

## OFFICIAL NOTICE OF SALE

**\$6,500,000**  
**MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY**  
*(A Political Subdivision of the State of Texas Located in Comal County, Texas)*  
**UNLIMITED TAX ROAD BONDS, SERIES 2026**

**Selling (Bids Due): Thursday, April 9, 2026 at 9:00 A.M., CDT**  
**Award Expected: 12:00 P.M., CDT**

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

**THE DISTRICT WILL NOT DESIGNATE THE BONDS AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.**

### THE SALE

**BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING** . . . The Board of Directors (the "Board") of the District is inviting competitive bids for the purchase of \$6,500,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds"). Sealed bids may be submitted by either of three alternative procedures: (1) written bids; or (2) electronic bids. Prospective bidders may select one of the three alternative bidding procedures in their sole discretion. Neither the District nor its Financial Advisor, Specialized Public Finance Inc., assumes any responsibility or liability for a prospective bidding procedure.

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

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

**PROCEDURE NUMBER 1: SEALED, WRITTEN BIDS DELIVERED IN PERSON** . . . Sealed, written bids, plainly marked "Bid for Bonds" should be addressed to "Board of Directors of Meyer Ranch Municipal Utility District of Comal County" and should be delivered to the District's Financial Advisor, Garry Kimball, Specialized Public Finance Inc., at 248 Addie Roy Road, Suite B-103, Austin, Texas 78746, by 9:00 A.M., CDT, on April 9, 2026 ("the date of the bid opening").

**PROCEDURE NUMBER 2: ELECTRONIC BIDDING PROCEDURES** . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 9:00 A.M., CDT, on the date of the bid opening.

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

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

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

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

**SIGNED OFFICIAL BID FORM** . . . The bidder whose bid is the winning bid in accordance with this Notice of Sale will be notified immediately and must submit via email a Signed Official Bid Form in connection with the sale, by 9:30 AM CDT on the date of the sale to Monica Melvin, Specialized Public Finance Inc., at [monica@spfmuni.com](mailto:monica@spfmuni.com).

**PLACE AND TIME OF BID OPENING** . . . The Board will publicly review bids for the purchase of the Bonds at a Board meeting on the date of the bid opening, Thursday, April 9, 2026, at 12:00 P.M. CDT, at the offices of Malone/Wheeler, Inc., located at 5113 Southwest Parkway, Suite 260, Austin, Texas 78735. All bids, including those being hand delivered, must be received by 9:00 A.M., CDT on the date of the bid opening. Any bid received after the scheduled time for receipt will not be accepted by the Board and will be returned unopened.

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

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

**EXTENSION OF SALE DATE** . . . The District reserves the right to extend the date and/or time for the receipt of bids by giving notice, by Bond Buyer Wire Service, and by posting a notice at the place established for receipt of bids, not later than 3:00 P.M., CDT, on Wednesday, April 8, 2026 of the new date and time for receipt of bids. Such notice shall be considered an amendment to this Official Notice of Sale.

## THE BONDS

**DESCRIPTION OF BONDS** . . . The Bonds will be dated May 19, 2026, and interest will accrue from the Date of Initial Delivery (as defined herein), will be payable on February 15, 2027, and on each August 15 and February 15 thereafter until the earlier of maturity or prior redemption and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”) pursuant to the book-entry-only system described herein. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** The Bonds will be issued in fully registered form only, in denominations of \$5,000 or any integral multiple of \$5,000 for any one maturity, and principal and interest will be paid by BOKF, NA (the “Paying Agent/Registrar”) which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See the Preliminary Official Statement (made a part hereof) for a more complete description of the Bonds, including redemption provisions. The Bonds will mature on August 15 in the years and amounts as follows:

### MATURITY SCHEDULE

Maturity (August 15)	Principal Amount	Maturity (August 15)	Principal Amount
2028	\$ 100,000	2043	\$ 215,000
2029	105,000	2044	225,000
2030	110,000	2045	240,000
2031	115,000	2046	250,000
2032	120,000	2047	265,000
2033	130,000	2048	280,000
2034	135,000	2049	295,000
2035	145,000	2050	310,000
2036	150,000	2051	325,000
2037	160,000	2052	340,000
2038	165,000	2053	360,000
2039	175,000	2054	380,000
2040	185,000	2055	400,000
2041	195,000	2056	420,000
2042	205,000		

**REDEMPTION PROVISIONS** . . . The District reserves the right to redeem prior to maturity those Bonds maturing on and after August 15, 2033, in whole or from time to time in part on August 15, 2032, or any date thereafter, in integral multiples of \$5,000 at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption. If less than all of the Bonds are to be redeemed, the particular maturities, and sinking fund installments in the case of any Term Bonds, defined below, shall be selected and designated by the District; and if less than all of the Bonds within a maturity, or sinking fund installment in the case of any Term Bonds, are redeemed, the particular Bonds or portions thereof to be redeemed shall be selected by the Paying Agent by lot or other customary random method.

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

until the stated maturity date of that Term Bond. The amount redeemed in any year shall be equal to the principal amount for such year.

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

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

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

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

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

**MUNICIPAL BOND RATING AND INSURANCE** . . . The Bonds have been rated “Baa2” by Moody’s Ratings (“Moody’s”) without regard to credit enhancement. The District has applied to municipal bond insurance companies. In the event the Bonds are qualified for municipal bond insurance, and the Initial Purchaser desires to purchase such insurance, the cost therefor will be **paid by the Initial Purchaser**. It will be the responsibility of the Initial Purchaser to disclose the existence of insurance, its terms and the effect thereof with respect to the reoffering of the Bonds. Any downgrade by a rating agency of the bond insurance provider shall not relieve the Initial Purchaser of its obligation under the heading “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS.”

## CONDITIONS OF SALE

**TYPES OF BIDS AND INTEREST RATES** . . . The Bonds will be sold in one block on an “all or none” basis at a price of not less than ninety-seven percent (97%) of the par value. Bidders are to name the rate or rates of interest to be borne by the Bonds, provided that each interest rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. The net effective interest rate on the Bonds may not exceed a rate which is three percentage points (3.00%) above the highest “20 Bond Index” as reported by the “Bond Buyer” during the thirty (30) day period prior to the date of this Official Notice of Sale. Subject to the conditions below, no limitation will be imposed upon bidders as to the number of interest rates that may be used, but the highest interest rate bid may not exceed the lowest interest rate bid by more than 2.5% in rate. For Bonds having stated maturities on and after August 15, 2033, no reoffering yield producing a dollar price less than 95% for any individual maturities will be accepted. All Bonds maturing within a single year must bear the same rate of interest. No bids for the Bonds involving supplemental interest rates will be considered. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid. No bid generating a cash premium greater than \$5,000 will be considered.

**POST BID MODIFICATION OF PRINCIPAL AMOUNTS PER MATURITY** . . . After selecting the winning bid, the aggregate principal amount of the Bonds per maturity and the principal amortization schedule may be adjusted as determined by the District and its Financial Advisor in \$5,000 increments to reflect the actual interest rates. Such adjustments will not change the aggregate principal amount of the Bonds and will not change the aggregate principal amount per maturity by more than 15% from the amount set forth herein. The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. The District will use its best efforts to communicate to the winning bidder any such adjustments within three (3) hours after the opening of bids. Initial Purchaser’s compensation will be based upon the final par amount after any adjustments thereto, subsequent to the receipt and tabulation of the winning bid, within the aforementioned parameters.

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

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

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

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

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

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

For purposes of completing the TEC Form 1295, box 2 is name of the governmental entity (*Meyer Ranch Municipal Utility District of Comal County*) and box 3 is the identification number assigned to this contract by the District (*Meyer Ranch MUD UTRB 2026*) and description of the goods or services (*Purchase of the Meyer Ranch Municipal Utility District of Comal County Unlimited Tax Road Bonds, Series 2026*). **The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the “Disclosure Rules”) require certain business entities contracting with the District to complete the TEC Form 1295 electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, complete the unsworn declaration, sign, and deliver, in physical form, the certified TEC Form 1295 that is generated by the TEC’s “electronic portal” to the District. The completed and signed TEC Form 1295 must be sent by email, to the District’s financial advisor at [garry@spfmuni.com](mailto:garry@spfmuni.com), as soon as possible following the notification of conditional verbal acceptance and prior to the final written award.** Upon receipt of the final written award, the winning bidder must submit the TEC Form 1295 with original signatures by email to Bond Counsel as follows: [jhale@mphlegal.com](mailto:jhale@mphlegal.com).

To the extent that the bidder is not exempt from filing a TEC Form 1295 and therefor makes such filing with the District, the Interested Party Disclosure Act and the TEC Form 1295 provide that such declaration is made “under oath and under penalty of perjury.” Consequently, a bidder should take appropriate steps prior to completion of the TEC Form 1295 to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the TEC Form 1295. **Time will be of the essence in submitting the form to the District, and no final award will be made by the District regarding the sale of the Bonds until a completed TEC Form 1295 is received. The District reserves the right to reject any bid that does not satisfy the requirement of a completed TEC Form 1295, as described herein.** Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the conditional winning bid. Instructional videos on logging in and creating a certificate are provided on the TEC’s website at [https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm).

**GOOD FAITH DEPOSIT** . . . Each bid must be accompanied by a bank cashier’s check payable to the order of “Meyer Ranch Municipal Utility District of Comal County” in the amount of \$130,000 which is 2% of the par value of the Bonds. The check will be considered as a Good Faith Deposit, and the check of the successful bidder (the “Initial Purchaser”) will be retained uncashed by the District until the Bonds are delivered. Upon payment for and delivery of the Bonds, the Good Faith Deposit will be returned to the Initial Purchaser uncashed. If the Initial Purchaser should fail or refuse to make payment for or accept delivery of the Bonds in accordance with its bid, then the check will be cashed and accepted by the District as full and complete liquidated damages; however, if it is determined after the acceptance of the bid by the District that the Initial Purchaser was found not to satisfy the requirements described under “Verifications of Statutory Representations and Covenants” below and as a result the Texas Attorney General will not deliver its approving opinion on the Bonds, then said check shall be cashed and accepted by the District but shall not be the sole or exclusive remedy available to the District. Such check may accompany the Official Bid Form or it may be submitted separately. If submitted separately, it shall be made available to the District prior to the review of the bids and shall be accompanied by instructions from the bank on which it is drawn which authorize its use as a Good Faith Deposit. The checks of

the unsuccessful bidders will be returned immediately after bids are opened and sale of the Bonds has been awarded. See “Further State Law Compliance and Standing Letter Requirement” below. See “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS – Delivery.”

**VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS** . . . The District will not award the Bonds to a bidder unless the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the “Government Code”), are included in the bid. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of the Official Bid Form or Official Notice of Sale (collectively, the “Agreement”), notwithstanding anything in the Agreement to the contrary.

- (i) **Not a Sanctioned Company (Government Code, Chapter 2252):** A bidder must represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes a bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (ii) **No Boycott of Israel (Government Code, Chapter 2271):** A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.
- (iii) **No Discrimination Against Firearm Entities or Firearm Trade Associations (Government Code, Chapter 2274):** A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.
- (iv) **No Boycott of Energy Companies (Government Code, Chapter 2276):** A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of the Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

**FURTHER STATE LAW COMPLIANCE AND STANDING LETTER REQUIREMENT** . . . Each prospective bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the “All Bond Counsel Letter”). In submitting a bid, a bidder represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The District will not accept a bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. If requested by the District, the Initial Purchaser agrees to provide such further representations, certifications, or assurances in connection with the Covered Verifications (defined below), as of the Delivery Date or such other date requested by the District, including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

**THE DISTRICT RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REJECT THE BID OF ANY BIDDER WHO IS, OR WHOSE PARENT COMPANY, SUBSIDIARIES, OR AFFILIATES ARE, ON A LIST MAINTAINED BY THE TEXAS COMPTROLLER OR THE TEXAS ATTORNEY GENERAL OR HAS RECEIVED A LETTER OR OTHER INQUIRY FROM A POLITICAL SUBDIVISION, THE TEXAS COMPTROLLER, OR TEXAS ATTORNEY GENERAL RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES OR DISCRIMINATING AGAINST FIREARM ENTITIES.**

**BY SUBMITTING A BID, EACH BIDDER AGREES, SHOULD IT BE THE WINNING BIDDER, TO COOPERATE WITH THE DISTRICT AND TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW.**

To the extent the Initial Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see “CONDITIONS OF SALE – Good Faith Deposit”). **THE LIABILITY OF THE BIDDER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH CHAPTERS 2252, 2271, 2274, AND 2276,**

**GOVERNMENT CODE, AS AMENDED (COLLECTIVELY, THE “COVERED VERIFICATIONS”), SHALL SURVIVE UNTIL BARRED BY THE STATUTE OF LIMITATIONS, AND SHALL NOT BE LIQUIDATED OR OTHERWISE LIMITED BY ANY PROVISION OF THE AGREEMENT. ADDITIONALLY, THE DISTRICT RESERVES AND RETAINS ALL RIGHTS AND REMEDIES AT LAW AND IN EQUITY FOR PURSUIT AND RECOVERY OF DAMAGES, IF ANY, RELATING TO THE COVERED VERIFICATIONS.**

## **DELIVERY AND ACCOMPANYING DOCUMENTS**

**INITIAL DELIVERY OF INITIAL BOND** . . . Initial delivery (“Initial Delivery”) will be accomplished by the issuance of one initial bond payable in installments (collectively, the “Initial Bond”), either in typed or printed form, in the aggregate principal amount of \$6,500,000, registered in the name of the Initial Purchaser, manually signed by the President or Vice President and Secretary or Assistant Secretary of the Board, or executed by the facsimile signatures of the President or Vice President and Secretary or Assistant Secretary of the Board, and approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of Texas or his authorized deputy. Upon delivery of the Initial Bond, the Paying Agent/Registrar shall immediately cancel the Initial Bond and one definitive Bond for each maturity will be registered and delivered only to Cede & Co. in connection with DTC’s book-entry-only system. Initial Delivery will be at a corporate trust office of the Paying Agent/Registrar in Dallas, Texas. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Initial Purchaser will be given six (6) business days’ notice of the time fixed for delivery of the Bonds. It is anticipated that Initial Delivery can be made on or about May 19, 2026, and subject to the aforementioned notice it is understood and agreed that the Initial Purchaser will accept delivery of and make payment for the Bonds by 10:00 A.M., CDT, on May 19, 2026, or thereafter on the date the Bonds are tendered for delivery, up to and including June 2, 2026. If for any reason the District is unable to make delivery on or before June 2, 2026, then the District shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (30) days. If the Initial Purchaser does not elect to extend its offer within six (6) business days thereafter, then its Good Faith Deposit will be returned, and both the District and the Initial Purchaser shall be relieved of any further obligation.

**DTC DEFINITIVE BONDS** . . . The Bonds will be issued in book-entry-only form and registered in the name of Cede & Co. as the nominee for DTC. All reference herein and in the Official Statement to the bondholders or registered owners of the Bonds shall mean Cede & Co. and not the beneficial owners of the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry form in the denomination of \$5,000 principal amounts or any integral multiple thereof. Under certain limited circumstances, the District may determine to forego immobilization of the Bonds at DTC, or another securities depository, in which case, such beneficial interests would become exchangeable for definitive printed obligations of like principal amount.

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

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

**LEGAL OPINIONS** . . . The District will furnish the Initial Purchaser a transcript of certain proceedings held incident to the authorization and issuance of the Bonds, including a certified copy or original of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and binding obligations of the District, payable from the proceeds of an annual ad valorem tax levied, without limit as to rate or amount, upon all taxable property within the District. The District also will furnish the legal opinion of Bond Counsel to the effect that, based upon an examination of such transcript, (1) the Bonds are valid and legally binding obligations of the District payable from the sources and enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by governmental immunity, bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors’ rights or the exercise of judicial discretion in accordance with general principles of equity, (2) the Bonds are payable, both as to principal and interest, from the levy of ad valorem taxes, without limitation as to rate or amount, against taxable property within the District, and (3) pursuant to the Internal Revenue Code of 1986, (the “Code”) then in effect and existing regulations, published rulings, and court decisions thereunder and assuming continuing compliance by the District with the provisions of the Bond Order, the interest on the Bonds is excludable from the gross income, and will not be treated as “specified private activity bonds” the interest on which would be included as an alternative minimum tax preference item under Section 57(a)(5) of the Code. See “APPENDIX A – Form of Bond Counsel Opinion.” The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change. Neither the opinion of the Attorney General nor the opinion of Bond Counsel will express any opinion or make any comment with respect to the sufficiency of the security for or the marketability of the Bonds.

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

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

In order to provide the District with information that enables it to comply with the establishment of the issue price of the Bonds under the Code, as amended, the winning bidder agrees to complete, execute, and timely deliver to the District or to the District’s financial advisor (the “District’s Financial Advisor”) a certification as to the Bonds’ “issue price” (the “Issue Price Certificate”) substantially in the form and to the effect accompanying this Notice of Sale, within 5 business days of the Closing Date if the Competitive Sale Requirement is satisfied or within 5 business days of the date on which the 10% Test is satisfied with respect to all of the First Price Maturities. In the event the winning bidder will not reoffer any maturity of the Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the District. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

For purposes of this section of this Notice of Sale:

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

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

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

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it until either all such Bonds have been sold or it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter, and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each underwriter or dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it until either all such Bonds have been sold or it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public. Sales of any Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

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

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

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

**NO-LITIGATION CERTIFICATE** . . . On the date of delivery of the Bonds to the Initial Purchaser, the District will deliver to the Initial Purchaser a certificate, as of the same date, to the effect that to the best of the District’s knowledge no litigation of any nature is pending or, to the best of the certifying officers’ knowledge or belief, threatened against the District, contesting or affecting the Bonds; restraining or enjoining the authorization, execution, or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds; or affecting the validity of the Bonds or the title of the present officers and directors of the District.

## **GENERAL CONSIDERATIONS**

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

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

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

**FINAL OFFICIAL STATEMENT** . . . The District has prepared and authorized distribution of the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but does not presently intend to prepare any other document or version for such purpose except as described below. The District will be responsible for completing the Official Statement by inserting the interest rates and the purchase price bid by the Initial Purchaser and the initial public offering yields as provided by the Initial Purchaser to the District, and for preparing and inserting the final debt service schedule. The District does not intend to amend or supplement the Official Statement otherwise, except to take into account certain subsequent events, if any, as described below in “– Changes to Official Statement.” Accordingly, the District deems the accompanying Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for the omission of the foregoing items. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the purchaser on or after the sale date, the District represents the same to be complete as of such date, within the meaning of SEC Rule 15c2-12(e)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are or will be made by the District are those described in the Preliminary Official Statement under “PREPARATION OF OFFICIAL STATEMENT – Certification of Official Statement.”

**CHANGES TO OFFICIAL STATEMENT** . . . If, subsequent to the date of the Official Statement to and including the date the Initial Purchaser is no longer required to provide an Official Statement to potential customers who request the same pursuant to 15c2-12 of the federal Securities Exchange Act of 1934 (the “Rule”) (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from a nationally recognized repository but in no case less than 25 days after the “end of the underwriting period”), the District learns or is notified by the Initial Purchaser of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the District will promptly prepare and supply to the Initial Purchaser a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Initial Purchaser, unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds as described above. See “DELIVERY AND ACCOMPANYING DOCUMENTS – Conditions to Delivery.” The obligation of the District to update or change the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser (the “end of the underwriting period” within the meaning of the Rule), unless the Initial Purchaser provides written notice to the District that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation to update or change the Official Statement will extend for an additional period of time of 25 days after all the Bonds

have been sold to ultimate customers (but not more than 90 days after the date the District delivers the Bonds to the Initial Purchaser). In the event the Initial Purchaser provides written notice to the District that less than all of the Bonds have been sold to ultimate customers, the Initial Purchaser agrees to notify the District in writing following the occurrence of the “end of the underwriting period” as defined in the Rule.

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

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

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

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

TOMMY TUCKER  
\_\_\_\_\_  
President, Board of Directors  
Meyer Ranch Municipal Utility District of Comal County

March 30, 2026

*[This page intentionally left blank.]*

**OFFICIAL BID FORM**

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

Board of Directors:

We have read in detail your Official Notice of Sale and accompanying Preliminary Official Statement dated March 30, 2026, relating to the Meyer Ranch Municipal Utility District of Comal County (the "District") and its \$6,500,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds"), as made a part hereof. We realize that the Bonds involve certain risk factors, and we have made inspections and investigations as we deem necessary relating to the District and to the investment quality of the Bonds.

For your legally issued Bonds, in the aggregate principal amount of \$6,500,000, we will pay you a price of \$ \_\_\_\_\_, representing approximately \_\_\_\_\_% of the par value. Such Bonds mature August 15, in each of the years and in the amounts and interest rates shown below:

<u>Maturity (August 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity (August 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2028	\$ 100,000	_____%	2043	\$ 215,000	_____%
2029	105,000	_____%	2044	225,000	_____%
2030	110,000	_____%	2045	240,000	_____%
2031	115,000	_____%	2046	250,000	_____%
2032	120,000	_____%	2047	265,000	_____%
2033	130,000	_____%	2048	280,000	_____%
2034	135,000	_____%	2049	295,000	_____%
2035	145,000	_____%	2050	310,000	_____%
2036	150,000	_____%	2051	325,000	_____%
2037	160,000	_____%	2052	340,000	_____%
2038	165,000	_____%	2053	360,000	_____%
2039	175,000	_____%	2054	380,000	_____%
2040	185,000	_____%	2055	400,000	_____%
2041	195,000	_____%	2056	420,000	_____%
2042	205,000	_____%			

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

<u>Term Bonds Maturing August 15</u>	<u>Year of First Mandatory Redemption</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

TOTAL INTEREST COST FROM 5/19/2026	\$ _____
PLUS DOLLAR AMOUNT OF DISCOUNT	\$ _____
NET INTEREST COST	\$ _____
NET EFFECTIVE INTEREST RATE	_____%

A wire transfer or a cashiers or certified check to the District in the amount of \$130,000 will be made available in accordance with the Notice of Sale made a part hereof. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Notice of Sale, the proceeds of this deposit shall be retained by the District as complete liquidated damages against us. Please check the box below to designate your Good Faith Deposit option.

We are having the Bonds of the following maturities \_\_\_\_\_ insured by \_\_\_\_\_ at a premium of \$ \_\_\_\_\_, **said premium to be paid by the Initial Purchaser.** Any fees to be paid to the rating agencies as a result of said insurance **will be paid by the District.**

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

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

If the undersigned is not exempt from filing the Form 1295, then, upon notification of conditional verbal acceptance, the undersigned will complete an electronic form of the Form 1295 through the TEC's electronic portal and the resulting certified Form 1295 that is generated by the TEC's electronic portal will be printed, signed, notarized, and sent by email to the District's Bond Counsel at [jhale@mphlegal.com](mailto:jhale@mphlegal.com). The undersigned understands that the failure to provide the certified Form 1295 will prohibit the District from awarding the enclosed bid.

As used in the following verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of the bid or Notice of Sale (collectively, the "Agreement"), notwithstanding anything in the Agreement to the contrary.

- (i) Not a Sanctioned Company (Government Code, Chapter 2252). The Initial Purchaser represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes a bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (ii) No Boycott of Israel Verification (Government Code, Chapter 2271). The Initial Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.
- (iii) No Discrimination Against Firearm Entities or Firearm Trade Associations (Government Code, Chapter 2274). The Initial Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.
- (iv) No Boycott of Energy Companies (Government Code, Chapter 2276). The Initial Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of the Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

By submitting this bid, the Initial Purchaser understands and agrees that, if Initial Purchaser should fail or refuse to accept and pay for the Bonds in accordance with this bid, or it is determined that after the acceptance of this bid by the District that the Initial Purchaser was found not to satisfy the requirements described in the Official Notice of Sale and Bidding Instructions under the heading "CONDITIONS OF SALE" and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds, then the check submitted herewith as the Initial Purchaser's Good Faith Deposit shall be cashed and accepted by the District. IF THE DISTRICT CASHES THE INITIAL PURCHASER'S GOOD FAITH DEPOSIT AS DESCRIBED ABOVE, SUCH ACTION DOES NOT CONSTITUTE COMPLETE OR LIQUIDATED DAMAGES RELATED TO THE INITIAL PURCHASER'S BREACH OF ANY OF THE COVERED VERIFICATIONS.

By submitting this bid, the Initial Purchaser understands and agrees that the liability of the Initial Purchaser for breach of any of the verifications made in connection with Chapters 2252, 2271, 2274, and 2276, Government Code, as amended and as described above (collectively, the “Covered Verifications”) shall survive until barred by the statute of limitations, and shall not be liquidated or otherwise limited by any provision of the Agreement. Additionally, the Initial Purchaser acknowledges and agrees that the District reserves and retains all rights and remedies at law and in equity for pursuit and recovery of damages, if any, relating to the Covered Verifications.

By submitting this bid, the Initial Purchaser understands and agrees that it must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the “All Bond Counsel Letter”). In submitting this bid, the Initial Purchaser represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office. The Initial Purchaser hereby further agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The Initial Purchaser acknowledges that the District, in its sole discretion, has reserved the right to reject the bid of any bidder who is, or whose parent company, subsidiaries, or affiliates are, on a list maintained by the Texas Comptroller of financial companies boycotting energy companies or discriminating against firearm entities.

The Initial Purchaser understands and agrees that, to the extent the Initial Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see “CONDITIONS OF SALE – Good Faith Deposit” in the Official Notice of Sale).

NOTWITHSTANDING ANYTHING CONTAINED HEREIN, THE REPRESENTATIONS AND COVENANTS CONTAINED IN THIS OFFICIAL BID FORM SHALL SURVIVE TERMINATION OF THE AGREEMENT OF THE INITIAL PURCHASER TO PURCHASE THE BONDS UNTIL THE STATUTE OF LIMITATIONS HAS RUN.

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

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

Respectfully submitted,

\_\_\_\_\_  
Name of Initial Purchaser or Manager

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Signature

**Please check one of the options below regarding Good Faith Deposit:**

**Submit by Wire Transfer**

**Submit by Bank Cashier’s/Certified Check**

**ACCEPTANCE CLAUSE**

The above and foregoing bid is hereby in all things accepted by Meyer Ranch Municipal Utility District of Comal County this the 9<sup>th</sup> day of April, 2026.

ATTEST:

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

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

*[This page intentionally left blank.]*

**ISSUE PRICE CERTIFICATE**

(sales where 3 bids are received)

The undersigned, as the underwriter or the manager of the syndicate of underwriters ("Initial Purchaser"), with respect to the purchase at competitive sale of the Unlimited Tax Road Bonds, Series 2026 issued by the Meyer Ranch Municipal Utility District of Comal County ("Issuer") in the aggregate principal amount of \$6,500,000 ("Bonds"), hereby certifies and represents, based on its records and information, as follows:

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

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

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

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

The Initial Purchaser has purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$\_\_\_\_\_ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that has not been earned.

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

EXECUTED and DELIVERED as of this \_\_\_\_\_.

\_\_\_\_\_, as Initial Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

*[This page intentionally left blank.]*

**ISSUE PRICE CERTIFICATE**

(sales where 3 bids are not received)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Initial Purchaser”), with respect to the purchase at competitive sale of the Unlimited Tax Road Bonds, Series 2026 issued by the Meyer Ranch Municipal Utility District of Comal County (“Issuer”) in the aggregate principal amount of \$6,500,000 (“Bonds”), hereby certifies and represents, based on its records and information, as follows:

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

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

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

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

The Initial Purchaser has purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the “Insurer”) for a fee of \$\_\_\_\_\_ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that has not been earned.

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

EXECUTED and DELIVERED as of this \_\_\_\_\_.

\_\_\_\_\_, as Initial Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

**SCHEDULE A**

PRICING WIRE OR EQUIVALENT COMMUNICATION

*(Attached)*

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**PRELIMINARY OFFICIAL STATEMENT**

**Dated March 30, 2026**

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

**Rating:**  
**Moody’s: “Baa2”**  
**Insurance: Applied for**

**NEW ISSUE – BOOK-ENTRY-ONLY**

THE DISTRICT WILL NOT DESIGNATE THE BONDS AS “QUALIFIED  
TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS.

**\$6,500,000**

**MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY**  
*(A Political Subdivision of the State of Texas Located in Comal County, Texas)*  
**UNLIMITED TAX ROAD BONDS, SERIES 2026**

**Dated: May 19, 2026**

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

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

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

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

**PAYMENT TERMS . . .**Principal of the Bonds is payable at maturity or earlier redemption at the principal payment office of the paying agent/registrar, initially BOKF, NA, Dallas, Texas, (the “Paying Agent” or the “Paying Agent/Registrar”) upon surrender of the Bonds for payment. Interest on the Bonds will accrue from the Date of Initial Delivery and will be payable each February 15 and August 15, commencing February 15, 2027, until maturity or prior redemption. Interest on the Bonds will be payable on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be issued only in fully registered form in denominations of \$5,000 each or integral multiples thereof. The Bonds are subject to redemption prior to their maturity as provided on the inside cover page.

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

**PURPOSE . . .** The proceeds of the Bonds will be used to finance streets and paving for Meyer Ranch Phases 8 through 12. The remaining Bond proceeds will be used to pay developer interest and the costs associated with the issuance of the Bonds. See “USE AND DISTRIBUTION OF BOND PROCEEDS.”

**BOND INSURANCE . . .** The District has applied to municipal bond insurance companies for an insurance policy insuring the timely payment of the principal of and interest on the Bonds. In the event the Bonds are qualified for municipal bond insurance, and the Initial Purchaser desires to purchase such insurance, the cost therefor will be paid by the Initial Purchaser.

---

**CUSIP PREFIX: 59312T**

**MATURITY SCHEDULE**

**SEE INSIDE COVER PAGE**

---

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

**DELIVERY . . .** Delivery of the Bonds is expected through the facilities of DTC on May 19, 2026 (“Date of Initial Delivery”).

**BIDS DUE ON THURSDAY, APRIL 9, 2026, BY 9:00 A.M., CDT**

## MATURITY SCHEDULE

8/15 Maturity	Principal Amount	Interest Rate	Initial Yield <sup>(a)</sup>	CUSIP Numbers <sup>(b)</sup>
2028	\$ 100,000			
2029	105,000			
2030	110,000			
2031	115,000			
2032	120,000			
2033	130,000			
2034	135,000			
2035	145,000			
2036	150,000			
2037	160,000			
2038	165,000			
2039	175,000			
2040	185,000			
2041	195,000			
2042	205,000			
2043	215,000			
2044	225,000			
2045	240,000			
2046	250,000			
2047	265,000			
2048	280,000			
2049	295,000			
2050	310,000			
2051	325,000			
2052	340,000			
2053	360,000			
2054	380,000			
2055	400,000			
2056	420,000			

**(Interest to accrue from the Date of Initial Delivery)**

- (a) Initial yield represents the initial offering yield to the public, which has been established by the Initial Purchaser for offers to the public and which subsequently may be changed.
- (b) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (“CGS”), managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Financial Advisor, the Initial Purchaser or their agents or counsel assume responsibility for the accuracy of such numbers.

**REDEMPTION PROVISIONS . . .** The District reserves the right to redeem, prior to maturity, in integral multiples of \$5,000, those Bonds maturing on and after August 15, 2033 in whole or from time to time in part, on August 15, 2032, or on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption. Additionally, the Bonds may be subject to mandatory sinking fund redemption in the event the Initial Purchaser elects to aggregate two or more consecutive maturities as term Bonds. See “THE BONDS – Redemption.”

*[The remainder of this page intentionally left blank.]*

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

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

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the District to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer in such jurisdiction.

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

This Official Statement contains, in part, estimates, assumptions, and matters of opinion that 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 the 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, to the extent that information actually comes to its attention, until delivery of the Bonds to the Initial Purchaser and thereafter only as specified in “OFFICIAL STATEMENT – Updating the Official Statement During Underwriting Period.”

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.

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

NEITHER THE DISTRICT NOR THE FINANCIAL ADVISOR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY OR ITS BOOK-ENTRY-ONLY SYSTEM.

**TABLE OF CONTENTS**

<b>SALE AND DISTRIBUTION OF THE BONDS.....</b>	<b>4</b>	TABLE 2 – TAXABLE ASSESSED VALUE.....	<b>28</b>
<b>MUNICIPAL BOND RATING AND INSURANCE....</b>	<b>4</b>	TABLE 3 – UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED.....	<b>28</b>
<b>OFFICIAL STATEMENT SUMMARY .....</b>	<b>5</b>	<b>TAX DATA .....</b>	<b>30</b>
<b>SELECTED FINANCIAL INFORMATION .....</b>	<b>8</b>	TABLE 4 – TAX RATE AND COLLECTIONS.....	<b>30</b>
<b>INTRODUCTION .....</b>	<b>9</b>	TABLE 5 – PRINCIPAL TAXPAYERS .....	<b>31</b>
<b>THE BONDS .....</b>	<b>9</b>	<b>TAXING PROCEDURES .....</b>	<b>31</b>
<b>BOOK-ENTRY-ONLY SYSTEM .....</b>	<b>15</b>	<b>LEGAL MATTERS .....</b>	<b>35</b>
<b>USE AND DISTRIBUTION OF BOND PROCEEDS .</b>	<b>16</b>	<b>TAX MATTERS.....</b>	<b>35</b>
<b>INVESTMENT CONSIDERATIONS .....</b>	<b>17</b>	<b>CONTINUING DISCLOSURE OF INFORMATION</b>	<b>37</b>
<b>BOND INSURANCE .....</b>	<b>22</b>	<b>FINANCIAL ADVISOR.....</b>	<b>39</b>
<b>BOND INSURANCE RISKS .....</b>	<b>22</b>	<b>OFFICIAL STATEMENT .....</b>	<b>39</b>
<b>THE DISTRICT.....</b>	<b>23</b>	<b>PHOTOGRAPHS</b>	
<b>THE DEVELOPER.....</b>	<b>25</b>	<b>APPENDICES</b>	
<b>THE SYSTEM .....</b>	<b>25</b>	FORM OF BOND COUNSEL’S OPINION .....	<b>A</b>
<b>DEBT SERVICE REQUIREMENTS .....</b>	<b>27</b>	AUDITED FINANCIAL STATEMENTS.....	<b>B</b>
TABLE 1 – PROJECTED DEBT SERVICE SCHEDULE.....	<b>27</b>		
<b>FINANCIAL STATEMENT .....</b>	<b>28</b>		

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

## SALE AND DISTRIBUTION OF THE BONDS

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

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

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

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

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

The statements contained in the Official Statement and in other information provided by the District that are not purely historical are forward-looking statements, including regarding the District’s expectations, hopes, intentions, or strategies regarding the future. All forward-looking statements included in the Official Statement are based on information available to the District on the date hereof, and the District assumes no obligation to update any such forward-looking statements. See “INVESTMENT CONSIDERATIONS – Forward- Looking Statements.”

## MUNICIPAL BOND RATING AND INSURANCE

The Bonds have been rated “Baa2” by Moody’s Ratings (“Moody’s”) without regard to credit enhancement. The District has applied to municipal bond insurance companies. In the event the Bonds are qualified for municipal bond insurance, and the Initial Purchaser desires to purchase such insurance, the cost therefor will be paid by the Initial Purchaser. It will be the responsibility of the Initial Purchaser to disclose the existence of insurance, its terms and the effect thereof with respect to the reoffering of the Bonds. Any downgrade by the rating agency of the bond insurance provider shall not relieve the Initial Purchaser of its obligation. See “BOND INSURANCE RISKS.”

*[The remainder of this page intentionally left blank.]*

**OFFICIAL STATEMENT SUMMARY**

The following material is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

**THE DISTRICT**

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

At the time of its creation, the District contained approximately 691.451 acres of land. On November 9, 2023, the District approved the annexation of two tracts of land encompassing approximately 38.155 acres and 6.298 acres, respectively. Both tracts are owned by the Developer (defined herein). The District is currently comprised of approximately 734.54 acres.

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

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

**THE DEVELOPER** ..... The developer of the approximately 734.54 acres of land within the District is CCD Meyer Ranch Land LLC (the “Developer”), a Delaware limited liability company. The Developer’s ownership is comprised of the following entities: Meyer Comal Development, LLC, a Texas limited liability company and HC Austin Meyer LLC, a Delaware limited liability company. The Developer manages the project and is directly engaged in sales and marketing efforts for the currently unsold platted lots and certain other property within the District. The Developer currently owns approximately 310 acres and 12 vacant developed lots within the District. See “THE DEVELOPER – Description of Developer” and “THE DISTRICT – Current Status of Development.”

**DEVELOPMENT WITHIN THE DISTRICT** ..... Of the approximately 734.54 acres within the District, approximately 425.669 acres have been developed by the Developer with utility facilities as a single-family residential subdivision. As of January 1, 2026, the development in the District consisted of 880 completed homes (of which 829 were occupied), 40 homes under construction, and 219 vacant developed lots available for home construction within the District. The remaining land in the District consists of approximately 108 developable acres and approximately 200 undevelopable acres.

Following the issuance of the Bonds, the District will still owe the Developer approximately \$18,757,620 for additional road, water, wastewater and drainage

facilities which have been constructed to date. See “THE DISTRICT – Current Status of Development.”

**HOMEBUILDERS**..... The Developer has marketed its lots directly to homebuilders. As of January 1, 2026, the active homebuilders in the District include: DRB Homes, Chesmar Homes, Scott Felder Homes, and David Weekley Homes. See “THE DEVELOPER – Homebuilders within the District.”

### THE BONDS

**DESCRIPTION**..... The District is issuing its \$6,500,000 Unlimited Tax Road Bonds, Series 2026 (the “Bonds”). The Bonds mature serially in varying amounts on August 15 of each year from 2028 through 2056, inclusive, in the principal amounts set forth on the inside cover page hereof. Interest accrues from the Date of Initial Delivery (expected on May 19, 2026) and is payable February 15, 2027 and each August 15 and February 15 thereafter until maturity or earlier redemption. The Bonds are offered in fully registered form in integral multiples of \$5,000 for any one maturity. See “THE BONDS – General Description.”

**REDEMPTION**..... The District reserves the right to redeem, prior to maturity, in integral multiples of \$5,000, those Bonds maturing on and after August 15, 2033 in whole or from time to time in part, on August 15, 2032, or on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption. Additionally, the Bonds may be subject to mandatory sinking fund redemption in the event the Initial Purchaser elects to aggregate two or more consecutive maturities as term Bonds. See “THE BONDS – Redemption.”

**SOURCE OF PAYMENT**..... Principal of and interest on the Bonds are payable from the proceeds of a continuing direct annual ad valorem tax levied upon all taxable property within the District, which under Texas law is not legally limited as to rate or amount. See “TAXING PROCEDURES.” **The Bonds are obligations solely of the District and are not obligations of Comal County, Texas; the State of Texas; or any entity other than the District.** See “THE BONDS – Source of and Security for Payment.”

**PAYMENT RECORD**..... The Bonds constitute the eighth installment of bonds issued by the District. As of the Date of Initial Delivery, \$53,660,000 principal amount of such previously issued bonds will remain outstanding (the “Outstanding Bonds”). See “FINANCIAL STATEMENT – Outstanding Bonds.” The District has not defaulted on the payment of its previously issued bonds.

**AUTHORITY FOR ISSUANCE**..... The Bonds are issued pursuant to Article III, Section 52 of the Texas Constitution and the general laws of the State of Texas including Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 7989 of the Texas Special District Local Laws Code, a bond election held within the District on November 7, 2017 and an order authorizing the issuance of the Bonds (the “Bond Order”) adopted by the Board of Directors of the District on the date of the sale of the Bonds. See “THE BONDS – Authority for Issuance.”

**USE OF PROCEEDS**..... The proceeds of the Bonds will be used to finance streets and paving for Meyer Ranch Phases 8 through 12. The remaining Bond proceeds will be used to pay developer interest and the costs associated with the issuance of the Bonds. See “USE AND DISTRIBUTION OF BOND PROCEEDS.”

**BONDS AUTHORIZED BUT UNISSUED**..... At an election held within the District on November 7, 2017, the voters within the District approved the issuance of \$207,675,000 principal amount of unlimited tax bonds for water, wastewater and drainage facilities, \$83,700,000 principal amount of unlimited tax bonds for roads and the issuance of \$437,062,500 principal amount of unlimited tax refunding bonds. After the issuance of the Bonds, the District will have \$60,195,000 principal amount remaining in authorized but unissued road bonds. See “FINANCIAL STATEMENT – Outstanding Bonds” and “THE BONDS – Future Debt.”

<b>MUNICIPAL BOND RATING AND INSURANCE ....</b>	The Bonds have been rated “Baa2” by Moody’s Ratings (“Moody’s”) without regard to credit enhancement. The District has applied to municipal bond insurance companies. In the event the Bonds are qualified for municipal bond insurance, and the Initial Purchaser desires to purchase such insurance, the cost therefor will be paid by the Initial Purchaser.
<b>BOND COUNSEL AND DISCLOSURE COUNSEL ...</b>	McCall, Parkhurst and Horton L.L.P., Austin, Texas (see “APPENDIX A – Form of Bond Counsel’s Opinion”).
<b>GENERAL COUNSEL.....</b>	Armbrust & Brown, PLLC, Austin, Texas.
<b>FINANCIAL ADVISOR .....</b>	Specialized Public Finance Inc., Austin, Texas.
<b>ENGINEER.....</b>	Malone/Wheeler, Inc. (the “Engineer”), Austin, Texas.

**INVESTMENT CONSIDERATIONS**

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

*[The remainder of this page intentionally left blank.]*

**SELECTED FINANCIAL INFORMATION**  
**(Unaudited as of March 12, 2026)**

2023 Certified Taxable Assessed Valuation .....	\$ 226,102,334	(a)
2024 Certified Taxable Assessed Valuation .....	\$ 296,585,224	(a)
2025 Certified Taxable Assessed Valuation .....	\$ 336,021,753	(a)
Estimated Taxable Assessed Valuation (as of December 1, 2025) .....	\$ 415,340,613	(b)
Gross Direct Debt Outstanding .....	\$ 60,160,000	(c)
Estimated Overlapping Debt .....	<u>14,016,209</u>	(d)
Gross Direct Debt Outstanding and Estimated Overlapping Debt .....	\$ 74,176,209	

Ratios of Gross Direct Debt Outstanding to:

2025 Certified Taxable Assessed Valuation .....	17.90%
Estimated Taxable Assessed Valuation (as of December 1, 2025) .....	14.48%

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

2025 Certified Taxable Assessed Valuation .....	22.07%
Estimated Taxable Assessed Valuation (as of December 1, 2025) .....	17.86%

2025 Tax Rate:

Debt Service.....	\$ 0.8000	
Maintenance & Operation.....	<u>0.1500</u>	
Total.....	\$ 0.9500	(e)

General Operating Fund Balance as of March 12, 2026 (unaudited) .....	\$ 1,503,661	
Debt Service Fund Balance as of March 12, 2026 (unaudited) .....	\$ 3,022,074	(f)
Capital Projects Fund Balance as of March 12, 2026 (unaudited) .....	\$ 1,111,783	

Projected Average Annual Debt Service Requirement on the Bonds and Outstanding Bonds (2026-2056) .....	\$ 3,436,214	(c)
Projected Maximum Annual Debt Service Requirement on the Bonds and Outstanding Bonds (2049) .....	\$ 3,975,550	(c)

Tax Rates Required to Pay Projected Average Annual Debt Service (2026-2056) at a 95% Collection Rate

Based upon 2025 Certified Taxable Assessed Valuation .....	\$ 1.0765
Based upon Estimated Taxable Assessed Valuation (as of December 1, 2025) .....	\$ 0.8709

Tax Rates Required to Pay Projected Maximum Annual Debt Service (2049) at a 95% Collection Rate

Based upon 2025 Certified Taxable Assessed Valuation .....	\$ 1.2454
Based upon Estimated Taxable Assessed Valuation (as of December 1, 2025) .....	\$ 1.0076

Number of Active Connections as of January 1, 2026:

Single Family Homes – Completed .....	880
Single Family Homes – Occupied .....	829
Single Family Homes Under Construction .....	40
Lots Available for Home Construction .....	219
Estimated Population as of January 1, 2026 .....	2,902 <sup>(g)</sup>

- (a) Assessed valuation of the District as certified by the Comal Appraisal District (“CAD”). See “TAXING PROCEDURES.”
- (b) As estimated by the CAD as of December 1, 2025 for informational purposes only.
- (c) Includes the Bonds and the Outstanding Bonds. See “DEBT SERVICE REQUIREMENTS.”
- (d) See “FINANCIAL STATEMENTS – Estimated Overlapping Debt.”
- (e) The District levied a 2025 total tax rate of \$0.9500. See “Table 9 – District Tax Rates.”
- (f) Neither Texas law nor the Bond Order requires that the District maintain any particular sum in the District’s Debt Service Fund.
- (g) Based upon 3.5 residents per completed and occupied single family home.

*[The remainder of this page intentionally left blank.]*

## OFFICIAL STATEMENT

Relating to

\$6,500,000

**MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY**  
*(A Political Subdivision of the State of Texas Located in Comal County, Texas)*  
**UNLIMITED TAX ROAD BONDS, SERIES 2026**

### INTRODUCTION

This Official Statement provides certain information in connection with the issuance by the Meyer Ranch Municipal Utility District of Comal County (the "District"), a political subdivision of the State of Texas (the "State"), of its \$6,500,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to Article XIII, Section 52 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, Chapter 7989 of the Texas Special District Local Laws Code, as amended, general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State, an order authorizing the issuance of the Bonds (the "Bond Order") adopted by the Board of Directors of the District (the "Board"), and an election held within the District on November 7, 2017.

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

Included in this Official Statement are descriptions of the Bonds and certain information about the District and its finances. ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT. Copies of such documents may be obtained from the District c/o Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas 78701 or from the District's Financial Advisor, Specialized Public Finance Inc., 248 Addie Roy Road, Suite B-103, Austin, Texas, 78746, upon payment of reasonable copying, mailing and handling charges.

### THE BONDS

**GENERAL DESCRIPTION** . . . The Bonds are dated May 19, 2026 and will mature on August 15 of the years and in the principal amounts, and will bear interest at the rates per annum, set forth on the inside cover page hereof. Interest on the Bonds will accrue from the Date of Initial Delivery, will be paid on February 15, 2027 and each August 15 and February 15 thereafter until maturity or earlier redemption and will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued in fully registered form only, without coupons, in denominations of \$5,000 or any integral multiple thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York, acting as securities depository for the Bonds until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co., as the nominee of DTC, is the registered owner of the Bonds, principal of and interest on the Bonds will be payable by the paying agent to DTC, which will be solely responsible for making such payment to the beneficial owners of the Bonds. The initial paying agent for the Bonds is BOKF, NA, Dallas, Texas (the "Paying Agent" or "Paying Agent/Registrar").

**REDEMPTION** . . . The Bonds maturing on and after August 15, 2033 are subject to redemption prior to maturity at the option of the District, in whole or from time to time in part, on August 15, 2032, or on any date thereafter, in integral multiples of \$5,000, at a redemption price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. Additionally, the Bonds may be subject to mandatory sinking fund redemption if the Initial Purchaser elects to aggregate two or more consecutive maturities as term bonds ("Term Bonds").

*Notice of Optional Redemption* . . . At least 30 calendar days prior to the date fixed for any optional redemption of Bonds or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the 45th calendar day prior to such redemption date and to major securities depositories and bond information services.

The Bonds of a denomination larger than \$5,000 may be redeemed in part (\$5,000 or any multiple thereof). Any Bond to be partially redeemed must be surrendered in exchange for one or more new Bonds of the same maturity for the unredeemed portion of the principal of the Bonds so surrendered.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Order have been met and money sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed will have been received by the Paying Agent prior to the giving of such notice of redemption, such notice will state that said redemption may, at the option of the District, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of optional redemption is given and such prerequisites to the optional redemption are not fulfilled, such notice

will be of no force and effect, the District will not redeem such Bonds, and the Paying Agent will give notice in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

**SELECTION OF BONDS FOR REDEMPTION . . .** If less than all of the Bonds are called for optional redemption, the particular maturities, or sinking fund installments in the case of Term Bonds, or portions thereof, to be redeemed shall be selected and designated by the District, and if less than all of a maturity, or sinking fund installment in the case of Term Bonds, is to be redeemed, the Paying Agent/Registrar shall determine by lot or other customary random method the Bonds, or portions thereof, within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in integral multiples of \$5,000 principal amount); provided, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity, or sinking fund installment in the case of Term Bonds, and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity, such interest rate, and such sinking fund installment in the case of Term Bonds shall be selected by lot or other customary random method or as otherwise required in accordance with the arrangements between the District and the securities depository.

**DTC REDEMPTION PROVISION . . .** The Paying Agent/Registrar and the District, so long as a book-entry-only system ("Book-Entry-Only-System") is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Bond Order or other notices with respect to the Bonds only to DTC. Any failure by DTC to advise any DTC Participant, as herein defined, or of any Direct Participant or Indirect Participant, as herein defined, to notify the beneficial owner, shall not affect the validity of the redemption of Bonds called for redemption or any other action premised on any such notice. Redemption of portions of the Bonds by the District will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Bonds held for the account of DTC Participants in accordance with its rules or other agreements with DTC Participants and then Direct Participants and Indirect Participants may implement a redemption of such Bonds and such redemption will not be conducted by the District or the Paying Agent/Registrar. Neither the District nor the Paying Agent/Registrar will have any responsibility to the DTC Participants.

Indirect Participants or the persons for whom DTC Participants act as nominees with respect to the payments on the Bonds or the providing of notice to Direct Participants, Indirect Participants, or beneficial owners of the selection of portions of the Bonds for redemption.

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

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

*Registration . . .* If the Book-Entry-Only System is discontinued, the Bonds may be transferred and re-registered on the registration books of the Paying Agent only upon presentation and surrender thereof to the Paying Agent at the Designated Payment/Transfer Office. A Bond also may be exchanged for a Bond or Bonds of like maturity and interest and having a like aggregate principal amount or maturity amount, as the case may, upon presentation and surrender at the Designated Payment/Transfer Office. All Bonds surrendered for transfer or exchange must be endorsed for assignment by the execution by the registered owner or his duly authorized agent of an assignment form on the Bonds or other instruction of transfer acceptable to the Paying Agent. Transfer and exchange of Bonds will be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such transfer or exchange. A new Bond or Bonds, in lieu of the Bond being transferred or exchanged, will be delivered by the Paying Agent to the registered owner, at the Designated Payment/Transfer Office of the Paying Agent or by United States mail, first-class, postage prepaid. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner not more than three (3) business days after the receipt of the Bonds to be canceled in the exchange or transfer in the denominations of \$5,000 or any integral multiple thereof.

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

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

**AUTHORITY FOR ISSUANCE** . . . At an election held within the District on November 7, 2017, voters within the District authorized \$207,675,000 principal amount of unlimited tax bonds for water, wastewater and drainage facilities, \$83,700,000 principal amount of unlimited tax bonds for road improvements and the issuance of unlimited tax refunding bonds in the principal amount of \$437,062,500. The Bonds constitute the fifth installment of unlimited tax bonds issued by the District for road improvements. After the sale of the Bonds, \$60,195,000 principal amount of unlimited tax bonds for road improvements will remain authorized but unissued. The Bonds are issued pursuant to the terms and provisions of the Bond Order; Article III, Section 52 of the Texas Constitution; and the general laws of the State of Texas, including Chapter 7989 of the Texas Special District Local Laws Code.

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

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

**PAYMENT RECORD** . . . The Bonds constitute the eighth installment of bonds issued by the District. As of the Date of Initial Delivery, \$53,660,000 principal amount of such previously issued bonds will remain outstanding (the "Outstanding Bonds"). See "FINANCIAL STATEMENT – Outstanding Bonds." The District has not defaulted on the payment of its previously issued bonds.

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

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

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

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

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

**DEFEASANCE OF OUTSTANDING BONDS** . . . *General* . . . The Bond Order provides for the defeasance of the Bonds and the termination of the pledge of taxes and all other general defeasance covenants in the Bond Order under certain circumstances. Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding within the meaning of the Bond Order (a "Defeased Bond"), except to the extent provided below for the Paying Agent to continue payments, when the payment of all principal and interest payable with respect to such Bond to the due date or dates thereof (whether such due date or dates be by

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

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

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

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

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

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

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

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

Provision is made in the Bond Order for the District to replace the Paying Agent by a resolution of the District giving notice to the Paying Agent of the termination of the appointment, stating the effective date of the termination and appointing a successor Paying Agent. If the Paying Agent is replaced by the District, the new Paying Agent shall be required to accept the previous Paying Agent's records and act in the same capacity as the previous Paying Agent. Any successor paying agent/registrar selected by the District shall be subject to the same qualification requirements as the Paying Agent. The successor paying agent/registrar, if any, shall be determined by the Board of Directors and written notice thereof, specifying the name and address of such successor paying agent/registrar will be sent by the District or the successor paying agent/registrar to each registered owner by first-class mail, postage prepaid.

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

**ISSUANCE OF ADDITIONAL DEBT . . .** According to the District's Engineer (defined herein), the \$60,195,000 in principal amount of bonds authorized but unissued (after issuance of the Bonds), should be sufficient to reimburse the Developer for the road improvements serving the District. In addition, voters may authorize the issuance of additional bonds or other contractual obligations secured by ad valorem taxes. The District also has the right to issue refunding bonds, as well as revenue bonds and notes without voter approval. Furthermore, at an election held in the District on November 7, 2017, the voters within the District also approved the issuance of \$437,062,500 in refunding bonds and \$207,675,000 in unlimited tax bonds for water, wastewater and drainage facilities, of which \$169,925,000 remains authorized but unissued. See "FINANCIAL STATEMENT – Unlimited Tax Bonds Authorized But Unissued." The District has not issued any refunding bonds. Neither Texas law nor the Bond Order imposes a limitation on the amount of additional bonds which may be issued by the District. Any additional bonds issued by the District may dilute the security of the Bonds. See "INVESTMENT CONSIDERATIONS." The District does not employ any formula with respect to assessed valuations, tax collections or otherwise to limit the amount of parity bonds which it may issue. The issuance of bonds for water, wastewater and drainage purposes is subject to approval of the Texas Commission on Environmental Quality ("TCEQ") pursuant to its rules regarding issuance and feasibility of bonds. In addition, future changes in health or environmental regulations could require the construction and financing of additional improvements without any corresponding increases in taxable value in the District.

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

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

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

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

**REMEDIES IN EVENT OF DEFAULT . . .** The Bond Order establishes specific events of default with respect to the Bonds. If the District defaults in the payment of the principal of or interest on the Bonds when due, or the District defaults in the observance or performance of any of the covenants, conditions, or obligations of the District, the failure to perform which materially, adversely affects the rights of the owners, including but not limited to, their prospect or ability to be repaid in accordance with the Bond Order, and the continuation thereof for a period of 60 days after notice of such default is given by any owner to the District, the Bond Order and Chapter 54 of the Texas Water Code provides that any registered owner is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the District to make such payment or observe and perform such covenants, obligations, or conditions. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the Bonds or the Bond Order and the District's obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, subject to the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Bond Order does not provide for the appointment of a trustee to represent the interest of the Bondholders upon any failure of the District to perform in accordance with the terms of the Bond Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. On June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 49 Tex. Sup. CT. J. 819 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the District's sovereign immunity from a suit for money damages, Bondholders may not be able to bring such a suit against the District for breach of the Bonds or Bond Order covenants. Even if a

judgment against the District could be obtained, it could not be enforced by direct levy and execution against the District's property. Further, the registered owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. Furthermore, the District is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or Bondholders of an entity which has sought protection under Chapter 9. Therefore, should the District avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Bonds are qualified with respect to the customary rights of debtors relative to their creditors.

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

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

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

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

*[The remainder of this page intentionally left blank.]*

## BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District

as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

#### **USE AND DISTRIBUTION OF BOND PROCEEDS**

The proceeds of the Bonds will be used to finance streets and paving for Meyer Ranch Phases 8 through 12. The remaining Bond proceeds will be used to pay developer interest and the costs associated with the issuance of the Bonds.

The estimated use and distribution of Bond proceeds is set forth below. Of the proceeds to be received from the sale of the Bonds, \$4,896,419 is estimated to be required for construction costs, and \$1,603,581 is estimated to be required for non-construction costs.

<b>I. <u>CONSTRUCTION COSTS</u></b>	<b><u>District's Share</u></b>
A. Developer Contribution Items – None	
B. District Items:	
1. Meyer Ranch Phases 8 & 9 – Streets and Paving .....	\$ 3,344,823
2. Meyer Ranch Phase 10 - Streets and Paving .....	594,596
3. Meyer Ranch Phases 11 & 12 – Streets and Paving .....	<u>957,000</u>
Total District Costs .....	\$ 4,896,419
<b>Total Construction Costs.....</b>	<b>\$ 4,896,419</b>
<b>II. <u>NON-CONSTRUCTION COSTS</u></b>	
A. Legal Fees.....	\$ 113,000
B. Fiscal Agent Fees.....	113,750
C. Developer Interest.....	1,101,586
D. Bond Discount .....	195,000
E. Bond Issuance Expenses .....	52,245
F. Bond Application Report .....	21,500
G. Attorney General Fee .....	6,500
H. Contingency .....	<u>0</u>
<b>Total Non-Construction Costs .....</b>	<b>\$ 1,603,581</b>
<b>TOTAL BOND ISSUE REQUIREMENT .....</b>	<b>\$ 6,500,000</b>

## INVESTMENT CONSIDERATIONS

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

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

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

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

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

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

*Dependence Upon Principal Taxpayers:* Based upon the most recently available information from the Comal Appraisal District, the principal taxpayers in the District represented \$40,808,640 or approximately 12.14% of the District’s 2025 Certified Taxable Assessed Valuation of \$336,021,753. The Developer represents \$13,142,050 or approximately 3.91% of the District’s 2025 Certified Taxable Assessed Valuation. If the Developer, the active homebuilders within the District, or any other principal taxpayer were to default in the payment of taxes in an amount which exceeds the District’s debt service fund surplus, the ability of the District to make timely payment of debt service on the Bonds will be dependent on its ability to enforce and liquidate its tax lien, which is a time-consuming process, or to sell tax anticipation notes. Failure to recover or borrow funds in a timely fashion could result in an excessive District tax rate, hindering growth and leading to further defaults in the payment of taxes. The District is not required by law or the Bond Order to maintain any specified amount of surplus in its debt service fund. See “Tax Collections and Foreclosure Remedies” in this section, “TAX DATA – Principal Taxpayers,” and “TAXING PROCEDURES – Levy and Collection of Taxes.” The growth of the tax base is dependent upon additional construction of homes within the District. The Developer is under no obligation to continue to market developed tracts of land for improvement. Thus, the furnishing of information related to the proposed development by the Developer should not be interpreted as such a commitment by the Developer. The District makes no representation about the probability of development continuing in a timely manner or about the ability of the Developer, the homebuilders within the District, or other entities to whom such parties may sell all or a portion of their holdings within the District to implement any plan of development. Furthermore, there is no restriction on the Developer’s

right to sell its land. The District can make no prediction as to the effects that current or future economic or governmental circumstances may have on any plans of the Developer. Failure to construct taxable improvements on developed lots and tracts or failure of the Developer to develop its land would restrict the rate of growth of taxable value in the District. See “THE DISTRICT – Current Status of Development” and “THE DEVELOPER.”

**Impact on District Tax Rates:** Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of the District property owners to pay their taxes. The 2025 Certified Assessed Valuation is \$336,021,753 (see “FINANCIAL STATEMENT”). After issuance of the Bonds, the Projected Maximum Annual Debt Service Requirement will be \$3,975,550 (2049) and the Projected Average Annual Debt Service Requirement will be \$3,436,214 (2026-2056, inclusive). A tax rate of \$1.2454/\$100 assessed valuation, at a 95% collection rate, would be necessary to pay the Projected Maximum Annual Debt Service Requirement of \$3,975,550, and a tax rate of \$1.0765/\$100 assessed valuation at a 95% collection rate would be necessary to pay the Projected Average Annual Debt Service Requirement of \$3,436,214 based upon the 2025 Certified Taxable Assessed Valuation.

**VACANT DEVELOPED LOTS . . .** As of January 1, 2026, approximately 219 developed lots within the District remained available for home construction. Future increases in value will result primarily from the construction of homes by homebuilders. The District makes no representation that the lot sales and building program will be successful.

**INCREASE IN COSTS OF BUILDING MATERIALS . . .** As a result of supply issues, shipping constraints, and ongoing trade disputes (including tariffs), there have been recent substantial increases in the cost of lumber and other building materials, causing many homebuilders and general contractors to experience budget overruns. Further, the unpredictable nature of current trade policy (including the threatened imposition of tariffs) may impact the ability of the developers or homebuilders in the District to estimate costs. Additionally, immigration policies may affect the State’s workforce, and any labor shortages that could occur may impact the rate of construction within the District. Uncertainty surrounding availability and cost of materials may result in decreased levels of construction activity, and may restrict the growth of property values in the District. The District makes no representations regarding the probability of development or homebuilding continuing in a timely manner or the effects that current or future economic or governmental circumstances may have on any plans of the developers or homebuilders.

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

**REGISTERED OWNERS’ REMEDIES . . .** In the event of default in the payment of principal of or interest on the Bonds, the registered owners have the right to seek a writ of mandamus, requiring the District to levy adequate taxes each year to make such payments. Except for mandamus, the Bond Order does not specifically provide for remedies to protect and enforce the interest of the registered owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Although the registered owners could obtain a judgment against the District, such a judgment could not be enforced by direct levy and execution against the District’s property. Further, the registered owners cannot themselves foreclose on property within the District or sell property within the District in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the registered owners may further be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District.

**BANKRUPTCY LIMITATION TO REGISTERED OWNERS’ RIGHTS . . .** The enforceability of the rights and remedies of registered owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Subject to the requirements of Texas law discussed below, a political subdivision such as the District may voluntarily file a petition for relief from creditors under Chapter 9 of the Federal Bankruptcy Code, 11 USC sections 901-946. The filing of such petition would automatically stay the enforcement of registered owners’ remedies, including mandamus and the foreclosure of tax liens upon property within the District discussed above. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismissed the petition, enters an order granting relief from the stay or otherwise allows creditors to proceed against the petitioning political subdivision. A political subdivision, such as the District, may qualify as a debtor eligible to proceed in a Chapter 9 case only if it (1) is specifically authorized to file for federal bankruptcy protection by applicable state law, (2) is insolvent or unable to meet its debts as they

mature, (3) desires to effect a plan to adjust such debts, and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiations are impracticable. Under Texas law a municipal utility district, such as the District, must obtain the approval of the Commission as a condition to seeking relief under the Federal Bankruptcy Code. The Commission is required to investigate the financial condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

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

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

**POTENTIAL IMPACT OF NATURAL DISASTER . . .** The District could be impacted by a natural disaster such as wide-spread fires, earthquakes, or weather events such as hurricanes, tornados, tropical storms, or other severe weather events that could produce high winds, heavy rains, hail, and flooding. In the event that a natural disaster should damage or destroy improvements and personal property in the District, the assessed valuation of such taxable properties could be significantly reduced, resulting in a decrease in the taxable value of the District or an increase in the District's tax rate. See "TAXING PROCEDURES – Temporary Exemption for Qualified Property Damages by a Disaster."

There can be no assurances that casualty will be covered by insurance (certain casualties, including flood, are usually excepted unless specific insurance is purchased), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild, repair, or replace taxable properties in the District that were damaged. Even if insurance proceeds are available and damaged properties are rebuilt, there could be a lengthy period in which assessed values in the District would be adversely affected. There can be no assurance the District will not sustain damage from such disasters.

**DROUGHT CONDITIONS . . .** Central Texas, like other areas of the State, has experienced extreme drought conditions within the last several years. TWC (defined herein) provides water to the District in amounts sufficient to service the residents of the District, however, if drought conditions continue or worsen, water usage, District revenues, and rates could be impacted. Additionally, the marketability of lots and homes within the District as well as the assessed valuation of such lots and homes could be impacted.

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

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

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

**STORMWATER . . .** In 2018, the National Weather Service completed a rainfall study known as NOAA Atlas 14, Volume 11 Participation-Frequency Atlas of the United States ("Atlas 14") which shows that severe rainfall events are now occurring more frequently. Within Texas, the Atlas 14 study showed an increased number of rainfall events in a band extending from the upper Gulf Coast in the east and running west generally along the I-10 corridor to Central Texas. In particular, the study shows that Central Texas is more likely to experience larger storms than previously thought. Based on this study, various governmental entities, including Travis County, are contemplating amendments to their regulations that will potentially increase the size of the 100-year flood plain which interim flood plain is based on the current 500-year flood plain, resulting in the interim flood plain regulations applying to a larger number of properties, and potentially increasing the size of detention ponds and drainage facilities required for future construction in all areas (not just in the flood plain). Flood plain boundaries within the District may be redrawn based on the Atlas 14 study based on the higher statistical rainfall amount, and could mean higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the flood plain.

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

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

**FUTURE DEBT . . .** After reimbursement from the proceeds of the Bonds, the Developer will continue to be owed approximately \$19,500,000 for completed utility and road improvements to date. It is anticipated the District will issue bonds (when financially feasible) at a future date to fund the related Developer reimbursements. In the opinion of the District’s Engineer, the remaining authorization is sufficient to reimburse the Developer for the water, wastewater, and drainage facilities and road improvements required to serve development within the District. See “THE SYSTEM.”

Therefore, the Developer will be owed additional funds with reimbursements expected to be made from the proceeds of future installments of bonds over the next several years. Each future issue of bonds is intended to be sold at the earliest practicable date consistent with the maintenance of a reasonable tax rate in the District (assuming projected increases in the value of taxable property made at the time of issuance of the bonds are accurate). The District does not employ any formula with respect to assessed valuations, tax collections, or otherwise to limit the amount of parity bonds which it may issue. The issuance of additional utility bonds is subject to approval by the TCEQ pursuant to its rules regarding issuance and feasibility of bonds. In addition, future changes in health or environmental regulations could require the construction and financing of additional improvements without any corresponding increases in taxable value in the District. See “THE BONDS – Issuance of Additional Debt.”

The District has reserved in the Bond Order the right to issue the remaining \$60,195,000 in authorized but unissued unlimited tax road bonds, the remaining \$169,925,000 in unlimited tax bonds for water, wastewater, and drainage purposes, and such additional bonds as may hereafter be approved by both the Board and voters of the District. Any additional bonds issued by the District may dilute the security for the Bonds. See “THE SYSTEM.”

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

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

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

**FORWARD-LOOKING STATEMENTS . . .** The statements contained in this Official Statement, and in any other information provided by the District or Developer, that are not purely historical, are forward-looking statements, including statements regarding the District's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the District and Developer on the date hereof, and neither the District nor the Developer assume any obligation to update any such forward-looking statements.

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

## **BOND INSURANCE**

The District has applied to municipal bond insurance companies for an insurance policy insuring the timely payment of the principal of and interest on the Bonds. In the event the Bonds are qualified for municipal bond insurance, and the Initial Purchaser desires to purchase such insurance, the cost therefor **will be paid by the Initial Purchaser**. It will be the responsibility of the Initial Purchaser to disclose the existence of insurance, its terms and the effect thereof with respect to the reoffering of the Bonds. Any downgrade by the rating agency of the bond insurance provider shall not relieve the Initial Purchaser of its obligation.

## **BOND INSURANCE RISKS**

The following risk factors related to municipal bond insurance policies generally apply:

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the District which is recovered by the District from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable Bond documents. In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received by the Paying Agent/Registrar pursuant to the Resolution. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claims-paying ability. The Bond 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 Bond Insurer and of the ratings on the Bonds insured by the Bond 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 "BOND INSURANCE" herein.

The obligations of the Bond Insurer under the Policy are contractual obligations and in an event of default by the Bond 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 have made independent investigation into the claims-paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond 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 Bond Insurer, particularly over the life of the investment.

## THE DISTRICT

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

At the time of its creation, the District contained approximately 691.451 acres of land. On November 9, 2023, the District approved the annexation of two tracts of land encompassing 38.155 acres and 6.298 acres, respectively. Both tracts are owned by the Developer. The District is currently comprised of approximately 734.54 acres.

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

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

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Tommy Tucker	President	2028
Talley Williams	Vice President	2028
Madison Inselmann	Secretary	2028
Michael Slack	Assistant Secretary	2026
Daniel A. Day	Assistant Secretary	2026

### Consultants:

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

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

**Auditor . . .** The District’s financial statements for fiscal year ending September 30, 2025 were audited by McGrath & Co., PLLC, Certified Public Accountants, and excerpts of the District’s Audited Financial Statements as of September 30, 2025 have been included as APPENDIX B.

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

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

**Bond Counsel and Disclosure Counsel . . .** McCall, Parkhurst and Horton L.L.P., Austin, Texas serves as Bond Counsel and Disclosure Counsel to the District in connection with the issuance of the District’s Bonds. The fees of Bond Counsel and Disclosure Counsel are contingent upon the sale of and delivery of the Bonds.

**General Counsel . . .** Armbrust & Brown, PLLC, Austin, Texas serves as General Counsel in connection with the issuance of the District’s Bonds. The fees of General Counsel are contingent upon the sale of and delivery of the Bonds.

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

**UNDEVELOPED ACREAGE . . .** There are approximately 205.406 developable acres of land within the District that have not been provided with water, wastewater and storm drainage and detention facilities as of January 1, 2026. The District makes no representation as to when or if development of this acreage will occur. See “THE DISTRICT – Current Status of Development.”

**CURRENT STATUS OF DEVELOPMENT . . .** Of the approximately 734.54 acres within the District, approximately 425.669 acres have been developed for single family residential purposes by the Developer. As of January 1, 2026, the development in the District consisted of 880 completed homes (of which 829 were occupied), 40 homes under construction and 219 lots available for home construction. The remaining land in the District consists of approximately 108 developable acres and approximately 200 undevelopable acres.

The chart below reflects the status of development of the residential and commercial lands within the District as of January 1, 2026:

	<u>Net Acreage</u>	<u>Platted Lots</u>	<u>Completed Homes</u>	<u>Homes Under Construction</u>	<u>Vacant Lots</u>
<b>A. Sections with Utility Facilities or Under Construction</b>					
Developed	425.669	1,139	880	40	219
Remaining Developable Acreage	108.871	0	0	0	0
<b>Total Developable Acreage</b>	<u>534.540</u>				
<b>B. Open Space/Drainage Acreage</b>					
Drainage, Detention, Floodplain, Parkland/Open Space	200.000				
<b>Total Developable Acreage</b>	<u>734.540</u>				

**FUTURE DEVELOPMENT . . .** As of the date hereof, there are approximately 310.501 acres of land in the District (including approximately 200 acres of undevelopable land) yet to be undeveloped with water, sewer and drainage facilities and road improvements to support development. The initiation of any new development beyond that described in this Official Statement will be dependent on several factors including, to a great extent, general and economic conditions which would affect any party’s ability to sell lots and/or other property and of any home builder to sell completed homes as described in this Official Statement under the caption “INVESTMENT CONSIDERATIONS.” If the undeveloped portion of the District is eventually developed, additions to the District’s water, wastewater, and drainage systems required to service such undeveloped acreage may be financed by future issues of the District’s bonds and developer contributions, if any, as required by the TCEQ.

*[The remainder of this page intentionally left blank.]*

## THE DEVELOPER

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

**DESCRIPTION OF DEVELOPER . . .** The developer of the approximately 734.54 acres of land within the District is CCD Meyer Ranch Land LLC (the "Developer"), a Delaware limited liability company. The Developer's ownership is comprised of the following entities: Meyer Comal Development, LLC, a Texas limited liability company and HC Austin Meyer LLC, a Delaware limited liability company. The Developer manages the project and is directly engaged in sales and marketing efforts for the currently unsold platted lots and certain other property within the District. See "THE DISTRICT – Current Status of Development."

**ACQUISITION AND DEVELOPMENT FINANCING . . .** The Developer closed a \$28,000,000 credit facility with CCF Finance LLC, an Illinois limited liability company on June 7, 2017. The Loan agreement and Deed of Trust were amended on August 29, 2025 and increased to a loan of \$15,000,000. The loan is being used to finance the construction of infrastructure for the project. The loan also provided funding for community amenity and common area upgrades. The credit facility has a term of eight years and matures on August 31, 2026. The outstanding balance on the credit facility as of January 1, 2026 was \$2,117,002.95. The Developer is currently in full compliance with the credit facility and has the ability to request yearly extensions as needed.

**HOMEBUILDERS WITHIN THE DISTRICT . . .** The Developer has marketed its lots directly to homebuilders. As of January 1, 2026, the homebuilders currently active in the District include: DRB Homes, Chesmar Homes, Scott Felder Homes, and David Weekley Homes.

## THE SYSTEM

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

**WATER SUPPLY AND DISTRIBUTION . . .** SJWTX, Inc., a Texas corporation doing business as The Texas Water Company ("TWC") holds a certificate of convenience and necessity that includes the lands within the District. TWC provides retail potable water service to the lands within the District pursuant to the "Water Utility Service Agreement" dated October 4, 2016, as amended on February 3, 2017, May 8, 2020, and December 29, 2022 entered into by TWC, the District and Developer (the "Water Service Agreement"). Under the Water Service Agreement, TWC agreed to provide up to 1,850 living unit equivalents ("LUEs") of retail water service to lands within the District. TWC's obligation to provide retail water service is subject to certain conditions, including funding and construction of certain offsite and internal water infrastructure improvements, and payment of fees and charges, by the District or Developer. The Water Service Agreement provides for the District to own all internal water system improvements that it finances until the District's bonds are retired. TWC operates and maintains the completed water improvements pursuant to a lease purchase agreement.

The Water Service Agreement provides for TWC to furnish retail water service within the District on a phased basis according to completion of construction of certain improvements to the TWC waterworks system. The Phase 1 improvements consist of approximately 6,450 linear feet of 12-inch pipeline required to extend water service from TWC's existing waterworks system to the first phase of internal distribution lines constructed within the District. The Water Service Agreement provides for TWC to furnish up to 300 LUEs of water service within the District upon completion of the Phase 1 improvements. The Phase 1 water service improvements have been completed and accepted by TWC. The Phase 2 improvements include the construction of three (3) 900 gpm pumps to be installed by TWC. The Developer or District are responsible for payment a pro rata share of the Phase 2 improvement costs. Upon completion of construction of the Phase 2 improvements and receipt of payment, the Water Service Agreement provides for TWC to make available a 395 LUEs of water service within the District located below 1,230 feet mean sea level. The Developer has made the required contribution to TWC for the Phase 2 improvements. Completed in 2023, TWC finished the final phase (Phase 3) of approximately 6,600 linear feet of 16" pipeline, the Developer fulfilled their obligation by paying for all construction costs related to the improvements, this increasing the total LUE count to 1,850. In addition, as of January 1, 2026, the Developer has completed construction of the internal water distribution improvements required for the provision of water service to the first fourteen units (subdivisions) of development within the District (Meyer Ranch Unit Nos. One through Fourteen), which include 1,187 single family residential lots.

According to the District's Engineer, 1,850 LUEs of water service capacity available under the Water Service Agreement is sufficient for full buildout within the District.

**WASTEWATER COLLECTION AND TREATMENT . . .** The District is the holder of Waste Discharge Permit No. WQ-0015314001 (the "Permit") issued by TCEQ. The Permit authorizes the treatment and disposal of up to 390,000 gallons per day of treated wastewater effluent into Dry Creek, thence into Comal Creek, within the Guadalupe River Basin. The Permit authorizes the treatment and disposal of wastewater effluent on a phased basis. The current phase of the permit authorizes the treatment and disposal of 300,000 gallons per day of treated wastewater effluent. The third and final phase of the Permit authorizes the treatment and disposal of 390,000 gallons per day of treated wastewater effluent.

As of January 1, 2026, the District has completed construction and commencement of operation of a wastewater treatment plant expansion. The plant has been designed to treat up to 300,000 gallons per day of wastewater pursuant to the current phase of the Permit. The remaining phase and associated 90,000 gpd expansion of the plant will be designed and constructed if needed.

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

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

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

**100-YEAR FLOOD PLAIN . . .** A portion of the District is affected by the 100-year flood plain, as identified by the Federal Flood Insurance Administration Rate Map No. 48091C0245F for Comal County, Texas, dated September 2, 2009 and revised to reflect an approved LOMR shown Effective on May 20, 2021. As a result of the approved LOMR all lots within units 1 through 5 are shown to be outside of the 100-year flood plain. On October 14, 2020 Federal Emergency Management Agency ("FEMA") approved a Conditional Letter of Map Revision ("CLOMR") for Meyer Ranch Units 6 through 10 to allow minimal fills and grading within the floodplain to raise all lots within these subdivision sections out of the proposed developed floodplain. No lots are expected to be developed on land that is located within the boundary of the 100-year Flood Plain, as modified by the approved CLOMR.

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

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

*[The remainder of this page intentionally left blank.]*

## DEBT SERVICE REQUIREMENTS

**TABLE 1 – PROJECTED DEBT SERVICE SCHEDULE**

Fiscal Year Ended	Existing Debt			The Bonds			Total Debt Service
	Principal	Interest	Total	Principal	Interest <sup>(a)</sup>	Total	
2026	\$ 775,000	\$ 2,191,929	\$ 2,966,929	\$ -	\$ -	\$ -	\$ 2,966,929
2027	960,000	2,226,421	3,186,421	-	411,396	411,396	3,597,817
2028	1,015,000	2,175,526	3,190,526	100,000	341,250	441,250	3,631,776
2029	1,065,000	2,124,899	3,189,899	105,000	336,000	441,000	3,630,899
2030	1,125,000	2,072,209	3,197,209	110,000	330,488	440,488	3,637,696
2031	1,175,000	2,017,296	3,192,296	115,000	324,713	439,713	3,632,009
2032	1,230,000	1,964,538	3,194,538	120,000	318,675	438,675	3,633,213
2033	1,290,000	1,908,694	3,198,694	130,000	312,375	442,375	3,641,069
2034	1,365,000	1,853,094	3,218,094	135,000	305,550	440,550	3,658,644
2035	1,425,000	1,794,244	3,219,244	145,000	298,463	443,463	3,662,706
2036	1,500,000	1,738,394	3,238,394	150,000	290,850	440,850	3,679,244
2037	1,575,000	1,682,100	3,257,100	160,000	282,975	442,975	3,700,075
2038	1,660,000	1,621,863	3,281,863	165,000	274,575	439,575	3,721,438
2039	1,735,000	1,557,831	3,292,831	175,000	265,913	440,913	3,733,744
2040	1,830,000	1,490,506	3,320,506	185,000	256,725	441,725	3,762,231
2041	1,915,000	1,419,069	3,334,069	195,000	247,013	442,013	3,776,081
2042	2,015,000	1,342,931	3,357,931	205,000	236,775	441,775	3,799,706
2043	2,125,000	1,261,981	3,386,981	215,000	226,013	441,013	3,827,994
2044	2,230,000	1,175,731	3,405,731	225,000	214,725	439,725	3,845,456
2045	2,355,000	1,085,138	3,440,138	240,000	202,913	442,913	3,883,050
2046	2,460,000	989,400	3,449,400	250,000	190,313	440,313	3,889,713
2047	2,595,000	889,113	3,484,113	265,000	177,188	442,188	3,926,300
2048	2,725,000	783,238	3,508,238	280,000	163,275	443,275	3,951,513
2049	2,860,000	671,975	3,531,975	295,000	148,575	443,575	3,975,550
2050	2,845,000	554,394	3,399,394	310,000	133,088	443,088	3,842,481
2051	2,795,000	435,900	3,230,900	325,000	116,813	441,813	3,672,713
2052	2,725,000	314,213	3,039,213	340,000	99,750	439,750	3,478,963
2053	2,400,000	192,625	2,592,625	360,000	81,900	441,900	3,034,525
2054	1,275,000	83,313	1,358,313	380,000	63,000	443,000	1,801,313
2055	615,000	27,675	642,675	400,000	43,050	443,050	1,085,725
2056	-	-	-	420,000	22,050	442,050	442,050
	<u>\$ 53,660,000</u>	<u>\$ 39,646,237</u>	<u>\$ 93,306,237</u>	<u>\$ 6,500,000</u>	<u>\$ 6,716,383</u>	<u>\$ 13,216,383</u>	<u>\$ 106,522,620</u>

(a) Interest calculated at an assumed rate for purposes of illustration only. Preliminary, subject to change.

*[The remainder of this page intentionally left blank.]*

**FINANCIAL STATEMENT  
(Unaudited)**

**TABLE 2 – TAXABLE ASSESSED VALUE**

2023 Certified Taxable Assessed Valuation .....	\$ 226,102,334 (a)
2024 Certified Taxable Assessed Valuation .....	\$ 296,585,224 (a)
2025 Certified Taxable Assessed Valuation .....	\$ 336,021,753 (a)
Estimated Taxable Assessed Valuation (as of December 1, 2025) .....	\$ 415,340,613 (b)
Gross Direct Debt Outstanding .....	\$ 60,160,000 (c)
Ratio of Gross Direct Debt to 2025 Certified Taxable Assessed Valuation.....	17.90%
Ratio of Gross Direct Debt to Estimated Taxable Assessed Valuation (as of December 1, 2025).....	14.48%

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

(b) As estimated by the CAD as of December 1, 2025 for informational purposes only.

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

**TABLE 3 – UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED**

Purpose	Date Authorized	Amount Authorized	Heretofore Issued	Being Issued	Unissued Balance
Water, Sewer, Drainage	11/7/2017	\$ 207,675,000	\$ 37,750,000	\$ -	\$ 169,925,000
Road Improvements	11/7/2017	83,700,000	17,005,000	6,500,000	60,195,000
Refunding	11/7/2017	437,062,500	-	-	437,062,500
Total		<u>\$ 728,437,500</u>	<u>\$ 54,755,000</u>	<u>\$ 6,500,000</u>	<u>\$ 667,182,500</u>

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

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

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

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

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

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

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

*[The remainder of this page intentionally left blank.]*

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

Taxing Jurisdiction	Total Tax Supported Debt	Estimated % Applicable	District's Overlapping Tax Supported Debt as of 2/28/2026
Comal County	\$ 86,510,000	0.78%	\$ 674,778
Comal Independent School District	1,375,405,214	0.97%	13,341,431
Comal County ESD #2	-	0.41%	-
Comal County ESD #3	-	0.41%	-
Meyer Ranch MUD of Comal County	60,160,000	100.00%	<u>60,160,000</u> <sup>(a)</sup>
Total Direct and Overlapping Tax Supported Debt			\$ 74,176,209
Ratio of Direct and Overlapping Tax Supported Debt to 2025 Certified TAV			22.07%

(a) Includes the Bonds and the Outstanding Bonds.

#### TAX DATA

**TABLE 4 – TAX RATE AND COLLECTIONS**

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

Fiscal Year Ended	Tax Rate	General Operating Fund	Debt I&S Fund	Tax Levy	% Total Collections
9/30					
2022	\$ 0.9500	\$ 0.5750	\$ 0.3750	\$ 867,694	100.05%
2023	0.9500	0.4000	0.5500	1,558,359	99.81%
2024	0.9500	0.2500	0.7000	2,452,816	100.27%
2025	0.9500	0.2000	0.7500	2,787,983	99.77%
2026	0.9500	0.1500	0.8000	3,192,207	100.67% <sup>(a)</sup>

(a) Partial collections through February 10, 2026.

**TAX RATE LIMITATION . . .** The District’s tax rate for debt service on the Bonds is legally unlimited as to rate and amount. The District adopted a debt service tax rate of \$0.8000 per \$100 of assessed valuation for the 2025 tax year.

**MAINTENANCE TAX . . .** The District has the statutory authority to levy and collect an annual ad valorem tax for maintaining, repairing and operating the District’s facilities and for paying administrative expenses of the District, if such maintenance tax is authorized by the District’s voters. An election for such a tax was held on November 7, 2017 at which time a maintenance tax not to exceed \$1.00 per \$100 assessed valuation was approved by the District’s voters. The District adopted a 2025 tax year maintenance tax of \$0.1500.

**TABLE 5 – PRINCIPAL TAXPAYERS . . .** The following list of principal taxpayers was provided by the Comal Appraisal District based on the 2025 tax rolls of the District, which reflect ownership as of January 1 of each year shown.

Taxpayer	Taxable Assessed Value	% of 2025 Taxable Assessed Valuation
CCD Meyer Ranch Land LLC <sup>(a)</sup>	\$ 13,142,050	3.91%
Brightland Homes Ltd. <sup>(b)</sup>	7,979,442	2.37%
Chesmar Homes LLC <sup>(b)</sup>	6,290,150	1.87%
Scott Felder Homes LLC <sup>(b)</sup>	3,553,750	1.06%
Weekley Homes LLC <sup>(b)</sup>	2,941,970	0.88%
Highland Homes-San Antonio LLC <sup>(b)</sup>	2,176,362	0.65%
Highland Homes-San Antonio LLC <sup>(b)</sup>	1,962,750	0.58%
Meyer Ranch Master Community Inc.	997,630	0.30%
Gehan Homes Ltd. <sup>(b)</sup>	942,586	0.28%
Texas Water Company, Inc.	821,950	0.24%
	\$ 40,808,640	12.14%

(a) The Developer. See “THE DEVELOPER.”

(b) The designated taxpayer is in the homebuilding industry. See “THE DEVELOPER – Homebuilders within the District.”

#### TAX ADEQUACY FOR DEBT SERVICE

The calculations shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation from the 2025 Certified Taxable Assessed Valuation and utilize tax rates adequate to service the Districts’ total projected debt service requirements, including the Bonds (at an assumed interest rate for purposes of illustration). No available debt service funds are reflected in these computations. See “INVESTMENT CONSIDERATIONS – Impact on District Tax Rates.”

Projected Average Annual Debt Service Requirements on the Bonds (2026-2056) .....	\$ 3,436,214
\$1.0765 Tax Rate on 2025 Certified Taxable Assessed Valuation of \$336,021,753 @ 95% collections .....	\$ 3,436,410
Projected Maximum Annual Debt Service Requirements on the Bonds (2049) .....	\$ 3,975,550
\$1.2454 Tax Rate on 2025 Certified Taxable Assessed Valuation of \$336,021,753 @ 95% collections .....	\$ 3,975,574

#### TAXING PROCEDURES

**AUTHORITY TO LEVY TAXES . . .** The Board is authorized to levy an annual ad valorem tax on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Bonds, 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 Order to levy such a tax from year-to-year as described more fully herein under “THE BONDS – Source of and Security for Payment.” Under Texas law, the Board is also authorized to levy and collect an ad valorem tax for the operation and maintenance of the District and its water and wastewater system and for the payment of certain contractual obligations, if authorized by its voters. See “TAX DATA – Tax Rate Limitation.”

**PROPERTY TAX CODE AND COUNTY-WIDE APPRAISAL DISTRICT . . .** The Texas Property Tax Code (the “Property Tax Code”) specifies the taxing procedures of all political subdivisions of the State, 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 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. CAD 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 Central Appraisal Review Board (the “Appraisal Review Board”).

**PROPERTY SUBJECT TO TAXATION BY THE DISTRICT . . . General:** 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 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; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years of age or older and of certain disabled persons to the extent deemed advisable by the Board. The District may be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the previous 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. 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 of taxable valuation depending upon the disability rating of the veteran claiming the exemption, and qualifying surviving spouses of persons 65 years of age or older will be entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse. A veteran who receives a disability rating of 100% is entitled to an exemption for the full amount of the veteran's residential homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. 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 of the surviving 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 to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation if the exemption is adopted by the governing body of the political subdivision before July 1. 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 District has never adopted a general homestead exemption.

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

**Freeport Goods and Goods-in-Transit Exemption:** Article VIII, Section 1-j of the Texas Constitution provides for an exemption from ad valorem taxation for "freeport property," which is defined as goods detained in the state for 175 days or less for the purpose of assembly, storage, manufacturing, processing, or fabrication. Taxing units that took action prior to April 1, 1990 may continue to tax freeport property and decisions to continue to tax freeport property may be reversed in the future. However, decisions to exempt freeport property are not subject to reversal. In addition, effective for tax years 2008 and thereafter, Article VIII, Section 1-n of the Texas Constitution provides for an exemption from taxation for "goods-in-transit," which are defined as personal property acquired or imported into the state and transported to another location inside or outside the state within 175 days of the date the property was acquired or imported into the state. The exemption excludes oil, natural gas, petroleum products, aircraft, and special inventory, including motor vehicle, vessel and outboard motor, heavy equipment, and manufactured housing inventory. After holding a public hearing, a taxing unit may take action by January 1 of the year preceding a tax year to tax goods-in-transit during the following tax year. A taxpayer may obtain only a freeport exemption or a goods-in-transit exemption for items of personal property. Freeport goods and goods-in-transit are not exempt from taxation by the District; however, pursuant to a resolution dated November 28, 2011, the District has elected to continue to tax goods in transit.

**Temporary Exemption for Qualified Property Damaged by a Disaster:** The Property Tax Code provides for 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. 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.

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

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

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

On July 13, 2023, during the Second Special Session, the Texas Legislature passed Senate Bill 2, which, among other things, includes provisions that prohibit an appraisal district from increasing the appraised value of real property during the 2024 tax year on non-homestead properties (the "subjected property") whose appraised values are not more than \$5 million dollars (the "maximum property value") to an amount not to exceed the lesser of: (1) the market value of the subjected property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent (20%) of the appraised value of the subjected property for the preceding tax year; (b) the appraised value of the subjected property for the preceding tax year; and (c) the market value of all new improvements to the subjected property (collectively, the "appraisal cap"). After the 2024 tax year, through December 31, 2026, the maximum property value may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in the consumer price index, as applicable, to the maximum property value. The appraisal cap took effect on January 1, 2024.

**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 BCAD to compel compliance with the Property Tax Code.

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

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

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) 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 continue to accrue during the period of deferral.

**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 tax 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 are classified as “Developing Districts” (or “Other Districts”). The impact each classification has on the ability of a district to increase its total 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 in excess of 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 required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for the Special Taxing Unit is the current tax year’s debt service and contract tax rates plus the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, subject to certain homestead exemptions.

#### *Developed Districts*

Developed Districts that adopt a total tax rate in excess of 1.035 times the amount of the total tax rate 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 and any unused increments authorized by the Property Tax Code for the preceding tax year, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for the Developed District is the current year’s debt tax service rate, contract tax rate, and the operation and maintenance tax rate that would impose 1.035 times the amount of the operation and maintenance tax imposed by the District in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead in the District in that year, plus any unused increment rates (the “voter-approved tax rate”). An election is not required if the adopted tax rate is less than or equal to the voter-approved tax rate. 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 or Other Districts*

The qualified voters of these districts, upon the district’s adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If a rollback election is called and passes, the total tax rate for Developing Districts is the current year’s debt service and contract tax rates plus the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, subject to certain homestead exemptions.

#### *The District*

A determination as to a district’s status as a Special Taxing District, Developed District, or Developing District will be made on an annual basis, at the time a district sets its tax rate. The Board of Directors designated the District as a Developing District for the 2025 tax year. The District cannot give any assurances as to what its classification will be at any point in time or whether the District’s future tax rates will result in a total tax rate that will reclassify the District into a new classification and new rollback election calculation.

**DISTRICT’S RIGHTS IN THE EVENT OF TAX DELINQUENCIES . . .** Taxes levied by the District are a personal obligation of the owner of the property on January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State and each local taxing unit, including the District, having power to tax the property. The District’s tax lien is on a parity with tax liens of such other taxing units. See “FINANCIAL STATEMENT – Estimated Overlapping Debt Statement.” A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest. At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within two years 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. See “INVESTMENT CONSIDERATIONS –Tax Collections and Foreclosure Remedies.”

**EFFECT OF FIRREA ON TAX COLLECTIONS . . .** FIRREA contains provisions which affect the time for protesting property valuations, the fixing of tax liens, and the collection of penalties and interest on delinquent taxes on real property owned by the FDIC when the FDIC is acting as the conservator or receiver of an insolvent financial institution.

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

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

## **LEGAL MATTERS**

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

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

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

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

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

## **TAX MATTERS**

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

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

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

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

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

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

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

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

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

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

**COLLATERAL FEDERAL INCOME TAX CONSEQUENCES . . .** The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership, or disposition of the Bonds. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

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

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

Interest on the Bonds may be includable in certain corporations' "adjusted financial statement income" determined under Section 56A of the Code to calculate the alternative minimum tax imposed by Section 55 of the Code.

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

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

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

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

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

## CONTINUING DISCLOSURE OF INFORMATION

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

**ANNUAL REPORTS . . .** The District will provide certain updated financial information and operating data to certain information to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement in tables 1 through 5 and in APPENDIX B. The District will update and provide this information within six months after the end of each fiscal year. The District will provide the updated information to the MSRB.

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

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

**NOTICE OF CERTAIN EVENTS . . .** The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of Beneficial Owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person within the meaning of CFR § 240.15c2-12 (the “Rule”); (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person within the meaning of the Rule or the sale of all or substantially all of the assets of the District or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of an definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation (as defined by the Rule, which includes certain debt, debt-like, and debt-related obligations) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

For these purposes, any event described in clause (12) of the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the District in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

For the purposes of the events described in clauses (15) and (16) of the preceding paragraph, the term “Financial Obligation” is defined in the Bond Order to mean (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, and existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule. The Bond Order further provides that the District intends the words in such clauses (15) and (16) in the preceding paragraph and in the definition of Financial Obligation to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 29, 2018.

The District will also provide timely notice of any failure by the District to provide annual financial information in accordance with its agreement described above under “– Annual Reports.”

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

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

**LIMITATIONS AND AMENDMENTS . . .** The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Registered Owners may seek a writ of mandamus to compel the District to comply with its agreement.

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

the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

**COMPLIANCE WITH PRIOR UNDERTAKINGS . . .** For the last five years, the District has complied with its continuing disclosure undertaking.

### **FINANCIAL ADVISOR**

The Official Statement was compiled and edited under the supervision of Specialized Public Finance Inc. (the “Financial Advisor”), which firm is currently employed as Financial Advisor to the District. The fees paid to the Financial Advisor for services rendered in connection with the issuance and sale of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered, and therefore such fees are contingent on the sale and delivery of the Bonds. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to the issuer and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

### **OFFICIAL STATEMENT**

**PREPARATION . . .** The District has no employees but engages various professionals and consultants to assist the District in the day-to-day activities of the District. See “THE DISTRICT.” The Board in its official capacity has relied upon the below mentioned consultants and sources in preparation of this Official Statement. The information in this Official Statement was compiled and edited by the Financial Advisor.

**CONSULTANTS . . .** In approving this Official Statement, the District has relied upon the following consultants in addition to the Financial Advisor.

**District’s Engineer:** The information contained in the 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” and “THE SYSTEM,” has been provided by the District’s Engineer, and has been included in reliance upon the authority of said firm in the field of civil engineering.

**Auditor:** The District’s financial statements for fiscal year ending September 30, 2025 were audited by McGrath & Co., PLLC, Certified Public Accountants, and excerpts of the District’s Audited Financial Statements as of September 30, 2025 have been included as APPENDIX B in reliance upon such firm’s authority in the field of accounting.

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

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

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

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

---

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

---

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

## **PHOTOGRAPHS**

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

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









**APPENDIX A**

**FORM OF BOND COUNSEL'S OPINION**

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

**MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY  
UNLIMITED TAX ROAD BONDS, SERIES 2026  
IN THE AGGREGATE PRINCIPAL AMOUNT OF \$6,500,000**

**AS BOND COUNSEL FOR MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL COUNTY** (the "District") of the bonds described above (the "Bonds"), we have examined into the legality and validity of the Bonds, which bear interest from the dates specified in the text of the Bonds, until maturity or redemption, at the rates and payable on the dates specified in the text of the Bonds all in accordance with the order of the Board of Directors of the District adopted on April 9, 2026\* authorizing the issuance of the Bonds (the "Bond Order").

**WE HAVE EXAMINED** the Constitution and laws of the State of Texas, certified copies of the proceedings of the District, including the Bond Order and other documents authorizing and relating to the issuance of the Bonds, and we have examined various certificates and documents executed by officers and officials of the District upon which certificates and documents we rely as to certain matters stated below. We have also examined one of the executed Bonds (Bond Numbered T-1) and specimens of Bonds to be authenticated and delivered in exchange for the Bonds.

**BASED ON SAID EXAMINATION, IT IS OUR OPINION** that said Bonds have been duly authorized, issued and delivered in accordance with law; and that said Bonds, except as the enforceability thereof may be limited by laws relating to governmental immunity, bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws now or hereafter enacted related to creditors' rights generally or by general principle of equity which permit the exercise of judicial discretion, constitute valid and legally binding obligations of the District, payable from ad valorem taxes without legal limit as to rate or amount to be levied and collected by the District upon taxable property within the District, which taxes the District has covenanted to levy in an amount sufficient (together with revenues and receipts from other sources which are legally available for such purposes) to pay the interest on and the principal of the Bonds. Such covenant to levy taxes is subject to the right of a city, under existing Texas law, to annex all of the territory within the District; to take over all properties and assets of the District; to assume all debts, liabilities, and obligations of the District, including the Bonds; and to abolish the District.

**THE DISTRICT** reserves the right to issue additional bonds which will be payable from taxes; bonds, notes, and other obligations payable from revenues; and bonds payable

\* Preliminary, Subject to change.



from contracts with other persons, including private corporations, municipalities, and political subdivisions.

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

**EXCEPT AS STATED ABOVE**, we express no opinion as to any other federal, state, or local tax consequences of acquiring, carrying, owning or disposing of the Bonds, including the amount, accrual or receipt of interest on, the Bonds. In particular, but not by way of limitation, we express no opinion with respect to the federal, state or local tax consequences arising from the enactment of any pending or future legislation. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds.

**WE CALL YOUR ATTENTION TO THE FACT** that the interest on tax-exempt obligations, such as the Bonds, may be includable in a corporation's adjusted financial statement income for purposes of determining the alternative minimum tax imposed on certain corporations by section 55 of the Code.

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



to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

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

**OUR SOLE ENGAGEMENT** in connection with the issuance of the Bonds is as Bond Counsel for the District, and, in that capacity, we have been engaged by the District for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas, and with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes, and for no other reason or purpose. The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. We have not been requested to investigate or verify, and have not independently investigated or verified any records, data, or other material relating to the financial condition or capabilities of the District, or the disclosure thereof in connection with the sale of the Bonds, and have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the marketability of the Bonds and have relied solely on certificates executed by officials of the District as to the current outstanding indebtedness of and the assessed valuation of taxable property within the District. Our role in connection with the District's Official Statement prepared for use in connection with the sale of the Bonds has been limited as described therein.

**THE FOREGOING OPINIONS** represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result.

Respectfully,

## **APPENDIX B**

### **Audited Financial Statements**

The information contained in this appendix has been excerpted from the audited financial statements of Meyer Ranch Municipal Utility District for the fiscal year ended September 30, 2025. Certain information not considered to be relevant to this financing has been omitted; however, complete audit reports are available upon request.

# **McGRATH & CO., PLLC**

*Certified Public Accountants*

2900 North Loop West, Suite 880

Houston, Texas 77092

## **Independent Auditor's Report**

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

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Meyer Ranch Municipal Utility District of Comal County (the "District"), as of and for the year ended September 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 Meyer Ranch Municipal Utility District of Comal County, as of September 30, 2025, and the respective changes in financial position thereof 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.

### **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.

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.

***Board of Directors  
Meyer Ranch Municipal Utility District of Comal County  
Comal County, Texas***

**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 budgetary comparison information 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

*Board of Directors  
Meyer Ranch Municipal Utility District of Comal County  
Comal County, Texas*

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 schedules are presented for purposes of additional analysis and are 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 been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Texas Supplementary Information schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.



Houston, Texas  
January 9, 2026

*(This page intentionally left blank)*

## **Management's Discussion and Analysis**

*(This page intentionally left blank)*

***Meyer Ranch Municipal Utility District of Comal County  
Management's Discussion and Analysis  
September 30, 2025***

**Using this Annual Report**

This section of the financial report of Meyer Ranch Municipal Utility District of Comal County (the "District") provides a narrative discussion and analysis of the financial activities of the District for the fiscal year ended September 30, 2025. This analysis should be read in conjunction with the independent auditor's report and the basic financial statements that follow this section.

In addition to this discussion and analysis, this annual report consists of:

- The District's basic financial statements;
- Notes to the basic financial statements, which provide additional information essential to a full understanding of the data provided in the financial statements;
- Supplementary information required by the Governmental Accounting Standards Board (GASB) concerning the District's budget; and
- Other Texas supplementary information required by the District's state oversight agency, the Texas Commission on Environmental Quality (TCEQ).

**Overview of the Financial Statements**

The District prepares its basic financial statements using a format that combines fund financial statements and government-wide statements onto one financial statement. The combined statements are the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances*. Each statement contains an adjustments column which quantifies the differences between the government-wide and fund level statements. Additional details of the adjustments are provided in Note 2 to the basic financial statements.

**Government-Wide Financial Statements**

The focus of government-wide financial statements is on the overall financial position and activities of the District, both long-term and short-term. The District's government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*, which are prepared using the accrual basis of accounting. The *Statement of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual reported as net position. Over time, changes in net position may provide a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

Accounting standards establish three components of net position. The net investment in capital assets component represents the District's investments in capital assets, less any outstanding debt or other borrowings used to acquire those assets. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The restricted component of net position consists of financial resources that are restricted for a specific purpose by enabling legislation or external parties. The unrestricted component of net position represents resources not included in the other components.

**Meyer Ranch Municipal Utility District of Comal County  
 Management’s Discussion and Analysis  
 September 30, 2025**

The *Statement of Activities* reports how the District’s net position has changed during the fiscal year. All revenues and expenses are included on this statement, regardless of whether cash has been received or paid.

**Fund Financial Statements**

The fund financial statements include the *Governmental Funds Balance Sheet* and the *Governmental Funds Revenues, Expenditures and Changes in Fund Balances*. The focus of fund financial statements is on specific activities of the District rather than the District as a whole, reported using modified accrual accounting. These statements report on the District’s use of available financial resources and the balances of available financial resources at the end of the year. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties, governmental statutes or regulations.

For further discussion on the government-wide and fund financial statements, please refer to Note 1 in the financial statements.

**Financial Analysis of the District as a Whole**

The District’s net position at September 30, 2025, was negative \$40,352,379. The District’s net position is negative because the District incurs debt to construct road facilities which it conveys to Comal County and water facilities which it conveys to Texas Water Company. A comparative summary of the District’s overall financial position, as of September 30, 2025 and 2024, is as follows:

	2025	2024
Current and other assets	\$ 4,198,554	\$ 3,972,587
Capital assets	35,019,850	24,022,414
Total assets	39,218,404	27,995,001
Current liabilities	1,288,486	1,061,141
Long-term liabilities	78,282,297	62,692,996
Total liabilities	79,570,783	63,754,137
Net position		
Net investment in capital assets	(8,255,672)	(7,240,756)
Restricted	1,455,370	1,502,602
Unrestricted	(33,552,077)	(30,020,982)
Total net position	\$ (40,352,379)	\$ (35,759,136)

***Meyer Ranch Municipal Utility District of Comal County  
Management's Discussion and Analysis  
September 30, 2025***

The total net position of the District decreased during the current fiscal year by \$4,593,243. A comparative summary of the District's *Statement of Activities* for the past two fiscal years is as follows:

	<u>2025</u>	<u>2024</u>
Revenues		
Property taxes	\$ 2,866,881	\$ 2,461,567
Sewer service	945,544	799,537
Other	336,061	289,533
Total revenues	<u>4,148,486</u>	<u>3,550,637</u>
Expenses		
Current service operations	1,563,660	1,504,922
Debt interest and fees	1,811,204	1,410,258
Developer interest		3,617,540
Debt issuance costs		2,043,223
Depreciation and amortization	762,526	515,154
Total expenses	<u>4,137,390</u>	<u>9,091,097</u>
Change in net position before other item	11,096	(5,540,460)
Other item		
Transfer of road and water facilities	<u>(4,604,339)</u>	<u>(3,505,854)</u>
Change in net position	(4,593,243)	(9,046,314)
Net position, beginning of year	<u>(35,759,136)</u>	<u>(26,712,822)</u>
Net position, end of year	<u>\$ (40,352,379)</u>	<u>\$ (35,759,136)</u>

**Financial Analysis of the District's Funds**

The District's combined fund balances, as of September 30, 2025, were \$3,914,446, which consists of \$1,341,306 in the General Fund, \$1,685,339 in the Debt Service Fund and \$887,801 in the Capital Projects Fund.

***Meyer Ranch Municipal Utility District of Comal County  
Management’s Discussion and Analysis  
September 30, 2025***

*General Fund*

A comparative summary of the General Fund’s financial position as of September 30, 2025 and 2024, is as follows:

	2025	2024
Total assets	\$ 1,589,563	\$ 1,322,479
Total liabilities	\$ 247,666	\$ 243,209
Total deferred inflows	591	2,669
Total fund balance	1,341,306	1,076,601
Total liabilities, deferred inflows and fund balance	\$ 1,589,563	\$ 1,322,479

A comparative summary of the General Fund’s activities for the current and prior fiscal year is as follows:

	2025	2024
Total revenues	\$ 1,728,115	\$ 1,601,083
Total expenditures	(1,463,410)	(1,416,232)
Revenues over expenditures	\$ 264,705	\$ 184,851

The District manages its activities with the objectives of ensuring that expenditures will be adequately covered by revenues each year and that an adequate fund balance is maintained. The District’s primary financial resources in the General Fund are from a property tax levy, the provision of sewer services to customers within the District and tap connection fees charged to homebuilders in the District. Financial resources are influenced by a variety of factors each year:

- Property tax revenues are dependent upon assessed values in the District and the maintenance tax rate set by the District. While assessed values in the District increased from the prior year, property tax revenues decreased because the District decreased the maintenance component of the levy.
- Sewer revenues are dependent upon the number of connections in the District, which fluctuates based on the number of occupied homes in the District, and on water usage by residents.
- Tap connection fees fluctuate with homebuilding activity within the District.

***Meyer Ranch Municipal Utility District of Comal County  
Management’s Discussion and Analysis  
September 30, 2025***

*Debt Service Fund*

A comparative summary of the Debt Service Fund’s financial position as of September 30, 2025 and 2024, is as follows:

	2025	2024
Total assets	\$ 1,694,672	\$ 1,730,534
Total liabilities	\$ 7,470	\$ 2,538
Total deferred inflows	1,863	8,422
Total fund balance	1,685,339	1,719,574
Total liabilities, deferred inflows and fund balance	\$ 1,694,672	\$ 1,730,534

A comparative summary of the Debt Service Fund’s activities for the current and prior fiscal year is as follows:

	2025	2024
Total revenues	\$ 2,387,459	\$ 1,927,659
Total expenditures	(2,421,694)	(1,603,329)
Revenues over/(under) expenditures	(34,235)	324,330
Other changes in fund balance		417,344
Net change in fund balance	\$ (34,235)	\$ 741,674

The District’s financial resources in the Debt Service Fund in both the current and prior fiscal year are from property tax revenues. During the prior fiscal year, financial resources also included capitalized interest from the sale of bonds. The difference between these financial resources and debt service requirements resulted in changes in fund balance each year. It is important to note that the District sets its annual debt service tax rate as recommended by its financial advisor, who monitors projected cash flows in the Debt Service Fund to ensure that the District will be able to meet its future debt service requirements.

*Capital Projects Fund*

A comparative summary of the Capital Projects Fund’s financial position as of September 30, 2025 and 2024, is as follows:

	2025	2024
Total assets	\$ 914,319	\$ 920,855
Total liabilities	\$ 26,518	\$ 1,281
Total fund balance	887,801	919,574
Total liabilities and fund balance	\$ 914,319	\$ 920,855

**Meyer Ranch Municipal Utility District of Comal County  
Management’s Discussion and Analysis  
September 30, 2025**

A comparative summary of activities in the Capital Projects Fund for the current and prior fiscal year is as follows:

	<u>2025</u>	<u>2024</u>
Total revenues	\$ 41,549	\$ 25,860
Total expenditures	<u>(73,322)</u>	<u>(26,225,615)</u>
Revenues under expenditures	(31,773)	(26,199,755)
Other changes in fund balance		27,201,156
Net change in fund balance	<u>\$ (31,773)</u>	<u>\$ 1,001,401</u>

The District did not have any significant capital asset activity in the current year. During the prior fiscal year, capital asset activity was financed with proceeds from the issuance of its Series 2023 and Series 2024 Unlimited Tax Bonds.

**General Fund Budgetary Highlights**

The Board of Directors adopts an annual unappropriated budget for the General Fund prior to the beginning of each fiscal year. The Board did not amend the budget during the fiscal year.

Since the District’s budget is primarily a planning tool, actual results varied from the budgeted amounts. Actual net change in fund balance was \$242,562 greater than budgeted. The *Budgetary Comparison Schedule* on page 34 of this report provides variance information per financial statement line item.

**Capital Assets**

The District has entered into financing agreements with its developers for the financing of the construction of capital assets within the District. Developers will be reimbursed from proceeds of future bond issues or other lawfully available funds. These developer funded capital assets are recorded on the District’s financial statements upon completion of construction.

Capital assets held by the District at September 30, 2025 and 2024, are summarized as follows:

	<u>2025</u>	<u>2024</u>
Capital assets not being depreciated		
Land and improvements	<u>\$ 3,896,330</u>	<u>\$ 3,268,107</u>
Capital assets being depreciated		
Infrastructure	34,313,627	23,181,888
Less accumulated depreciation	<u>(3,190,107)</u>	<u>(2,427,581)</u>
Depreciable capital assets, net	<u>31,123,520</u>	<u>20,754,307</u>
Capital assets, net	<u>\$ 35,019,850</u>	<u>\$ 24,022,414</u>

***Meyer Ranch Municipal Utility District of Comal County  
Management’s Discussion and Analysis  
September 30, 2025***

Capital asset additions during the current fiscal year include the following:

- Meyer Ranch – wastewater treatment plant expansion
- Meyer Ranch Unit 13 – sewer and drainage facilities
- Meyer Ranch Unit 14 – sewer and drainage facilities

Additionally, Comal County assumes responsibility (after a one-year maintenance period) for road facilities constructed within the boundaries of the County. The District also conveys water projects upon completion and inspection to Texas Water Company (“TWC”) and TWC uses these facilities to provide water service to customers in the District. Accordingly, these facilities are not considered assets of the District. The estimated value of these assets is recorded as transfers of road and water facilities upon completion of construction. This estimated cost is trued-up when the developer is reimbursed. For the year ended September 30, 2025, capital assets in the amount of \$4,604,339 have been recorded as “Transfers of road and water facilities” in the government-wide statements.

**Long-Term Debt and Related Liabilities**

As of September 30, 2025, the District owes approximately \$34,897,297 to developers for completed projects and operating advances. The initial cost of the completed project and related liability is estimated based on actual construction costs plus 10-15% for engineering and other fees and is recorded on the District’s financial statements upon completion of construction. As discussed in Note 6, the District has an additional commitment in the amount of \$11,380,000 for projects under construction by the developers. As noted, the District will owe its developer for these projects upon completion of construction. The District intends to reimburse the developer from proceeds of future bond issues or other lawfully available funds. The estimated cost of amounts owed to the developer is trued up when the developer is reimbursed.

At September 30, 2025 and 2024, the District had total bonded debt outstanding as shown below:

Series	2025	2024
2019 Road	\$ 2,515,000	\$ 2,575,000
2020 Road	3,160,000	3,235,000
2021 Road	3,640,000	3,730,000
2022 Road	6,845,000	6,960,000
2023	17,250,000	17,500,000
2024	10,750,000	10,750,000
	<u>\$ 44,160,000</u>	<u>\$ 44,750,000</u>

At September 30, 2025, the District had \$179,425,000 unlimited tax bonds authorized, but unissued for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District; \$66,695,000 for road improvements and \$437,062,500 for refunding purposes.

***Meyer Ranch Municipal Utility District of Comal County  
 Management’s Discussion and Analysis  
 September 30, 2025***

**Property Taxes**

The District’s property tax base increased approximately \$36,628,000 for the 2025 tax year from \$302,504,927 to \$339,133,137. This increase was primarily due to new construction in the District and increased property values. For the 2025 tax year, the District has levied a maintenance tax rate of \$0.15 per \$100 of assessed value and a debt service tax rate of \$0.80 per \$100 of assessed value, for a total combined tax rate of \$0.95 per \$100 of assessed value. Tax rates for the 2024 tax year were \$0.20 per \$100 for maintenance and operations and \$0.75 per \$100 for debt service for a combined total of \$0.95 per \$100 of assessed value.

**Next Year’s Budget**

In establishing the budget for the next fiscal year, the Board considered various economic factors that may affect the District, most notably projected revenues from property taxes and sewer services and the projected cost of operating the District and providing services to customers. A comparison of next fiscal year’s budget to current fiscal year actual amounts for the General Fund is as follows:

	<u>2025 Actual</u>	<u>2026 Budget</u>
Total revenues	\$ 1,728,115	\$ 1,716,439
Total expenditures	<u>(1,463,410)</u>	<u>(1,575,241)</u>
Revenues over expenditures	264,705	141,198
Beginning fund balance	<u>1,076,601</u>	<u>1,341,306</u>
Ending fund balance	<u><u>\$ 1,341,306</u></u>	<u><u>\$ 1,482,504</u></u>

## **Basic Financial Statements**

**Meyer Ranch Municipal Utility District of Comal County**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**September 30, 2025**

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
<b>Assets</b>						
Cash	\$ 124,684	\$ -	\$ -	\$ 124,684	\$ -	\$ 124,684
Investments	1,241,503	1,693,072	961,074	3,895,649		3,895,649
Taxes receivable	591	1,863		2,454		2,454
Customer service receivables	175,490			175,490		175,490
Internal balances	47,018	(263)	(46,755)			
Prepaid items	277			277		277
Capital assets not being depreciated					3,896,330	3,896,330
Capital assets, net					31,123,520	31,123,520
<b>Total Assets</b>	<b>\$ 1,589,563</b>	<b>\$ 1,694,672</b>	<b>\$ 914,319</b>	<b>\$ 4,198,554</b>	<b>35,019,850</b>	<b>39,218,404</b>
<b>Liabilities</b>						
Accounts payable	\$ 136,328	\$ -	\$ 26,518	\$ 162,846		162,846
Other payables	111,338	7,470		118,808		118,808
Accrued interest payable					231,832	231,832
Due to developer					34,897,297	34,897,297
Long-term debt						
Due within one year					775,000	775,000
Due after one year					43,385,000	43,385,000
<b>Total Liabilities</b>	<b>247,666</b>	<b>7,470</b>	<b>26,518</b>	<b>281,654</b>	<b>79,289,129</b>	<b>79,570,783</b>
<b>Deferred Inflows of Resources</b>						
Deferred property taxes	591	1,863		2,454	(2,454)	
<b>Fund Balances/Net Position</b>						
<b>Fund Balances</b>						
Nonspendable	277			277	(277)	
Restricted		1,685,339	887,801	2,573,140	(2,573,140)	
Unassigned	1,341,029			1,341,029	(1,341,029)	
<b>Total Fund Balances</b>	<b>1,341,306</b>	<b>1,685,339</b>	<b>887,801</b>	<b>3,914,446</b>	<b>(3,914,446)</b>	
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,589,563</b>	<b>\$ 1,694,672</b>	<b>\$ 914,319</b>	<b>\$ 4,198,554</b>		
<b>Net Position</b>						
Net investment in capital assets					(8,255,672)	(8,255,672)
Restricted for debt service					1,455,370	1,455,370
Unrestricted					(33,552,077)	(33,552,077)
<b>Total Net Position</b>					<b>\$ (40,352,379)</b>	<b>\$ (40,352,379)</b>

See notes to basic financial statements.

*Meyer Ranch Municipal Utility District of Comal County  
Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended September 30, 2025*

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
<b>Revenues</b>						
Sewer service	\$ 945,544	\$ -	\$ -	\$ 945,544	\$ -	\$ 945,544
Penalties and interest - service	9,452			9,452		9,452
Property taxes	606,439	2,267,039		2,873,478	(6,597)	2,866,881
Penalties and interest - taxes	1,547	5,505		7,052	(2,040)	5,012
Tap connection and inspection	94,200			94,200		94,200
Miscellaneous	19,446	14		19,460		19,460
Investment earnings	51,487	114,901	41,549	207,937		207,937
<b>Total Revenues</b>	<b>1,728,115</b>	<b>2,387,459</b>	<b>41,549</b>	<b>4,157,123</b>	<b>(8,637)</b>	<b>4,148,486</b>
<b>Expenditures/Expenses</b>						
Current service operations						
Purchased services	24,946			24,946		24,946
Professional fees	152,159		73,322	225,481		225,481
Contracted services	585,473	26,928		612,401		612,401
Repairs and maintenance	600,395			600,395		600,395
Administrative	99,530			99,530		99,530
Other	907			907		907
Debt service						
Principal		590,000		590,000	(590,000)	
Interest and fees		1,804,766		1,804,766	6,438	1,811,204
Depreciation					762,526	762,526
<b>Total Expenditures/Expenses</b>	<b>1,463,410</b>	<b>2,421,694</b>	<b>73,322</b>	<b>3,958,426</b>	<b>178,964</b>	<b>4,137,390</b>
<b>Revenues Over (Under)</b>						
<b>Expenditures/Expenses</b>	264,705	(34,235)	(31,773)	198,697	(187,601)	11,096
<b>Other Item</b>						
Transfers to other governments					(4,604,339)	(4,604,339)
<b>Net Change in Fund Balances</b>	264,705	(34,235)	(31,773)	198,697	(198,697)	
<b>Change in Net Position</b>					(4,593,243)	(4,593,243)
Fund Balance/Net Position						
Beginning of the year	1,076,601	1,719,574	919,574	3,715,749	(39,474,885)	(35,759,136)
<b>End of the year</b>	<b>\$ 1,341,306</b>	<b>\$ 1,685,339</b>	<b>\$ 887,801</b>	<b>\$ 3,914,446</b>	<b>\$ (44,266,825)</b>	<b>\$ (40,352,379)</b>

See notes to basic financial statements.

*(This page intentionally left blank)*

***Meyer Ranch Municipal Utility District of Comal County***  
***Notes to Financial Statements***  
***September 30, 2025***

**Note 1 – Summary of Significant Accounting Policies**

The accounting policies of Meyer Ranch Municipal Utility District of Comal County (the “District”) conform with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”). The following is a summary of the most significant policies:

**Creation**

The District was organized, created and established pursuant to an order of the Texas Commission on Environmental Quality, dated October 11, 2016, and operates in accordance with the Texas Water Code, Chapters 49 and 54. The Board of Directors held its first meeting on February 3, 2017, and the first bonds were issued on December 17, 2019.

The District’s primary activities include construction of water, sewer, drainage and road facilities. As further discussed in Note 9, the District transfers the road facilities to Comal County and water facilities to Texas Water Company for operation and maintenance upon completion of construction. The District has contracted with various consultants to provide services to operate and administer the affairs of the District. The District has no employees, related payroll or pension costs.

**Reporting Entity**

The District is a political subdivision of the State of Texas governed by an elected five-member board. The GASB has established the criteria for determining the reporting entity for financial statement reporting purposes. To qualify as a primary government, a government must have a separately elected governing body, be legally separate, and be fiscally independent of other state and local governments, while a component unit is a legally separate government for which the elected officials of a primary government are financially accountable. Fiscal independence implies that the government has the authority to adopt a budget, levy taxes, set rates, and/or issue bonds without approval from other governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statements as component units.

**Government-Wide and Fund Financial Statements**

Government-wide financial statements display information about the District as a whole. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Interfund activity, if any, has been removed from these statements. These aggregated statements consist of the *Statement of Net Position* and the *Statement of Activities*.

Fund financial statements display information at the individual fund level. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for a specific purpose. Each fund is considered to be a separate accounting entity. Most governments typically have many funds; however, governmental financial statements focus on the most important or “major”

***Meyer Ranch Municipal Utility District of Comal County***  
***Notes to Financial Statements***  
***September 30, 2025***

funds with non-major funds aggregated in a single column. The District has three governmental funds, which are all considered major funds.

The following is a description of the various funds used by the District:

- The General Fund is used to account for the operations of the District's sewer system and all other financial transactions not reported in other funds. The principal sources of revenue are property taxes and sewer service fees. Expenditures include costs associated with the daily operations of the District.
- The Debt Service Fund is used to account for the payment of interest and principal on the District's general long-term debt. The primary source of revenue for debt service is property taxes. Expenditures include costs incurred in assessing and collecting these taxes.
- The Capital Projects Fund is used to account for the expenditures of bond proceeds for the construction of the District's water, sewer and drainage facilities and road improvements.

As a special-purpose government engaged in a single governmental program, the District has opted to combine its government-wide and fund financial statements in a columnar format showing an adjustments column for reconciling items between the two.

### **Measurement Focus and Basis of Accounting**

The government-wide financial statements use the economic resources measurement focus and the full 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 revenue in the year for which they are levied.

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes both available and measurable to finance expenditures of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes, interest earned on investments and income from District operations. Property taxes receivable at the end of the fiscal year are treated as deferred inflows because they are not considered available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

Note 2 further details the adjustments from the governmental fund presentation to the government-wide presentation.

### **Use of Restricted Resources**

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, then unrestricted resources as they are needed.

*Meyer Ranch Municipal Utility District of Comal County*  
*Notes to Financial Statements*  
*September 30, 2025*

**Prepaid Items**

Certain payments made by the District reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**Receivables**

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Receivables from and payables to external parties are reported separately and are not offset, unless a legal right of offset exists. At September 30, 2025, an allowance for uncollectible accounts was not considered necessary.

**Unbilled Service Revenues**

Utility revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided but unbilled at year-end has been included in the accompanying financial statements.

**Interfund Activity**

During the course of operations, transactions occur between individual funds. This can include internal transfers, payables and receivables. This activity is combined as internal balances and is eliminated in both the government-wide and fund financial statement presentation.

**Capital Assets**

Capital assets do not provide financial resources at the fund level, and, therefore, are reported only in the government-wide statements. The District defines capital assets as assets with an initial cost that exceeds the capitalization threshold for the asset class and an estimated useful life in excess of one year. Capital assets that individually are below the capitalization threshold but, in the aggregate, are above the threshold are capitalized. Subsequent replacements of these assets that do not exceed the threshold are not capitalized. The District’s capitalization threshold for infrastructure assets is \$50,000. The threshold for subscription-based information technology arrangements (SBITAs) is \$100,000.

Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire the asset on the acquisition date. The District has not capitalized interest incurred during the construction of its capital assets. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Depreciable capital assets, which primarily consist of wastewater and drainage facilities, are depreciated using the straight-line method as follows:

<u>Assets</u>	<u>Useful Life</u>
Infrastructure	10-45 years

*Meyer Ranch Municipal Utility District of Comal County*  
*Notes to Financial Statements*  
*September 30, 2025*

The District’s storm water retention facilities are considered improvements to land and are non-depreciable.

**Deferred Inflows and Outflows of Financial Resources**

A deferred inflow of financial resources is the acquisition of resources in one period that is applicable to a future period, while a deferred outflow of financial resources is the consumption of financial resources in one period that is applicable to a future period. A deferred inflow results from the acquisition of an asset without a corresponding revenue or assumption of a liability. A deferred outflow results from the use of an asset without a corresponding expenditure or reduction of a liability.

At the fund level, property taxes receivable not collected within 60 days of fiscal year end do not meet the availability criteria required for revenue recognition and are recorded as deferred inflows of financial resources.

**Net Position – Governmental Activities**

Governmental accounting standards establish the following three components of net position:

Net investment in capital assets – represents the District’s investments in capital assets, less any outstanding debt or other borrowings used to acquire those assets.

Restricted – consists of financial resources that are restricted for a specific purpose by enabling legislation or external parties.

Unrestricted – resources not included in the other components.

**Fund Balances – Governmental Funds**

Governmental accounting standards establish the following fund balance classifications:

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. The District’s nonspendable fund balance consists of prepaid items.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. The District’s restricted fund balances consist of unspent bond proceeds in the Capital Projects Fund and property taxes levied for debt service in the Debt Service Fund.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. Committed fund balance also incorporates contractual obligations to the

*Meyer Ranch Municipal Utility District of Comal County*  
*Notes to Financial Statements*  
*September 30, 2025*

extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. 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 not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned - all other spendable amounts in the General Fund.

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

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include, among others, the collectability of receivables; the value of unbilled utility revenues and receivables; the useful lives and impairment of capital assets; the value of amounts due to developer; the value of capital assets transferred to Comal County and Texas Water Company and the value of capital assets for which the developer has not been fully reimbursed. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from the estimates.

*Meyer Ranch Municipal Utility District of Comal County*  
*Notes to Financial Statements*  
*September 30, 2025*

**Note 2 – Adjustment from Governmental to Government-wide Basis**

**Reconciliation of the *Governmental Funds Balance Sheet* to the *Statement of Net Position***

Total fund balance, governmental funds		\$ 3,914,446
--	--	--------------

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.

Historical cost		\$ 38,209,957
Less accumulated depreciation		<u>(3,190,107)</u>
		35,019,850

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. The difference consists of:

Accrued interest payable		(231,832)
Due to developer		(34,897,297)
Bonds payable		<u>(44,160,000)</u>
		(79,289,129)

Deferred inflows in the fund statements consist of property taxes receivable and related penalties and interest that have been levied and are due, but are not available to pay current period expenditures. These amounts are included in revenues in the government-wide statements.

2,454

Total net position - governmental activities		<u><u>\$ (40,352,379)</u></u>
--	--	-------------------------------

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

**Reconciliation of the *Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* to the *Statement of Activities***

Net change in fund balances - total governmental funds \$ 198,697

Governmental funds do not report revenues that are not available to pay current obligations. In contrast, such revenues are reported in the *Statement of Activities* when earned. The difference is for property taxes and related penalties and interest. (8,637)

Financial reporting for capital assets varies significantly between the fund statements and the government-wide statements. Reporting at the fund level focuses on the impact of transactions on financial resources (i.e., cash), while reporting at the government-wide level seeks to allocate the cost of the acquisition of capital assets over their useful lives and to measure the economic impact of developer financing of capital assets used by the District or conveyed to other governmental entities. Differences during the current fiscal year are for the following:

Transfers of road and water facilities	\$ (4,604,339)	
Depreciation expense	(762,526)	
		(5,366,865)

Financial reporting for certain obligations varies between the fund statements and the government-wide statements. At the fund level, the focus is on increases and decreases of financial resources as debt is issued and repaid. At the government-wide level, the focus is on measuring and reporting on changes in the District's obligation to repay liabilities in the future. Differences during the current fiscal year are for the following:

Principal payments	590,000	
Interest expense accrual	(6,438)	
		583,562

Change in net position of governmental activities \$ (4,593,243)

**Note 3 – Deposits and Investments**

**Deposit Custodial Credit Risk**

Custodial credit risk as it applies to deposits (i.e. cash) is the risk that, in the event of the failure of the depository institution, a government will not be able to recover its deposits or will not be able to recover collateral securities. The *Public Funds Collateral Act* (Chapter 2257, Texas Government Code) requires that all of the District's deposits with financial institutions be covered by federal depository

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

insurance and, if necessary, pledged collateral held by a third-party custodian. The act further specifies the types of securities that can be used as collateral. The District’s written investment policy establishes additional requirements for collateralization of deposits.

**Investments**

The District is authorized by the *Public Funds Investment Act* (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including Federal Home Loan Banks, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states and political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) certain insured or collateralized certificates of deposit and share certificates, (8) certain fully collateralized repurchase agreements, (9) bankers’ acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds, with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

The District has adopted a written investment policy to establish the principles by which the District’s investment program should be managed. This policy further restricts the types of investments in which the District may invest.

As of September 30, 2025, the District’s investments consist of the following:

Type	Fund	Carrying Value	Rating	Weighted Average Maturity
TexPool	General	\$ 1,241,503	AAAm	44 days
	Debt Service	1,693,072		
	Capital Projects	961,074		
		<u>\$ 3,895,649</u>		

The District’s investments in certificates of deposit are reported at cost.

**TexPool**

The District participates in TexPool, the Texas Local Government Investment Pool. The State Comptroller of Public Accounts exercises oversight responsibility of TexPool, which includes (1) the ability to significantly influence operations, (2) designation of management and (3) accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price and seeks to maintain a constant dollar value per share. Accordingly, the fair value of the District’s position in TexPool is the same as the value of TexPool shares. Investments in TexPool may be withdrawn on a same day basis, as long as the transaction is executed by 3:30 p.m.

**Investment Credit and Interest Rate Risk**

Investment credit risk is the risk that the investor may not recover the value of an investment from the issuer, while interest rate risk is the risk that the value of an investment will be adversely affected by changes in interest rates. The District’s investment policies do not address investment credit and interest rate risk beyond the rating and maturity restrictions established by state statutes.

**Note 4 – Interfund Balances and Transactions**

Amounts due to/from other funds at September 30, 2025, consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amounts</u>	<u>Purpose</u>
General Fund	Debt Service Fund	\$ 263	Maintenance tax collections and Debt Service Fund expenditures due to the General Fund
General Fund	Capital Projects Fund	46,755	Bond application fees paid by the General Fund

**Note 5 – Capital Assets**

A summary of changes in capital assets, for the year ended September 30, 2025, is as follows:

	<u>Beginning Balances</u>	<u>Additions/ Adjustments</u>	<u>Ending Balances</u>
Capital assets not being depreciated			
Land and improvements	\$ 3,268,107	\$ 628,223	\$ 3,896,330
Capital assets being depreciated			
Infrastructure	23,181,888	11,131,739	34,313,627
Less accumulated depreciation	(2,427,581)	(762,526)	(3,190,107)
Subtotal depreciable capital assets, net	20,754,307	10,369,213	31,123,520
Capital assets, net	\$ 24,022,414	\$ 10,997,436	\$ 35,019,850

Depreciation expense for the current fiscal year was \$762,526.

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

**Note 6 – Due to Developer**

The District has entered into a financing agreement with its developer for the financing of the construction of water, sewer and drainage facilities and road improvements. Under the agreement, the developer will construct facilities on behalf of the District. The developer will be reimbursed from proceeds of future bond issues or other lawfully available funds, subject to approval by TCEQ, as applicable. The District does not record the capital asset and related liability on the government-wide statements until construction of the facilities is complete. The initial cost is estimated based on construction costs plus 10-15% for engineering and other fees. Estimates are trued up when the developer is reimbursed.

The District’s developer has also advanced funds to the District for operating expenses.

Changes in the estimated amount due to developer during the fiscal year is as follows:

Due to developer, beginning of year	\$ 18,532,996
Developer funded construction	16,364,301
Due to developer, end of year	<u>\$ 34,897,297</u>

In addition, the District will owe the developer approximately \$11,380,000, which is included in the following schedule of contractual commitments. The exact amount is not known until approved by the TCEQ and verified by the District’s auditor. As previously noted, these projects will be reported in the government-wide financial statements upon completion of construction.

	Contract Amount*
Meyer Ranch Unit 16 - utilities and paving	<u>\$ 11,380,000</u>

\* Rounded to the nearest \$10,000

**Note 7 – Long-Term Debt**

Long-term debt is comprised of the following:

Bonds payable	<u>\$ 44,160,000</u>
Due within one year	<u>\$ 775,000</u>

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

The District’s bonds payable at September 30, 2025, consists of unlimited tax bonds as follows:

Series	Amounts Outstanding	Original Issue	Interest Rates	Maturity Date, Serially, Beginning/Ending	Interest Payment Dates	Call Dates
2019 Road	\$ 2,515,000	\$ 2,745,000	2.00% - 3.25%	August 15, 2022/2049	February 15, August 15	August 15, 2025
2020 Road	3,160,000	3,375,000	2.00% - 4.00%	August 15, 2023/2050	February 15, August 15	August 15, 2026
2021 Road	3,640,000	3,815,000	2.00% - 3.00%	August 15, 2024/2051	February 15, August 15	August 15, 2026
2022 Road	6,845,000	7,070,000	3.00% - 6.00%	August 15, 2024/2052	February 15, August 15	August 15, 2027
2023	17,250,000	17,500,000	4.25% - 6.75%	August 15, 2025/2053	February 15, August 15	August 15, 2028
2024	10,750,000	10,750,000	4.00% - 6.00%	August 15, 2026/2054	February 15, August 15	August 15, 2029
	<u>\$ 44,160,000</u>					

Payments of principal and interest on all series of bonds are to be provided from taxes levied on all properties within the District. Investment income realized by the Debt Service Fund from investment of idle funds will be used to pay outstanding bond principal and interest. The District is in compliance with the terms of its bond resolutions.

At September 30, 2025, the District had authorized but unissued bonds in the amount of \$179,425,000 for water, sewer and drainage facilities; \$66,695,000 for road facilities; and \$437,062,500 for refunding purposes.

The change in the District’s long-term debt during the year is as follows:

Bonds payable, beginning of year	\$ 44,750,000
Bonds retired	(590,000)
Bonds payable, end of year	<u>\$ 44,160,000</u>

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

As of September 30, 2025, annual debt service requirements on bonds outstanding are as follows:

Year	Principal	Interest	Totals
2026	\$ 775,000	\$ 1,814,341	\$ 2,589,341
2027	815,000	1,774,821	2,589,821
2028	860,000	1,733,352	2,593,352
2029	905,000	1,692,798	2,597,798
2030	955,000	1,650,510	2,605,510
2031	995,000	1,606,646	2,601,646
2032	1,040,000	1,565,588	2,605,588
2033	1,090,000	1,522,091	2,612,091
2034	1,155,000	1,479,491	2,634,491
2035	1,205,000	1,434,292	2,639,292
2036	1,270,000	1,389,992	2,659,992
2037	1,330,000	1,342,899	2,672,899
2038	1,405,000	1,292,462	2,697,462
2039	1,465,000	1,238,632	2,703,632
2040	1,545,000	1,182,445	2,727,445
2041	1,615,000	1,123,132	2,738,132
2042	1,700,000	1,060,107	2,760,107
2043	1,795,000	993,332	2,788,332
2044	1,880,000	921,933	2,801,933
2045	1,985,000	847,089	2,832,089
2046	2,075,000	768,001	2,843,001
2047	2,190,000	685,038	2,875,038
2048	2,295,000	597,388	2,892,388
2049	2,410,000	505,476	2,915,476
2050	2,370,000	408,143	2,778,143
2051	2,295,000	311,024	2,606,024
2052	2,200,000	211,836	2,411,836
2053	1,845,000	113,874	1,958,874
2054	695,000	29,537	724,537
	<u>\$ 44,160,000</u>	<u>\$ 31,296,270</u>	<u>\$ 75,456,270</u>

**Note 8 – Property Taxes**

On November 7, 2017, the voters of the District authorized the District’s Board of Directors to levy taxes annually for use in financing general operations limited to \$1.00 per \$100 of assessed value. The District’s bond resolutions require that property taxes be levied for use in paying interest and principal on long-term debt and for use in paying the cost of assessing and collecting taxes. Taxes levied to finance debt service requirements on long-term debt are without limitation as to rate or amount.

All property values and exempt status, if any, are determined by the Comal Appraisal District. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related

**Meyer Ranch Municipal Utility District of Comal County**  
**Notes to Financial Statements**  
**September 30, 2025**

property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

Property taxes are collected based on rates adopted in the year of the levy. The District’s 2025 fiscal year was financed through the 2024 tax levy, pursuant to which the District levied property taxes of \$0.95 per \$100 of assessed value, of which \$0.20 was allocated to maintenance and operations and \$0.75 was allocated to debt service. The resulting tax levy was \$2,875,113 on the adjusted taxable value of \$302,504,927.

Property taxes receivable, at September 30, 2025, consisted of the following:

Current year taxes receivable	\$ 6,484
Prior years taxes receivable	(4,030)
Net property taxes receivable	<u>\$ 2,454</u>

**Note 9 – Transfers of Road and Water Facilities**

Comal County assumes responsibility for the maintenance of public roads constructed within the county limits. Accordingly, road facilities are considered to be capital assets of Comal County, not the District. The District also constructs water facilities that are not used by the District to provide services and are, therefore, not considered assets of the District. The estimated cost of each project is trued-up when the developer is subsequently reimbursed. For the year ended September 30, 2025, the District recorded “Transfers of road and water facilities” in the amount of \$4,604,339 for road and water facilities constructed by a developer within the District. See Note 10 for more detail on the conveyance of water facilities.

**Note 10 – Utility Agreement with Texas Water Company**

On October 4, 2016, the District entered into an agreement, as subsequently amended, with Texas Water Company (“TWC”). Pursuant to the terms of this agreement, the District is required to construct water facilities to serve customers within the service area. TWC is responsible for the operation and maintenance of the water system and is entitled to all revenues derived from the operation of the water system. Accordingly, water facilities constructed by the District are not considered capital assets of the District and, as components of the water system are completed, the District records the cost of the facilities as transfers on the *Statement of Activities*.

**Note 11 – Water Facilities Lease Purchase Agreement**

On August 20, 2019, the District entered into an agreement with TWC for the conveyance of water facilities. The District agrees to lease water facilities to TWC until the date that any bonds issued by the District to finance the facilities are no longer outstanding, the dissolution of the District, or the District conveys the facilities to TWC. At this point, these facilities will be considered owned by TWC. During this leased period, TWC will maintain and operate the water facilities for the District.

*Meyer Ranch Municipal Utility District of Comal County*  
*Notes to Financial Statements*  
*September 30, 2025*

**Note 12 – Risk Management**

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and personal injuries. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**Note 13 – Subsequent Event**

On October 14, 2025, the District issued its \$9,500,000 Series 2025 Unlimited Tax Bonds at a net effective rate of 4.710379%. Proceeds from the bonds were used to reimburse the District's developers for infrastructure improvements in the District.

## **Required Supplementary Information**

*Meyer Ranch Municipal Utility District of Comal County  
 Required Supplementary Information - Budgetary Comparison Schedule - General Fund  
 For the Year Ended September 30, 2025*

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Sewer service	\$ 877,764	\$ 945,544	\$ 67,780
Penalties and interest - service	7,500	9,452	1,952
Property taxes	603,572	606,439	2,867
Penalties and interest - taxes		1,547	1,547
Tap connection and inspection	43,200	94,200	51,000
Miscellaneous	6,480	19,446	12,966
Investment earnings	38,400	51,487	13,087
Total Revenues	<u>1,576,916</u>	<u>1,728,115</u>	<u>151,199</u>
<b>Expenditures</b>			
Current service operations			
Purchased services	18,000	24,946	(6,946)
Professional fees	139,500	152,159	(12,659)
Contracted services	531,263	585,473	(54,210)
Repairs and maintenance	735,200	600,395	134,805
Administrative	106,410	99,530	6,880
Other	24,400	907	23,493
Total Expenditures	<u>1,554,773</u>	<u>1,463,410</u>	<u>91,363</u>
<b>Revenues Over Expenditures</b>	22,143	264,705	242,562
<b>Fund Balance</b>			
Beginning of the year	<u>1,076,601</u>	<u>1,076,601</u>	
End of the year	<u>\$ 1,098,744</u>	<u>\$ 1,341,306</u>	<u>\$ 242,562</u>

*Meyer Ranch Municipal Utility District of Comal County*  
*Notes to Required Supplementary Information*  
*September 30, 2025*

**Budgets and Budgetary Accounting**

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. There were no amendments to the budget during the year.