay - Infrastructure									2,261,426.00
Total Capital Outlay - Infrastructure									2,261,426.00
Interest Expense									82,880.00
Total Interest Expense									82,880.00
No acct									0.00
Total no acct									0.00
TOTAL							0.31	0.31	0.00

See Accountants' Report.

Expenditures to be Approved

Meyer Ranch MUD of Comal County

Director's Fees

October 14, 2020

Date	Num	Source Name	Payroll Item	Amount
10/14/2020	5144	Day, Daniel A	Director Fees	150.00
		Day, Daniel A	Mileage Reimbursement	0.00
		Day, Daniel A	Social Security Employee	(9.30)
		Day, Daniel A	Medicare Employee	(2.17)
				138.53
10/14/2020	5145	Inselmann, Madison	Director Fees	150.00
		Inselmann, Madison	Mileage Reimbursement	0.00
		Inselmann, Madison	Social Security Employee	(9.30)
		Inselmann, Madison	Medicare Employee	(2.17)
				138.53
10/14/2020	5146	Slack, Michael	Director Fees	150.00
		Slack, Michael	Mileage Reimbursement	0.00
		Slack, Michael	Social Security Employee	(9.30)
		Slack, Michael	Medicare Employee	(2.18)
				138.52
10/14/2020	5147	Tucker, Thomas G	Director Fees	150.00
		Tucker, Thomas G	Mileage Reimbursement	0.00
		Tucker, Thomas G	Social Security Employee	(9.30)
		Tucker, Thomas G	Medicare Employee	(2.17)
				138.53
10/14/2020	5148	Williams, Talley J	Director Fees	150.00
		Williams, Talley J	Mileage Reimbursement	0.00
		Williams, Talley J	Social Security Employee	(9.30)
		Williams, Talley J	Medicare Employee	(2.17)
				138.53
TOTAL				692.64



Invoice

Date	Invoice #
9/30/2020	9490

Bill To

Meyer Ranch MUD
c/o Bott & Douthitt PLLC
PO Box 2445
Round Rock, TX 78680

Description	Amount
Monthly Accounting Services - Meeting	1,500.00
<div>By/Date Received: <u>10/1 9-29-20</u></div> <div>By/Date Posted: <u>10/1 9-29-20</u></div> <div>Approved for Payment: _____</div> <div>Hand Delivered to: _____</div> <div>Mailed By/Date: _____</div> <div>GL#: <u>6333</u></div>	
Thank you for your business!	Total 1,500.00

PO Box 2445 • Round Rock, TX • 78680

Phone (512) 733-0700 • Fax (512) 733-0704

McLean & Howard, L.L.P.

901 S. Mopac Expressway
Building 2, Suite 225
Austin, TX 78746

Ph: 512-328-2008

Fax: 512-328-2409

Meyer Ranch MUD of Comal County
c/o Bott & Douthitt, PLLC
P. O. Box 2445
Round Rock, TX 78680-2445

September 30, 2020

Attention:

File #: 2340-001

Inv #: 37706

RE: General

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
Sep-01-20	Review and revise draft meeting agenda, Order Levying Tax Rates, and Resolution Adopting Fiscal Year Budget.	0.90	292.50	ASC
	Draft agenda and distribute it for comments.	0.50	60.00	LJH
	Draft agenda and distribute it for comments.	1.00	120.00	LJH
	Draft Order Levying Taxes and Resolution Approving Budget.			
Sep-03-20	Review and revise draft minutes.	0.60	195.00	ASC
Sep-04-20	Arrange for agenda posting.	0.50	60.00	LJH
Sep-08-20	Contact consultants regarding backup material. Prepare and distribute Board packets.	0.50	60.00	LJH
Sep-11-20	Prepare for and participate in Board of Directors' meeting. Participate in subsequent meeting regarding Canyon Lake WSC billing matters.	1.80	585.00	ASC
	Attend Board meeting. Draft minutes from Board meeting and arrange for execution of documents. File Order Levying Taxes with Comal County.	2.50	300.00	LJH
Sep-24-20	Coordinate and schedule October and November Board meetings.	0.50	60.00	LJH
	Totals	8.80	\$1,732.50	

By/Date Received: JB 10-5-20

By/Date Posted: JB 10-5-20

Approved for Payment: _____

Amount Delivered to: _____

By/Date: _____

6326

DISBURSEMENTS		Disbursements	Receipts
Aug-18-20	Fee paid to New Braunsfel Herald for legal notice published in paper	568.00	
	Totals	<div></div> \$568.00	<div></div> \$0.00
	Total Fees, Disbursements		<div></div> \$2,300.50
	Previous Balance		\$1,751.02
	Previous Payments		\$1,751.02
	Balance Due Now		<div></div> \$2,300.50

Expenditures Paid – Bookkeeper’s Account

Meyer Ranch M.U.D. of Comal County - BOOKKEEPER ACCOUNT					9/21/2020	5141
Hill Country Waste Solutions, L.L.C.					Discount	
Date	Type	Reference	Original Amt.	Balance Due		Payment
8/31/2020	Bill	35357	2,575.94	2,575.94		2,575.94
					Check Amount	2,575.94

Cash - Bookkeeper's - Trash & Recycle - August 2020

2,575.94

[L81064M1B] 6667341

**HILL COUNTRY WASTE SOLUTIONS, L.L.C**

PO BOX 960

SPRING BRANCH, TX 78070

830-885-5512

Invoice 35357

Date: Wed Aug 26, 2020

Account #: 7949

Please Pay: \$2,575.94

Bill To:

RANCH MUD MEYER
Bott & Douthitt, PLLC
PO BOX 2445
ROUND ROCK, TX 78680-2445

Location

RANCH MUD MEYER
Robert Long
9666 Hwy 46 W
NEW BRAUNFELS, TX 78132

Pay your bill Online at
www.trashbilling.com
ID#: 641620079490

Page 1

Terms: DUE ON THE 1ST

HILL COUNTRY WASTE SOLUTIONS, L.L.C

Acct# 7949

9666 Hwy 46 W, New Braunfels, TX

Date	Description	Amount	Total
8/26/20	Trash & Recycle 08/01-08/31Tkt: 118@\$21.83	\$2,575.94	\$2,575.94
	Invoice 35357 Total:	\$2,575.94	
	Pay your bill and see account information Online at www.trashbilling.com ID#: 641620079490		
<div>By/Date Received: <u>DL 8-31-20</u></div> <div>By/Date Posted: <u>JB 9-18-20</u></div> <div>Approved for Payment: <u>[Signature]</u></div> <div>Hand Delivered to: _____</div> <div>Mailed By/Date: <u>JB 9-22-20</u></div> <div>GL#: <u>6141</u></div>			
9-18-20 Emailed Heather 8 carts w/6 service application			

Meyer Ranch M.U.D. of Comal County - BOOKKEEPER ACCOUNT
Maxwebs Co

5142

Date	Type	Reference	Original Amt.	Balance Due	9/21/2020 Discount	Payment
8/24/2020	Bill	2386	25.00	25.00		25.00
				Check Amount		25.00

Cash - Bookkeeper's - Site Update - August 2020 25.00

[L81064M1B] 6667341

Maxwebs Company

11004 Froke Cedar Trail
Austin, TX 78750

Invoice

Date	Invoice #
8/24/2020	2386

Bill To

Meyer Ranch MUD
jessica@bottdouthitt.com

P.O. No.	Terms	Due Date	Account #
	Net 30	9/23/2020	MRMUD
Description	Qty	Rate	Amount
Hourly Site Update 1 (1/2 Hour Minimum) 8-11-2020 Posting	0.5	50.00	25.00
		By/Date Received: JB 9-1-20	
		By/Date Posted: JB 9-10-20	
		Approved for Payment: [Signature]	
		Phone Delivered to: JB 9-22-20	
		Mailed by/Date: 7395	
		Other:	
Total			\$25.00
Payments/Credits			\$0.00
Balance Due			\$25.00

Cash - Bookkeeper's - Electric 1941 S Cranes Mill Road - August 2020

20.00

[L81064M1B] 6667341



NBU Services	\$	20.00
City Services	\$	0.00
Taxes	\$	0.00
TOTAL BILL AMOUNT	\$	20.00

ACCOUNT INFORMATION		Account #	Statement Date	Cycle Route	Due Date
Customer Name MEYER RANCH MUD OF COMAL COUNTY	Service Address 1941 S CRANES MILL RD	00095974-00	08/31/2020	04-51	09/28/2020
NBU SERVICES			QUESTIONS - CALL (830) 629-8400		

Commercial Electric		
Delivery	Electric Availability Charge	20.00
Total Electric Charges		20.00
Total NBU Service Charges		20.00
(See back of statement for Meter Detail Information)		



By/Date Received: 09-9-20
By/Date Posted: JB 9-18-20
Approved for Payment: [Signature]
Hand Delivered to: [Signature]
Mailed By/Date: JB 9-22-20
GL#: 6140

(Detach bottom portion and return with your payment in the envelope provided. Retain top portion for your records.)