

OFFICIAL STATEMENT DATED OCTOBER 23, 2025

In the opinion of Bond Counsel, under existing law, interest on the Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended, and (ii) is not an item of tax preference for purposes of the alternative minimum tax on individuals. See “TAX MATTERS” herein, including information regarding potential alternative minimum tax consequences for corporations.

THE BONDS HAVE NOT BEEN DESIGNATED “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS.

NEW ISSUE - Book-Entry-Only

Insured Ratings (AG): S&P “AA” (Stable Outlook)

Moody’s “A1” (Stable Outlook)

Underlying Rating: Moody’s: “Baa1”

See “MUNICIPAL BOND RATING” and “MUNICIPAL BOND INSURANCE” herein.

\$10,250,000

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6

(A political subdivision of the State of Texas located within Comal County)

UNLIMITED TAX BONDS, SERIES 2025

The bonds described above (the “Bonds”) are obligations solely of the District and are not obligations of the State of Texas, Comal County, the City of Bulverde, or any entity other than Comal County Water Control and Improvement District No. 6 (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 located within the District. The Bonds are subject to special investment considerations described herein. See “INVESTMENT CONSIDERATIONS.”

Dated: November 1, 2025

Due: September 1, as shown below

Principal of the Bonds will be payable at stated maturity or prior redemption upon presentation of the Bonds at the principal payment office of the paying agent/registrar, initially The Bank of New York Mellon Trust Company, N.A. (the “Paying Agent/Registrar”, “Paying Agent” or “Registrar”) in Houston, Texas. Interest on the Bonds will accrue from November 1, 2025, and is payable on March 1, 2026 (four months of interest) and on each September 1 and March 1 thereafter until the earlier of maturity or prior redemption. The Bonds will be issued only in fully registered form in denominations of \$5,000 or integral multiples thereof. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds are subject to redemption prior to maturity as shown below.

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 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 as described herein. See “BOOK-ENTRY-ONLY SYSTEM.”



The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY INC.** (“AG”).

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL REOFFERING YIELDS, AND CUSIPS

Due September 1	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP Number 199819 (b)	Due September 1	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP Number 199819 (b)
2027	\$ 215,000	6.500%	3.000%	JJ3	2034	300,000 (c)	4.000%	3.500%	JR5
2028	225,000	6.500%	3.000%	JK0	2035	315,000 (c)	4.000%	3.650%	JS3
2029	235,000	6.500%	3.000%	JL8	2036	335,000 (c)	4.000%	3.800%	JT1
2030	250,000	6.500%	3.100%	JM6	***	*** (c)	***	***	***
2031	260,000	6.500%	3.200%	JN4	2039	385,000 (c)	4.125%	4.150%	JW4
2032	275,000	6.500%	3.300%	JP9	2040	405,000 (c)	4.125%	4.300%	JX2
2033	290,000 (c)	4.000%	3.400%	JQ7					

\$715,000 Term Bonds due September 1, 2038 (c), 199819 JV6 (b), 4.000% Interest Rate, 4.000% Yield (a)

\$1,340,000 Term Bonds due September 1, 2043 (c), 199819 KA0 (b), 4.250% Interest Rate, 4.600% Yield (a)

\$1,005,000 Term Bonds due September 1, 2045 (c), 199819 KC6 (b), 4.250% Interest Rate, 4.700% Yield (a)

\$1,115,000 Term Bonds due September 1, 2047 (c), 199819 KE2 (b), 4.250% Interest Rate, 4.750% Yield (a)

\$1,230,000 Term Bonds due September 1, 2049 (c), 199819 KG7 (b), 4.250% Interest Rate, 4.800% Yield (a)

\$1,355,000 Term Bonds due September 1, 2051 (c), 199819 KJ1 (b), 4.250% Interest Rate, 4.850% Yield (a)

- (a) Initial reoffering yield represents the initial offering yield to the public which has been established by the Initial Purchaser (as herein defined) for offers to the public and which may be subsequently changed by the Initial Purchaser and is the sole responsibility of the Initial Purchaser. The initial reoffering yields indicated above represent the lower of the yields resulting when priced at maturity or to the first call date. Accrued interest from November 1, 2025, is to be added to the price.
- (b) CUSIP numbers have been assigned to the Bonds by CUSIP Global Services and are included solely for the convenience of the purchasers of the Bonds. Neither the District nor the Initial Purchaser shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.
- (c) Bonds maturing on and after September 1, 2033, are subject to redemption prior to maturity at the option of the District, in whole or from time to time in part, on September 1, 2032, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. The Term Bonds (as defined herein) are also subject to mandatory sinking fund redemption as described herein. See “THE BONDS-Redemption Provisions.”

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 Bonds by the Attorney General of Texas and the approval of certain legal matters by Allen Boone Humphries Robinson LLP, Bond Counsel. Delivery of the Bonds in book-entry form through the facilities of DTC is expected on or about November 21, 2025.

TABLE OF CONTENTS

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL REOFFERING YIELDS, AND CUSIPS	1
USE OF INFORMATION IN OFFICIAL STATEMENT	3
OFFICIAL STATEMENT SUMMARY	4
SELECTED FINANCIAL INFORMATION (UNAUDITED).....	9
SELECTED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)	10
THE BONDS	11
BOOK-ENTRY-ONLY SYSTEM.....	17
THE DISTRICT	19
MANAGEMENT	22
THE DEVELOPERS.....	23
THE ROAD SYSTEM.....	24
WATER SUPPLY AND WASTEWATER TREATMENT.....	24
INVESTMENT CONSIDERATIONS	26
USE AND DISTRIBUTION OF BOND PROCEEDS	34
UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED	35
FINANCIAL STATEMENT (UNAUDITED).....	35
ESTIMATED OVERLAPPING DEBT STATEMENT	37
TAX DATA	38
TAX PROCEDURES.....	40
GENERAL FUND	46
DEBT SERVICE REQUIREMENTS	47
LEGAL MATTERS	48
TAX MATTERS	49
SALE AND DISTRIBUTION OF THE BONDS	51
MUNICIPAL BOND RATING	52
MUNICIPAL BOND INSURANCE.....	52
PREPARATION OF OFFICIAL STATEMENT	54
CONTINUING DISCLOSURE OF INFORMATION.....	56
MISCELLANEOUS.....	58
AERIAL PHOTOGRAPH	
PHOTOGRAPHS	
APPENDIX A - DISTRICT FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED APRIL 30, 2025	
APPENDIX B – SPECIMEN MUNICIPAL BOND INSURANCE POLICY	

USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, as amended and in effect on the date hereof, this document constitutes an Official Statement 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.

No dealer, broker, salesman or other person has been authorized 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 representation must not be relied upon as having been authorized by the District.

This Official Statement is not to be used in an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

All of the summaries of the statutes, resolutions, orders, contracts, audited financial statements, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Allen Boone Humphries Robinson LLP, 919 Congress Avenue, Suite 1500, Austin, Texas 78701 upon payment of duplication costs.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12, as amended.

Assured Guaranty Inc. (“AG”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “MUNICIPAL BOND INSURANCE” and “Appendix B – SPECIMEN MUNICIPAL BOND INSURANCE POLICY”.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. However, the District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information actually comes to its attention, the other matters described in this Official Statement until delivery of the Bonds to the Initial Purchaser and thereafter only as specified in “PREPARATION OF OFFICIAL STATEMENT - Updating the Official Statement.”

OFFICIAL STATEMENT SUMMARY

The following information is qualified in its entirety by the detailed information appearing elsewhere in this Official Statement.

THE FINANCING

The Issuer Comal County Water Control and Improvement District No. 6 (the “District”), a political subdivision of the State of Texas, is located in Comal County, Texas. See “THE DISTRICT.”

The Issue \$10,250,000 Unlimited Tax Bonds, Series 2025 (the “Bonds”) are being issued pursuant to a resolution authorizing the issuance of the Bonds (the “Bond Resolution”) of the District’s Board of Directors. The Bonds will be issued as fully registered bonds maturing serially on September 1 in the years 2027 through 2036 both inclusive, and on September 1 in the years 2039 through 2040 both inclusive, and as term bonds on September 1 in the years 2038, 2043, 2045, 2047, 2049 and 2051 (the “Term Bonds”) in the principal amounts shown on the cover hereof. Interest on the Bonds accrues from November 1, 2025, and is payable on March 1, 2026 (four months of interest), and on each September 1 and March 1 thereafter until the earlier of maturity or prior redemption. The Bonds will be issued in denominations of \$5,000 or integral multiples thereof.

Redemption The Bonds maturing on and after September 1, 2033, are subject to redemption, in whole or from time to time in part, at the option of the District, prior to their maturity dates, on September 1, 2032, or on any date thereafter, at a price of par plus accrued interest to the date of redemption. The Term Bonds are subject to mandatory sinking fund redemption as described herein. See “THE BONDS – Redemption Provisions.”

Book-Entry-Only System... The Depository Trust Company, New York, New York (“DTC”) will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Bonds and will be deposited with DTC. See “BOOK-ENTRY-ONLY SYSTEM.”

Authority for Issuance The Bonds are the fifth series of bonds issued out of an aggregate of \$261,000,000 principal amount of unlimited tax bonds authorized by the District’s voters for the purpose of acquiring and constructing water, sanitary sewer, and storm drainage facilities and refunding bonds issued for such purposes. The Bonds are issued by the District pursuant to an order of the Texas Commission on Environmental Quality (“TCEQ”), the terms and conditions of the Bond Resolution, Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 51 of the Texas Water Code, as amended, a bond election held in the District on November 3, 2009, and general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas. See “THE BONDS—Authority for Issuance.”

Source of Payment The Bonds are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. See “TAX PROCEDURES.” The Bonds are obligations of the District and are not obligations of the State of Texas, Comal County, the City of Bulverde or any other political subdivision or agency other than the District. See “THE BONDS—Source of and Security for Payment.”

Use of Proceeds Proceeds from the sale of the Bonds will be used to pay for items shown herein under “USE AND DISTRIBUTION OF BOND PROCEEDS,” including to pay twelve (12) months of capitalized interest, to pay interest on funds advanced by the Developers on behalf of the District, and to pay certain other costs and engineering fees related to the issuance of the Bonds. See “USE AND DISTRIBUTION OF BOND PROCEEDS.”

Not Qualified Tax-Exempt Obligations The Bonds have not been designated “qualified tax-exempt obligations” for financial institutions.

Payment Record..... The District has previously issued four series of unlimited tax road bonds, and four series of unlimited tax bonds, of which \$112,055,000 in aggregate principal amount remains outstanding as of September 30, 2025 (the “Outstanding Bonds”). The District has never defaulted in the payment of debt service on its bonded indebtedness. The District will capitalize 12 (twelve) months of interest from Bond proceeds. See “USE AND DISTRIBUTION OF BOND PROCEEDS.”

Municipal Bond Rating and Municipal Bond Insurance

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, (“S&P”) and Moody’s Investor Service (“Moody’s”) are expected to assign municipal bond insured ratings of “AA” (stable outlook) and “A1” (stable outlook), respectively, to the Bonds with the understanding that, upon issuance and delivery of the Bonds, a Bond Insurance Policy insuring the timely payment of the principal of and interest on the Bonds will be issued by Assured Guaranty Inc. (“AG”) (See “MUNICIPAL BOND INSURANCE”). An explanation of the significance of such ratings may be obtained from S&P and Moody’s, and the District makes no representation as to the appropriateness of such rating. Further there is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely, if in the sole judgement of S&P and/or Moody’s, circumstances so warrant. Any such downward revisions or withdrawal of the ratings may have an adverse effect on the trading value and the market price of the Bonds. Moody’s Investors Service (“Moody’s”) has assigned an underlying rating of “Baa1” to the Bonds. An explanation of the ratings may be obtained from Moody’s, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. The fee associated with the rating assigned to the District by Moody’s will be paid by the District; however, the fee associated with ratings provided by other agencies will be at the expense of the Initial Purchaser.

See “INVESTMENT CONSIDERATIONS – Risk Factors Related to the Purchase of Municipal Bond Insurance” and MUNICIPAL BOND RATING,” “MUNICIPAL BOND INSURANCE” and “APPENDIX B – SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

Legal Opinion Allen Boone Humphries Robinson LLP, Bond Counsel, Austin, Texas.

Disclosure Counsel..... McCall, Parkhurst & Horton L.L.P., Houston, Texas.

Financial Advisor Post Oak Municipal Advisors LLC, Houston, Texas.

Engineer Jones-Heroy & Associates, Inc., Austin, Texas.

THE DISTRICT

Description The District was created by House Bill 4811, an act of the 81st Texas Legislature effective on June 19, 2009, codified as Chapter 9037, Texas Special District Local Laws Code (“Chapter 9037”), pursuant to Article XVI, Section 59 of the Texas Constitution, and operates pursuant to Chapter 9037, Chapters 49 and 51 of the Texas Water Code, as amended, other general statutes applicable to water control and improvement districts, and Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution. The District includes approximately 1,259 acres of land. See “THE DISTRICT.”

Location..... The District consists of three non-contiguous tracts containing approximately 223, 774, and 262 acres, respectively. The approximately 223-acre tract (the “Singing Hills Tract”)

is located approximately 25 miles north of the central downtown business district of the City of San Antonio (“San Antonio”) and is bounded to the east by U.S. Highway 281 and the south by State Highway 46. Approximately 109 acres of the Singing Hills Tract are within the corporate boundaries of the City of Bulverde (the “City” or “Bulverde”) and the remaining approximately 114 acres are in the extraterritorial jurisdiction of Bulverde. The approximately 774-acre tract (the “4S Ranch Tract”) is located approximately 23 miles north of the central downtown business district of San Antonio and is bounded to the west by Stahl Lane. The approximately 262-acre tract (the “Park Village Tract”) is located approximately 27 miles north of the central downtown business district of San Antonio and is bounded to the north by State Highway 46 and the west by Blanco Road. Both the 4S Ranch Tract and the Park Village Tract are entirely within the extraterritorial jurisdiction of Bulverde. The three tracts are located near the intersection of State Highway 46 and U.S. Highway 281, which provide access to the District. The District is located within the Comal Independent School District. See “THE DISTRICT—Description and Location” and “AERIAL PHOTOGRAPH.”

Status of Development..... The District is being developed as a primarily single-family residential, multi-family residential, and commercial development. Development currently consists of The Preserve at Singing Hills (331 single-family residential lots completed on approximately 93 acres), 4S Ranch (being marketed as Hidden Trails) (1,849 single-family residential lots completed on approximately 543 acres), and Park Village (being marketed as Ventana) (627 single-family residential lots completed on approximately 234 acres). As of October 10, 2025, the District included 2,764 completed single-family homes (of which 2,749 were occupied, 10 were unoccupied, and 5 were models), 11 new homes under construction or in the name of the builder and 32 vacant developed lots available for home construction (1 lot in Singing Hills, and 31 lots in Park Village). According to the Developers, homes being constructed in the District range in price from approximately \$550,000 to \$850,000 in Singing Hills, from approximately \$220,000 to \$500,000 in 4S Ranch, and from approximately \$380,000 to \$700,000 in Park Village. Recreational facilities in 4S Ranch include a fishing pond with a large playground including a zipline, an approximately 5,000 square foot amenity building with a 24-hour fitness room and a gathering room with a demonstration kitchen, and an outdoor gathering area with fire pits, an adult pool, a kiddie pool, a treehouse and a basketball court. Recreational facilities in Park Village include an amenity center.

A 124-bed assisted living center has been constructed on an approximately 5 acre tract in Singing Hills and is operated by Touchstone. A 288-unit multifamily apartment complex has been completed on an approximately 15 acre tract of land in Singing Hills.

The District contains approximately 62 acres of completed commercial development, which includes an approximately 180,000 square foot Walmart Supercenter and Fuel Center on approximately 19 acres, an 84-room Hampton Inn on approximately 3 acres, an approximately 63,000 square foot Academy Sports + Outdoors on approximately 4 acres, a three-story Singing Hills Professional Office Building that includes approximately 60,000 square feet, a freestanding Sonora Bank, Texas Med Clinic, Pillars Christian Learning Center, Discount Tire, Jiffy Lube, Panda Express, Ay Chiwawa! Mexican Café, Panera Bread, Chick-Fil-A, Whataburger, SSFCU, Popeyes, Burger King, Taco Bell, Chili’s, IHOP, Chipotle, Go Car Wash, Hill Country Children’s Dentistry, four small strip shopping centers totaling approximately 65,000 square feet, that include James Avery, Wingstop, Verizon Store, Jimmy Johns, Hotworx, Shipley Do-Nuts, Uplifting Medi Spa, Texas State Optical, Mathnasium, Little Ceasars, AT&T Store, Supercuts, Great American Cookies/Marble Slab Creamery, The Animal Hospital of Smithson Valley, Bird Dog & Cat Fish (pet store), State Farm office, Beautiful Nails and Spa, Massage Heights, Marco’s Pizza, Bulverde Dentistry and Orthodontics, Mattress Firm, Sport Clips, and Schlotsky’s. In addition, utilities have been installed to serve approximately 26.8 acres anticipated to be developed for commercial purposes, but no vertical improvements have been constructed to date. All of the commercial development within the District is located on the Singing Hills Tract.

All developable land within the District has been developed with water, sanitary sewer, and drainage and storm sewer facilities. Approximately 53 acres within the District are parks or other amenities and are not developable. In addition, approximately 227 undevelopable acres in the District are contained in street rights-of-way, detention, open spaces, easements, and utility sites.

Homebuilders Homebuilding in Singing Hills is complete, with the exception of one remaining lot owned by Ashton Woods Homes.

Homebuilding is complete in 4S Ranch (a/k/a Hidden Trails).

Homebuilding in Park Village (a/k/a Ventana) is currently being conducted by Highland Homes, DREES Homes (f/k/a “Monticello Homes”), Texas Homes and Perry Homes.

The Developers The developer of approximately 130 acres of the approximate 223 acres developed as Singing Hills is SH-DJL Development, LLC, a Texas limited liability company (“SH-DJL”). The developer of approximately 93 acres of the approximate 223 acres of land within the District developed as Singing Hills is SH Preserve, Ltd., a Texas limited partnership (“SH Preserve”). Both SH-DJL and SH Preserve were created to own and develop property within the District.

Approximately 774 acres of land within the District have been developed as 4S Ranch (being marketed as Hidden Trails) by Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (“Lennar”), the general partner of which is Lennar Texas Holding Company, a Texas corporation.

The developer of approximately 262 acres of land within the District developed as Park Village (being marketed as Ventana) is Two Seventy Seven Limited, a Texas limited partnership (“Two Seventy Seven”), the general partner of which is Two Seventy Seven GP, LLC, a Texas limited liability company, which was created to own and develop its property within the District.

SH-DJL, Lennar, and Two Seventy Seven are collectively referred to herein as the “Developers.” Neither the Developers nor any of their affiliates are obligated to pay any principal or interest on the Bonds. See “THE DEVELOPERS” and “INVESTMENT CONSIDERATIONS – Dependence on Principal Taxpayers and the Developers.”

Strategic Partnership

Agreement The District entered into a Strategic Partnership Agreement with the City, effective October 13, 2009, and First Amended Strategic Partnership Agreement, effective December 31, 2014, pursuant to Chapter 43, Texas Local Government Code (the “SPA”). The SPA provided for “full purpose annexation” into the City of commercial tracts in the District for the purpose of applying the City property tax. Additionally, the SPA provides that the City will not annex the remaining Residential Tracts, defined as the other land in the District planned for residential development, into the City for “full purposes” until the following conditions have been met (the “Full Purpose Annexation Date”): 1) the District has issued all bonds necessary to reimburse all of the developers of land within the District for all of the water, wastewater, drainage, road, and other TCEQ (or its successor agency) qualified reimbursable facilities or costs serving the District in accordance with the Rules of the TCEQ; and 2) ninety percent (90%) of the principal amount of all such bonds, including any bonds issued to refund such bonds, are no longer outstanding due to payment at maturity or by prior redemption. Under the SPA, the City agrees that it shall not unilaterally annex any lands within the District prior to the Full Purpose Annexation Date.

Water and Wastewater Retail water service for development within the District is provided by SJWTX Inc. (d/b/a Texas Water Company, formerly d/b/a Canyon Lake Water Service Company (“Texas

Water’’)). Texas Water holds a Certificate of Convenience and Necessity over the land within the District. See “WATER SUPPLY AND WASTEWATER TREATMENT.”

Retail wastewater service is provided by the City of Bulverde for the Singing Hills Tract. The Guadalupe-Blanco River Authority provides retail wastewater service for the Park Village Tract and the 4S Ranch Tract. See “WATER SUPPLY AND WASTEWATER TREATMENT.”

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INVESTMENT CONSIDERATIONS

THE PURCHASE AND OWNERSHIP OF THE BONDS ARE SUBJECT TO SPECIAL INVESTMENT CONSIDERATIONS AND ALL PROSPECTIVE PURCHASERS ARE URGED TO EXAMINE CAREFULLY THE ENTIRE OFFICIAL STATEMENT FOR A DISCUSSION OF INVESTMENT RISKS, INCLUDING PARTICULARLY THE SECTION CAPTIONED “INVESTMENT CONSIDERATIONS.”

SELECTED FINANCIAL INFORMATION (UNAUDITED)

2025 Taxable Assessed Valuation.....	\$1,043,487,369 (a)
Estimated Taxable Assessed Valuation as of August 1, 2025.....	\$1,124,639,053 (b)
Gross Debt Outstanding (after issuance of the Bonds).....	\$122,305,000
Estimated Overlapping Debt.....	43,589,311 (c)
Gross Debt and Estimated Overlapping Debt.....	<u>\$165,894,311</u>
Ratios of Gross Debt to:	
2025 Taxable Assessed Valuation.....	11.72%
Estimated Taxable Assessed Valuation as of August 1, 2025.....	10.88%
Ratios of Gross Debt and Estimated Overlapping Debt to:	
2025 Taxable Assessed Valuation.....	15.90%
Estimated Taxable Assessed Valuation as of August 1, 2025.....	14.75%
Operating Fund as of September 25, 2025.....	\$2,082,756
<u>Debt Service Funds Available as of September 25, 2025</u>	
Water, Sewer and Drainage Debt Service Fund.....	\$2,275,093 (d)
Road Debt Service Fund.....	\$2,322,694 (d)
<u>Capital Project Funds Available as of September 25, 2025</u>	
Roads Capital Projects Fund.....	\$0
Water, Sewer and Drainage Capital Projects Fund.....	\$3,817,765
2025 Tax Rate:	
Road Debt Service.....	\$0.175
WS&D Debt Service.....	\$0.575
Maintenance and Operations.....	<u>\$0.100</u>
Total.....	<u>\$0.850</u>

- (a) As of certification of the tax rolls by the Comal Appraisal District (the “Appraisal District”). Such value includes \$870,354,677 of certified taxable value and an additional \$173,132,692 of uncertified value, which represents the Appraisal District’s estimated taxable value of properties under protest by the owners thereof. The Appraisal District has proposed the valuation of such protested properties to be \$211,979,845. The District is unable to predict the amount of the District’s final 2025 taxable assessed valuation. Such final 2025 taxable assessed valuation will not be determined until the valuation of all taxable property located within the District is certified by the Comal Appraisal Review Board. The 2025 Taxable Assessed Valuation shown herein is the certified value of \$870,354,677 plus uncertified value of \$173,132,692. See “TAX PROCEDURES.”
- (b) Provided by the Appraisal District for information purposes only. Such amount reflects the 2025 Estimated Taxable Assessed Valuation of \$1,124,639,053 as of August 1, 2025. Taxes are levied based on value as certified by the Appraisal District as of January 1 of each year. No tax will be levied on such amount until it is certified. Increases in value occurring between January 1, 2025 and January 1, 2026 will be certified as of January 1, 2026 and provided for purposes of taxation in the fall of 2026. See “TAX PROCEDURES.”
- (c) See “ESTIMATED OVERLAPPING DEBT STATEMENT.”
- (d) Neither Texas law nor the Bond Resolution requires the District to maintain any minimum balance in the Water, Sewer and Drainage Debt Service Fund or the Road Debt Service Fund. Although all of the District’s debt, including the Outstanding Bonds and the Bonds, is payable from an unlimited tax pledge on parity, a pro rata portion of the District’s ad valorem tax revenue will be allocated to bonds sold for road facilities (the “Road Bonds”), and a portion will be allocated to bonds sold for water, sanitary sewer, drainage and storm sewer facilities, including the Bonds (the “Water, Sewer, and Drainage Bonds”). For the 2025 tax year, \$0.175 per \$100 of assessed valuation was allocated to road debt service and \$0.575 per \$100 of assessed valuation was allocated to water, sewer and drainage debt service. See “FINANCIAL STATEMENT (UNAUDITED)—Outstanding Bonds.” The Road Debt Service Fund is not pledged to the Water, Sewer, and Drainage Bonds including the Bonds, and the Water, Sewer, and Drainage Debt Service Fund is not pledged to the Road Bonds.

SELECTED FINANCIAL INFORMATION (UNAUDITED)

(CONTINUED)

Average Annual Debt Service Requirements (2026 - 2051) of the Bonds and the Outstanding Bonds ("Average Requirement").....	\$7,285,751
Tax rates required to pay Average Requirement based upon:	
2025 Taxable Assessed Valuation at a 95% collection rate.....	\$0.74 / \$100 A.V.
Estimated Taxable Assessed Valuation as of August 1, 2025 at a 95% collection rate.....	\$0.69 / \$100 A.V.
Maximum Annual Debt Service Requirements (2044) of the Bonds and the Outstanding Bonds ("Maximum Requirement").....	\$8,621,909
Tax rates required to pay Maximum Requirement based upon:	
2025 Taxable Assessed Valuation at a 95% collection rate.....	\$0.87 / \$100 A.V.
Estimated Taxable Assessed Valuation as of August 1, 2025 at a 95% collection rate.....	\$0.81 / \$100 A.V.
Status of Development as of October 10, 2025 (a):	
Completed Occupied Homes	2,749
Completed Unoccupied Homes (including 5 model homes)	15
Homes Under Construction	11
Lots Available for Home Construction	32
Estimated Population (b)	10,322

(a) See "THE DISTRICT – Status of Development."

(b) Based upon 3.5 persons per occupied single-family residence and 2 persons per multi-family unit. See "THE DISTRICT – Status of Development."

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OFFICIAL STATEMENT
\$10,250,000
COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
(A political subdivision of the State of Texas located within Comal County)
UNLIMITED TAX BONDS, SERIES 2025

This Official Statement provides certain information in connection with the issuance by Comal County Water Control and Improvement District No. 6 (the “District”) of its \$10,250,000 Unlimited Tax Bonds, Series 2025 (the “Bonds”).

The Bonds are issued pursuant to Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 51 of the Texas Water Code, as amended, Chapter 9037, Texas Special Districts Local Laws Code (“Chapter 9037”), the general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas, a resolution authorizing the issuance of the Bonds (the “Bond Resolution”) adopted by the Board of Directors of the District (the “Board”), an order of the Texas Commission on Environmental Quality (the “TCEQ” or “Commission”) and an election held within the District.

This Official Statement includes descriptions, among others, of the Bonds and the Bond Resolution, and certain other information about the District and SH-DJL Development, LLC (“SH-DJL”), Lennar Homes of Texas Land and Construction, Ltd. (“Lennar”), and Two Seventy Seven, Limited (“Two Seventy Seven” and collectively with SH-DJL, and Lennar, the “Developers”). All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each document. Copies of documents may be obtained from the District upon payment of the costs of duplication therefor.

THE BONDS

General

The following is a description of some of the terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Resolution. The Bond Resolution authorizes the issuance and sale of the Bonds and prescribes the terms, conditions, and provisions for the payment of the principal of and interest on the Bonds by the District.

The Bonds will be dated and accrue interest from November 1, 2025, which interest is payable on March 1, 2026 (four months of interest) and on each September 1 and March 1 thereafter (each, an “Interest Payment Date”), until the earlier of maturity or prior redemption. The Bonds mature on September 1 in the amounts and years and bear interest at the rates shown on the cover page of this Official Statement. Interest calculations are based on a 360-day year comprised of twelve 30-day months.

The Bonds will be issued in fully registered form in denominations of \$5,000 or integral multiples thereof.

Authority for Issuance

At a bond election held within the District on November 3, 2009, the voters of the District authorized the issuance of a total of \$261,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer, drainage and storm sewer facilities and refunding of such bonds. The Bonds are being issued pursuant to such authorization.

The Bonds are issued by the District pursuant to an Order of the TCEQ, the terms and conditions of the Bond Resolution, Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 51 of the Texas Water Code, as amended, Chapter 9037, and general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas.

Before the Bonds can be issued, the Attorney General of Texas must pass upon the legality of certain related matters. The Attorney General of Texas does not guarantee or pass upon the safety of the Bonds as an investment or upon the adequacy of the information contained in this Official Statement.

Method of Payment of Principal and Interest

In the Bond Resolution, the Board has appointed The Bank of New York Mellon Trust Company, N.A. in Houston, Texas as the initial Paying Agent/Registrar for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, at the principal payment office of the Paying Agent/Registrar in Houston, Texas. Interest on each Bond shall be payable by check or draft payable on each Interest Payment Date, mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Registered Owners as shown on the Register on the fifteenth (15th) day (whether or not a business day) of the month prior to each interest payment date (defined herein as the "Record Date"), to the address of such Registered Owner as shown on the Paying Agent/Registrar's records (the "Register") or by such other customary banking arrangements as may be agreed to by the Paying Agent/Registrar and the Registered Owners at the risk and expense of the Registered Owners.

If the date for payment of the principal of or interest on any Bond is not a business day, then the date for such payment shall be the next succeeding business day, as defined in the Bond Resolution.

Source of and Security for Payment

While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, the District covenants in the Bond Resolution to levy a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds, the Outstanding Bonds, and any future bonds payable in whole or in part from taxes, with full allowance being made for delinquencies and costs of collection. In the Bond Resolution, the District covenants that said taxes are irrevocably pledged to the payment of the interest and principal of the Bonds and to no other purpose.

The Bonds are obligations of the District and are not the obligations of the State of Texas, Comal County, the City of Bulverde (the "City" or "Bulverde"), or any entity other than the District.

Funds

In the Bond Resolution, the Water, Sewer and Drainage Debt Service Fund is confirmed, and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by the Bond Resolution shall be deposited, as collected, in such fund.

The District also maintains a Road Debt Service Fund that is not pledged to Water, Sewer and Drainage Bonds, including the Bonds. Funds in the Road Debt Service Fund are not available to pay principal and interest on Water, Sewer and Drainage Bonds, including the Bonds.

Accrued interest and twelve (12) months of capitalized interest on the Bonds shall be deposited into the Water, Sewer and Drainage Debt Service Fund upon receipt. The remaining proceeds from sale of the Bonds, including interest earnings thereon, shall be deposited into the Water, Sewer and Drainage Capital Projects Fund, to pay the costs of acquiring or constructing District water, sanitary sewer, drainage and storm sewer facilities, to pay land acquisition costs, to pay developer interest, and to pay the costs of issuing the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS" for a more complete description of the use of Bond proceeds.

No Arbitrage

The District will certify as of the date the Bonds are delivered and paid for that, based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the District reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds, or any portion of the Bonds, to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations prescribed thereunder. Furthermore, all officers, employees, and agents of the District have been authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the District as of the date the Bonds are delivered and paid for. In particular, all or any officers of the District are authorized to certify to the facts and circumstances and reasonable expectations of the District on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the District covenants in the Bond Resolution that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds of

the Bonds, and take such other and further actions and follow such procedures, including, without limitation, calculating the yield on the Bonds, as may be required so that the Bonds shall not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

Record Date

The record date for payment of the interest on any regularly scheduled Interest Payment Date is defined as the 15th day of the month (whether or not a business day) preceding such Interest Payment Date.

Redemption Provisions

Mandatory Redemption: The Bonds maturing on September 1 in the years 2038, 2043, 2045, 2047, 2049 and 2051 (the "Term Bonds") shall be redeemed, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption (the "Mandatory Redemption Date"), on September 1 in each of the years and in the principal amounts set forth in the following schedule (with each such scheduled principal amount reduced, by the principal amount as may have been previously redeemed through the exercise of the District's reserved right of optional redemption, as provided under "Optional Redemption").

\$715,000 Term Bonds Due September 1, 2038		\$1,340,000 Term Bonds Due September 1, 2043		\$1,005,000 Term Bonds Due September 1, 2042	
Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount
2037	\$ 350,000	2041	\$ 425,000	2044	\$ 490,000
2038 (maturity)	365,000	2042	445,000	2045 (maturity)	515,000
		2043 (maturity)	470,000		
\$1,115,000 Term Bonds Due September 1, 2047		\$1,230,000 Term Bonds Due September 1, 2049		\$1,355,000 Term Bonds Due September 1, 2051	
Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount
2046	\$ 545,000	2048	\$ 600,000	2050	\$ 660,000
2047 (maturity)	570,000	2049 (maturity)	630,000	2051 (maturity)	695,000

On or before 30 days prior to each Mandatory Redemption Date set forth above, the Paying Agent/Registrar shall (i) determine the principal amount of such Term Bonds that must be mandatorily redeemed on such Mandatory Redemption Date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method, the Term Bond or portions of the Term Bond of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Resolution. The principal amount of any Term Bond to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced by the principal amount of such Term Bond which, by the 45th day prior to such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the District to the Paying Agent/Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence.

Optional Redemption: The District reserves the right, at its option, to redeem the Bonds maturing on and after September 1, 2033, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of \$5,000, on September 1, 2032, or on any date thereafter, at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities and amounts of Bonds to be redeemed shall be selected by the District. If less than all the Bonds of any maturity are redeemed at any time, the particular Bonds within a maturity to be redeemed shall be selected by the Paying Agent/Registrar by lot or other customary method of selection (or by The Depository Trust Company, New York, New York ("DTC") in accordance with its procedures while the Bonds are in book-entry-only form).

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the register. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered

for payment and, if fewer than all the Bonds outstanding within any one maturity are to be redeemed, the numbers of the Bonds or the portions thereof to be redeemed. Any notice given shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest that would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Registration and Transfer

So long as any Bonds remain outstanding, the Paying Agent/Registrar shall keep the register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of the Bond Resolution. While the Bonds are in the Book-Entry-Only System, the Bonds will be registered in the name of Cede & Co. and will not be transferred. See “BOOK-ENTRY-ONLY SYSTEM.”

Replacement of Paying Agent/Registrar

Provision is made in the Bond Resolution 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 national or state banking institution, a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority, to act as Paying Agent/Registrar for the Bonds.

Lost, Stolen or Destroyed Bonds

In the event the book-entry-only system is discontinued, upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, stolen or destroyed, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall, upon receipt of certain documentation from the Registered Owner and an indemnity bond, execute and the Paying Agent/Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount bearing a number not contemporaneously outstanding. Registered Owners of lost, stolen or destroyed bonds will be required to pay the District's costs to replace such bond. In addition, the District or the Paying Agent/Registrar may require the Registered Owner to pay a sum sufficient to cover any tax or other governmental charge that may be imposed.

Issuance of Additional Debt

After issuance of the Bonds, the District will have \$171,000,000 principal amount of unlimited tax bonds authorized but unissued for water, sanitary sewer, drainage and storm sewer facilities and refunding of such bonds and no remaining unlimited tax bonds authorized but unissued for roads and refunding of such bonds remaining from its November 3, 2009, election. The District anticipates issuing additional bonds in the future. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately issued by the District. See “USE AND DISTRIBUTION OF BOND PROCEEDS—Future Debt” and “UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED.”

The District also is authorized by statute to engage in fire-fighting activities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue fire-fighting bonds payable from taxes, the following actions would be required: (a) approval of a detailed fire plan by the TCEQ; (b) authorization of a detailed fire plan and bonds for such purpose by the qualified voters in the District; (c) approval of bonds for such purpose by the TCEQ; and (d) approval of bonds by the Attorney General of Texas. The Board has not considered preparing such a fire plan or calling such an election at this time.

Issuance of additional bonds could dilute the investment security for the Bonds.

Annexation

Under existing Texas law, as portions of the District lie within both the municipal boundaries and the extraterritorial jurisdiction of the City of Bulverde, the District must conform to a City of Bulverde consent ordinance. Generally, the portions of the District within the extraterritorial jurisdiction of the City may be annexed by the City without the District's consent, and the City cannot annex territory within the District unless it annexes the entire District. However, the City may not annex the District unless (i) such annexation has been approved by a majority of those voting in an election held for that purpose within the area to be annexed, and (ii) if the registered voters in the area to be annexed do not own more than 50 percent of the land in the area, a petition has been signed by more than 50 percent of the landowners consenting to the annexation. Notwithstanding the preceding sentence, the described election and petition does not apply during the term of a strategic partnership agreement between the District and the City specifying the procedures for full purpose annexation of all or a portion of the District. See "Strategic Partnership Agreement," below, for a description of the terms of the Strategic Partnership Agreement between the City and the District.

If the District is annexed, the City will assume the District's assets and obligations (including the Bonds) and dissolve the District. Annexation of territory by the City is a policy-making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that the City will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City to make debt service payments should annexation occur. See "Strategic Partnership Agreement" below.

Strategic Partnership Agreement

The District entered into a Strategic Partnership Agreement with the City, effective October 13, 2009, and First Amended Strategic Partnership Agreement, effective December 31, 2014, pursuant to Chapter 43, Texas Local Government Code (the "SPA"). The SPA provides for "full purpose annexation" into the City of commercial tracts in the District for the purpose of applying the City property tax. Additionally, the SPA provides that the City will not annex the remaining Residential Tracts, defined as the other land in the District planned for residential development, into the City for "full purposes" until the following conditions have been met (the "Full Purpose Annexation Date"): 1) the District has issued all bonds necessary to reimburse all of the developers of land within the District for all of the water, wastewater, drainage, road, and other TCEQ (or its successor agency) qualified reimbursable facilities or costs serving the District in accordance with the Rules of the TCEQ; and 2) ninety percent (90%) of the principal amount of all such bonds, including any bonds issued to refund such bonds, are no longer outstanding due to payment at maturity or by prior redemption. Under the SPA, the City agrees that it shall not unilaterally annex any lands within the District prior to the Full Purpose Annexation Date.

Consolidation

The District has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its assets (such as cash and the District's facilities) and liabilities (such as the Bonds), with the assets and liabilities of districts with which it is consolidating. Although no consolidation is presently contemplated by the District, no representation is made concerning the likelihood of consolidation in the future.

Remedies in Event of Default

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observance or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests 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. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were 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. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or 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. See "INVESTMENT CONSIDERATIONS — Registered Owners' Remedies and Bankruptcy Limitations."

Legal Investment and Eligibility to Secure Public Funds in Texas

The following is quoted from Section 49.186 of the Texas Water Code, and is applicable to the District:

“(a) All bonds, notes, and other obligations issued by a 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.”

“(b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of 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, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them.”

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the District (including the Bonds) are eligible as collateral for public funds.

No representation is made that the Bonds will be suitable for or acceptable to financial or public entities for investment or collateral purposes. No representation is made concerning other laws, rules, regulations, or investment criteria which might apply to or which might be utilized by any of such persons or entities to limit the acceptability or suitability of the Bonds for any of the foregoing purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the suitability or acceptability of the Bonds for investment or collateral purposes.

Defeasance

The Bond Resolution provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest, and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in direct obligations of the United States of America, noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and noncallable 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 governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and that mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the District: in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; gives notice of the reservation of that

right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Direct Participants or Indirect Participants will distribute to the Beneficial Owners payments of interest, principal or premium, if any, with respect to the Bonds, Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will 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 "Procedure" of DTC to be followed in dealing with DTC Direct Participants are on file with DTC.

General

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. With respect to the Bonds, one fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities 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 3.6 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 securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company 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 rating of "AA+" from S&P Global Ratings. 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 MMI 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 Bonds 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. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is 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.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Initial Purchaser take any responsibility for the accuracy thereof.

THE DISTRICT

General

The District was created by House Bill 4811, an act of the 81st Texas Legislature, effective on June 19, 2009, codified as Chapter 9037, pursuant to Article XVI, Section 59 of the Texas Constitution, and operates pursuant to Chapter 9037, Chapters 49 and 51 of the Texas Water Code, as amended, other general statutes applicable to water control and improvement districts, and Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution.

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 may issue bonds and other forms of indebtedness to purchase or construct such facilities and for the construction, operation and maintenance of macadamized, graveled or paved roads and turnpikes. 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 firefighting facilities, independently or with one or more conservation and reclamation districts. The TCEQ exercises continuing supervisory jurisdiction over the District.

Description and Location

The District consists of three non-contiguous tracts containing approximately 223, 774, and 262 acres, respectively. The approximately 223-acre Singing Hills Tract is located approximately 25 miles north of the central downtown business district of San Antonio and is bounded to the east by U.S. Highway 281 and to the south by State Highway 46. Approximately 109 acres of the Singing Hills Tract are within the corporate boundaries of the City of Bulverde and the remaining approximately 114 acres are in the extraterritorial jurisdiction of Bulverde. The approximately 774-acre 4S Ranch Tract is located approximately 23 miles north of the central downtown business district of San Antonio and is bounded to the west by Stahl Lane. The approximately 262-acre Park Village Tract is located approximately 27 miles north of the central downtown business district of San Antonio and is bounded to the north by State Highway 46 and to the west by Blanco Road. Both the 4S Ranch Tract and the Park Village Tract are entirely within the extraterritorial jurisdiction of the City of Bulverde. The three tracts are located near the intersection of State Highway 46 and U.S. Highway 281, which provide access to the District. The District is located within the Comal Independent School District. See "AERIAL PHOTOGRAPH."

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Land Use

The following table has been provided by the Engineer and represents the current land use within the District.

<i>Single Family Residential</i>	Approximate	
	Acres	Lots
The Preserve at Singing Hills, Unit 1	23	73
The Preserve at Singing Hills, Unit 2	22	73
The Preserve at Singing Hills, Unit 3	18	65
The Preserve at Singing Hills, Unit 4	14	67
The Preserve at Singing Hills, Unit 5	16	53
4S Ranch, Phase 1	118	200
4S Ranch, Phase 2	90	332
4S Ranch, Phase 3	91	439
4S Ranch, Phase 4	124	579
4S Ranch, Phase 5	120	299
Park Village, Unit 1	8	10
Park Village, Unit 2	36	118
Park Village, Unit 3A	17	41
Park Village, Unit 3B	7	35
Park Village, Unit 4	21	54
Park Village, Unit 5	20	62
Park Village, Unit 6	43	108
Park Village, Unit 7	29	54
Park Village, Unit 8	24	66
Park Village, Unit 9	29	79
Subtotal.....	870	2,807
Multifamily (a).....	20	
Commercial.....	62	
Future Commercial (b).....	27	
Recreation/Open Space.....	53	
Non-Developable (c).....	227	
Total.....	1,259	

(a) Includes both a 124-bed assisted living center and a 288-unit multifamily apartment complex.

(b) The anticipated future commercial acreage has been developed with utilities, but no vertical improvements have been constructed to date, except for approximately 1 acre currently under construction.

(c) Includes public rights-of-way, detention, open spaces, easements, and utility sites.

Status of Development

The District is being developed as a primarily single-family residential, multi-family residential, and commercial development. Development currently consists of The Preserve at Singing Hills (331 single-family residential lots completed on approximately 93 acres), 4S Ranch (being marketed as Hidden Trails) (1,849 single-family residential lots completed on approximately 543 acres), and Park Village (being marketed as Ventana) (627 single-family residential lots completed on approximately 234 acres). As of October 10, 2025, the District included 2,764 completed single-family homes (of which 2,749 were occupied, 10 were unoccupied, and 5 were models), 11 new homes under construction or in the name of the builder and 32 vacant developed lots available for home construction (1 lot in Singing Hills and 31 lots in Park Village). According to the Developers, homes being constructed in the District range in price from approximately \$550,000 to \$850,000 in Singing Hills, from approximately \$220,000 to \$500,000 in 4S

Ranch, and from approximately \$380,000 to \$700,000 in Park Village. Recreational facilities in 4S Ranch include a fishing pond with a large playground including a zipline, an approximately 5,000 square foot amenity building with a 24-hour fitness room and a gathering room with a demonstration kitchen, and an outdoor gathering area with fire pits, an adult pool, a kiddie pool, a treehouse and a basketball court. Recreational facilities in Park Village include an amenity center.

A 124-bed assisted living center has been constructed on an approximately 5 acre tract in Singing Hills and is operated by Touchstone. A 288-unit multifamily apartment complex has been completed on an approximately 15 acre tract of land in Singing Hills.

The District contains approximately 62 acres of completed commercial development, which includes an approximately 180,000 square foot Walmart Supercenter and Fuel Center on approximately 19 acres, an 84-room Hampton Inn on approximately 3 acres, an approximately 63,000 square foot Academy Sports + Outdoors on approximately 4 acres, a three-story Singing Hills Professional Office Building that includes approximately 60,000 square feet, a freestanding Sonora Bank, Texas Med Clinic, Pillars Christian Learning Center, Discount Tire, Jiffy Lube, Panda Express, Ay Chiwawa! Mexican Café, Panera Bread, Chick-Fil-A, Whataburger, SSFCU, Popeyes, Burger King, Taco Bell, Chili's, IHOP, Chipotle, Go Car Wash, Hill Country Children's Dentistry, four small strip shopping centers totaling approximately 65,000 square feet, that include James Avery, Wingstop, Verizon Store, Jimmy Johns, Hotworx, Shipley Do-Nuts, Uplifting Medi Spa, Texas State Optical, Mathnasium, Little Ceasars, AT&T Store, Supercuts, Great American Cookies/Marble Slab Creamery, The Animal Hospital of Smithson Valley, Bird Dog & Cat Fish (pet store), State Farm office, Beautiful Nails and Spa, Massage Heights, Marco's Pizza, Bulverde Dentistry and Orthodontics, Mattress Firm, Sport Clips, and Schlotzsky's. In addition, utilities have been installed to serve approximately 26.8 acres anticipated to be developed for commercial purposes, but no vertical improvements have been constructed to date. All of the commercial development within the District is located on the Singing Hills Tract.

All developable land within the District has been developed with water, sanitary sewer, and drainage and storm sewer facilities. Approximately 53 acres within the District are parks or other amenities and are not developable. In addition, approximately 227 undevelopable acres in the District are contained in street rights-of-way, detention, open spaces, easements, and utility sites.

Future Development

All developable land within the District have been developed with water, sanitary sewer, and drainage and storm sewer facilities and roads necessary for the construction of taxable improvements. While the Developers anticipate future development of this acreage as business conditions warrant, there can be no assurances if and when any of such undeveloped land will ultimately be developed. The District anticipates issuing additional bonds to accomplish full development of the District. See "INVESTMENT CONSIDERATIONS —Impact on District Tax Rates." The Engineer has stated that under current development plans, the remaining authorized but unissued bonds, \$171,000,000 principal amount for water, sanitary sewer, and drainage and storm sewer facilities, after issuance of the Bonds, should be sufficient to finance the construction of water, sanitary sewer, and drainage and storm sewer facilities for full development of the District. See "WATER SUPPLY AND WASTEWATER TREATMENT" and "THE ROAD SYSTEM."

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MANAGEMENT

Board of Directors

The District is governed by the Board of Directors, consisting of five directors, which has control over and management supervision of all affairs of the District. Each of the five current Directors owns a small parcel of land in the District subject to a Note and Deed of Trust in favor of one of the Developers. Directors are elected by the voters within the District for four-year staggered terms. Director elections are held only in even numbered years.

The Directors of the District are listed below:

<u>Name</u>	<u>District Board Title</u>	<u>Term Expires</u>
James "Jim" Leonard	President	May 2026
Carl Bohn	Vice President	May 2028
Madison Shodrock	Secretary	May 2026
Harold "Butch" Galm	Assistant Secretary	May 2028
Asher Reilly	Assistant Vice President/Assistant Secretary	May 2028

While the District does not employ any full-time employees, it has contracted for certain services as follows:

Tax Assessor/Collector

Land and improvements within the District are appraised for ad valorem taxation purposes by the Comal Appraisal District. The District contracts with the Comal County Tax Assessor/Collector to assess and collect taxes for the District.

Bookkeeper

The District has engaged Bott & Douthitt PLLC to serve as the District's bookkeeper.

System Operator

The water systems serving the District are operated and maintained by SJWTX Inc. (d/b/a Texas Water Company, formerly d/b/a Canyon Lake Water Service Company ("Texas Water")) and the sewer systems serving the District are or will be operated and maintained by the Guadalupe Blanco River Authority ("GBRA") and/or the City.

Engineer

The consulting engineer for the District in connection with the design and construction of the District's facilities is Jones-Heroy & Associates, Inc. (the "Engineer").

Attorney

The District has engaged Allen Boone Humphries Robinson LLP as General Counsel and as Bond Counsel in connection with the issuance of the Bonds. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance 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.

Financial Advisor

Post Oak Municipal Advisors LLC (the "Financial Advisor") serves as financial advisor to the District. The fee to be paid the Financial Advisor is contingent upon sale and delivery of the Bonds.

Auditor

As required by the Texas Water Code, the District retains an independent auditor to audit the District's financial statements annually, which audited financial statements are filed with the TCEQ. The District's financial statements

for the fiscal year ended April 30, 2025, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC. See “APPENDIX A” for a copy of the District’s April 30, 2025, audited financial statements.

THE DEVELOPERS

Role of a Developer

In general, the activities of a landowner or developer in a district such as the District include designing the project, defining a marketing program and setting building schedules; securing necessary governmental approvals and permits for development; arranging for the construction of roads and the installation of utilities; and selling or leasing improved tracts or commercial reserves to other developers or third parties. A developer is under no obligation to a district to undertake development activities according to any particular plan or schedule. Furthermore, there is no restriction on a developer’s right to sell any or all of the land which the developer owns within a district. In addition, the developer is ordinarily the major taxpayer within the district during the early stages of development. The relative success or failure of a developer to perform in the above-described capacities may affect the ability of a district to collect sufficient taxes to pay debt service and retire bonds.

Prospective purchasers of the Bonds should note that the prior real estate experience of the Developers should not be construed as an indication that further development within the District will occur, or that construction of taxable improvements upon property within the District will occur, or that marketing or leasing of taxable improvements constructed upon property within the District will be successful. Circumstances surrounding development within the District may differ from circumstances surrounding development of other land in several respects, including the existence of different economic conditions, financial arrangements, homebuilders, geographic location, market conditions, and regulatory climate. No representation is made as to the relative success of any of the projects mentioned above, and no assurance as to the future performance of the Developers should be inferred. Prospective purchasers are urged to inspect the District in order to acquaint themselves with the nature of the Developers’ business activities. See “INVESTMENT CONSIDERATIONS — Dependence on Principal Taxpayers and the Developers.”

SH-DJL Development, LLC and SH Preserve, Ltd.

The developer of approximately 130 acres of the approximate 223 acres developed as Singing Hills is SH-DJL. The developer of approximately 93 acres of the approximate 223 acres of land within the District developed as Singing Hills is SH Preserve. Both SH-DJL and SH Preserve were created to own and develop property within the District. See “THE DISTRICT—Land Use” and “Status of Development.”

The financing for the acquisition and development of the Singing Hills Tract which has been developed by SH-DJL has been provided primarily by capital contributions of the member of SH-DJL and previous bank loans which have been repaid in full. The financing for the acquisition and development of the Singing Hills Tract being developed by SH Preserve has been provided by Jefferson State Bank. The Jefferson State Bank Loan has been repaid in full.

Lennar Homes of Texas Land and Construction, Ltd.

The developer of approximately 774 acres within the District developed as 4S Ranch (being marketed as Hidden Trails) is Lennar. The general partner of Lennar is Lennar Texas Holding Company, a Texas corporation. Lennar is wholly owned by Lennar Corporation, a publicly traded corporation whose stock is listed on the New York Stock Exchange under the ticker symbol “LEN.” Audited financial statements for Lennar Corporation are subject to the information requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith, Lennar files reports and other information with the United States Securities and Exchange Commission (“SEC”). Reports, proxy statements and other information filed by Lennar Corporation can be inspected at the office of the SEC at Judiciary Plaza, Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such material can be obtained from the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Copies of the above reports, proxy statements and other information may also be inspected at the offices of the New York Stock Exchange, Inc. 20 Broad Street, New York, New York 10005. The SEC maintains a website at <http://www.sec.gov> that contains reports proxy information statements and other information requiring restraints that file electronically with the SEC. Lennar Corporation is not legally obligated to provide funds for the development of the District or to provide funds to pay taxes on property in the District owned by Lennar. See “THE DISTRICT—Land Use” and “Status of Development” and “TAX DATA—Principal Taxpayers.”

Two Seventy Seven Limited

Approximately 262 acres of land within the District developed as Park Village (being marketed as Ventana) were developed by Two Seventy Seven. The general partner of Two Seventy Seven is Two Seventy Seven GP, LLC, a Texas limited liability company and the limited partners are various individuals. Two Seventy Seven was created to own and develop its property within the District. Its property within the District currently consists of one model home lot and is its only substantial asset. See “THE DISTRICT—Land Use” and “Status of Development” and “TAX DATA—Principal Taxpayers.”

The financing for the acquisition and development of the Park Village Tract was provided by the International Bank of Commerce (“IBC”). IBC recently renewed the loan for the final phase which will complete the development. The IBC loan matures December 31, 2025, and as of October 10, 2025, the amount due for said loan is \$85,152.48. According to Two Seventy Seven, it is in material compliance with the terms of the loan.

Homebuilders

Homebuilding in Singing Hills is complete, with the exception of one remaining lot owned by Ashton Woods Homes.

Homebuilding in 4S Ranch, being marketed as Hidden Trails, is complete.

Homebuilding in Park Village, being marketed as Ventana, is currently being conducted by Highland Homes, DREES Homes (f/k/a “Monticello Homes”), Texas Homes, and Perry Homes. The contracts for sale of lots between Two Seventy Seven and the builders require that earnest money be deposited with a title company and establish certain required purchases quarterly. Two Seventy Seven's sole remedy for homebuilders not purchasing lots in accordance with the contracts is cancellation of the contract and retention of earnest money.

THE ROAD SYSTEM

Major collector streets, Singing Oaks, Harmony Hills, Mustang Vista, and Lobo Park, lie within the boundaries of the District. All of these roadways are included on the City’s and/or Comal County’s thoroughfare plan and have been accepted for ownership, operation, and maintenance by Comal County.

These roads lie within the public right-of-way. In addition to the roadway, public utilities such as underground water, sewer and drainage facilities are also located within the right-of-way.

WATER SUPPLY AND WASTEWATER TREATMENT

Regulation

Construction and operation of the District’s water, sewer, and drainage facilities as it now exists or as it may be expanded from time to time is subject to regulatory jurisdiction of federal, state and local authorities. The TCEQ exercises continuing supervisory authority over the District. According to the Engineer, the District’s water distribution, wastewater collection, and drainage facilities have been designed in accordance with accepted engineering practices and the requirements of all governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, the TCEQ, the City, Comal County, GBRA, and/or Texas Water.

Operation of the water and sewer facilities serving the District is subject to regulation by, among others, the United States Environmental Protection Agency (the “EPA”) and the TCEQ.

Water Supply

Texas Water holds a Certificate of Convenience and Necessity (“CCN”) which grants it authority over the provision of water supply service to the land in the District. Texas Water is the provider of retail water service to users within the District. Pursuant to an Amended and Restated Water Utility Service Agreement with Texas Water dated February 2, 2022, Texas Water is obligated to provide retail water service as development progresses for up to 644 living unit equivalents (“LUEs”) for the Park Village Tract (the “Park Village Water Service Agreement”). Pursuant to a Developer’s Water Utility Service Agreement with Texas Water dated September 30, 2009, as amended and assigned,

Texas Water is obligated to provide retail water service as development progresses for up to 2,000 LUEs for the 4S Ranch Tract (the “4S Ranch Water Service Agreement”). Pursuant to a Developer’s Water Utility Service Agreement with Texas Water dated December 21, 2009, Texas Water is obligated to provide retail water service as development progresses for up to 1,104 LUEs for the Singing Hills Tract (the “Singing Hills Water Service Agreement”). (The Water Utility Service Agreements described above are collectively referred to as the “Water Agreements”).

Wastewater Treatment

The City provides retail wastewater service for the Singing Hills Tract, and GBRA provides retail wastewater service for the Park Village Tract and the 4S Ranch Tract. Wastewater treatment for the development within the District’s boundaries is provided as follows (i) for the Park Village Tract, by a wastewater treatment plant, located within the Park Village Tract, owned and operated by GBRA pursuant to an Amended and Restated Agreement between the District and GBRA for Wastewater Services dated August 14, 2014 (the “Park Village Agreement”), (ii) for the 4S Ranch Tract, by a wastewater treatment plant, located within the 4S Ranch Tract, owned and operated by GBRA pursuant to an Agreement between the District and GBRA for Wastewater Services dated August 14, 2014, as amended (the “4S Ranch Agreement”), and (iii) for the Singing Hills Tract, by a wastewater treatment plant, located within the Singing Hills Tract, owned by the City pursuant to an Agreement for Wastewater Services with the City dated October 4, 2013, as amended (the “Singing Hills Agreement”). (The Park Village Agreement and 4S Ranch Agreement are referred to collectively as the “GBRA Agreements,” and the Park Village Agreement, 4S Ranch Agreement and Singing Hills Agreement are referred to collectively as the “Wastewater Agreements”). The wastewater treatment plant serving the Singing Hills Tract is complete and operational and has sufficient capacity to serve development within the Singing Hills Tract. The City currently contracts with GBRA to operate the wastewater system serving the Singing Hills Tract. The wastewater treatment plant serving the 4S Ranch Tract (“4S Ranch WWTP”) is complete and operational. The 4S Ranch WWTP has capacity to treat 480,000 gallons per day, which is sufficient to serve 1,920 LUEs. The wastewater treatment plant that serves the Park Village Tract (“Park Village WWTP”) is complete and operational. The Park Village WWTP has capacity to treat 195,000 gallons per day, which is sufficient to serve 812 LUEs. The District has entered into a Wastewater Treatment Plant Participation Agreement, effective July 1, 2024, to sell excess capacity in the Park Village WWTP to serve development within West Comal County Municipal Utility District No. 1.

Water and Wastewater Contracts

Water Agreements: The Water Agreements set forth, among others, the terms and conditions pursuant to which Texas Water shall provide retail water service to each of the developments within the District and the Developers will (i) pay certain costs for facilities necessary for Texas Water to provide their respective developments within the District with retail water service, (ii) design and construct, or cause to be constructed, at their cost and expense, certain water facilities determined necessary by Texas Water to provide their respective developments within the District with retail water service, and (iii) pay certain costs, charges and fees to Texas Water, including charges per LUE of retail service. Such water facilities constructed within the District to enable Texas Water to provide retail water service to each of the respective developments within the District will be operated and maintained by Texas Water. Pursuant to the Park Village Water Service Agreement, the water facilities constructed by the Developer or the District to serve Park Village Tract are, or will be, owned by the District and Texas Water has the exclusive right to use, operate, maintain and repair such water facilities. Pursuant to the 4S Ranch Water Service Agreement and the Singing Hills Water Service Agreement, the water facilities constructed to serve the respective developments are conveyed to Texas Water for ownership, operation and maintenance. Except as otherwise provided in the Water Agreements, all retail customers within the respective developments within the District will pay Texas Water’s standard rates and charges for retail water service as set forth in Texas Water’s tariff.

Wastewater Agreements: The Wastewater Agreements set forth the terms and conditions pursuant to which the respective developments within the District will receive retail wastewater service. The Singing Hills Agreement sets forth the terms and conditions pursuant to which the developer is required to finance, construct, and convey to the City a wastewater collection, treatment and disposal system and the City shall own and operate (initially, by a third party qualified operator) such system to provide retail wastewater service to users within the Singing Hills Tract. The Singing Hills Agreement further provides an obligation to pay annually to the City, until such time as the number of users that become connected to the wastewater collection system are sufficient for the City to recover its costs of service proportionately allocated to the service area (but in no event later than August 31 of the calendar year following the tenth anniversary of the date retail wastewater service is first provided by the City to users in the service area), the difference between the amount of actual revenues that the City receives from such users and the City’s costs of service.

Unless otherwise terminated earlier by the City pursuant to the Singing Hills Agreement, the Singing Hills Agreement terminates on December 31, 2050, and may be extended to December 31, 2060, by giving the City, after January 31, 2047, and by no later than June 30, 2047, written notice of such extension. If certain of the City's bonds will not be fully paid by the December 31, 2050, termination date, the City has the right to extend the termination date to December 31 of the year in which such City bonds are to be fully paid. Each of the GBRA Agreements provide that the District will construct, at its cost and expense, a wastewater collection, treatment and disposal system as required to serve the respective developments within the District, and convey such facilities to GBRA for ownership, operation and maintenance, and further provides for the provision of retail wastewater service by GBRA to users within the respective developments, including the obligation of the District to pay annually to GBRA, until such time the number of users that become connected to the respective wastewater collection system are sufficient for GBRA to recover its costs of service proportionately allocated to the respective service area (but in no event later than the tenth anniversary of the date retail wastewater service is first provided by GBRA to users within the respective service area), the difference between the amount of actual revenues that GBRA receives from such retail users within the respective service area and the combined total of actual operation and maintenance expenses and debt service on certain GBRA bonds that are proportionately allocated to the respective service area. Unless otherwise terminated earlier by GBRA pursuant to the GBRA Agreements, the GBRA Agreements terminate on December 31, 2050, and may be extended for two additional five year terms upon written notice by the District if the additional terms are required for any District issued bonds. If certain GBRA bonds will not be fully paid by the December 31, 2050, termination date, GBRA has the right to extend the termination date to December 31 of the year of the year in which such GBRA bonds are to be fully paid.

Drainage

Internal stormwater collection lines have been constructed for drainage system improvements to serve the District's development. The District's storm drainage collection system consists of curbs and gutters with inlets and reinforced concrete storm sewers. This system serves the entire District's drainage area and conveys flows to several storm water detention basins to be owned and maintained by the District. The detention basins are designed to ultimately drain to Lewis Creek in the 4S Ranch and the Singing Hills developments. Storm water flows to an un-named tributary that ultimately drains into Kelly Creek from the Park Village development.

100-Year Flood Plain

"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. An engineering or regulatory determination that an area is above the 100-year flood plain is not an assurance that homes built in such area will not be flooded. According to the Engineer, none of the developable acreage within the District is located within the 100-year flood plain. Additionally, the District's storm water drainage system has been designed and constructed in accordance with current applicable regulatory standards for a development of this size and location. See "INVESTMENT CONSIDERATIONS – Specific Flood Type Risks."

INVESTMENT CONSIDERATIONS

General

The Bonds, which are obligations of the District and not obligations of the State of Texas, Comal County, the City of Bulverde, or any other entity other than the District, will be secured by a continuing direct annual ad valorem tax levied, without legal limitation as to rate or amount, on all taxable property within the District. The ultimate security for payment of the 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. See "THE BONDS-Source of and Security for Payment." The collection by the District of delinquent taxes owed to it and the enforcement by registered owners of the Bonds ("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 taxable property within the District will accumulate or maintain taxable values sufficient to justify continued payment of taxes by property owners or that there will be a market for the property or that owners of the property will have the ability to pay taxes. See “Registered Owners’ Remedies and Bankruptcy Limitations” below.

Dependence on Principal Taxpayers

Properties whose taxable values total approximately \$136,181,814 or 13.05% of the 2025 Taxable Assessed Valuation of \$1,043,487,369 (\$870,354,677 of certified value and \$173,132,692 of uncertified value) are owned by ten taxpayers. The ability of any principal taxpayer to make full and timely payments of taxes levied against its property by the District will directly affect the District’s ability to meet its debt service obligations. If, for any reason, any one or more principal taxpayers do not pay taxes due or do not pay in a timely manner, the District may need to levy additional taxes or use other funds available for debt service purposes. However, the District has not covenanted in the Bond Resolution, nor is it required by Texas law, to maintain any particular balance in its Debt Service Funds or any other funds to allow for any such delinquencies. Therefore, failure by one or more principal taxpayers to pay their taxes on a timely basis in amounts in excess of the District’s available funds could have a material adverse effect upon the District’s ability to pay debt service on the Bonds on a current basis. See “Tax Collection Limitations” in this section, “TAX DATA—Principal Taxpayers,” and “TAX PROCEDURES—Levy and Collection of Taxes.”

Economic Factors and Interest Rates

A substantial percentage of the taxable value of the District results from the current market value of commercial and multifamily improvements, single-family residences and developed lots which are being marketed by the Developers for sale to homebuilders for the construction of primary residences. The market value of such properties is related to general economic conditions in the City of San Antonio (“San Antonio”) metropolitan area, the State of Texas and the nation and those conditions can affect the demand for such properties. Demand for property of this type and the construction of structures thereon can be significantly affected by factors such as interest rates, credit availability (see “Credit Markets and Liquidity in the Financial Markets” below), construction costs and the prosperity and demographic characteristics of the urban center toward which the marketing of commercial property is directed. Decreased levels of construction activity would tend to restrict the growth of property values in the District or could adversely impact such values.

Competition

The demand for and construction of single-family homes in the District, which is approximately 26 miles from the central downtown business district of San Antonio, could be affected by competition from other residential, commercial and multi-family developments including other residential developments located in the northern portion of the San Antonio metropolitan area. In addition to competition for new home sales from other developments, there are numerous previously-owned homes in the area of the District and in more established neighborhoods closer to downtown San Antonio. Such homes could represent additional competition for new homes proposed to be sold within the District.

The competitive position of the Developers in the sale of developed lots and tracts of land and of prospective builders in the construction of single-family residential houses, commercial developments and multifamily developments within the District is affected by most of the factors discussed in this section. Such a competitive position directly affects the growth and maintenance of taxable values in the District. The District can give no assurance that building and marketing programs in the District by the Developers will be implemented or, if implemented, will be successful.

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 owners of property within the District to pay their taxes. The 2025 Taxable Assessed Valuation is \$1,043,487,369 (\$870,354,677 of certified value and \$173,132,692 of uncertified value) and the Estimated Taxable Assessed Valuation as of August 1, 2025, is \$1,124,639,053. After issuance of the Bonds, the maximum debt service requirement will be \$8,621,909 (2044), and the average annual debt service requirement will be \$7,285,751 (2026-2051, inclusive). Assuming no increase or decrease from the 2025 Taxable Assessed Valuation, the issuance of no additional debt, and no other funds available for the payment of debt service, tax rates of \$0.87 and \$0.74 per \$100 of appraised valuation at a ninety-five percent (95%) collection rate would be necessary to pay the maximum debt service requirement and the average annual debt service requirement, respectively.

Assuming no increase or decrease from the Estimated Taxable Assessed Valuation as of August 1, 2025 and no use of funds other than tax collections, a tax rate of \$0.81 per \$100 of taxable assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement of \$8,621,909 and a tax rate of \$0.69 per \$100 of taxable assessed valuation at a 95% collection rate would be necessary to pay the average annual debt service requirement of \$7,285,751. See “DEBT SERVICE REQUIREMENTS.”

Although calculations have been made regarding tax rates necessary to pay the debt service on the Bonds and the Outstanding Bonds based upon the 2025 Taxable Assessed Valuation and Estimated Taxable Assessed Valuation as of August 1, 2025, the District makes no representations regarding the final 2025 Taxable Assessed Valuation or the future level of assessed valuation within the District. Increases in taxable values depend primarily on the continuing construction of taxable improvements within the District. See “TAX PROCEDURES” and “TAX DATA-Tax Adequacy for Debt Service.”

Vacant Lots

There are currently 32 vacant developed lots available for home construction (1 lot in Singing Hills, and 31 lots in Park Village). Failure of the builders to build taxable improvements on the developed lots could restrict the rate of growth of taxable values in the District. The District makes no representation as to when or if development of this acreage will occur or that the lot sales and building program will be successful. See “THE DISTRICT—Status of Development.”

Future Debt

After issuance of the Bonds, the District will have \$171,000,000 principal amount of unlimited tax bonds authorized but unissued for water, sanitary sewer, drainage and storm sewer facilities and for refunding of such bonds and no remaining unlimited tax bonds authorized but unissued for roads and refunding of such bonds, from its November 3, 2009, election. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District’s voters or the amount ultimately issued by the District. See “THE BONDS—Issuance of Additional Debt,” “USE AND DISTRIBUTION OF BOND PROCEEDS—Future Debt” and “UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED.” The issuance of such obligations may adversely affect the investment security of the Bonds. The District does not employ any formula with regard to assessed valuations or tax collections or otherwise to limit the amount of bonds which may be issued.

To date, the Developers have advanced certain funds for construction of water, sanitary sewer, drainage and storm sewer facilities and roads for which they have not been reimbursed. After the reimbursements are made with Bond proceeds, the Developers will have expended (as of October 31, 2025) approximately \$55,600,000 for water, sanitary sewer, and drainage and storm sewer facilities and approximately \$16,700,000 for roads not yet reimbursed. The District intends to issue additional bonds in order to reimburse the Developers for funds advanced for the construction of water, sanitary sewer, and drainage and storm sewer facilities. The District does not employ any formula with respect to appraised valuations, tax collections or otherwise to limit the amount of parity bonds which it may issue.

Any bonds issued by the District, however, must be approved by the Attorney General of Texas and the Board of the District and any bonds issued to acquire, or construct water, sanitary sewer and drainage and storm sewer facilities must be approved by the TCEQ. See “THE BONDS-Issuance of Additional Debt.”

The Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas, however, does not pass upon or guarantee the safety of the Bonds as an investment or the adequacy or accuracy of the information contained in this Official Statement.

Tax Collection Limitations

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 state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District’s ability to collect ad valorem taxes through such foreclosure may be impaired by market conditions limiting the proceeds from a foreclosure sale of taxable property and collection procedures. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. The costs of collecting any such taxpayer’s delinquencies

could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, a 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 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 could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. See "TAX PROCEDURES—District's Rights in the Event of Tax Delinquencies."

Approximately 64.89% of the exemptions applied to the 2025 Certified Taxable Assessed Valuation of \$870,354,677 are attributable to Disabled Veteran Exemptions. The District's high concentration of such exemptions may reduce the taxable assessed value available for the levy of ad valorem property taxes which could affect the District's overall property tax revenue.

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests 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. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were 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. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or 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 U.S.C. Sections 901-946. The filing of such petition would automatically stay the enforcement of Registered Owner's remedies, including mandamus. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismisses 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 is authorized to file for federal bankruptcy protection by applicable state law, is insolvent or unable to meet its debts as they mature, desires to effect a plan to adjust such debts, and has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Special districts 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, the District could file a voluntary bankruptcy petition under Chapter 9, thereby invoking 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 appealable, the concomitant delay and loss of remedies to the Registered Owner 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 Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating the collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against a district.

A district may not be forced into bankruptcy involuntarily.

Continuing Compliance with Certain Covenants

The Bond Resolution contains covenants by the District intended to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds. Failure by the District to comply with such covenants in the Bond Resolution on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Specific Flood Type Risks

The District is subject to the following flood risks:

Ponding (or Pluvial) Flood: Ponding, or pluvial, flooding occurs when heavy rainfall creates a flood event independent of an overflowing water body, typically in relatively flat areas. Intense rainfall can exceed the drainage capacity of a drainage system, which may result in water within the drainage system becoming trapped and diverted onto streets and nearby property until it is able to reach a natural outlet. Ponding can also occur in a flood pool upstream or behind a dam, levee or reservoir.

Riverine (or Fluvial) Flood: Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect smaller rivers and streams downstream, or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash flooding can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed or experienced an uncontrolled release, or after a sudden release of water by a debris or ice jam. In addition, planned or unplanned controlled releases from a dam, levee or reservoir also may result in flooding in areas adjacent to rivers, bayous or manmade drainage systems (canals or channels) downstream.

Marketability of the Bonds

The District has no agreement 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 of 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 generally bought, sold or traded in the secondary market.

Environmental Regulations

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; or
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose 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 to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues. Air quality control measures required by the United States Environmental Protection Agency (the “EPA”) and the Texas Commission on Environmental Quality (the “TCEQ”) may impact new industrial, commercial and residential development in the San Antonio area. Under the Clean Air Act (“CAA”) Amendments of 1990, the four-county San Antonio area (“San Antonio Area”)—Bexar, Comal, Guadalupe, and Wilson Counties—has been designated an attainment/unclassifiable area under the eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the “2008 Ozone Standard”).

However, the San Antonio Area is currently designated as a “serious” nonattainment area under the eight-hour ozone standard of 70 ppb promulgated by the EPA in 2015 (the “2015 Ozone Standard”), with an attainment deadline of September 24, 2027. For purposes of the 2015 Ozone Standard, the San Antonio Area consists of Bexar County only.

A designation of nonattainment for ozone or any other pollutant could negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. In the past, the San Antonio Area has entered into agreements with the TCEQ to undertake voluntary actions to help avoid nonattainment designation. Since 2004, the San Antonio Area has been party to a curtailment agreement with the TCEQ, and the San Antonio Area is currently part of an EPA Ozone Advance Program.

In order to comply with the EPA’s ozone standards, the TCEQ has established a state implementation plan (“SIP”) setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the San Antonio Area. It is possible that additional controls will be necessary to allow the San Antonio Area to maintain and/or achieve attainment with the ozone standards. Such additional controls could have a negative impact on the San Antonio Area’s economic growth and development.

Water Supply & Discharge Issues. Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the San Antonio Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act (“SDWA”) and the EPA’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. Further, the EPA has established a NPDWR for six (6) Per- and Polyfluoroalkyl Substances (“PFAS”), which requires public water systems to perform certain monitoring and remediation measures. Public water systems may be subject to additional PFAS regulation in the future, which could increase the cost of constructing, operating, and maintaining water production and distribution facilities.

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) (“CGP”), with an effective date of March 5, 2023, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain non-stormwater discharges into surface water in the state. The CGP 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.

The TCEQ issued the General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the “MS4 Permit”) on August 15, 2024. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. While the District is currently not subject to the MS4 Permit, if the District’s inclusion were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary 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 in order to comply with the MS4 Permit.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the “waters of the United States.” The District must obtain a permit from the United States Army Corps of Engineers (“USACE”) if operations of the District require that wetlands be filled, dredged, or otherwise altered.

In 2023, the Supreme Court of the United States issued its decision in *Sackett v. EPA*, which clarified the definition of “waters of the United States” and significantly restricted the reach of federal jurisdiction under the CWA. Under the *Sackett* decision, “waters of the United States” includes only geographical features that are described in ordinary parlance as “streams, oceans, rivers, and lakes” and to adjacent wetlands that are indistinguishable from such bodies of water due to a continuous surface connection. Subsequently, the EPA and USACE issued a final rule amending the definition of “waters of the United States” under the CWA to conform with the Supreme Court’s decision.

While the *Sackett* decision and subsequent regulatory action removed a great deal of uncertainty regarding the ultimate scope of “waters of the United States” and the extent of EPA and USACE jurisdiction, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements, in the future.

Future and Proposed Legislation

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability, or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The disclosures and opinions expressed herein are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and no opinion is expressed as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers should consult with their own tax advisors with respect to any proposed, pending or future legislation.

Risk Factors Related to the Purchase of Municipal Bond Insurance

The Initial Purchaser (as defined herein) has entered into an agreement with Assured Guaranty Inc. (the “Insurer”) for the purchase of a bond insurance policy (the “Policy”) to guarantee the scheduled payment of principal and interest on the Bonds. If the Policy is purchased, investors should be aware of the following investment considerations:

The long-term ratings on the Bonds are dependent in part on the financial strength of the insurer and its claim paying ability. The insurer’s financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the insurer and of the ratings on the Bonds insured by the insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See “MUNICIPAL BOND RATING” and “MUNICIPAL BOND INSURANCE.”

The obligations of the insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Initial Purchaser has made independent investigation into the claims paying ability of the insurer and no assurance or representation regarding the financial strength or projected financial strength of the insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims-paying ability of the insurer, particularly over the life of the investment. See “MUNICIPAL BOND RATING” and “MUNICIPAL BOND INSURANCE” for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

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USE AND DISTRIBUTION OF BOND PROCEEDS

The estimated use and distribution of Bond proceeds is shown below. Of proceeds to be received from sale of the Bonds, \$7,211,143 is for construction costs, \$2,471,488 is for non-construction costs, and \$567,369 is for issuance costs and fees.

I. CONSTRUCTION COSTS

<u>Developer Contribution Items</u>	
1) Singing Hills Infrastructure - Concrete for Ponds	\$ 516,853
2) Singing Hills Infrastructure - Pond Retaining Wall	284,131
3) Park Village Units 6 and 9 - WW & D	1,335,396
4) 4S Ranch Unit 7C - WW & D	1,490,085
5) 4S Ranch Unit 7B, 9A, and Mustang Vista Phase 4 - WW & D	1,250,731
11) Engineering and Testing (4.8% of Item No. 4)	118,270
Total Developer Items	\$ 4,995,466
<u>District Items</u>	
1) Land Costs	
a) The Preserve Unit 3	\$ 412,417
b) The Preserve Unit 5	1,803,260
Total District Items	\$ 2,215,677
Total Construction Cost	\$ 7,211,143

II. NON-CONSTRUCTION COSTS

• Capitalized Interest (12 months) (a)	\$ 462,600
• Operating Expenses	402,271
• Developer Interest	1,249,217
• Bond Discount (a)	307,355
• Contingency (a)	50,045
Total Non-Construction Costs	\$ 2,471,488

III. ISSUANCE COSTS AND FEES

• Professional Fees	\$ 418,125
• Bond Issuance Expense	50,994
• Bond Application Report Costs	63,125
• Attorney General Fee (0.10% of BIR or \$9,500 max)	9,500
• TCEQ Fee (0.25% of BIR)	25,625
Total Issuance Cost and Fees	\$ 567,369
TOTAL BOND ISSUE	\$ 10,250,000

(a) Contingency represents the difference between estimated and actual amounts of Capitalized Interest and Bond Discount.

In the event approved estimated amounts exceed actual costs, the difference comprises a surplus which may be expended for uses in accordance with the rules of the Commission. In the event actual costs exceed previously approved estimated amounts and contingencies, additional Commission approval and the issuance of additional bonds may be required.

Future Debt

The Developers have financed the land, engineering, and construction costs of underground utilities and roads to serve the District, as well as certain other District improvements. After reimbursement from the proceeds of the Bonds, the Developers will have expended (as of October 31, 2025) approximately \$55,600,000 for water, sanitary sewer, drainage and storm sewer facilities and approximately \$16,700,000 for roads not yet reimbursed. It is anticipated that proceeds from future issues of District bonds will be used, in part, to reimburse the Developers for eligible costs to the extent allowed by the TCEQ, if applicable. There are no developable acres in the District not presently served with water distribution, wastewater collection and storm drainage facilities or roads. The District can make no representation that any additional development will occur within the District. The Engineer has stated that the District's authorized but unissued bonds will be adequate, under present land use projections, to finance such improvements for water, sanitary sewer, and drainage and storm sewer facilities.

UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Amount Unissued</u>
11/3/2009	Water, Sanitary Sewer, Drainage and Storm Water & Refunding	\$261,000,000	\$90,000,000 (a)	\$171,000,000
11/3/2009	Road & Refunding	\$38,000,000	\$38,000,000	\$0

(a) Includes the Bonds.

FINANCIAL STATEMENT (UNAUDITED)

2025 Taxable Assessed Valuation.....	\$1,043,487,369 (a)
Estimated Taxable Assessed Valuation as of August 1, 2025.....	\$1,124,639,053 (b)
District Debt:	
Outstanding Bonds (as of September 30, 2025).....	\$112,055,000
The Bonds.....	<u>10,250,000</u>
Gross Debt Outstanding (after issuance of the Bonds).....	\$122,305,000
Ratio of Gross Debt to 2025 Taxable Assessed Valuation.....	11.72%
Ratio of Gross Debt to Estimated Taxable Assessed Valuation as of August 1, 2025.....	10.88%

Area of District: 1,259 acres

- (a) As of certification of the tax rolls by the Comal Appraisal District (the "Appraisal District"). Such value includes \$870,354,677 of certified taxable value and an additional \$173,132,692 of uncertified value, which represents the Appraisal District's estimated taxable value of properties under protest by the owners thereof. The Appraisal District has proposed the valuation of such protested properties to be \$211,979,845. The District is unable to predict the amount of the District's final 2025 taxable assessed valuation. Such final 2025 taxable assessed valuation will not be determined until the valuation of all taxable property located within the District is certified by the Comal Appraisal Review Board. The 2025 Taxable Assessed Valuation shown herein is the certified value of \$870,354,677 plus uncertified value of \$173,132,692. See "TAX PROCEDURES."
- (b) Provided by the Appraisal District for information purposes only. Such amount reflects the 2025 Estimated Taxable Assessed Valuation of \$1,124,639,053 as of August 1, 2025. Taxes are levied based on value as certified by the Appraisal District as of January 1 of each year. No tax will be levied on such amount until it is certified. Increases in value occurring between January 1, 2025 and January 1, 2026 will be certified as of January 1, 2026 and provided for purposes of taxation in the fall of 2026. See "TAX PROCEDURES."

Cash and Investment Balances (unaudited as of September 25, 2025)

Operating Fund as of September 25, 2025..... \$2,082,756

Debt Service Funds Available as of September 25, 2025

Water, Sewer and Drainage Debt Service Fund..... \$2,275,093 (a)

Road Debt Service Fund..... \$2,322,694 (a)

Capital Project Funds Available as of September 25, 2025

Roads Capital Projects Fund..... \$0

Water, Sewer and Drainage Capital Projects Fund..... \$3,817,765

- (a) Neither Texas law nor the Bond Resolution requires the District to maintain any minimum balance in the Debt Service Funds. Although all of the District's debt, including the Outstanding Bonds and the Bonds, is payable from an unlimited tax pledge on parity, a pro rata portion of the District's ad valorem tax revenue will be allocated to bonds sold for road facilities (the "Road Bonds"), and a portion will be allocated to bonds sold for water, sanitary sewer, drainage and storm sewer facilities, including the Bonds (the "Water, Sewer, and Drainage Bonds"). For the 2025 tax year, \$0.175 per \$100 of assessed valuation was allocated to road debt service and \$0.575 per \$100 of assessed valuation was allocated to water, sewer and drainage debt service. See "FINANCIAL STATEMENT (UNAUDITED)—Outstanding Bonds." The Road Debt Service Fund is not pledged to the Water, Sewer, and Drainage Bonds, including the Bonds, and the Water, Sewer, and Drainage Debt Service Fund is not pledged to the Road Bonds. The District will capitalize 12 (twelve) months of interest from proceeds of the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

Outstanding Bonds (as of September 30, 2025)

Series		Original Principal Amount	Principal Amount Outstanding as of September 30, 2025
2018	(a)	\$9,500,000	\$8,170,000
2019		\$5,500,000	\$4,870,000
2020	(a)	\$5,000,000	\$4,425,000
2021	(a)	\$10,000,000	\$9,020,000
2022		\$20,000,000	\$19,000,000
2022A	(a)	\$13,500,000	\$12,965,000
2023		\$31,750,000	\$31,105,000
2024		\$22,500,000	\$22,500,000
			<u>\$112,055,000</u>

- (a) Unlimited Tax Road Bonds.

Investments of the District

The District has adopted an Investment Policy as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code. The District's goal is to preserve principal and maintain liquidity while securing a competitive yield on its portfolio. Funds of the District will be invested in short term U.S. Treasuries, certificates of deposit insured by the Federal Deposit Insurance Corporation ("FDIC") or secured by collateral evidenced by perfected safekeeping receipts held by a third party bank, and public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate, the inclusion of long term securities or derivative products in the District portfolio.

ESTIMATED OVERLAPPING DEBT STATEMENT

Expenditures of the various taxing entities within the territory of the District are paid out of ad valorem taxes levied by such entities on properties within the District. Such entities are independent of the District and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in the "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of the overlapping Tax Debt of the District.

Taxing <u>Jurisdiction</u>	Outstanding <u>Bonds</u>	<u>As of</u>	<u>Overlapping</u>	
			<u>Percent</u>	<u>Amount</u>
Comal County.....	\$97,730,000	9/30/2025	2.16%	\$2,110,968
Comal ISD.....	1,440,220,214	9/30/2025	2.88%	<u>41,478,342</u>
Total Estimated Overlapping Debt.....				\$43,589,311
The District.....	122,305,000 (a)	Current	100.00%	<u>122,305,000</u>
Total Direct and Estimated Overlapping Debt.....				\$165,894,311
Ratios of Total Direct and Estimated Overlapping Debt to:				
2025 Taxable Assessed Valuation.....				15.90%
Estimated Taxable Assessed Valuation as of August 1, 2025.....				14.75%

(a) Includes the Bonds.

Overlapping Tax Rates for 2025

	<u>2025 Tax Rate per \$100 of Taxable Assessed Valuation</u>
Comal County (including Lateral Road).....	\$0.305015
City of Bulverde (a).....	0.259798
Comal ISD.....	1.074800
Comal County Emergency Services District No. 1 (EMS).....	0.072471
Comal County Emergency Services District No. 4 (Fire).....	<u>0.074709</u>
Total Overlapping Tax Rate.....	\$1.786793
The District	<u>0.850000</u>
Total Tax Rate.....	\$2.636793

(a) Only applies to the portion of land in the District, approximately 109 acres, that is within the boundaries of the City of Bulverde. See "The District - Description and Location."

TAX DATA

Tax Rate Limitations

Debt Service: Unlimited (no legal limit as to rate or amount).
 Maintenance and Operation: \$1.00 per \$100 of taxable assessed valuation.
 Road Maintenance: \$0.25 per \$100 of taxable assessed valuation.

Debt Service Tax

The Board covenants in the Bond Resolution to levy and assess, for each year that all or any part of the Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds. The District levied a total debt service tax for 2025 in the amount of \$0.75 per \$100 of taxable assessed valuation of which \$0.175 is allocated to debt service on road bonds and \$0.575 is allocated to debt service on water, sanitary sewer, and drainage and storm sewer facilities bonds. See “Tax Rate Distribution” herein.

Maintenance and Operations Tax

The Board of the District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District’s improvements, if such maintenance tax is authorized by vote of the District’s electors. Pursuant to an election held on November 3, 2009, the Board was authorized to levy such a general maintenance and operation tax in an amount not to exceed \$1.00 per \$100 of taxable assessed valuation and a road maintenance tax in an amount not to exceed \$0.25 per \$100 of taxable assessed valuation. For the 2025 tax year, the Board levied a general maintenance tax rate in the amount of \$0.10 per \$100 taxable assessed valuation for maintenance and operations. The District has not levied a tax for road maintenance.

Tax Rate Distribution

	2025	2024	2023	2022	2021
Road Debt Service	\$0.175	\$0.240	\$0.435	\$0.250	\$0.400
WS&D Debt Service	0.575	0.510	0.210	0.400	0.085
Maintenance and Operations	0.100	0.100	0.205	0.200	0.365
Total	\$0.850	\$0.850	\$0.850	\$0.850	\$0.850

Tax Collections

The following statement of tax collections sets forth in condensed form the historical tax collection experience of the District. This summary has been prepared for inclusion herein, based upon information from the District’s Tax Assessor/Collector. Reference is made to these records for further and more complete information.

Tax Year	Net Certified	Tax Rate	Adjusted Tax Levy (b)	Total Collections	
	Taxable Valuation (a)			As September 30, 2025 (c)	
				Amount	Percent
2021	401,126,294	0.85	3,409,574	3,406,235	99.90%
2022	609,066,446	0.85	5,177,065	5,173,138	99.92%
2023	795,515,696	0.85	6,761,883	6,751,556	99.85%
2024	924,493,925	0.85	7,858,198	7,806,374	99.34%
2025	1,043,487,369 (d)	0.85	8,869,643	(e)	(e)

- (a) Net valuation represents final gross appraised value as certified by the Appraisal District less any exemptions granted. See “Summary of Assessed Valuation” below for gross appraised value and exemptions granted by the District.
 (b) Represents actual tax levy, including any adjustments by the Appraisal District, as of September 30, 2025.
 (c) Unaudited.
 (d) Includes \$173,132,692 of uncertified value under review by the Appraisal Review Board.
 (e) Taxes for the 2025 tax year were levied September 25, 2025, and are due January 31, 2026.

Taxes are due when billed and become delinquent if not paid before February 1 of the year following the year in which imposed. No split payments are allowed, and no discounts are allowed.

Tax Exemptions

As discussed in the section titled “TAX PROCEDURES” herein, certain property in the District may be exempt from taxation by the District. For the tax year 2025, the District adopted a homestead exemption for persons 65 or older or disabled persons in the amount of \$10,000 of appraised value of residential homesteads and a general residential homestead exemption of 5% of the appraised value (but not less than \$5,000) of residential homesteads.

Additional Penalties

The District's Tax Assessor/Collector has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District established an additional penalty in the percentage determined by the Tax Assessor/Collector of the tax to defray the costs of collection. This penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Property Tax Code.

Summary of Assessed Valuation

The following summary of the 2021 through 2025 taxable assessed valuation is provided by the District's Tax Assessor/Collector based on information contained in the 2021 through 2025 tax rolls of the District as of each year's certification. A breakdown of the Estimated Taxable Assessed Valuation as of August 1, 2025, is not available from the Appraisal District. Differences in totals from others shown in this Official Statement are due to differences in dates of the data.

	2025 (a)	2024	2023	2022	2021
Land	\$239,311,122	\$219,852,255	\$219,225,585	\$146,237,503	\$135,387,377
Improvements	774,295,790	668,181,100	595,074,678	542,551,283	298,817,611
Personal Property	20,461,168	15,020,555	13,061,187	11,790,193	11,848,944
Exempt Property	(163,713,403)	(116,460,537)	(106,843,468)	(91,514,421)	(25,007,150)
Total Assessed Valuation	\$870,354,677	\$786,593,373	\$720,517,982	\$609,064,558	\$421,046,782

(a) Does not include \$173,132,692 of uncertified value under review by the Appraisal Review Board.

Principal Taxpayers

The following list of principal taxpayers was provided by the District's Tax Assessor/Collector based upon the 2025 certified tax rolls, which reflect ownership on January 1, 2025.

Taxpayer	Type of Property	2025 Assessed Valuation	% of 2025 Assessed Valuation
Sarassu Bulverde LP	Land & Improvements	\$44,830,310	4.30%
Walmart Real Estate Business Trust & Stores	Land, Improvements, Personal Property	18,492,558	1.77%
Spring Branch MP RK6 LLC	Land & Improvements	13,766,670	1.32%
SH Arborwalk LTD	Land & Improvements	13,175,736	1.26%
Touchstone Realty-Bulverde LLC	Land & Improvements	12,054,400	1.16%
Singing Hills Retail 2 LLC	Land & Improvements	11,224,027	1.08%
LHSH LTD	Land & Improvements	8,984,440	0.86%
SH3 Investments LP	Land & Improvements	5,353,220	0.51%
FKH SFR PROPCO I LP	Land & Improvements	4,192,465	0.40%
American Rental Homes LLC	Land & Improvements	4,107,988	0.39%
Total for Principal Taxpayers		\$ 136,181,814	13.05%

Tax Adequacy for Debt Service

The calculations showing the tax rates necessary to pay the District's average and maximum annual debt service requirements on the Bonds and the Outstanding Bonds as shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation over the 2025 Taxable Assessed Valuation of \$1,043,487,369 or the Estimated Taxable Assessed Valuation as of August 1, 2025 of \$1,124,639,053, collection of ninety-five percent (95%) of taxes levied, the sale of no additional bonds, and no other funds available for the payment of debt service. See "DEBT SERVICE REQUIREMENTS" and "INVESTMENT CONSIDERATIONS — Impact on District Tax Rates."

Average annual debt service requirement (2026 - 2051).....	\$7,285,751
\$0.74 tax rate on the 2025 Taxable Assessed Valuation of \$1,043,487,369 at a 95% collection rate produces.....	\$7,335,716
\$0.69 tax rate on the Estimated Taxable Assessed Valuation as of August 1, 2025 of \$1,124,639,053 at a 95% collection rate produces.....	\$7,372,009
Maximum annual debt service requirement (2044).....	\$8,621,909
\$0.87 tax rate on the 2025 Taxable Assessed Valuation of \$1,043,487,369 at a 95% collection rate produces.....	\$8,624,423
\$0.81 tax rate on the Estimated Taxable Assessed Valuation as of August 1, 2025 of \$1,124,639,053 at a 95% collection rate produces.....	\$8,654,098

TAX PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Bonds, the Outstanding Bonds and any additional bonds payable from taxes which the District may hereafter issue (see "INVESTMENT CONSIDERATIONS — Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Resolution 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 may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and for the payment of certain contractual obligations. See "TAX DATA."

Property Tax Code and County-Wide Appraisal District

Title I of 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 here.

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 a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Appraisal District 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 Appraisal Review Board (the "Appraisal Review Board"). The appraisal roll approved by the Appraisal Review Board will be used by the District to establish its tax rolls and tax rates.

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas 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. Principal categories of exempt property include, but are not limited to: 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; certain household goods, family supplies, and personal effects; certain goods, wares, and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; travel trailers; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years or older and of certain disabled persons to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The District would be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District. For the tax year 2025, the District adopted a homestead exemption for persons 65 or older or disabled persons in the amount of \$10,000 of appraised value of residential homesteads and a general residential homestead exemption of 5% of the appraised value (but not less than \$5,000) of residential homesteads

Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, of between \$5,000 and \$12,000 depending on the disability rating of the veteran. A veteran who receives a disability rating of 100% is entitled to an exemption for the full amount of the veteran's residence homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who was 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. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization. Also, the surviving spouse of a member of the armed forces who was killed or fatally injured in the line of duty is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) (not less than \$5,000) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. For the tax year 2025, the District adopted a homestead exemption for persons 65 or older or disabled persons in the amount of \$10,000 of appraised value of residential homesteads and a general residential homestead exemption of 5% of the appraised value (but not less than \$5,000) of residential homesteads.

Freeport Goods and Goods-in-Transit Exemptions: A "Freeport Exemption" applies to goods, wares, ores, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating for less than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to the same categories of tangible personal property which are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in transit property

before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in-transit personal property for all prior and subsequent years.

Tax Abatement

Comal County or the City of Bulverde may designate all or part of the area within the District as a reinvestment zone. Thereafter, Comal County, the District, and the City of Bulverde (if it were to annex the District), under certain circumstances, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) 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 the terms of the tax abatement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Generally, 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. In determining market value, either the replacement cost or the income or the market data method of valuation may be used, whichever is appropriate. Nevertheless, certain land may be appraised at less than market value under the Property Tax Code. Increases in the appraised value of residence homesteads are limited by the Texas Constitution to 10 percent annually regardless of the market value of the property.

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 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 all such property would bring if sold as a unit to a purchaser who would continue the business. Provisions of the Property Tax Code are complex and are not fully summarized here. 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 (3) years for agricultural use, open space land, and timberland.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District 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 Appraisal District chooses formally to include such values on its appraisal roll.

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who

qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

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 Appraisal District 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 value, 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 such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. 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 for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, may be rejected. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) sixty-five (65) years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continues to accrue during the period of deferral.

Tax Payment Installments after Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction such as the District if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, 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 "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all improvements and

facilities necessary to serve at least 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 can be classified herein as “Developing Districts.” The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units:

Special Taxing Units 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 an 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 Special Taxing Unit 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 an 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 Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts:

Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be 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 an election is called and passes, the total tax rate for Developing Districts 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 Special Taxing Unit, Developed District or Developing District will be made by the Board of Directors on an annual basis. For the 2025 tax year, the District is classified as a Developing District. 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 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 as of 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 “ESTIMATED OVERLAPPING DEBT STATEMENT—Overlapping Tax Rates for 2025.” 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 subject to the restrictions on residential homesteads described above under “Levy and Collection of Taxes.” 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 or by bankruptcy proceedings which restrict the collection of taxpayer debts. 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 or by bankruptcy proceedings which restrict the collection of taxpayer debts. The District’s ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. See “INVESTMENT CONSIDERATIONS — General” and “—Tax Collection Limitations,” and “—Registered Owners’ Remedies and Bankruptcy Limitations.”

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GENERAL FUND

General

The Bonds and Outstanding Bonds are payable from the levy of an ad valorem tax, without legal limitation as to rate or amount, upon all taxable property in the District. Net revenues, if any, derived from the operation of the District's general fund are not pledged to the payment of the Bonds and Outstanding Bonds but are available for any lawful purpose including payment of debt service on the Bonds, at the discretion and upon action of the Board. The District is provided water service from Texas Water and sewer services from the City of Bulverde and GBRA as described in "WATER SUPPLY AND WATER TREATMENT." Consequently, the District's general fund is used primarily for administrative expenses of the District. It is not anticipated that any significant revenues will be available for the payment of debt service on the Bonds or Outstanding Bonds.

General Fund Statement

The following statement sets forth in condensed form the historical results of operation of the District's General Fund. Accounting principles customarily employed in the determination of net revenues have been observed and, in all instances, exclude depreciation. Such summary is based upon information obtained from the audited financial statements for fiscal years ending 2021 through 2025 and from the District's bookkeeper for the three-month period ended July 31, 2025. Reference is made to such records and statements for further and more complete information.

	5/1/2025 to 7/31/2025 (a)	Fiscal Year Ended April 30				
		2025	2024	2023	2022	2021
Revenues:						
Property Taxes, Incl. Penalties	\$ 7,409	\$ 927,379	\$ 1,592,156	\$ 1,227,696	\$ 1,502,482	\$ 1,141,181
Excess Receipts True Up (b)		-	-	-	196,694	40,004
Interest and Other	23,654	226,435	209,384	76,172	3,225	2,509
Total Revenues	<u>\$ 31,063</u>	<u>\$ 1,153,814</u>	<u>\$ 1,801,540</u>	<u>\$ 1,303,868</u>	<u>\$ 1,702,401</u>	<u>\$ 1,183,694</u>
Expenditures:						
Repairs and Maintenance	\$ 11,053	\$ 8,800	\$ 176,408	\$ 112,604	\$ 5,200	\$ 2,800
Pump and Haul Expenditures		-	-	-	1,892,768	8,980,020
Director Fees, Incl. Payroll Taxes	3,331	13,323	9,376	8,078	6,298	8,720
Legal Fees	36,098	234,906	262,948	321,695	324,034	301,441
Engineering Fees	28,914	45,026	76,730	101,980	203,927	309,852
Audit Fees	-	16,000	15,000	14,000	13,000	11,750
Bookkeeping Fees	4,200	17,427	19,932	19,875	17,550	17,350
Tax Appraisal/Collection Fees	2,449	13,942	14,974	14,060	13,499	10,839
Insurance	1,214	29,072	21,914	16,929	9,057	7,557
Other	1,004	20,677	11,961	7,933	5,585	4,618
Total Expenditures	<u>\$ 88,262</u>	<u>\$ 399,173</u>	<u>\$ 609,243</u>	<u>\$ 617,154</u>	<u>\$ 2,490,918</u>	<u>\$ 9,654,947</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (57,199)	\$ 754,641	\$ 1,192,297	\$ 686,714	\$ (788,517)	\$ (8,471,253)
Other Financing Sources (Uses)						
Developer Advances	\$ -	\$ -	\$ -	\$ -	\$ 1,892,768	\$ 9,270,044
Operating Transfer	\$ -	\$ -	\$ -	\$ (30,600)	\$ -	\$ -
Capital Outlay - Infrastructure	\$ -	\$ (2,466,329) (c)	\$ -	\$ -	\$ -	\$ -
Developer Interest	\$ -	\$ (500,292) (c)	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	<u>\$ 2,124,265</u>	<u>\$ 4,336,246</u>	<u>\$ 3,143,949</u>	<u>\$ 2,487,835</u>	<u>\$ 1,383,584</u>	<u>\$ 584,793</u>
Ending Fund Balance	<u>\$ 2,067,066</u>	<u>\$ 2,124,265</u>	<u>\$ 4,336,246</u>	<u>\$ 3,143,949</u>	<u>\$ 2,487,835</u>	<u>\$ 1,383,584</u>

(a) Unaudited. Provided by the District's bookkeeper.

(b) Receipts from GBRA due to revenues received by GBRA from retail users within Park Village and 4S Ranch, collectively, exceeding actual operations and maintenance expenditures.

(c) Represents amounts reimbursed to Developers for road improvements constructed in the District.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Outstanding Bonds and debt service requirements for the Bonds. This schedule does not reflect the fact that twelve (12) months of interest will be capitalized from Bond proceeds to pay debt service on the Bonds.

Calendar Year	Outstanding Debt Service	Debt Service on the Bonds			Total Debt Service
		Principal	Interest	Total	
2026	\$ 7,157,464	\$ -	\$ 385,500	\$ 385,500	\$ 7,542,964
2027	7,169,422	215,000	462,600	677,600	7,847,022
2028	7,166,119	225,000	448,625	673,625	7,839,744
2029	7,185,422	235,000	434,000	669,000	7,854,422
2030	7,210,100	250,000	418,725	668,725	7,878,825
2031	7,237,044	260,000	402,475	662,475	7,899,519
2032	7,267,616	275,000	385,575	660,575	7,928,191
2033	7,317,294	290,000	367,700	657,700	7,974,994
2034	7,354,503	300,000	356,100	656,100	8,010,603
2035	7,403,953	315,000	344,100	659,100	8,063,053
2036	7,460,700	335,000	331,500	666,500	8,127,200
2037	7,508,662	350,000	318,100	668,100	8,176,762
2038	7,562,394	365,000	304,100	669,100	8,231,494
2039	7,621,112	385,000	289,500	674,500	8,295,612
2040	7,675,025	405,000	273,619	678,619	8,353,644
2041	7,733,553	425,000	256,913	681,913	8,415,466
2042	7,811,109	445,000	238,850	683,850	8,494,959
2043	7,872,216	470,000	219,938	689,938	8,562,153
2044	7,931,947	490,000	199,963	689,963	8,621,909
2045	7,339,013	515,000	179,138	694,138	8,033,150
2046	6,664,219	545,000	157,250	702,250	7,366,469
2047	6,089,531	570,000	134,088	704,088	6,793,619
2048	4,807,788	600,000	109,863	709,863	5,517,650
2049	3,859,025	630,000	84,363	714,363	4,573,388
2050	1,584,600	660,000	57,588	717,588	2,302,188
2051	-	695,000	29,538	724,538	724,538
Total	<u>\$ 171,989,830</u>	<u>\$ 10,250,000</u>	<u>\$ 7,189,706</u>	<u>\$ 17,439,706</u>	<u>\$ 189,429,536</u>
Average Annual Debt Service Requirements (2026 - 2051).....					\$7,285,751
Maximum Annual Debt Service Requirements (2044).....					\$8,621,909

LEGAL MATTERS

Legal Opinions

Delivery of the Bonds will be accompanied by the approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas, payable from the proceeds of an annual ad valorem tax levied, without limit as to rate or amount, upon all taxable property within the District, and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the approving legal opinion of Bond Counsel, to a like effect and to the effect that, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and interest on the Bonds is not subject to the alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in section 59(k) of the Internal Revenue Code of 1986, as amended (the “Code”)) for the purpose of determining the alternative minimum tax imposed on corporations.

Bond Counsel has reviewed the information appearing in this Official Statement under “THE BONDS,” “THE DISTRICT - General,” “TAX PROCEDURES,” “LEGAL MATTERS,” “TAX MATTERS,” and “CONTINUING DISCLOSURE OF INFORMATION” solely to determine if such information, insofar as it relates to matters of law, is true and correct, and whether such information fairly summarizes the provisions of the documents referred to therein. Bond Counsel has not, however, independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon Bond Counsel’s limited participation as an assumption of responsibility for or an expression of opinion of any kind with regard to the accuracy or completeness of any information contained herein.

Allen Boone Humphries Robinson LLP also serves as General Counsel to the District on matters other than the issuance of bonds. The legal fees paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the bonds actually issued, sold, and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

McCall, Parkhurst & Horton L.L.P., Houston, Texas, (“Disclosure Counsel”) serves as Disclosure Counsel to the District. The fee to be paid Disclosure Counsel for services rendered in connection with the issuance of the Bonds is contingent on the issuance, 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 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 Preliminary Official Statement, as it may be amended or supplemented through the date of the sale.

No-Litigation Certificate

The District will furnish the Initial Purchaser a certificate, executed by members of the Board, and dated as of the date of delivery of the Bonds, to the effect that no litigation of any nature is pending or to its knowledge threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the levy, assessment and collection of ad valorem taxes to pay the interest or the principal of 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 or the title of the present officers of the District.

TAX MATTERS

The following discussion of certain federal income tax considerations is for general information only and is not tax advice. Each prospective purchaser of the Bonds should consult its own tax advisor as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

Tax Exemption

In the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, under existing law, interest on the Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) is not an item of tax preference for purposes of the alternative minimum tax on individuals.

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the “Service”). The District has covenanted in the Bond Resolution that it will comply with these requirements.

Bond Counsel’s opinion will assume continuing compliance with the covenants of the Bond Resolution pertaining to those sections of the Code that affect the excludability of interest on the Bonds from gross income for federal income tax purposes and, in addition, will rely on representations by the District and other parties involved with the issuance of the Bonds with respect to matters solely within the knowledge of the District and such parties, which Bond Counsel has not independently verified. If the District fails to comply with the covenants in the Bond Resolution or if the foregoing representations are determined to be inaccurate or incomplete, interest on the Bonds could become includable in gross income from the date of delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Bond Counsel will express no opinion as to the amount or timing of interest on the Bonds or, except as stated above, any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Bonds. Certain actions may be taken or omitted subject to the terms and conditions set forth in the Bond Resolution upon the advice or with the approving opinion of Bond Counsel. Bond Counsel will express no opinion with respect to Bond Counsel’s ability to render an opinion that such actions, if taken or omitted, will not adversely affect the excludability of interest of the Bonds from gross income for federal income tax purposes.

Bond Counsel’s opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel’s knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel’s attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel’s opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel’s legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer, and the Owners of the Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds, regardless of the ultimate outcome of the audit.

Not Qualified Tax-Exempt Obligations

The Bonds have not been designated “qualified tax-exempt obligations” for financial institutions.

Additional Federal Income Tax Considerations

Collateral Tax Consequences

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences, including but not limited to those noted below. Therefore, prospective purchasers of the Bonds should consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

An “applicable corporation” (as defined in section 59(k) of the Code) may be subject to a 15 percent alternative minimum tax imposed under section 55 of the Code on its “adjusted financial statement income” (as defined in section 56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Bonds, is included in a corporation’s “adjusted financial statement income,” ownership of the Bonds could subject certain corporations to alternative minimum tax consequences.

Ownership of tax-exempt obligations also may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the “branch profits tax” on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Bonds.

Prospective purchasers of the Bonds should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Bonds, received or accrued during the year.

Tax Accounting Treatment of Original Issue Premium

If the issue price of any maturity of the Bonds exceeds the stated redemption price payable at maturity of such Bonds, such Bonds (the “Premium Bonds”) are considered for federal income tax purposes to have “bond premium” equal to the amount of such excess. The basis of a Premium Bond in the hands of an initial owner is reduced by the amount of such excess that is amortized during the period such initial owner holds such Premium Bond in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Bond by the initial owner. No corresponding deduction is allowed for federal income tax purposes for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a Premium Bond that is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Bond) is determined using the yield to maturity on the Premium Bond based on the initial offering price of such Premium Bond.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Premium Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of amortized bond premium upon the redemption, sale or other disposition of a Premium Bond and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Bonds.

Tax Accounting Treatment of Original Issue Discount

If the issue price of any maturity of the Bonds is less than the stated redemption price payable at maturity of such Bonds (the “OID Bonds”), the difference between (i) the amount payable at the maturity of each OID Bond, and (ii) the initial offering price to the public of such OID Bond constitutes original issue discount with respect to such OID Bond in the hands of any owner who has purchased such OID Bond in the initial public offering of the Bonds. Generally, such initial owner is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such OID Bond equal to that portion of the amount of such original issue discount allocable to the period that such OID Bond continues to be owned by such owner. Because original issue discount is treated as interest for federal income tax purposes, the discussions regarding interest on the Bonds under the captions “TAX MATTERS – Tax Exemption” and “TAX MATTERS – Additional Federal Income Tax Considerations – Collateral

Tax Consequences” and “—Tax Legislative Changes” generally apply and should be considered in connection with the discussion in this portion of the Official Statement.

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

The foregoing discussion assumes that (i) the Underwriter has purchased the Bonds for contemporaneous sale to the public and (ii) all of the OID Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm’s-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the cover page of this Official Statement. Neither the District nor Bond Counsel has made any investigation or offers any assurance that the OID Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each OID Bond accrues 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 OID 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 (i) 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 (ii) the amounts payable as current interest during such accrual period on such Bond.

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

Tax Legislative Changes

Current law may change so as to directly or indirectly reduce or eliminate the benefit of the excludability of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any recently enacted, proposed, pending or future legislation.

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 interest cost, which bid was tendered by SAMCO Capital Markets (the “Initial Purchaser”) bearing the interest rates shown on the cover page hereof, at a price of 97.00% of the principal amount thereof plus accrued interest to the date of delivery which resulted in a net effective interest rate of 4.482637% as calculated pursuant to Chapter 1204 of the Texas Government Code.

Prices and Marketability

The prices and other terms with respect to the offering and sale of the Bonds may be changed at any 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 that stabilize or maintain the market prices of the Bonds at levels above those that 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 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; nor have the Bonds 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.

MUNICIPAL BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") and Moody's Investor Services ("Moody's") are expected to assign municipal bond insured ratings of "AA" (stable outlook) and "A1" (stable outlook), respectively, to the Bonds with the understanding that, upon issuance of and delivery of the Bonds, a Bond Insurance Policy insuring the timely payment of the principal of and interest on the Bonds will be issued by Assured Guaranty Inc. ("AG") (See "MUNICIPAL BOND INSURANCE"). These ratings reflect only the view of S&P and Moody's, and the District makes no representation as to the appropriateness of such ratings. Further, there is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely, if in the sole judgment of S&P and/or Moody's, circumstances so warrant. Any such revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Additionally, Moody's Investors Service ("Moody's") has assigned an underlying credit rating of "Baa1" to the Bonds. An explanation of the rating may be obtained from Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. The rating fees of Moody's will be paid by the District; however, the fees associated with any other rating will be the responsibility of the Initial Purchaser. There is no assurance that such rating will continue for any given period of time or that it will not be revised or withdrawn entirely by Moody's, if in its judgment, circumstances so warrant.

MUNICIPAL BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy (the "Policy") for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as APPENDIX B to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On August 4, 2025, KBRA announced that it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On June 30, 2025, S&P announced that it had affirmed AG's financial strength rating of "AA" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At June 30, 2025:

- The policyholders' surplus of AG was approximately \$3,514 million.
- The contingency reserve of AG was approximately \$1,453 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,437 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the “SEC”) that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (filed by AGL with the SEC on February 28, 2025);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (filed by AGL with the SEC on May 9, 2025); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 (filed by AGL with the SEC on August 8, 2025).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof “furnished” under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC’s website at <http://www.sec.gov>, at AGL’s website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL’s website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption “MUNICIPAL BOND INSURANCE – Assured Guaranty Inc.” or included in a document incorporated by reference herein (collectively, the “AG Information”) shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “MUNICIPAL BOND INSURANCE”.

PREPARATION OF OFFICIAL STATEMENT

Sources and Compilation of Information

The financial data and other information contained in this Official Statement has been obtained primarily from the District’s records, the Developers, the Engineer, the Tax Assessor/Collector, the Appraisal District and information from certain other sources. All of these sources are believed to be reliable, but no guarantee is made by the District as to the accuracy or completeness of the information derived from sources other than the District, and its inclusion herein is not to be construed as a representation on the part of the District except as described below under “Certification of Official Statement.” Furthermore, there is no guarantee that any of the assumptions or estimates contained herein will be realized. The summaries of the agreements, reports, statutes, resolutions, engineering and other related information set forth in this Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Financial Advisor

Post Oak Municipal Advisors LLC is employed as the Financial Advisor to the District to render certain professional services, including advising the District on a plan of financing and preparing the Official Statement, including the Official Notice of Sale and the Official Bid Form for the sale of the Bonds. In its capacity as Financial Advisor, Post Oak Municipal Advisors LLC has compiled and edited this Official Statement. In addition to compiling and editing,

the Financial Advisor has obtained the information set forth herein under the caption indicated from the following sources:

"THE DISTRICT" — Jones-Heroy & Associates, Inc. ("Engineer"), and Records of the District ("Records"); "THE DEVELOPERS" — the Developers; "WATER SUPPLY AND WASTEWATER TREATMENT" — Engineer; "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED" — Records; "FINANCIAL STATEMENT" — Comal Appraisal District; "ESTIMATED OVERLAPPING DEBT STATEMENT" — Municipal Advisory Council of Texas and Financial Advisor; "TAX DATA" — Comal County Tax Assessor/Collector; "MANAGEMENT"— Records; "DEBT SERVICE REQUIREMENTS" — Financial Advisor; "THE BONDS," "THE DISTRICT – General," "TAX PROCEDURES," "LEGAL MATTERS," and "TAX MATTERS" — Allen Boone Humphries Robinson LLP; "WATER SUPPLY AND WASTEWATER TREATMENT" — Records.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this official statement in accordance with, and as part of, its responsibilities to the District 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.

Consultants

In approving this Official Statement, the District has relied upon the following consultants.

Engineer: The information contained in this Official Statement relating to engineering matters and to the description of the System and in particular that information included in the sections entitled "THE DISTRICT," "THE ROAD SYSTEM" and "WATER SUPPLY AND WASTEWATER TREATMENT" has been provided by Jones-Heroy & Associates, Inc. and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

Appraisal District: The information contained in this Official Statement relating to the assessed valuations has been provided by the Comal Appraisal District and has been included herein in reliance upon the authority of such entity as experts in assessing the values of property in Comal County, including the District.

Tax Assessor/Collector: The information contained in this Official Statement relating to the historical breakdown of the Assessed Valuation, principal taxpayers, and certain other historical data concerning tax rates and tax collections has been provided by the Comal County Tax Assessor/Collector and is included herein in reliance upon the authority of such entity as experts in assessing and collecting taxes.

Auditor: As required by the Texas Water Code, the District retains an independent accountant to audit the District's financial statements annually, which audited financial statements are filed with the TCEQ. The District's financial statements for the fiscal year ended April 30, 2025, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC. See "APPENDIX A" for a copy of the District's April 30, 2025, audited financial statements.

Bookkeeper: The information related to "unaudited" summary of the District's General Fund as it appears in "GENERAL FUND" has been provided by Bott & Douthitt PLLC and is included herein in reliance upon the authority of such firm as experts in the tracking and managing the various funds of special districts.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser, of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchaser; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the District on or before such

date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as required by law (but not more than 90 days after the date the District delivers the Bonds).

Certification of Official Statement

The District, acting through its Board of Directors in its official capacity, hereby certifies, as of the date hereof, that the information, statements, and descriptions or any addenda, supplement and amendment thereto pertaining to the District and its affairs contained herein, to the best of its knowledge and belief, contain no untrue statement 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 are made, not misleading. With respect to information included in this Official Statement other than that relating to the District, the District has no reason to believe that such information contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading; however, the Board has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the District. In rendering such certificate, the official executing this certificate may state that he has relied in part on his examination of records of the District relating to matters within his own area of responsibility, and his discussions with, or certificates or correspondence signed by, certain other officials, employees, consultants and representatives of the District.

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Resolution, the District has made the following agreement for the benefit of the registered and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds subject to amendment to or repeal of same as set forth below. Under the agreement, the District will be obligated to provide certain financial information and operating data annually, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board ("MSRB"), or any successor to its functions as a repository, through its Electronic Municipal Market Access ("EMMA") system.

Annual Reports

The District will provide certain financial information and operating data to the MSRB through its EMMA system.

The financial information and operating data which will be provided with respect to the District includes all quantitative financial information and operating data of the general type, included in "FINANCIAL STATEMENT (UNAUDITED)," "TAX DATA," "DEBT SERVICE REQUIREMENTS" and in APPENDIX A (District Financial Statements). The District will update and provide this information to the MSRB within six months after the end of each of its fiscal years ending in or after 2026. Any information so provided shall be prepared in accordance with generally accepted accounting principles or other such principles as the District may be required to employ from time to time pursuant to state law or regulation, and audited if the District commissions an audit and if the audit report is completed within the period during which it must be provided. If the audit report is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to the MSRB within such six-month period and audited financial statements when and if the audit report becomes available.

The District's current fiscal year end is April 30. Accordingly, it must provide updated information by October 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Event Notices

The District will provide timely notices of certain specified 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; (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person or the sale of all or substantially all of the assets of the District or other obligated person, 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 of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect Beneficial Owners of the Bonds, 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 or other obligated person, any of which reflect financial difficulties. The terms “obligated person” and “financial obligation” when used in this paragraph shall have the meanings ascribed to them under SEC Rule 15c2-12 (the “Rule”). The term “material” when used in this paragraph shall have the meaning ascribed to it under the federal securities laws. Neither the Bonds nor the Bond Resolution make any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide financial information, operating data, or financial statements in accordance with its agreement described above under “Annual Reports.”

Availability of Information from MSRB

The District has agreed to provide the foregoing information only to the MSRB. The MSRB makes the information available to the public without charge through the EMMA internet portal at www.emma.msrb.org.

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 or Beneficial Owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt the 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, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the Registered Owners of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and Beneficial Owners of the Bonds. The District may amend or repeal the agreement in the Bond Resolution if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Initial Purchaser from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

During the last five years, the District has complied in all material respects with its previous continuing disclosure agreements made by the District in accordance with the SEC Rule 15c2-12.

MISCELLANEOUS

All estimates, statements and assumptions in this Official Statement and the Appendices hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any such statements will be realized.

This Official Statement was approved by the Board of Directors of Comal County Water Control and Improvement District No. 6, as of the date shown on the cover page.

/s/ *James Leonard*

President, Board of Directors

Comal County Water Control and Improvement District No. 6

ATTEST:

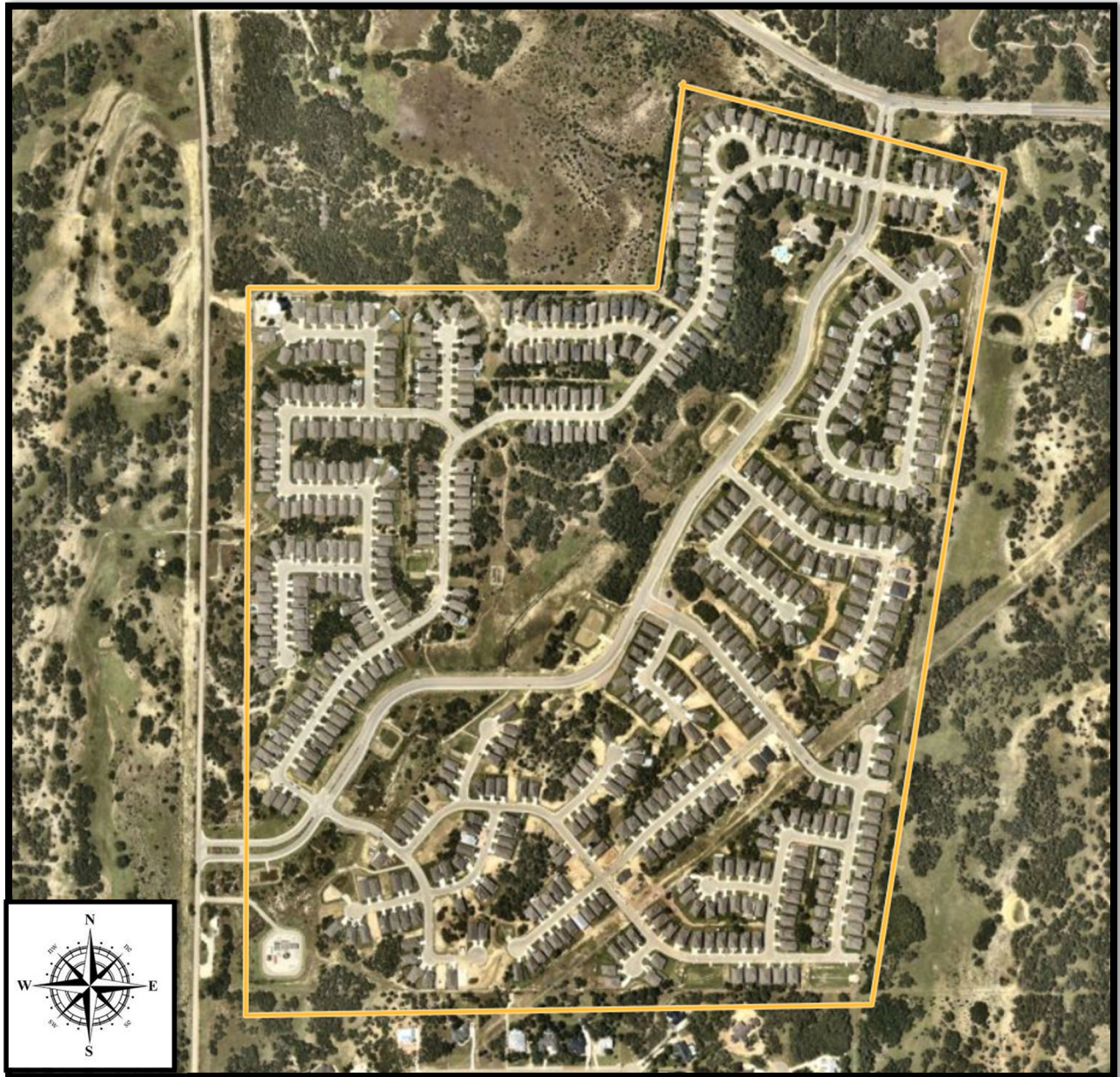
/s/ *Madison Shodrock*

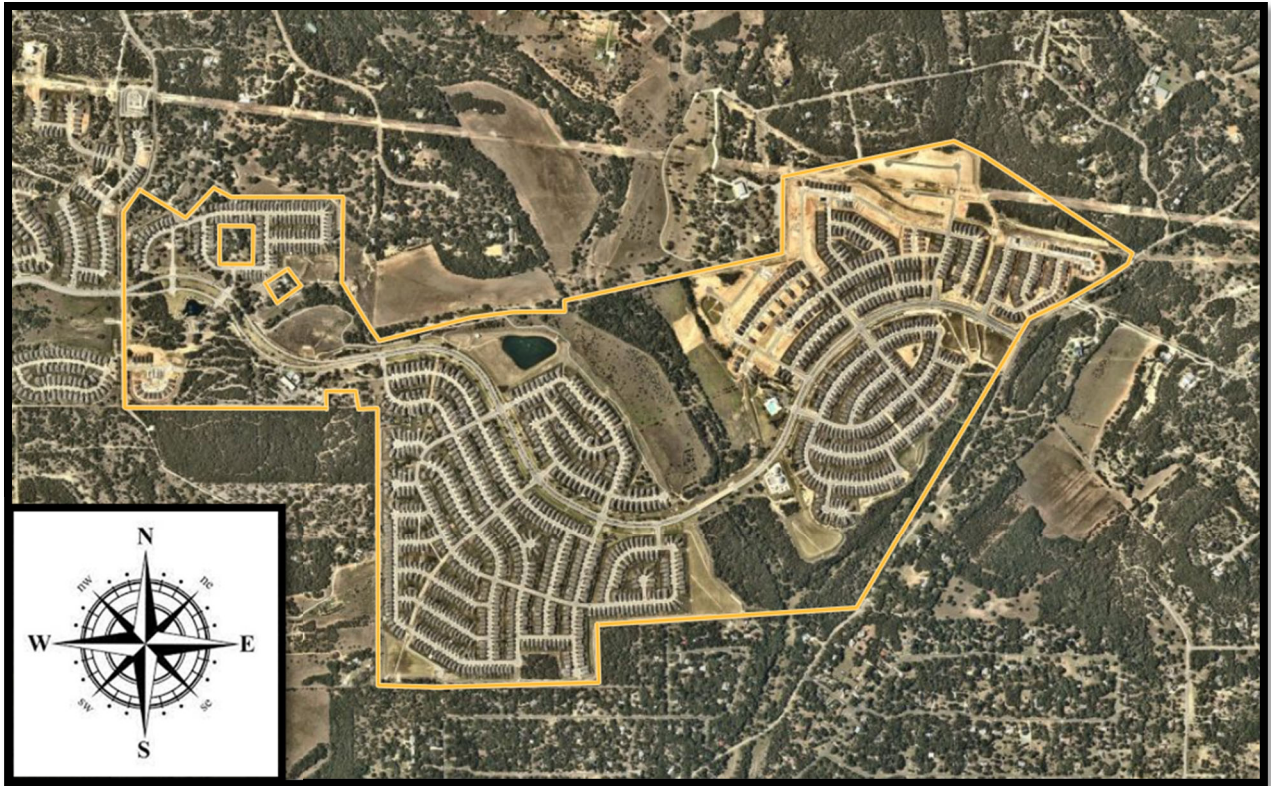
Secretary, Board of Directors

Comal County Water Control and Improvement District No. 6

AERIAL PHOTOGRAPH

(Approximate boundaries of the District as of October 2025)





PHOTOGRAPHS

The following photographs were taken in the District in October 2025 solely to illustrate the type of improvements which have been constructed in the District. The District cannot predict if any additional improvements will be constructed in the future.



















APPENDIX A

Financial Statements for the fiscal year ended April 30, 2025

**COMAL COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 6**

**FOR THE YEAR ENDED
APRIL 30, 2025**

**FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITOR'S REPORT**

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6

TABLE OF CONTENTS

	<u>Page</u>
<i>Annual Filing Affidavit</i>	1
<i>Independent Auditor's Report</i>	2
<i>Management's Discussion and Analysis</i>	MDA-1
<i>Financial Statements</i>	
Statement of Net Position and Governmental Funds Balance Sheet	FS-1
Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances	FS-2
<i>Notes to the Financial Statements</i>	FS-3
<i>Required Supplementary Information (RSI)</i>	
Budgetary Comparison Schedule - General Fund	FS-20
<i>Texas Supplementary Information (TSI)</i>	
Services and Rates	TSI-1
General Fund Expenditures	TSI-2
Temporary Investments	TSI-3
Taxes Levied and Receivable	TSI-4
Long-Term Debt Service Requirements - By Years	TSI-5
Changes in Long-Term Bonded Debt	TSI-6
Comparative Schedule of Revenues and Expenditures General Fund and Debt Service Fund - Five Years	TSI-7
Board Members, Key Personnel and Consultants	TSI-8
<i>Other Supplementary Information (OSI)</i>	
Principal Taxpayers.....	OSI-1
Assessed Valuation by Classification.....	OSI-2

ANNUAL FILING AFFIDAVIT

ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS}

COUNTY OF COMAL}

I, Noel W. Barfoot _____ of the
(Name of Duly Authorized District Representative)
Comal County Water Control and Improvement District No. 6

(Name of District)

hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of Directors of the District on the 28th day of August, 2025, its annual audit report for the fiscal year ended April 30, 2025 and that copies of the annual audit report have been filed in the district office, located at

919 Congress Avenue, Suite 1500, Austin, Texas 78701

(Address of District)

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of the annual filing requirements of Texas Water Code Section 49.194.

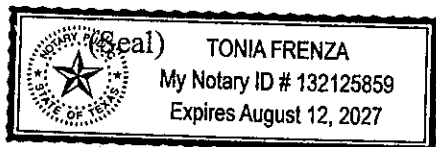
Date: September 12, 2025

By: Noel W. Barfoot
(Signature of District Representative)

Noel W. Barfoot, Auditor

(Typed Name & Title of above District Representative)

Sworn to and subscribed to before me this the 12th day of September, 2025.



[Signature]
(Signature of Notary)

My Commission Expires On: August 12, 2027.
Notary Public in the State of Texas.

INDEPENDENT AUDITOR'S REPORT

McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

*Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin*

*Mike M. McCall
(retired)
Debbie Gibson
(retired)*

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Comal County Water Control and
Improvement District No. 6
Comal County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Comal County Water Control and Improvement District No. 6 (the "District") as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of April 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 12 to the financial statements, the District implemented new accounting guidance, Governmental Accounting Standards Board Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, resulting in restatement of the District's government-wide financial statements as of and for the fiscal year ended April 30, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the Financial Statements (Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedule - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Texas Supplementary Information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

Other Information

Management is responsible for the Other Supplementary Information included in the annual report. The Other Supplementary Information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the Other Supplementary Information, and we do not express an opinion or any form of assurance thereon.

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

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

August 28, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

COMAL COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6

MANAGEMENT’S DISCUSSION AND ANALYSIS

APRIL 30, 2025

In accordance with Governmental Accounting Standards Board Statement No. 34 (“GASB 34”), the management of Comal County Water Control and Improvement District No. 6 (the “District”) offers the following discussion and analysis to provide an overview of the District’s financial activities for the fiscal year ended April 30, 2025. Since this information is designed to focus on current year activities, resulting changes, and currently known facts, it should be read in conjunction with the District’s financial statements that follow.

FINANCIAL HIGHLIGHTS

- *General Fund:* At the end of the current fiscal year, the General Fund had a fund balance of \$2,124,266. For the year ended April 30, 2025, General Fund revenues were \$1,153,814 and expenditures were \$3,365,794.
- *Debt Service Fund:* Fund balance reserved for debt service increased to \$7,314,904 for the current year. During the current fiscal year, the District paid \$1,570,000 of bond principal and \$3,749,587 of bond interest and recognized \$946,131 of bond proceeds from the Series 2024 Unlimited Tax Bonds.
- *Capital Projects Fund:* Fund balance reserved for capital projects increased to \$3,763,670. The District issued Series 2024 Unlimited Tax Bonds during the current fiscal year and used proceeds to purchase \$15,234,310 of land, wastewater and drainage infrastructure. The District also used \$461,140 of surplus funds to pay for road infrastructure. The District also paid \$1,311,258 of bond issuance costs and \$2,946,173 of developer interest.
- *Governmental Activities:* On a government-wide basis for governmental activities, the District had expenses net of revenues of \$4,487,765. Net position decreased from a prior year deficit balance of \$56,853,211 which includes a prior period adjustment of \$498,423 to a deficit balance of \$61,340,976 at the end of the current fiscal year.

OVERVIEW OF THE DISTRICT

The District was created legislatively as Comal County Water Control and Improvement District No. 6 by House Bill 4811 (81st Legislature, 2009). The bill became effective on June 19, 2009 and the District is codified in Chapter 9037, Texas Special District Local Law Code. The District operates under Chapters 49 and 51 of the Texas Water Code. The District was created under the provisions of Article XVI, Section 59, of the Texas Constitution.

The creation of the District was confirmed in an election held within the District on November 3, 2009. The District consists of 1,259.799 acres and is located both within the corporate limits of the City of Bulverde and within the extraterritorial jurisdiction of the City of Bulverde. The District is comprised of three non-contiguous tracts, one of which is west of the City of Bulverde along Highway 46, the second of which is at the northwest corner of the intersection of Highways 46 and 281, and the last of which is south of the City of Bulverde along Highway 281.

COMAL COUNTY
WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
MANAGEMENT’S DISCUSSION AND ANALYSIS
APRIL 30, 2025

USING THIS ANNUAL REPORT

This annual report consists of five parts:

1. *Management’s Discussion and Analysis* (this section)
2. *Basic Financial Statements*
3. *Required Supplementary Information*
4. *Texas Supplementary Information* (required by the Texas Commission on Environmental Quality (the TSI section))
5. *Other Supplementary Information* (the OSI section)

For purposes of GASB 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the “Governmental Funds Total” column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled “Governmental Funds Total”) that represents a balance sheet prepared using the modified accrual basis of accounting. This method measures cash and all other financial assets that can be readily converted to cash. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District’s net position will indicate financial health.

The *Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* includes a column (titled “Governmental Funds Total”) that derives the change in fund balances resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances*.

The *Required Supplementary Information* presents a comparison statement between the original budget for the General Fund and its actual results.

COMAL COUNTY
WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Statement of Net Position:

The following table reflects the condensed Statement of Net Position.

	<u>Summary Statement of Net Position</u>		
	Governmental Activities		Change Increase (Decrease)
	2025	2024	
Current and other assets	\$ 13,474,413	\$ 12,031,541	\$ 1,442,872
Capital assets	55,169,006	40,746,371	14,422,635
Total Assets	68,643,419	52,777,912	15,865,507
Current Liabilities	3,110,313	2,271,471	838,842
Long-term Liabilities	126,874,082	107,359,652	19,514,430
Total Liabilities	129,984,395	109,631,123	20,353,272
Net Investment in Capital Assets	(53,920,723)	(48,426,651)	(5,494,072)
Restricted	6,740,796	4,225,358	2,515,438
Unrestricted	(14,161,049)	(12,651,918)	(1,509,131)
Total Net Position	\$ (61,340,976)	\$ (56,853,211)	\$ (4,487,765)

As of April 30, 2025, the District had total assets of \$68,643,419 and total liabilities of \$129,984,395 resulting in a negative net position balance of \$61,340,976.

COMAL COUNTY
WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued) -

Statement of Net Position:

The following table reflects the condensed Statement of Activities.

Summary Statement of Activities

	Governmental Activities		Change Increase (Decrease)
	2025	2024	
Property taxes	\$ 7,764,674	\$ 6,731,944	\$ 1,032,730
Other	602,689	491,675	111,014
Total Revenues	8,367,363	7,223,619	1,143,744
Professional fees	313,359	374,610	(61,251)
Repairs/maintenance	8,800	176,408	(167,608)
Debt service	5,200,155	4,535,443	664,712
Developer interest	3,446,465	4,818,726	(1,372,261)
Conveyance of assets	2,927,469	-	2,927,469
Depreciation	811,675	449,818	361,857
Other	147,205	110,979	36,226
Total Expenses	12,855,128	10,465,984	2,389,144
Change in Net Position	(4,487,765)	(3,242,365)	(1,245,400)
Beginning Net Position, as restated	(56,853,211)	(53,610,846)	(3,242,365)
Ending Net Position	\$ (61,340,976)	\$ (56,853,211)	\$ (4,487,765)

Revenues were \$8,367,363 for the year ended April 30, 2025, while expenses were \$12,855,128 resulting in a decrease in net position of \$4,487,765.

Property tax revenue in the current period was \$7,764,674. Property tax revenue is derived from taxes being levied based upon the assessed value of real and personal property within the District. Property taxes levied for the 2024 tax year were based upon a current adjusted assessed value of \$922,264,305 and a tax rate of \$0.85 per \$100 of assessed valuation. Property taxes levied for the 2023 tax year were based upon a current adjusted assessed value of \$792,998,682 and a tax rate of \$0.85 per \$100 of assessed valuation.

COMAL COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

ANALYSIS OF GOVERNMENTAL FUNDS

	<u>Governmental Funds by Year</u>		
	2025	2024	2023
Cash and cash equivalents	\$ 13,278,501	\$ 11,799,992	\$ 7,746,842
Receivables	182,515	219,151	170,062
Prepaid expenditures	21,179	16,378	62,173
Total Assets	<u>13,482,195</u>	<u>12,035,521</u>	<u>7,979,077</u>
Accounts payable	96,840	120,435	132,222
Other payables	7,782	3,980	90,058
Total Liabilities	<u>104,622</u>	<u>124,415</u>	<u>222,280</u>
Deferred Inflows of Resources	<u>174,733</u>	<u>215,171</u>	<u>80,004</u>
Nonspendable - Prepaid Costs	18,097	16,378	16,299
Restricted	11,078,574	7,359,689	4,532,844
Unassigned	2,106,169	4,319,868	3,127,650
Total Fund Balances	<u>13,202,840</u>	<u>11,695,935</u>	<u>7,676,793</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 13,482,195</u>	<u>\$ 12,035,521</u>	<u>\$ 7,979,077</u>

At the end of the current fiscal year, the General Fund had a fund balance of \$2,124,266. For the year ended April 30, 2025, General Fund revenues were \$1,153,814 and expenditures were \$3,365,794.

For the fiscal year ended April 30, 2025, fund balance restricted for debt service increased to \$7,314,904 for the current year. During the current fiscal year, the District paid \$1,570,000 of bond principal and \$3,749,587 of bond interest.

For the fiscal year ended April 30, 2025, fund balance restricted for capital projects increased to \$3,763,670. The District issued Series 2024 Unlimited Tax Bonds during the current fiscal year and used proceeds to purchase \$15,234,310 of land, wastewater and drainage infrastructure. The District also approved using \$461,140 of surplus funds for road infrastructure that was conveyed. The District also paid \$1,311,258 of bond issuance costs and \$2,946,173 of developer interest.

BUDGETARY HIGHLIGHTS

The *General Fund* pays for daily operating costs of the District. An unappropriated budget was adopted on April 25, 2024. The budget included revenues of \$687,322 as compared to expenditures of \$635,204. When comparing actual to budget, the District had a negative variance of \$2,264,098. More detailed information about the District's budgetary comparison is presented in the *Required Supplementary Information*.

COMAL COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

CAPITAL ASSETS

The District's governmental activities had \$55,169,006 of capital assets at April 30, 2025.

	4/30/2025	4/30/2024
Land	\$ 8,176,247	\$ 7,166,586
Wastewater/Drainage	48,738,267	34,513,618
Less: Accumulated Depreciation	(1,745,508)	(933,833)
Total Net Capital Assets	<u>\$ 55,169,006</u>	<u>\$ 40,746,371</u>

More detailed information about the District's capital assets is presented in the *Notes to the Financial Statements*.

LONG-TERM DEBT

The District has the following balances outstanding related to its unlimited tax road and utility bonds:

	Bonds Payable
Series 2018	\$ 8,170,000
Series 2019	4,870,000
Series 2020	4,425,000
Series 2021	9,020,000
Series 2022	19,000,000
Series 2022A	12,965,000
Series 2023	31,750,000
Series 2024	22,500,000
Total	<u>\$ 112,700,000</u>

The District owes approximately \$113 million to bondholders. More detailed information about the District's long-term debt is presented in the *Notes to the Financial Statements*.

**COMAL COUNTY
WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025**

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The adopted budget for fiscal year 2026 projects a \$95 increase in the General Fund fund balance.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District in care of Allen Boone Humphries Robinson LLP, 919 Congress Ave., Suite 1500, Austin, TX 78701.

FINANCIAL STATEMENTS

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
APRIL 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - wide Statement of Net Position
<u>ASSETS</u>						
Cash and investments:						
Cash	\$ 60,443	\$ -	\$ -	\$ 60,443	\$ -	\$ 60,443
Cash equivalent investments	2,134,784	7,319,604	3,763,670	13,218,058	-	13,218,058
Receivables:						
Property taxes	25,368	149,365	-	174,733	-	174,733
Interfund	7,782	-	-	7,782	(7,782)	-
Prepaid costs	18,097	-	3,082	21,179	-	21,179
Capital assets, net of accumulated depreciation:						
Land	-	-	-	-	8,176,247	8,176,247
Wastewater/Drainage	-	-	-	-	46,992,759	46,992,759
TOTAL ASSETS	<u>\$ 2,246,474</u>	<u>\$ 7,468,969</u>	<u>\$ 3,766,752</u>	<u>\$ 13,482,195</u>	<u>55,161,224</u>	<u>68,643,419</u>
<u>LIABILITIES</u>						
Accounts payable	\$ 96,840	\$ -	\$ -	\$ 96,840	-	96,840
Accrued interest payable	-	-	-	-	723,473	723,473
Interfund payables	-	4,700	3,082	7,782	(7,782)	-
Due to developer	-	-	-	-	16,310,683	16,310,683
Bonds payable:						
Due within one year	-	-	-	-	2,290,000	2,290,000
Due after one year	-	-	-	-	110,563,399	110,563,399
TOTAL LIABILITIES	<u>96,840</u>	<u>4,700</u>	<u>3,082</u>	<u>104,622</u>	<u>129,879,773</u>	<u>129,984,395</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Property taxes	25,368	149,365	-	174,733	(174,733)	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>25,368</u>	<u>149,365</u>	<u>-</u>	<u>174,733</u>	<u>(174,733)</u>	<u>-</u>
<u>FUND BALANCES / NET POSITION</u>						
Fund balances:						
Nonspendable - prepaid costs	18,097	-	-	18,097	(18,097)	-
Restricted for debt service	-	7,314,904	-	7,314,904	(7,314,904)	-
Restricted for authorized construction	-	-	3,763,670	3,763,670	(3,763,670)	-
Unassigned	2,106,169	-	-	2,106,169	(2,106,169)	-
TOTAL FUND BALANCES	<u>2,124,266</u>	<u>7,314,904</u>	<u>3,763,670</u>	<u>13,202,840</u>	<u>(13,202,840)</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,246,474</u>	<u>\$ 7,468,969</u>	<u>\$ 3,766,752</u>	<u>\$ 13,482,195</u>		
<u>NET POSITION</u>						
Net investment in capital assets					(53,920,723)	(53,920,723)
Restricted for debt service					6,740,796	6,740,796
Unrestricted					(14,161,049)	(14,161,049)
TOTAL NET POSITION					<u>\$ (61,340,976)</u>	<u>\$ (61,340,976)</u>

The accompanying notes are an integral part of this statement.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
APRIL 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - wide Statement of Activities
<u>REVENUES:</u>						
Property taxes, including penalties	\$ 927,379	\$ 6,877,733	\$ -	\$ 7,805,112	\$ (40,438)	\$ 7,764,674
Interest and other	226,435	244,398	131,856	602,689	-	602,689
TOTAL REVENUES	1,153,814	7,122,131	131,856	8,407,801	(40,438)	8,367,363
<u>EXPENDITURES / EXPENSES:</u>						
Current:						
Repairs and maintenance	8,800	-	-	8,800	-	8,800
Director fees, including payroll taxes	13,323	-	-	13,323	-	13,323
Legal fees	234,906	-	-	234,906	-	234,906
Engineering fees	45,026	-	-	45,026	-	45,026
Audit fees	16,000	-	-	16,000	-	16,000
Bookkeeping fees	17,427	-	-	17,427	-	17,427
Tax appraisal and collection fees	13,942	65,191	-	79,133	-	79,133
Other professional fees	15,000	-	-	15,000	-	15,000
Insurance	29,072	-	-	29,072	-	29,072
Developer interest	500,292	-	2,946,173	3,446,465	-	3,446,465
Reimburse prior year advances	-	-	728,153	728,153	(728,153)	-
Other	5,677	5,000	-	10,677	-	10,677
Debt Service:						
Principal	-	1,570,000	-	1,570,000	(1,570,000)	-
Interest	-	3,749,587	-	3,749,587	133,835	3,883,422
Fiscal agent fees and other	-	5,475	-	5,475	-	5,475
Bond issuance costs	-	-	1,311,258	1,311,258	-	1,311,258
Capital outlay	-	-	15,234,310	15,234,310	(15,234,310)	-
Conveyance of assets	2,466,329	-	461,140	2,927,469	-	2,927,469
Depreciation	-	-	-	-	811,675	811,675
TOTAL EXPENDITURES / EXPENSES	3,365,794	5,395,253	20,681,034	29,442,081	(16,586,953)	12,855,128
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES/EXPENSES	(2,211,980)	1,726,878	(20,549,178)	(21,034,280)	16,546,515	(4,487,765)
<u>OTHER FINANCING SOURCES (USES):</u>						
Bond proceeds	-	946,131	21,553,869	22,500,000	(22,500,000)	-
Bond premium	-	-	41,185	41,185	(41,185)	-
TOTAL OTHER FINANCING SOURCES, NET	-	946,131	21,595,054	22,541,185	(22,541,185)	-
NET CHANGE IN FUND BALANCES	(2,211,980)	2,673,009	1,045,876	1,506,905	(1,506,905)	-
CHANGE IN NET POSITION					(4,487,765)	(4,487,765)
<u>FUND BALANCES / NET POSITION:</u>						
Beginning of the year (as reported)	4,336,246	4,641,895	2,717,794	11,695,935	(69,047,569)	(57,351,634)
Change due to Implementation of GASB 94	-	-	-	-	498,423	498,423
Beginning of the year (as restated)	4,336,246	4,641,895	2,717,794	11,695,935	(68,549,146)	(56,853,211)
End of the year	<u>\$ 2,124,266</u>	<u>\$ 7,314,904</u>	<u>\$ 3,763,670</u>	<u>\$ 13,202,840</u>	<u>\$ (74,543,816)</u>	<u>\$ (61,340,976)</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Comal County Water Control and Improvement District No. 6 (the “District”) relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles (“GAAP”) as applied to governmental entities. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (“GASB”), which constitutes the primary source of GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Reporting Entity - The District was created by the Texas Legislature pursuant to House Bill 4811 (81st Legislature, 2009). The bill became effective on June 19, 2009, and the District operates pursuant to the provisions of Chapters 49 and 51 of the Texas Water Code. The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is a political subdivision of the State of Texas governed by an elected five member Board of Directors. The District is not included in any other governmental “reporting entity” as defined by GASB standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in GASB standards which are included in the District’s reporting entity.

Basis of Presentation - Government-wide and Fund Financial Statements - These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District’s policy to use restricted resources first.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

The financial statements are prepared in conformity with GASB Statement No. 34, and include a column for government-wide (based upon the District as a whole) and fund financial statement presentations. GASB Statement No. 34 also requires as supplementary information Management's Discussion and Analysis, which includes an analytical overview of the District's financial activities. In addition, a budgetary comparison statement is presented that compares the original General Fund budget with actual results.

- **Government-wide Statements** - The District's statement of net position includes both non-current assets and non-current liabilities of the District, which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Debt Account Group. In addition, the government-wide statement of activities column reflects depreciation expense on the District's capital assets, including infrastructure.

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from financial activities of the fiscal period. The focus of the fund financial statements is on the individual funds of the governmental categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

- **Fund Financial Statements** - Fund based financial statement columns are provided for governmental funds. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds. All of the District's funds are considered major funds.

Governmental Fund Types - The accounts of the District are organized and operated on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. The various funds are grouped by category and type in the financial statements. The District maintains the following fund types:

- **General Fund** - The General Fund accounts for financial resources in use for general types of operations which are not encompassed within other funds. This fund is established to account for resources devoted to financing the general services that the District provides for its residents. Tax revenues and other sources of revenue used to finance the fundamental operations of the District are included in this fund.
- **Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources restricted, committed or assigned for the payment of debt principal, interest and related costs.
- **Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources restricted, committed or assigned for the acquisition or construction of major capital facilities.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

Non-current Governmental Assets and Liabilities - GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the government-wide financial statement column in the Statement of Net Position.

Basis of Accounting

Government-wide Statements - The government-wide financial statement column is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Fund Financial Statements - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in the fund balance. Governmental funds are accounted for on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. both measurable and available).

"Measurable" means that the amount of the transaction can be determined and "available" means the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures, if measurable, are generally recognized on the accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include the unmatured principal and interest on general obligation long-term debt which is recognized when due. This exception is in conformity with GAAP.

Property tax revenues are recognized when they become available. In this case, available means when due, or past due and receivable within the current period and collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Tax collections expected to be received subsequent to the 60-day availability period are reported as deferred inflows of resources. All other revenues of the District are recorded on the accrual basis in all funds.

The District may report unearned revenue on its balance sheet. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, unearned revenues are removed from the balance sheet and revenue is recognized.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

Budgets and Budgetary Accounting - An unappropriated budget was adopted on April 25, 2024 for the General Fund on a basis consistent with generally accepted accounting principles. The District's Board of Directors utilizes the budget as a management tool for planning and cost control purposes. The Budgetary Comparison Schedule – General Fund presents the original budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions - The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered to be wages subject to federal income tax withholding for payroll purposes only.

Cash and Cash Equivalents - Includes cash on deposit as well as investments with maturities of three months or less. The investments, consisting of obligations in the Texas Local Government Investment Pool, are recorded at amortized cost.

Capital Assets - Capital assets, which include land and wastewater and drainage facilities, are reported in the government-wide column in the Statement of Net Position. Public domain ("infrastructure") capital assets are capitalized. Items purchased or acquired are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded as capital assets at their estimated acquisition value at the time received. Interest incurred during construction of capital facilities is not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Wastewater/Drainage	50

Interfund Transactions - Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay that amount and if the debtor fund has the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended. At April 30, 2025, the Debt Service Fund owed the General Fund \$4,700 related to property tax collections and the Capital Projects Fund owed the General Fund \$3,082 for bond related expenditures.

Long-Term Debt - Unlimited tax bonds, which have been issued to fund capital projects, are to be repaid from tax revenues of the District.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in both the government-wide and the fund financial statements.

Fund Balance - Fund balances in governmental funds are classified using the following hierarchy:

- *Nonspendable*: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- *Restricted*: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.
- *Committed*: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.
- *Assigned*: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has no assigned fund balances.
- *Unassigned*: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

2. RECONCILIATION OF THE GOVERNMENTAL FUNDS

Adjustments to convert the Governmental Funds Balance Sheet to the Statement of Net Position are as follows:

Total Fund Balances - Governmental Funds		\$	13,202,840
Capital assets used in governmental activities			
are not current financial resources and, therefore, are			
not reported in the governmental funds:			
Capital assets	56,914,514		
Less: Accumulated depreciation	<u>(1,745,508)</u>		55,169,006
Revenue is recognized when earned in the government-wide			
statements, regardless of availability. Governmental			
funds report deferred inflows of resources for revenues			
earned but not available.			174,733
Long-term liabilities are not due and payable in the current			
period and, therefore, are not reported in the			
governmental funds:			
Bonds payable		(112,700,000)	
Due to developer		(16,310,683)	
Issuance premiums/discounts, net		(153,399)	
Accrued interest		<u>(723,473)</u>	
Total Net Position - Governmental Activities		\$	<u><u>(61,340,976)</u></u>

Adjustments to convert the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities are as follows:

Net Changes in Fund Balances - Governmental Funds		\$	1,506,905
Amounts reported for governmental activities in the			
Statement of Activities are different because:			
Governmental funds report:			
Capital expenditures in period purchased		15,234,310	
Interest expenditures in period paid		(133,835)	
Tax collections in period received		(40,438)	
Bond principal in period paid		1,570,000	
Repayment of prior year operating advances		728,153	
Bond proceeds and premium/discounts as other financing			
sources/uses		(22,541,185)	
Governmental funds do not report -			
Depreciation		<u>(811,675)</u>	
Change in Net Position - Governmental Activities		\$	<u><u>(4,487,765)</u></u>

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

3. CASH AND INVESTMENTS

The investment policies of the District are governed by State statute and an adopted District investment policy that includes depository contract provisions and custodial contract provisions. Major provisions of the District's investment policy include: depositories must be FDIC-insured Texas banking institutions; depositories must fully insure or collateralize all demand and time deposits; and securities collateralizing time deposits are held by independent third-party trustees.

Cash – At April 30, 2025, the carrying amount of the District's deposits was \$60,443 and the bank balance was \$83,727. The District was not exposed to custodial credit risk at year end.

Investments – Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgement 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." No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

At April 30, 2025, the District held the following investments:

Investment	Fair Value 4/30/2025	Governmental Fund			Investment Rating	
		General	Debt Service	Capital Projects		
		Unrestricted	Restricted (1)	Restricted (2)	Rating	Rating Agency
Texpool	\$ 13,218,058	\$ 2,134,784	\$ 7,319,604	\$ 3,763,670	AAAm	Standard & Poors
	\$ 13,218,058	\$ 2,134,784	\$ 7,319,604	\$ 3,763,670		

(1) Restricted for payment of debt service and cost of assessing and collecting taxes.

(2) Restricted for purchase of capital assets.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

3. CASH AND INVESTMENTS (continued)

The District invests in the Texas Local Government Investment Pool (“TexPool”), an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas (the “Comptroller”) has oversight of the pool. Federated Hermes, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

Concentration of credit risk. In accordance with the District’s investment policy, investments in individual securities are to be limited to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. As of April 30, 2025, the District did not own any investments in individual securities.

Custodial credit risk-deposits. Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The government’s investment policy requires that the District’s deposits be fully insured by FDIC insurance or collateralized with obligations of the United States or its agencies and instrumentalities. As of April 30, 2025, the District’s bank deposits were fully insured.

4. PROPERTY TAXES

Property taxes attach as an enforceable lien on January 1. Taxes are levied on or about October 1, are due on November 1, and are past due the following February 1. The Comal Appraisal District established appraised values in accordance with requirements of the Texas Legislature. The District levies taxes based upon the appraised values. The Comal County Tax Assessor/Collector bills and collects the District’s property taxes. The Board of Directors set the tax rate for the 2024 tax year on September 26, 2024.

The property tax rate, established in accordance with state law, was based on 100% of the net assessed valuation of real and taxable personal property within the District on the 2024 tax roll. The tax rate, based on total taxable assessed valuation of \$922,264,305, was \$0.85 on each \$100 valuation and was allocated \$0.10 to the General Fund, \$0.51 to the Debt Service Fund for utility bonds and \$0.24 to the Debt Service Fund for road bonds. At April 30, 2025, taxes receivable consisted of \$25,368 for the General Fund and \$149,365 for the Debt Service Fund. The maximum allowable maintenance tax of \$1.00 was established by the voters on November 3, 2009.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

5. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance 5/1/2024	Additions	Deletions	Balance 4/30/2025
Capital assets not being depreciated - Land	\$ 7,166,586	\$ 1,009,661	\$ -	\$ 8,176,247
Capital assets being depreciated - Wastewater/Drainage	34,513,618	14,224,649	-	48,738,267
Less accumulated depreciation for - Wastewater/Drainage	(933,833)	(811,675)	-	(1,745,508)
Total capital assets being depreciated, net of accumulated depreciation	33,579,785	13,412,974	-	46,992,759
Total capital assets	\$ 40,746,371	\$ 14,422,635	\$ -	\$ 55,169,006

Pursuant to agreements (see Note 8) with SJWTX Inc. (d/b/a The Texas Water Company, formerly d/b/a Canyon Lake Water Service Company) ("CLWSC"), the City and the GBRA, water facilities and wastewater facilities constructed to serve the District are maintained, operated and/or conveyed for ownership, as applicable, to one of these three entities. Water facilities serving the Park Village development are to be owned by the District, and CLWSC has the exclusive right to operate and maintain such facilities in exchange for providing water service to Park Village. Water facilities in Singing Hills and 4S Ranch developments are conveyed to CLWSC for ownership, operation and maintenance in exchange for providing water service to Singing Hills and 4S Ranch, respectively. Wastewater facilities serving Singing Hills are conveyed to the City for ownership, operation and maintenance in exchange for the City providing wastewater service to the Singing Hills section of the District. Wastewater facilities serving 4S Ranch and Park Village are conveyed to the GBRA for ownership, operation and maintenance in exchange for the GBRA providing wastewater services to the 4S Ranch and Park Village sections of the District. Detention facilities within Park Village, Singing Hills and 4S Ranch are owned, operated and maintained by the District. Roads in the 4S Ranch and Park Village developments are accepted by Comal County for ownership and maintenance. Roads within the portion of the Singing Hills development that is located within the City's corporate limits are accepted by the City for ownership and maintenance. Roads within the portion of the Singing Hills development that is located outside of the City's corporate limits are accepted by Comal County for ownership and maintenance. In accordance with GASB Statement No. 94, the rights to receive wastewater service result in the District having a significant residual interest in these assets. Hence, they are recognized as capital assets on the District's balance sheet. As of April 30, 2025, these capital assets reflect the wastewater facilities that were reimbursed to the developers from the Series 2019, Series 2022, Series 2023 and Series 2024 bond proceeds. The termination date of the wastewater service agreements with GBRA and the City is December 31, 2050.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

6. BONDED DEBT

The following is a summary of bond transactions of the District for the year ended April 30, 2025:

	Unlimited Tax Bonds
Bonds payable at May 1, 2024	\$ 91,770,000
Bonds issued	22,500,000
Bonds retired	(1,570,000)
Bond premium/(discount), net of accumulated amortization	153,399
Bonds payable at April 30, 2025	<u>\$ 112,853,399</u>

On December 20, 2024, the District issued \$22,500,000 of Unlimited Tax Bonds, Series 2024, with interest rates ranging from 4.00% to 5.00%. The net proceeds of \$21,402,232 (after payment of underwriter fees and other bond related costs) were used to finance developer funded construction costs and pay subsequent interest and bond issuance costs.

Bonds payable at April 30, 2025, were comprised of the following individual issues:

Unlimited Tax Road Bonds:

\$8,170,000 – 2018 Unlimited Tax Road Bonds payable serially through the year 2044 at interest rates which range from 3.25% to 4.25%. Bonds maturing on and after March 1, 2025 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on March 1, 2024 or any date thereafter. Additionally, term bonds maturing on March 1 in the years 2034, 2037 and 2044 are subject to mandatory sinking fund redemption.

\$4,425,000 – 2020 Unlimited Tax Road Bonds payable serially through the year 2045 at interest rates which range from 2.50% to 5.00%. Bonds maturing on and after March 1, 2028 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on March 1, 2027 or any date thereafter. Additionally, term bonds maturing on March 1 in the years 2032, 2034, 2036, 2038, 2040 and 2045 are subject to mandatory sinking fund redemption.

\$9,020,000 – 2021 Unlimited Tax Road Bonds payable serially through the year 2046 at interest rates which range from 2.00% to 4.50%. Bonds maturing on and after March 1, 2029 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on March 1, 2028 or any date thereafter. Additionally, term bonds maturing on March 1, 2046 are subject to mandatory sinking fund redemption.

\$12,965,000 – 2022A Unlimited Tax Road Bonds payable serially through the year 2048 at interest rates which range from 4.375% to 6.875%. Bonds maturing on and after March 1, 2029 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on March 1, 2028 or any date thereafter. Additionally, term bonds maturing on March 1, 2032, 2040, 2042, 2045 and 2048 are subject to mandatory sinking fund redemption.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

6. BONDED DEBT (continued)

Unlimited Tax Bonds:

\$4,870,000 – 2019 Unlimited Tax Bonds payable serially through the year 2045 at interest rates which range from 2.00% to 3.00%. Bonds maturing on and after March 1, 2026 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on March 1, 2025 or any date thereafter. Additionally, term bonds maturing on March 1 in the years 2031, 2033, 2035, 2041 and 2044 are subject to mandatory sinking fund redemption.

\$19,000,000 – 2022 Unlimited Tax Bonds payable serially through the year 2047 at an interest rate of 4.00%. Bonds maturing on and after March 1, 2029 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on March 1, 2028 or any date thereafter. Additionally, term bonds maturing on March 1 in the years 2030, 2038, 2040, 2042 and 2047 are subject to mandatory sinking fund redemption.

\$31,750,000 – 2023 Unlimited Tax Bonds payable serially through the year 2049 at interest rates which range from 4.00% to 5.25%. Bonds maturing on and after September 1, 2031 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on September 1, 2030 or any date thereafter. Additionally, term bonds maturing on September 1, 2030 are subject to mandatory sinking fund redemption.

\$22,500,000 – 2024 Unlimited Tax Bonds payable serially through the year 2050 at interest rates which range from 4.00% to 5.00%. Bonds maturing on and after September 1, 2032 are subject to redemption at the option of the District prior to their maturity dates in whole or from time to time, in part, on September 1, 2031 or any date thereafter.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

6. BONDED DEBT (continued)

The annual requirements to amortize all bonded debt at April 30, 2025, including interest, are as follows:

Year Ended April 30,	Annual Requirements for All Series		
	Principal	Interest	Total
2026	\$ 2,290,000	\$ 4,420,371	\$ 6,710,371
2027	2,875,000	4,302,022	7,177,022
2028	3,005,000	4,165,280	7,170,280
2029	3,160,000	4,025,281	7,185,281
2030	3,315,000	3,893,889	7,208,889
2031-2035	19,205,000	17,348,557	36,553,557
2036-2040	24,445,000	13,323,950	37,768,950
2041-2045	30,460,000	8,146,609	38,606,609
2046-2050	22,425,000	2,495,239	24,920,239
2051	1,520,000	32,300	1,552,300
	<u>\$ 112,700,000</u>	<u>\$ 62,153,498</u>	<u>\$ 174,853,498</u>

\$7,314,904 is available in the Debt Service Fund to service the bonded debt. The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount.

The total amount of bonds approved by the voters of the District but not issued at April 30, 2025, is as follows:

Type	Amount
Waterworks, Sanitary Sewer and Drainage and Storm Sewer Facilities Bonds	\$ 181,250,000
Road Facilities Bonds	\$ -

7. COMMITMENTS AND CONTINGENCIES

The District has entered into development financing agreements whereby the developers have advanced funds for operating expenses and have incurred costs related to construction of facilities to serve the District. Such costs may be reimbursable to the developers by the District from proceeds of future District bond issues or other lawfully available funds, subject to approval by the Texas Commission on Environmental Quality (the "TCEQ"), as applicable. The District, as of April 30, 2025, has recorded no liability pertaining to construction costs. As of April 30, 2025, the District owed \$16,310,683 to the developers for advances used to fund operating activities. The following is a summary of the due to developer transactions for the fiscal year ending April 30, 2025:

Due to Developer – May 1, 2024	\$ 17,038,836
Plus: Current Year Additions	-
Less: Current Year Payments	<u>728,153</u>
Due to Developer – April 30, 2025	<u>\$ 16,310,683</u>

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

8. WATER AND WASTEWATER SUPPLY

SJWTX Inc. (d/b/a The Texas Water Company, formerly d/b/a CLWSC) holds a Certificate of Convenience and Necessity (“CCN”) which grants it authority over the provision of water supply service to the land in the District. CLWSC is the provider of retail water service to users within the District. Pursuant to an Amended and Restated Water Utility Service Agreement with CLWSC dated February 2, 2022, CLWSC is obligated to provide retail water service as development progresses for up to 644 living unit equivalents (“LUEs”) for the Park Village development within the District (the “Park Village Water Service Agreement”). Pursuant to a Developer’s Water Utility Service Agreement with CLWSC dated September 30, 2009, as amended and assigned, CLWSC is obligated to provide retail water service as development progresses for up to 2,000 LUEs for the 4S Ranch development within the District (the “4S Ranch Water Service Agreement”). Pursuant to a Developer’s Water Utility Service Agreement with CLWSC dated December 21, 2009, as amended and assigned, CLWSC is obligated to provide retail water service as development progresses for up to 1,104 LUEs for the Singing Hills development within the District (the “Singing Hills Water Service Agreement”). The water utility service agreements described above are collectively referred to as the “Water Agreements”.

The Water Agreements set forth, among others, the terms and conditions pursuant to which CLWSC shall provide retail water service to each of the developments within the District and the developers will (i) pay certain costs for facilities necessary for CLWSC to provide the respective developments within the District with retail water service, (ii) design and construct, or cause to be constructed, at their cost and expense, certain water facilities determined necessary by CLWSC to provide the respective developments within the District with retail water service, and (iii) pay certain costs, charges and fees to CLWSC, including charges per LUE of retail service. Such water facilities constructed within the District to enable CLWSC to provide retail water service to each of the respective developments within the District will be operated and maintained by CLWSC. Pursuant to the Park Village Water Service Agreement, the water facilities constructed to serve the Park Village Tract are owned by the District and CLWSC has the exclusive right to use, operate, maintain and repair such water facilities. Pursuant to the 4S Ranch Water Service Agreement and the Singing Hills Water Service Agreement, the water facilities constructed to serve the respective developments are conveyed to CLWSC for ownership, operation and maintenance.

The City provides retail wastewater service for the Singing Hills development, and GBRA provides retail wastewater service for the Park Village development and the 4S Ranch development. Wastewater treatment for the development within the District’s boundaries is or will be provided as follows (i) for the Park Village development, by a wastewater treatment plant, located within the Park Village development, to be owned and operated by GBRA pursuant to an Amended and Restated Agreement between the District and GBRA for Wastewater Services dated August 14, 2014 (the “Park Village Agreement”), (ii) for the 4S Ranch development, by a wastewater treatment plant,

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

8. WATER AND WASTEWATER SUPPLY (Continued)

located within the 4S Ranch development, to be owned and operated by GBRA pursuant to an Agreement between the District and GBRA for Wastewater Services dated August 14, 2014, as amended (the “4S Ranch Agreement”), and (iii) for the Singing Hills development, by a wastewater treatment plant, located within the Singing Hills development, owned by the City pursuant to an Agreement for Wastewater Services with the City dated October 4, 2013, as amended (the “Singing Hills Agreement”). The Park Village Agreement and 4S Ranch Agreement are referred to collectively as the “GBRA Agreements,” and the Park Village Agreement, 4S Ranch Agreement and Singing Hills Agreement are referred to collectively as the “Wastewater Agreements”. The wastewater treatment plant serving the Singing Hills development is complete and operational and has sufficient capacity to serve development within the Singing Hills development. The City currently contracts with GBRA to operate the wastewater system serving the Singing Hills development. The wastewater treatment plant that serves the Park Village development (“Park Village WWTP”) is operational and has capacity to treat 195,000 gallons per day, which is sufficient to serve the Park Village development. The first phase of the wastewater treatment plant serving the 4S Ranch development (“4S Ranch WWTP”) is operational, and the second phase to expand the plant capacity to treat 480,000 gallons per day is operational.

Pursuant to the wastewater agreements noted above, upon completion of construction of the wastewater improvements within the District, the wastewater facilities serving the Singing Hills development within the District will be conveyed to the City for ownership, operation and maintenance and the wastewater facilities serving the Park Village and 4S Ranch developments within the District will be conveyed to the GBRA for ownership, operation and maintenance. In exchange, the City and the GBRA will provide wastewater service to customers within those respective sections of the District. The wastewater agreements with GBRA terminate on December 31, 2050 and may be extended for two five-year terms. The wastewater agreement with the City terminates on December 31, 2050 and may be extended for a ten-year term.

Per the wastewater agreements with the GBRA, the GBRA provides billing and collection services for Park Village and 4S Ranch customers. Under these agreements, at the end of each GBRA fiscal year, the GBRA determines actual operation and maintenance expenditures for the year for the Park Village and 4S Ranch wastewater systems, net of retail revenues received from District customers. If the revenues GBRA receives from retail users is less than the actual operation and maintenance expenditures, then the District is required to pay the shortfall. If the revenues GBRA receives from retail users is more than the actual operation and maintenance expenditures, then a refund is issued to the District. For fiscal year 2024, Park Village operated at a deficit of \$150,046 and 4S Ranch operated at a surplus of \$251,398. This resulted in a net positive of \$101,352 that was received by the District from the GBRA during the fiscal year ending April 30, 2025.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

9. STRATEGIC PARTNERSHIP AGREEMENT

The District entered into a Strategic Partnership Agreement with the City of Bulverde, effective October 13, 2009, and First Amended Strategic Partnership Agreement, effective December 31, 2014, pursuant to Chapter 43, Texas Local Government Code (the "SPA"). The SPA provides for "full purpose annexation" into the City of certain commercial tracts in the District and for the limited-purpose annexation by the City of the residential portion of the District for the purpose, among others, of applying the City sales tax. Additionally, the SPA provides that the City will not annex the remaining Residential Tracts, defined as the other land in the District planned for residential development, into the City for "full purposes" until the following conditions have been met (the "Full Purpose Annexation Date"): 1) the District has issued all bonds necessary to reimburse all of the developers of land within the District for all of the water, wastewater, drainage, road, and other TCEQ (or its successor agency) qualified reimbursable facilities or costs serving the District in accordance with the Rules of the TCEQ; and 2) ninety percent (90%) of the principal amount of all such bonds, including any bonds issued to refund such bonds, are no longer outstanding due to payment at maturity or by prior redemption. Under the SPA, the City agrees that it shall not unilaterally annex any lands within the District prior to the Full Purpose Annexation Date.

10. RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained coverage from commercial insurance companies and the Texas Municipal League Intergovernmental Risk Pool ("TML Pool") to effectively manage its risk. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The TML Pool was established by various political subdivisions in Texas to provide self-insurance for its members and to obtain lower costs for insurance. TML Pool members pay annual contributions to obtain the insurance. Annual contribution rates are determined by the TML Pool Board. Rates are estimated to include all claims expected to occur during the policy including claims incurred but not reported. The TML Pool has established claims reserves for each of the types of insurance offered. Although the TML Pool is a self-insured risk pool, members are not contingently liable for claims filed above the amount of the fixed annual contributions. If losses incurred are significantly higher than actuarially estimated, the TML Pool adjusts the contribution rate for subsequent years. Members may receive returns of contributions if actual results are more favorable than estimated.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

11. DEFICIT NET POSITION

The District has a deficit net position of \$61,340,976 at April 30, 2025. This negative balance represents cumulative expenses, which includes conveyances of assets to other government entities, that exceeded revenues due to the District being in early development. Management believes that overall District growth will generate property tax revenues sufficient to pay costs of operating the District.

12. CHANGE IN ACCOUNTING PRINCIPLE

In accordance with the wastewater supply agreements detailed in Note 8, the District has conveyed wastewater facilities to third parties for operations and maintenance. In exchange for the conveyance of assets, the third parties agree to provide wastewater services to the District and maintenance services for those assets. In prior years, the District recognized intangible assets pertaining to these conveyed assets for the right to receive wastewater service. Now, pursuant to GASB Statement No. 94, the District is to recognize these conveyed assets as capital assets and depreciate the capital assets over their estimated useful lives. This resulted in a prior period adjustment that increased net position at April 30, 2024 by \$498,423.

13. SURPLUS BOND AND OPERATING PROCEEDS

On August 22, 2024, the District approved the use of surplus Series 2023 Unlimited Tax Bonds funds to reimburse the developer within Park Village for construction costs related to Park Village, Unit 3A and engineering costs for the Park Village wastewater treatment plant. Construction and engineering costs totaled \$429,658 and interest costs totaled \$110,491.

On August 22, 2024, the District approved the use of surplus Series 2022A Unlimited Tax Road Bonds funds and \$3,000,000 of surplus operating funds from the General Fund to reimburse the developers for Park Village, Singing Hills and 4S Ranch related road improvements. Total construction costs reimbursed were \$2,927,470 and total interest costs paid were \$500,292.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

14. WASTEWATER TREATMENT PLANT PARTICIPATION AGREEMENT

The District entered into a Wastewater Treatment Plant Participation Agreement (“WWTPA”), effective July 21, 2024, for the sale of excess capacity in the Park Village wastewater treatment plant (“Plant”) to serve development within West Comal County MUD No. 1 (“WCC MUD No. 1”). The WWTPA provides, among other terms and subject to satisfaction of certain conditions, that (i) the District will receive \$1,084,462 in exchange for the sale of 40,200 gallons per day of excess capacity in the Plant, and (ii) following certain improvements to the Plant by WCC MUD No. 1 resulting in additional excess capacity in the Plant, the District will receive \$904,797 in exchange for the sale of 33,540 gallons per day of excess capacity in the Plant. Payments to the District for excess capacity are tied to recordation of final plats within WCC MUD No. 1. No revenues have been recognized by the District under the terms of the WWTPA. The term of the WWTPA is 40 years from the effective date.

15. SUBSEQUENT EVENTS

On July 24, 2025, the District approved a resolution authorizing application to the TCEQ for approval of project and bonds. The bond amount is estimated at 10,250,000 and proceeds will be used to fund construction and related costs for utility facilities in the District. Subject to approval of the TCEQ and Attorney General, such bonds are anticipated to be issued in the fourth quarter of 2025.

REQUIRED SUPPLEMENTARY INFORMATION

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
APRIL 30, 2025

	<u>Actual</u>	<u>Original Budget</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Property taxes, including penalties	\$ 927,379	\$ 651,322	\$ 276,057
Interest and other	226,435	36,000	190,435
TOTAL REVENUES	<u>1,153,814</u>	<u>687,322</u>	<u>466,492</u>
EXPENDITURES:			
Current:			
Repairs and maintenance	8,800	210,000	201,200
Director fees, including payroll taxes	13,323	9,684	(3,639)
Legal fees	234,906	240,000	5,094
Engineering fees	45,026	90,000	44,974
Audit fees	16,000	15,500	(500)
Bookkeeping fees	17,427	26,400	8,973
Tax appraisal and collection fees	13,942	16,000	2,058
Other professional fees	15,000	-	(15,000)
Insurance	29,072	20,000	(9,072)
Developer interest	500,292	-	(500,292)
Other	5,677	7,620	1,943
Conveyance of assets	2,466,329	-	(2,466,329)
TOTAL EXPENDITURES	<u>3,365,794</u>	<u>635,204</u>	<u>(2,730,590)</u>
NET CHANGE IN FUND BALANCE	(2,211,980)	<u>\$ 52,118</u>	<u>\$ (2,264,098)</u>
FUND BALANCE:			
Beginning of the year	<u>4,336,246</u>		
End of the year	<u>\$ 2,124,266</u>		

The accompanying notes are an integral part of this statement.

TEXAS SUPPLEMENTARY INFORMATION

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-1. SERVICES AND RATES
APRIL 30, 2025

1. Services Provided by the District during the Fiscal Year:

☐ Retail Water ☐ Retail Wastewater ☐ Parks/Recreation ☐ Solid Waste/Garbage ☐ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) ☐ Other (specify): _____	☐ Wholesale Water ☐ Wholesale Wastewater ☐ Fire Protection ☐ Flood Control	☒ Drainage ☐ Irrigation ☐ Security ☐ Roads
--	---	--

2. Retail Service Providers

a. Retail Rates Based on 5/8" Meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1000 Gallons Over Minimum	Usage
WATER:	\$ -	-		\$ -	
WASTEWATER:	\$ -	-		\$ -	
SURCHARGE:	\$ -	-		\$ -	

District employs winter averaging for wastewater usage?

Yes ☐ No ☒

Total charges per 10,000 gallons usage:	Water	\$ -	Wastewater	\$ -
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b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC's
Unmetered			1.0	
< 3/4"			1.0	
1"			2.5	
1 1/2"			5.0	
2"			8.0	
3"			15.0	
4"			25.0	
6"			50.0	
8"			80.0	
10"			115.0	
Total Water				
Total Wastewater			1.0	

Note: The District receives retail water from SJWTX Inc. (d/b/a The Texas Water Company, formerly d/b/a Canyon Lake Water Service Company). The Park Village and 4S Ranch sections of the District receive wastewater services from the Guadalupe-Blanco River Authority. The Singing Hills section of the District receives wastewater services from the City of Bulverde.

3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallons pumped into system: _____

Gallons billed to customers: _____

Water Accountability Ratio

(Gallons billed / Gallons Pumped)

N/A

4. Standby Fees (authorized only under TWC Section 49.231):

Does the District assess standby fees? Yes ☐ No ☒

If yes, Date of the most recent Commission Order: _____

Does the District have Operation and Maintenance standby fees? Yes ☐ No ☒

If yes, Date of the most recent Commission Order: _____

5. Location of District

County(ies) in which district is located: _____ Comal County, Texas

Is the District located entirely within one county? Yes ☒ No ☐

Is the District located within a city? Entirely ☐ Partly ☒ Not at all ☐

City(ies) in which district is located: _____ City of Bulverde, Texas

Is the District located within a city's extraterritorial jurisdiction (ETJ)?

Entirely ☐ Partly ☒ Not at all ☐

ETJ's in which district is located: _____ City of Bulverde, Texas

Are Board members appointed by an office outside the district?

Yes ☐ No ☒

If Yes, by whom? _____

Note: The District receives retail water from SJWTX Inc. (d/b/a The Texas Water Company, formerly d/b/a Canyon Lake Water Service Company). The Park Village and 4S Ranch sections of the District receive wastewater services from the Guadalupe-Blanco River Authority. The Singing Hills section of the District receives wastewater services from the City of Bulverde.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-2. GENERAL FUND EXPENDITURES
APRIL 30, 2025

Personnel Expenditures (including benefits)	\$ -
Professional Fees:	
Auditing	16,000
Legal	234,906
Engineering	45,026
Financial Advisor	-
Purchased Services For Resale -	
Bulk Water and Wastewater Purchases	-
Contracted Services:	
Bookkeeping	17,427
General Manager	-
Appraisal District/Tax Collector	13,942
Other Contracted Services	15,000
Utilities	-
Repairs and Maintenance	8,800
Administrative Expenditures:	
Directors' Fees	13,323
Office Supplies	-
Insurance	29,072
Other Administrative Expenditures	5,677
Conveyance of assets	2,466,329
Bad Debt	-
Parks and Recreation	-
Other Expenditures	500,292
TOTAL EXPENDITURES	\$ 3,365,794

Number of persons employed by the District:

Full-Time Part-Time

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-3. TEMPORARY INVESTMENTS
APRIL 30, 2025

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
General Fund -					
TexPool	XXX0001	Varies	N/A	\$ 2,134,784	\$ -
Subtotal - General Fund				\$ 2,134,784	\$ -
Debt Service Fund:					
TexPool	XXX0002	Varies	N/A	\$ 36,628	\$ -
TexPool	XXX0003	Varies	N/A	2,894,933	-
TexPool	XXX0010	Varies	N/A	4,388,043	-
Subtotal - Debt Service Fund				\$ 7,319,604	\$ -
Capital Projects Fund:					
TexPool	XXX0013	Varies	N/A	\$ 634,776	\$ -
TexPool	XXX0017	Varies	N/A	1,178,362	-
TexPool	XXX0018	Varies	N/A	1,950,532	-
Subtotal - Capital Projects Fund				\$ 3,763,670	\$ -
Total - All Funds				\$ 13,218,058	\$ -

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-4. TAXES LEVIED AND RECEIVABLE
APRIL 30, 2025

		<u>Maintenance Taxes</u>	<u>Debt Service Taxes</u>
Taxes Receivable, Beginning of Year		\$ 50,672	\$ 164,499
2024 Original Tax Levy, net of adjustments		923,984	6,929,883
Prior year adjustments		<u>(24,305)</u>	<u>(77,641)</u>
Total to be accounted for		<u>950,351</u>	<u>7,016,741</u>
Tax collections:			
Prior years		18,394	67,963
Current year		<u>906,589</u>	<u>6,799,413</u>
Total collections		<u>924,983</u>	<u>6,867,376</u>
Taxes Receivable, End of Year		<u>\$ 25,368</u>	<u>\$ 149,365</u>
Taxes Receivable, By Years			
2023 and before		\$ 7,973	\$ 18,899
2024		<u>17,395</u>	<u>130,466</u>
		<u>25,368</u>	<u>149,365</u>
Property Valuations:			
	<u>2024</u>	<u>2023</u>	<u>2022</u>
Land and improvements (a)	\$ 922,264,305	\$ 792,998,682	\$ 609,064,558
Total Property Valuations	<u>\$ 922,264,305</u>	<u>\$ 792,998,682</u>	<u>\$ 609,064,558</u>
Tax Rates per \$100 Valuation:			
Debt Service tax rates	\$ 0.7500	\$ 0.6450	\$ 0.6500
Maintenance tax rates	<u>0.1000</u>	<u>0.2050</u>	<u>0.2000</u>
Total Tax Rates per \$100 Valuation:	<u>\$ 0.8500</u>	<u>\$ 0.8500</u>	<u>\$ 0.8500</u>
Original Tax Levy	<u>\$ 7,853,867</u>	<u>\$ 6,797,980</u>	<u>\$ 5,283,327</u>
Percent of Taxes Collected to Taxes Levied **	<u>98.12%</u>	<u>99.77%</u>	<u>99.92%</u>
Maximum Maintenance Tax Rate Approved by Voters:	<u>\$ 1.00 on 11/3/2009</u>		

(a) Valuations are provided by the appropriate Appraisal District. Due to various factors, including tax protests and disputes, such valuations change over time; therefore, they may vary slightly from those disclosed in the District's bond offering documents or the District's annual bond disclosure filings.

** Calculated as taxes collected in current and previous years divided by tax levy. Calculated as of the time of the original tax levy and may vary from that provided in the District's bond offering documents or the District's annual bond disclosure filings.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS
APRIL 30, 2025

Fiscal Year Ending	Unlimited Tax Road Bonds Series 2018			Unlimited Tax Bonds Series 2019			Unlimited Tax Road Bonds Series 2020			Unlimited Tax Road Bonds Series 2021		
	Principal Due 3/1	Interest Due 3/1, 9/1	Total	Principal Due 3/1	Interest Due 3/1, 9/1	Total	Principal Due 3/1	Interest Due 3/1, 9/1	Total	Principal Due 3/1	Interest Due 3/1, 9/1	Total
2026	\$ 265,000	\$ 330,376	\$ 595,376	\$ 145,000	\$ 137,706	\$ 282,706	\$ 130,000	\$ 132,525	\$ 262,525	\$ 280,000	\$ 212,038	\$ 492,038
2027	280,000	321,764	601,764	155,000	134,806	289,806	140,000	126,025	266,025	295,000	199,438	494,438
2028	290,000	312,244	602,244	160,000	131,512	291,512	145,000	119,025	264,025	305,000	186,162	491,162
2029	305,000	302,094	607,094	170,000	127,912	297,912	155,000	115,400	270,400	315,000	172,438	487,438
2030	320,000	291,038	611,038	180,000	123,875	303,875	160,000	111,525	271,525	330,000	166,138	496,138
2031	340,000	278,238	618,238	185,000	119,375	304,375	170,000	107,525	277,525	345,000	159,538	504,538
2032	355,000	264,638	619,638	195,000	114,750	309,750	180,000	103,062	283,062	355,000	152,638	507,638
2033	375,000	250,438	625,438	205,000	109,632	314,632	190,000	98,338	288,338	370,000	145,538	515,538
2034	395,000	235,438	630,438	215,000	104,250	319,250	195,000	93,112	288,112	385,000	138,138	523,138
2035	415,000	219,638	634,638	230,000	97,800	327,800	205,000	87,750	292,750	400,000	130,438	530,438
2036	435,000	203,038	638,038	240,000	90,900	330,900	215,000	82,112	297,112	420,000	122,438	542,438
2037	460,000	185,638	645,638	250,000	83,700	333,700	230,000	76,200	306,200	435,000	114,038	549,038
2038	480,000	167,238	647,238	265,000	76,200	341,200	240,000	69,300	309,300	450,000	105,338	555,338
2039	505,000	146,838	651,838	280,000	68,250	348,250	255,000	62,100	317,100	470,000	96,338	566,338
2040	530,000	125,375	655,375	295,000	59,850	354,850	265,000	54,450	319,450	490,000	86,350	576,350
2041	560,000	102,850	662,850	305,000	51,000	356,000	280,000	46,500	326,500	510,000	75,938	585,938
2042	590,000	79,050	669,050	325,000	41,850	366,850	295,000	38,100	333,100	530,000	64,462	594,462
2043	620,000	53,975	673,975	340,000	32,100	372,100	310,000	29,250	339,250	550,000	52,538	602,538
2044	650,000	27,625	677,625	355,000	21,900	376,900	325,000	19,950	344,950	570,000	40,162	610,162
2045	-	-	-	375,000	11,250	386,250	340,000	10,200	350,200	595,000	27,338	622,338
2046	-	-	-	-	-	-	-	-	-	620,000	13,950	633,950
2047	-	-	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 8,170,000</u>	<u>\$ 3,897,533</u>	<u>\$ 12,067,533</u>	<u>\$ 4,870,000</u>	<u>\$ 1,738,618</u>	<u>\$ 6,608,618</u>	<u>\$ 4,425,000</u>	<u>\$ 1,582,449</u>	<u>\$ 6,007,449</u>	<u>\$ 9,020,000</u>	<u>\$ 2,461,394</u>	<u>\$ 11,481,394</u>

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS
APRIL 30, 2025

Fiscal Year Ending	Unlimited Tax Bonds Series 2022			Unlimited Tax Road Bonds Series 2022A			Unlimited Tax Bonds Series 2023			Unlimited Tax Bonds Series 2024			Total - All Issues		
	Principal Due 3/1	Interest Due 3/1, 9/1	Total	Principal Due 3/1	Interest Due 3/1, 9/1	Total	Principal Due 9/1	Interest Due 3/1, 9/1	Total	Principal Due 9/1	Interest Due 3/1, 9/1	Total	Principal Due 3/1 or 9/1	Interest Due 3/1, 9/1	Total
2026	\$ 535,000	\$ 760,000	\$ 1,295,000	\$ 290,000	\$ 593,525	\$ 883,525	\$ 645,000	\$ 1,308,069	\$ 1,953,069	\$ -	\$ 946,132	\$ 946,132	\$ 2,290,000	\$ 4,420,371	\$ 6,710,371
2027	555,000	738,600	1,293,600	305,000	573,588	878,588	675,000	1,273,419	1,948,419	470,000	934,382	1,404,382	2,875,000	4,302,022	7,177,022
2028	580,000	716,400	1,296,400	320,000	552,618	872,618	710,000	1,237,062	1,947,062	495,000	910,257	1,405,257	3,005,000	4,165,280	7,170,280
2029	605,000	693,200	1,298,200	340,000	530,618	870,618	750,000	1,198,737	1,948,737	520,000	884,882	1,404,882	3,160,000	4,025,281	7,185,281
2030	630,000	669,000	1,299,000	360,000	515,744	875,744	790,000	1,158,312	1,948,312	545,000	858,257	1,403,257	3,315,000	3,893,889	7,208,889
2031	660,000	643,800	1,303,800	380,000	499,994	879,994	830,000	1,115,787	1,945,787	575,000	830,257	1,405,257	3,485,000	3,754,514	7,239,514
2032	690,000	617,400	1,307,400	400,000	483,368	883,368	875,000	1,076,500	1,951,500	600,000	800,882	1,400,882	3,650,000	3,613,238	7,263,238
2033	720,000	589,800	1,309,800	425,000	465,868	890,868	920,000	1,040,600	1,960,600	630,000	773,282	1,403,282	3,835,000	3,473,496	7,308,496
2034	750,000	561,000	1,311,000	445,000	447,275	892,275	965,000	1,002,900	1,967,900	665,000	747,382	1,412,382	4,015,000	3,329,495	7,344,495
2035	780,000	531,000	1,311,000	475,000	427,806	902,806	1,020,000	963,200	1,983,200	695,000	720,182	1,415,182	4,220,000	3,177,814	7,397,814
2036	815,000	499,800	1,314,800	500,000	407,025	907,025	1,070,000	921,400	1,991,400	730,000	691,682	1,421,682	4,425,000	3,018,395	7,443,395
2037	850,000	467,200	1,317,200	530,000	385,150	915,150	1,130,000	877,400	2,007,400	770,000	661,682	1,431,682	4,655,000	2,851,008	7,506,008
2038	890,000	433,200	1,323,200	560,000	361,962	921,962	1,185,000	831,100	2,016,100	805,000	630,182	1,435,182	4,875,000	2,674,520	7,549,520
2039	925,000	397,600	1,322,600	590,000	337,462	927,462	1,250,000	782,400	2,032,400	845,000	597,182	1,442,182	5,120,000	2,488,170	7,608,170
2040	965,000	360,600	1,325,600	620,000	311,650	931,650	1,315,000	731,100	2,046,100	890,000	562,482	1,452,482	5,370,000	2,291,857	7,661,857
2041	1,010,000	322,000	1,332,000	655,000	284,525	939,525	1,385,000	677,100	2,062,100	935,000	525,982	1,460,982	5,640,000	2,085,895	7,725,895
2042	1,055,000	281,600	1,336,600	695,000	255,868	950,868	1,455,000	620,300	2,075,300	980,000	487,682	1,467,682	5,925,000	1,868,912	7,793,912
2043	1,100,000	239,400	1,339,400	735,000	225,462	960,462	1,535,000	560,500	2,095,500	1,030,000	447,482	1,477,482	6,220,000	1,640,707	7,860,707
2044	1,145,000	195,400	1,340,400	775,000	193,306	968,306	1,615,000	497,500	2,112,500	1,080,000	405,282	1,485,282	6,515,000	1,401,125	7,916,125
2045	1,195,000	149,600	1,344,600	820,000	159,400	979,400	1,700,000	431,200	2,131,200	1,135,000	360,982	1,495,982	6,160,000	1,149,970	7,309,970
2046	1,245,000	101,800	1,346,800	865,000	123,525	988,525	1,790,000	361,400	2,151,400	1,190,000	314,482	1,504,482	5,710,000	915,157	6,625,157
2047	1,300,000	52,000	1,352,000	915,000	84,600	999,600	1,880,000	288,000	2,168,000	1,250,000	264,900	1,514,900	5,345,000	689,500	6,034,500
2048	-	-	-	965,000	43,425	1,008,425	1,980,000	210,800	2,190,800	1,315,000	211,996	1,526,996	4,260,000	466,221	4,726,221
2049	-	-	-	-	-	-	2,085,000	129,500	2,214,500	1,380,000	155,549	1,535,549	3,465,000	285,049	3,750,049
2050	-	-	-	-	-	-	2,195,000	43,900	2,238,900	1,450,000	95,412	1,545,412	3,645,000	139,312	3,784,312
2051	-	-	-	-	-	-	-	-	-	1,520,000	32,300	1,552,300	1,520,000	32,300	1,552,300
	<u>\$ 19,000,000</u>	<u>\$ 10,020,400</u>	<u>\$ 29,020,400</u>	<u>\$ 12,965,000</u>	<u>\$ 8,263,764</u>	<u>\$ 21,228,764</u>	<u>\$ 31,750,000</u>	<u>\$ 19,338,186</u>	<u>\$ 51,088,186</u>	<u>\$ 22,500,000</u>	<u>\$ 14,851,154</u>	<u>\$ 37,351,154</u>	<u>\$ 112,700,000</u>	<u>\$ 62,153,498</u>	<u>\$ 174,853,498</u>

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-6. CHANGES IN LONG-TERM BONDED DEBT
APRIL 30, 2025

	Series 2018 Unlimited Tax Road Bonds	Series 2019 Unlimited Tax Bonds	Series 2020 Unlimited Tax Road Bonds	Series 2021 Unlimited Tax Road Bonds	Series 2022 Unlimited Tax Bonds	Series 2022A Unlimited Tax Road Bonds	Series 2023 Unlimited Tax Bonds	Series 2024 Unlimited Tax Bonds	Total
Interest Rates	3.25 - 4.25%	2.00 - 3.00%	2.50 - 5.00%	2.00 - 4.50%	4.00%	4.375 - 6.875%	4.00 - 5.25%	4.00 - 5.00%	
Dates Interest Payable	3/1 , 9/1	3/1 , 9/1	3/1 , 9/1	3/1 , 9/1	3/1 , 9/1	3/1 , 9/1	3/1 , 9/1	3/1 , 9/1	
Maturity Dates	3/1/2044	3/1/2045	3/1/2045	3/1/2046	3/1/2047	3/1/2048	9/1/2049	9/1/2050	
Bonds Outstanding at Beginning of Current Period	\$ 8,420,000	\$ 5,010,000	\$ 4,550,000	\$ 9,290,000	\$ 19,510,000	\$ 13,240,000	\$ 31,750,000	\$ -	\$ 91,770,000
Bonds Sold During the Current Period	-	-	-	-	-	-	-	22,500,000	22,500,000
Retirements During the Current Period:									
Principal	(250,000)	(140,000)	(125,000)	(270,000)	(510,000)	(275,000)	-	-	(1,570,000)
Refunded	-	-	-	-	-	-	-	-	-
Bonds Outstanding at End of Current Period	<u>\$ 8,170,000</u>	<u>\$ 4,870,000</u>	<u>\$ 4,425,000</u>	<u>\$ 9,020,000</u>	<u>\$ 19,000,000</u>	<u>\$ 12,965,000</u>	<u>\$ 31,750,000</u>	<u>\$ 22,500,000</u>	<u>\$ 112,700,000</u>
Interest Paid During the Current Period	<u>\$ 338,189</u>	<u>\$ 144,006</u>	<u>\$ 138,775</u>	<u>\$ 224,188</u>	<u>\$ 780,400</u>	<u>\$ 612,432</u>	<u>\$ 1,325,000</u>	<u>\$ 186,597</u>	<u>\$ 3,749,587</u>
Paying Agent's Name and Address:	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	Bank of New York Mellon Trust Co. Dallas, TX	
Bond Authority:	Waterworks, Sanitary Sewer and Drainage and Storm Sewer Facilities Bonds	Park and Recreational Facilities Bonds	Road Facilities Bonds						
Amount Authorized by Voters	\$ 261,000,000	\$ -	\$ 38,000,000						
Amount Issued	79,750,000	-	38,000,000						
Remaining To Be Issued	<u>\$ 181,250,000</u>	<u>\$ -</u>	<u>\$ -</u>						
Debt Service Fund Cash and Temporary Investments balances as of April 30, 2025:			<u>\$ 7,319,604</u>						
Average Annual Debt Service Payment (Principal and Interest) for the remaining term of all debt:			<u>\$ 6,725,135</u>						

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-7. COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
APRIL 30, 2025

	Amounts					Percent of Fund Total Revenues				
	4/30/2025	4/30/2024	4/30/2023	4/30/2022	4/30/2021	4/30/2025	4/30/2024	4/30/2023	4/30/2022	4/30/2021
GENERAL FUND REVENUES:										
Property taxes, including penalties	\$ 927,379	\$ 1,592,156	\$ 1,227,696	\$ 1,502,482	\$ 1,141,181	80.4%	88.4%	94.2%	88.2%	96.4%
Excess receipts true up	-	-	-	196,694	40,004	-	-	-	11.6%	3.4%
Interest and other	226,435	209,384	76,172	3,225	2,509	19.6%	11.6%	5.8%	0.2%	0.2%
TOTAL GENERAL FUND REVENUES	1,153,814	1,801,540	1,303,868	1,702,401	1,183,694	100.0%	100.0%	100.0%	100.0%	100.0%
GENERAL FUND EXPENDITURES -										
Current:										
Repairs and maintenance	8,800	176,408	112,604	5,200	2,800	0.7%	9.8%	8.6%	0.3%	0.3%
Pump and haul expenditures	-	-	-	1,892,768	8,980,020	-	-	-	111.2%	758.6%
Director fees, including payroll taxes	13,323	9,376	8,078	6,298	8,720	1.1%	0.5%	0.6%	0.4%	0.7%
Legal fees	234,906	262,948	321,695	324,034	301,441	20.4%	14.6%	24.7%	19.0%	25.5%
Engineering fees	45,026	76,730	101,980	203,927	309,852	3.9%	4.3%	7.8%	12.0%	26.2%
Audit fees	16,000	15,000	14,000	13,000	11,750	1.4%	0.8%	1.1%	0.8%	1.0%
Bookkeeping fees	17,427	19,932	19,875	17,550	17,350	1.5%	1.1%	1.5%	1.0%	1.5%
Tax appraisal and collection fees	13,942	14,974	14,060	13,499	10,839	1.2%	0.8%	1.1%	0.8%	0.9%
Insurance	29,072	21,914	16,929	9,057	7,557	2.5%	1.2%	1.3%	0.5%	0.6%
Other professional fees	15,000	-	-	-	-	1.3%	-	-	-	-
Developer interest	500,292	-	-	-	-	43.4%	-	-	-	-
Other	5,677	11,961	7,933	5,585	4,618	0.5%	0.7%	0.6%	0.3%	0.4%
Conveyance of assets	2,466,329	-	-	-	-	213.8%	-	-	-	-
TOTAL GENERAL FUND EXPENDITURES	3,365,794	609,243	617,154	2,490,918	9,654,947	291.7%	33.8%	47.3%	146.3%	815.7%
EXCESS (DEFICIENCY) OF GENERAL FUND REVENUES OVER (UNDER) EXPENDITURES	(2,211,980)	1,192,297	686,714	(788,517)	(8,471,253)	-191.7%	66.2%	52.7%	-46.3%	-715.7%
OTHER FINANCING SOURCES (USES):										
Operating transfer	-	-	(30,600)	-	-	-	-	-2.3%	-	-
Advances from developers	-	-	-	1,892,768	9,270,044	-	-	-	111.2%	783.2%
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(30,600)	1,892,768	9,270,044	-	-	-2.3%	111.2%	783.2%
NET CHANGE IN FUND BALANCE	\$ (2,211,980)	\$ 1,192,297	\$ 656,114	\$ 1,104,251	\$ 798,791	-191.7%	66.2%	50.4%	64.9%	67.5%
DEBT SERVICE FUND REVENUES:										
Property tax revenues, including penalties	\$ 6,877,733	\$ 5,004,621	\$ 4,001,069	\$ 1,975,539	\$ 1,266,503	85.3%	96.2%	98.1%	99.9%	88.7%
Interest	244,398	197,707	76,770	1,274	1,355	3.0%	3.8%	1.9%	0.1%	0.1%
Bond activity, net	946,131	-	-	-	160,400	11.7%	-	-	-	11.2%
TOTAL DEBT SERVICE FUND REVENUES	8,068,262	5,202,328	4,077,839	1,976,813	1,428,258	100.0%	100.0%	100.0%	100.0%	100.0%
DEBT SERVICE FUND EXPENDITURES:										
Bond principal	1,570,000	1,500,000	715,000	645,000	425,000	19.5%	28.9%	17.6%	32.6%	29.8%
Bond interest	3,749,587	2,529,509	1,562,784	803,026	651,084	46.5%	48.6%	38.3%	40.6%	45.6%
Fiscal agent fees and other	75,666	58,154	33,863	19,045	10,606	0.9%	1.1%	0.8%	1.0%	0.7%
TOTAL DEBT SERVICE FUND EXPENDITURES	5,395,253	4,087,663	2,311,647	1,467,071	1,086,690	66.9%	78.6%	56.7%	74.2%	76.1%
EXCESS OF DEBT SERVICE FUND REVENUES OVER EXPENDITURES	\$ 2,673,009	\$ 1,114,665	\$ 1,766,192	\$ 509,742	\$ 341,568	33.1%	21.4%	43.3%	25.8%	23.9%
TOTAL ACTIVE RETAIL WATER CONNECTIONS	-	-	-	-	-					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	-	-	-	-	-					

Note: The District receives retail water from SJWTX Inc. (d/b/a The Texas Water Company, formerly d/b/a Canyon Lake Water Service Company). The Park Village and 4S Ranch sections of the District receive wastewater services from the Guadalupe-Blanco River Authority. The Singing Hills section of the District receives wastewater services from the City of Bulverde.

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
TSI-8. BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
APRIL 30, 2025

Complete District Mailing Address:	<u>919 Congress Avenue, Suite 1500, Austin, TX 78701</u>
District Business Telephone Number:	<u>(512) 518-2424</u>
Submission Date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	<u>February 27, 2025</u>
Limits on Fees of Office that a Director may receive during a fiscal year: (Set by Board Resolution TWC Section 49.060)	<u>\$7,200</u>

Name and Address:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid * 4/30/2025	Expense Reimbursements 4/30/2025	Title at Year End
Board Members:				
JAMES "JIM" LEONARD	(Elected) 5/7/2022- 5/2/2026	\$ 2,652	\$ -	President
CARL BOHN	(Elected) 5/4/2024 - 5/6/2028	\$ 2,652	\$ 326	Vice-President
MADISON SHODROCK	(Elected) 5/7/2022- 5/2/2026	\$ 2,431	\$ -	Secretary
HAROLD "BUTCH" GALM	(Elected) 5/4/2024 - 5/6/2028	\$ 2,431	\$ 463	Assistant Secretary
ASHER REILLY	(Elected) 5/4/2024 - 5/6/2028	\$ 2,210	\$ 128	Assistant Vice-President / Assistant Secretary
Consultants:				
Allen Boone Humphries Robinson LLP	8/31/2009	\$ 229,173	\$ -	Attorney
		\$ 462,367	\$ -	Bond Related Services
Jones-Heroy & Associates, Inc.	1/25/2018	\$ 43,865	\$ -	Engineer
		\$ 86,101	\$ -	Bond Related Services
Bott & Douthitt, PLLC	4/13/2014	\$ 17,298	\$ -	District Accountant
McCall Gibson Swedlund Barfoot Ellis PLLC	4/27/2017	\$ 16,000	\$ -	Auditor
		\$ 54,000	\$ -	Bond Related Services
Post Oak Municipal Advisors LLC	4/26/2018	\$ 329,209	\$ -	Financial Advisor
Comal County Tax Assessor-Collector	8/6/2015	\$ 808	\$ -	Tax Collector

**Fees of Office* are the amounts actually paid to a director during the District's fiscal year.

OTHER SUPPLEMENTARY INFORMATION

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6
OSI-1. PRINCIPAL TAXPAYERS
APRIL 30, 2025

Taxpayer	Type of Property	Tax Roll Year		
		2025	2024	2023
Sarassu Bulverde LP	N/A	\$ 44,830,310	\$ 47,248,960	\$ 38,561,130
Walmart Real Estate Business Trust	N/A	18,492,558	19,947,965	22,421,082
Spring Branch MP RK6 LLC	N/A	13,766,670	13,805,270	14,829,404
SH Arborwalk Ltd	N/A	13,175,736	-	-
Touchstone Realty-Bulverde LLC	N/A	12,054,400	11,351,310	9,068,542
Singing Hills Retail 2 LLC	N/A	11,224,027	10,792,269	10,829,000
LHSH Ltd.	N/A	8,984,440	9,411,400	8,669,046
SH3 Investments LP	N/A	5,353,220	5,150,880	-
FKH SRF Propco I LP	N/A	4,192,465	-	-
American Rental Homes LLC	N/A	4,107,988	-	-
TPG AG EHC III LEN Multi State 1 LLC	N/A	-	16,420,133	-
Lennar Homes of Texas Sales & Marketing Ltd.	N/A	-	9,705,405	33,349,411
MCM Texas Homes LLC	N/A	-	5,646,356	-
SH Land Holdings Ltd.	N/A	-	-	8,326,272
Two Seventy Seven Limited	N/A	-	-	7,837,689
Highland Homes-San Antonio LLC	N/A	-	-	5,781,727
Total		\$ 136,181,814	\$ 149,479,948	\$ 159,673,303
Percent of Assessed Valuation		12.6%	16.2%	20.1%

Source: Comal Appraisal District

COMAL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 6

OSI-2. ASSESSED VALUE BY CLASSIFICATION

APRIL 30, 2025

Type of Property	Tax Roll Year					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
Single Family Residence	\$ 1,050,933,031	97.1%	\$ 834,733,471	90.6%	\$ 691,266,494	87.2%
Multifamily Residence	44,830,310	4.1%	47,248,960	5.1%	38,561,130	4.9%
Vacant Lots and Land Tracts	20,211,146	1.9%	18,620,895	2.0%	31,221,130	3.9%
Qualified Ag Land	2,790,090	0.3%	2,706,088	0.3%	2,758,355	0.3%
Large Vacant Non Qualifying	141,580	-	145,968	0.0%	3,711,730	0.5%
Commercial Real Property	109,942,797	10.2%	92,247,970	10.0%	88,836,725	11.2%
Utilities	2,660,500	0.2%	2,292,450	0.2%	-	-
Commercial/Industrial Personal Property	17,798,368	1.6%	13,360,991	1.4%	12,857,212	1.6%
Residential Inventory	10,851,682	1.0%	47,843,763	5.2%	46,548,280	5.9%
Less: Exemptions/Adjustments	(178,000,607)	-16.4%	(136,936,251)	-14.8%	(122,762,374)	-15.5%
Total	<u>\$ 1,082,158,897</u>	<u>100.0%</u>	<u>\$ 922,264,305</u>	<u>100.0%</u>	<u>\$ 792,998,682</u>	<u>100.0%</u>

Source: Comal Appraisal District

APPENDIX B

SPECIMEN MUNICIPAL BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)