

TABLE NO. 14
PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
BUILDOUT PROJECTIONS/PROPERTY VALUATION PROJECTIONS

YEAR 2001 - 2007													
Product		Totals		Acreage		Lots		Homes		Total A.V			
Section	Lot Size	Acres	Lots	\$/Acre	Total	Lots	\$/Lots	Home	\$/Home	Total	Total A.V		
SF-15	55' x 115'	18.36	82	\$7,500	\$137,715	0	\$0	0	\$0	\$0	\$137,715		
SF-15B		18.14	81	\$7,500	\$136,035	0	\$0	0	\$0	\$0	\$136,035		
SF-18	70' x 120'	21.16	74	\$7,500	\$158,678	0	\$0	0	\$0	\$0	\$158,678		
SF-18B		21.44	75	\$7,500	\$160,822	0	\$0	0	\$0	\$0	\$160,822		
SF-14	80' x 120'	27.58	83	\$7,500	\$206,843	0	\$0	0	\$0	\$0	\$206,843		
SF-14B		24.92	75	\$7,500	\$186,907	0	\$0	0	\$0	\$0	\$186,907		
SF-16	80' x 120'	19.98	60	\$7,500	\$149,882	0	\$0	0	\$0	\$0	\$149,882		
SF-15B		22.32	67	\$7,500	\$167,368	0	\$0	0	\$0	\$0	\$167,368		
SF-17	90' x 120'	26.80	67	\$7,500	\$201,000	0	\$0	0	\$0	\$0	\$201,000		
Commercial		Acres		\$/Acre	Total			Imp	Value	Total	Total A.V		
Commercial 1		2.18		\$7,500	\$16,350					\$0	\$16,350		
Remaining Acres				200.7	BC MUD 22 EST A.V. AS OF 1/1/08							\$1,521,600	
Developed Lots				0									
Completed Homes				0									

TABLE A.O. 14
PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
BUILDOUT PROJECTIONS/PROPERTY VALUATION PROJECTIONS

YEAR 2008													
Section	Product	Totals		Acreage		Lots		Homes		Total A.V			
		Acres	Lots	\$/Acre	Total	Lots	\$/Lots	Home	\$/Home	Total	Total	Value	Imp
SF-15	55' x 115'	18.36	82	\$0	\$0	82	\$26,600	0	\$148,800	\$0	\$2,181,200		
SF-15B		18.14	81	\$7,500	\$136,035	0	\$0	0	\$0	\$0	\$136,035		
SF-18	70' x 120'	21.16	74	\$7,500	\$158,678	0	\$0	0	\$0	\$0	\$158,678		
SF-18B		21.44	75	\$7,500	\$160,822	0	\$0	0	\$0	\$0	\$160,822		
SF-14	80' x 120'	27.58	83	\$0	\$0	83	\$35,100	0	\$194,800	\$0	\$2,913,300		
SF-14B		24.92	75	\$7,500	\$186,907	0	\$0	0	\$0	\$0	\$186,907		
SF-16	80' x 120'	19.98	60	\$7,500	\$149,882	0	\$0	0	\$0	\$0	\$149,882		
SF-15B		22.32	67	\$7,500	\$167,368	0	\$0	0	\$0	\$0	\$167,368		
SF-17	90' x 120'	26.80	67	\$0	\$0	67	\$46,000	7	\$256,500	\$1,795,500	\$4,877,500		
Commercial		Acres		\$/Acre	Total			Imp	Value	Total	Total A.V		
Commercial 1		2.18		\$7,500	\$16,350					\$0	\$16,350		
Remaining Acres				128.0	BC MUD 22 EST A.V. AS OF 1/1/09						\$10,948,042		
Developed Lots				232									
Completed Homes				7									

TABLE NO. 14
PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
BUILDOUT PROJECTIONS/PROPERTY VALUATION PROJECTIONS

YEAR 2009													
Section	Product	Lot Size	Totals		Acreage		Lots		Total		Homes		Total A.V
			Acres	Lots	\$/Acre	Total	Lots	\$/Lots	Total	Home	\$/Home	Total	
SF-15	55' x 115'	18.36	82		\$0	\$0	82	\$26,600	\$2,181,200	63	\$148,800	\$9,374,400	\$11,555,600
SF-15B		18.14	81		\$0	\$0	81	\$0	\$0	0	\$0	\$0	\$0
SF-18	70' x 120'	21.16	74		\$0	\$0	74	\$0	\$0	0	\$0	\$0	\$0
SF-18B		21.44	75		\$7,500	\$160,822	0	\$0	\$0	0	\$0	\$0	\$160,822
SF-14	80' x 120'	27.58	83		\$0	\$0	83	\$35,100	\$2,913,300	69	\$194,800	\$13,441,200	\$16,354,500
SF-14B		24.92	75		\$0	\$0	75	\$0	\$0	0	\$0	\$0	\$0
SF-16	80' x 120'	19.98	60		\$7,500	\$149,882	0	\$0	\$0	0	\$0	\$0	\$149,882
SF-15B		22.32	67		\$7,500	\$167,368	0	\$0	\$0	0	\$0	\$0	\$167,368
SF-17	90' x 120'	26.80	67		\$0	\$0	67	\$46,000	\$3,082,000	37	\$256,500	\$9,490,500	\$12,572,500
Commercial		Acres			\$/Acre	Total				Imp	Value	Total	Total A.V
Commercial 1		2.18			\$7,500	\$16,350						\$0	\$16,350
Remaining Acres					63.7								
Developed Lots					462								
Completed Homes					169								
BC MUD 22 EST A.V. AS OF 1/1/10													\$40,977,022

TABLE NO. 14
PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
BUILDOUT PROJECTIONS/PROPERTY VALUATION PROJECTIONS

YEAR 2010													
Product Section	Lot Size	Totals		Acreage		Lots		Homes		Total		Total A.V	
		Acres	Lots	\$/Acre	Total	Lots	\$/Lots	Home	\$/Home	Home	Total	Total	Total A.V
SF-15	55' x 115'	18.36	82	\$0	\$0	82	\$26,600	82	\$148,800	\$12,201,600	\$14,382,800		
SF-15B		18.14	81	\$0	\$0	81	\$27,900	65	\$156,200	\$10,153,000	\$12,412,900		
SF-18	70' x 120'	21.16	74	\$0	\$0	74	\$0	72	\$0	\$0	\$0		
SF-18B		21.44	75	\$0	\$0	75	\$0	0	\$0	\$0	\$0		
SF-14	80' x 120'	27.58	83	\$0	\$0	83	\$35,100	83	\$194,800	\$16,168,400	\$19,081,700		
SF-14B		24.92	75	\$0	\$0	75	\$36,800	58	\$204,500	\$11,861,000	\$14,621,000		
SF-16	80' x 120'	19.98	60	\$0	\$0	60	\$36,800	0	\$204,500	\$0	\$0		
SF-15B		22.32	67	\$7,500	\$167,368	0	\$0	0	\$0	\$0	\$0		
SF-17	90' x 120'	26.80	67	\$0	\$0	67	\$46,000	67	\$256,500	\$17,185,500	\$20,267,500		
Commercial		Acres		\$/Acre	Total			Imp	Value	Total	Total A.V		
Commercial 1		2.18		\$7,500	\$16,350					\$0	\$16,350		
Remaining Acres			22.3		BC MUD 22 EST A.V. AS OF 1/1/11								
Developed Lots			597										
Completed Homes			427										
												\$83,157,618	

TABLE NO. 14
PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
BUILDOUT PROJECTIONS/PROPERTY VALUATION PROJECTIONS

YEAR 2011													
Product	Totals		Acreage		Lots		Homes		Total A.V				
Section	Lot Size	Acres	Lots	\$/Acre	Total	Lots	\$/Lots	Total	Home	\$/Home	Total		
SF-15	55' x 115'	18.36	82	\$0	\$0	82	\$26,600	\$2,181,200	82	\$148,800	\$12,201,600	\$14,382,800	
SF-15B		18.14	81	\$0	\$0	81	\$27,900	\$2,259,900	81	\$156,200	\$12,652,200	\$14,912,100	
SF-18	70' x 120'	21.16	74	\$0	\$0	74	\$32,500	\$2,405,000	74	\$182,000	\$13,468,000	\$15,873,000	
SF-18B		21.44	75	\$0	\$0	75	\$32,500	\$2,437,500	70	\$182,000	\$12,740,000	\$15,177,500	
SF-14	80' x 120'	27.58	83	\$0	\$0	83	\$35,100	\$2,913,300	83	\$194,800	\$16,168,400	\$19,081,700	
SF-14B		24.92	75	\$0	\$0	75	\$36,800	\$2,760,000	75	\$204,500	\$15,337,500	\$18,097,500	
SF-16	80' x 120'	19.98	60	\$0	\$0	60	\$36,800	\$2,208,000	55	\$204,500	\$11,247,500	\$13,455,500	
SF-15B		22.32	67	\$0	\$0	67	\$37,700	\$2,525,900	0	\$209,300	\$0	\$2,525,900	
SF-17	90' x 120'	26.80	67	\$0	\$0	67	\$46,000	\$3,082,000	67	\$256,500	\$17,185,500	\$20,267,500	
Commercial		Acres		\$/Acre	Total				Imp	Value	Total	Total A.V	
Commercial 1		2.18		\$7,500	\$16,350				1	\$300,000	\$300,000	\$316,350	
Remaining Acres				0.0									
Developed Lots				664									
Completed Homes				587									
BC MUD 22 EST A.V. AS OF 1/1/12												\$134,089,850	

TABLE NO. 14
PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
BUILDOUT PROJECTIONS/PROPERTY VALUATION PROJECTIONS

YEAR 2012													
Product	Section	Lot Size	Totals		Acreage		Lots		Homes		Total A.V		
			Acres	Lots	\$/Acre	Total	Lots	\$/Lots	Home	\$/Home		Total	
SF-15	55' x 115'	18.36	82	\$0	\$0	\$26,600	\$2,181,200	82	\$148,800	\$12,201,600	\$14,382,800		
SF-15B		18.14	81	\$0	\$0	\$27,900	\$2,259,900	81	\$156,200	\$12,652,200	\$14,912,100		
SF-18	70' x 120'	21.16	74	\$0	\$0	\$32,500	\$2,405,000	74	\$182,000	\$13,468,000	\$15,873,000		
SF-18B		21.44	75	\$0	\$0	\$32,500	\$2,437,500	75	\$182,000	\$13,650,000	\$16,087,500		
SF-14	80' x 120'	27.58	83	\$0	\$0	\$35,100	\$2,913,300	83	\$194,800	\$16,168,400	\$19,081,700		
SF-14B		24.92	75	\$0	\$0	\$36,800	\$2,760,000	75	\$204,500	\$15,337,500	\$18,097,500		
SF-16	80' x 120'	19.98	60	\$0	\$0	\$36,800	\$2,208,000	60	\$204,500	\$12,270,000	\$14,478,000		
SF-15B		22.32	67	\$0	\$0	\$37,700	\$2,525,900	67	\$209,300	\$14,023,100	\$16,549,000		
SF-17	90' x 120'	26.80	67	\$0	\$0	\$46,000	\$3,082,000	67	\$256,500	\$17,185,500	\$20,267,500		
Commercial		Acres		\$/Acre	Total			Imp	Value	Total	Total A.V		
Commercial 1		2.18		\$7,500	\$16,350			1	\$300,000	\$300,000	\$316,350		
Remaining Acres				0.0	BC MUD 22 EST A.V. AS OF 1/1/12								
Developed Lots				664									
Completed Homes				664									
											\$150,045,450		

**PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22
CREATION REPORT**

**TABLE 15
2000 TAX RATES**

TABLE NO. 15

PROPOSED BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22

2000 TAX RATES

<u>Taxing Jurisdiction</u>	<u>Tax/ \$100 Value</u>
Pearland Independent School District	\$ 1.650000
Brazoria County	\$ 0.399500
Brazoria County Drainage District No. 4	\$ 0.134078
Proposed Brazoria County Municipal Utility District No. 22	<u>\$ 0.940000</u>
 TOTAL	 \$ 3.123578

Brazoria County
Municipal Utility District No. 22

Proposed 294.92 Acre Annexation

**BROWN
& GAY**
ENGINEERS, INC.

April 13, 2010

Board of Directors
Brazoria County MUD No. 22
c/o Allen Boone Humphries Robinson, L.L.P.
3200 Southwest Freeway, Suite 2600
Houston, TX 77027

Re: Brazoria County MUD No. 22
Proposed 294.93-Acre Annexation

Dear Directors:

We have performed a feasibility study of the proposed annexation for the referenced acreage into Brazoria County MUD 22. The analysis included the following:

1. Water and wastewater capacity.
2. Sanitary trunk sewer capacity.
3. Preliminary development costs to provide water distribution, sanitary sewer, and drainage facilities.
4. Bond issue requirement.

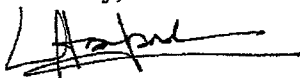
Our findings, based on the development of the acreage into 936 single-family lots are as follows:

1. The required additional water capacity for the proposed annexation will be available from the Brazoria County MUD 21 Water Plant No. 1 and Remote Water Well No. 1. The required additional wastewater treatment capacity for the proposed annexation will be available from the Brazoria County MUD 21 wastewater treatment plant.
2. The preliminary estimated development cost is \$18,831,219
3. An estimated \$33,000,000 (in today's dollars) in bonds will be required to finance the development of the 294.93 acres.
4. In the opinion of the District's Engineer, all current voter authorized but unissued bonds will not be sufficient to complete development of the District after annexation of the subject tracts. The estimated bond amount required for this annexation is \$33,000,000.

Based on the tax calculations attached, we believe it is practical and feasible for Brazoria County MUD No. 22 to annex the 294.93 acre tract. Supporting calculations and assumptions are attached.

Please contact me if you have any questions regarding this information.

Sincerely,



Sergio D. Handal, P.E.
Project Manager, Land Development

BRAZORIA COUNTY M.U.D NO. 22
PROPOSED 294.93 ACRE (936 ESFC) ANNEXATION
PRELIMINARY BOND ISSUANCE REQUIREMENT
(March 2010)

<u>Construction Costs</u>	<u>District Share (100%)</u>
1. Utilities (256.12 acres @ \$35,000/acre)	\$ 8,964,200
2. Detention Facilities (162.32 ac-ft)	\$ 1,309,381
3. Lift Station	\$ 200,000
4. Force Main	\$ 100,000
5. Wastewater Treatment Plant Facilities	\$ 1,560,000
6. Water Plant Facilities	\$ 1,400,000
Subtotal of Construction Costs	\$ 13,533,581
7. Contingencies (10% of Construction Costs)	\$ 1,353,358
8. Engineering and Materials Testing (17% of Construction and Contingencies)	\$ 2,530,780
9. Advertising (37 contracts)	\$ 111,000
10. Geotechnical Reports (37 reports)	\$ 277,500
11. Annexation Report	\$ 25,000
12. Regional Detention Study Update	\$ 25,000
13. Detention Facility Land Acquisition (39 ac @ \$25,000/ac.)	\$ 975,000
Total Construction Costs	\$ 18,831,219
<u>Nonconstruction Costs</u>	
A. Legal Fees ⁽¹⁾	\$ 700,000
B. Financial Advisor Fees ⁽²⁾	\$ 660,000
C. Interest:	
a. Capitalized Interest (2 years @ 7% of BIR)	\$ 4,620,000
b. Developer Interest (5 years @ 7%)	\$ 6,590,927
D. Bond Discount (3% of BIR)	\$ 990,000
E. Administration and Organization Expenses (Bond Issues & Annexation)	\$ 245,354
F. T.C.E.Q. Bond Issuance Fee (0.25% of BIR)	\$ 82,500
G. Bond Application Report Cost (8 Bond Issues)	\$ 280,000
Total Nonconstruction Costs	\$ 14,168,781
TOTAL BOND ISSUANCE REQUIREMENT	\$ 33,000,000

Notes:

- (1) Legal Fees are calculated as 3% of the BIR up to \$3,000,000, plus 2.5% of the BIR between \$3,000,000 and \$5,000,000, plus 2% of the BIR above \$5,000,000.
- (2) Financial Advisor Fees are calculated as 2% of the BIR.

Tax Calculation of BCMUD 22 without 294.93 Acre Annexation

Developer Exemption (100% Reimbursable)

Bond Ammount	\$ 23,850,000
Interest	7.00%
Time (years)	25
Annual Debt Service Requirement	\$2,046,581

"P"

"I"

"n"

"A"

$$A = P \left(\frac{i(1+i)^n}{(1+i)^n - 1} \right) = P(A/P)$$

Assessed Valuation	\$ 185,955,000
Min. ad valorem tax rate	\$ 1.2229
Round up ad valorem tax rate	\$ 1.23

Assumes 90% tax collection

Actual annual debt service tax revenue	\$ 2,058,522
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Based on 90% tax collection

Tax Calculation of BCMUD 22 including 294.93 Ac Annexation

Developer Exemption (100% Reimbursable)

Bond Ammount	\$ 56,850,000
Interest	7.00%
Time (years)	25
Annual Debt Service Requirement	\$4,878,328

"P"

"I"

"n"

"A"

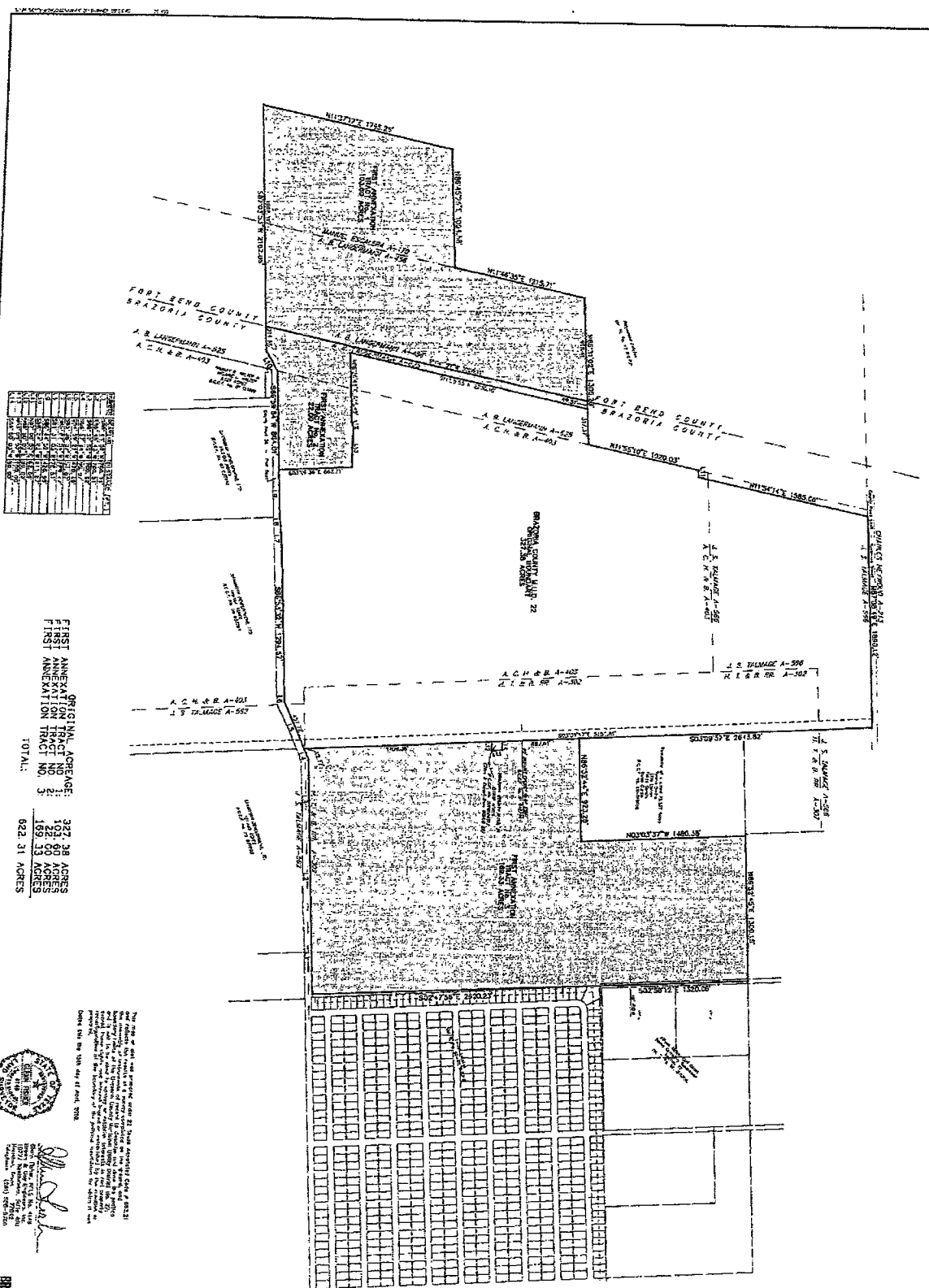
$$A = P \left(\frac{i(1+i)^n}{(1+i)^n - 1} \right) = P(A/P)$$

Assessed Valuation	\$ 361,784,250
Min. ad valorem tax rate	\$ 1.4982
Round up ad valorem tax rate	\$ 1.50

Assumes 90% tax collection

Actual annual debt service tax revenue	\$ 4,884,087
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Based on 90% tax collection



TRACT NO.	ACRES
1	192.90
2	189.11
3	189.11
TOTAL	571.12

ORIGINAL ACRES: 327.38 ACRES
 FIRST ANNEAL: 192.90 ACRES
 FIRST ANNEAL: 189.11 ACRES
 FIRST ANNEAL: 189.11 ACRES
 TOTAL: 571.12 ACRES



[Signature]
 Surveyor General
 State of Texas
 Austin, Texas

BROWN & GAY

Brown & Gay Engineers, Inc.
 1400 West Loop South, Suite 100
 Houston, Texas 77027
 Phone: (713) 961-1111
 Fax: (713) 961-1112

**BRAZORIA COUNTY
 MUNICIPAL UTILITY DISTRICT
 NUMBER 22
 REMISED
 DISTRICT BOUNDARY MAP**

CONTAINING 622.11 ACRES OF LAND
 SITUATED IN THE
 THE A.B. LANGSTON A-403
 THE A.C.H.R. A-403 & A-404
 THE A.B. LANGSTON A-403 & A-404
 BRAZORIA COUNTY, TEXAS
 THE A.B. LANGSTON A-403 & A-404
 THE A.C.H.R. A-403 & A-404
 FORT BEND COUNTY, TEXAS

SCALE: 1"=400' APRIL 16, 2010

Brazoria County
Municipal Utility District No. 22

Existing and Proposed Operating Budget

BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT #22
Budget for Fiscal Year Ending August 31, 2014

May 20, 2014

4/15/14

Second

Revenue :

	Actual MTD	Budget MTD	Actual YTD	Budget YTD	Annual Budget	AMENDED Annual Budget	AMENDED Annual Budget
Water/Sewer Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tap Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Swr Inspection Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance Tax	0.00	1,500.00	0.00	4,000.00	0.00	6,000.00	6,000.00
Interest Earnings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Developer Advance	0.00	10,450.00	45,000.00	27,866.67	35,000.00	35,000.00	41,800.00
	0.00	11,950.00	45,000.00	31,866.67	35,000.00	41,000.00	47,800.00

Expenses :

	Actual MTD	Budget MTD	Actual YTD	Budget YTD	Annual Budget	AMENDED Annual Budget	AMENDED Annual Budget
Purchased Sewer Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchased Water Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tap Connection Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sewer Inspection Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Directors Fees	750.00	1,200.00	4,050.00	3,200.00	2,000.00	2,000.00	4,800.00
Payroll Taxes	-57.40	62.50	-126.35	166.67	250.00	250.00	250.00
Legal Fees (General)	5,252.71	7,500.00	26,741.02	20,000.00	20,000.00	20,000.00	30,000.00
Legal Fees (Construction)	347.00	0.00	8,920.73	0.00	0.00	0.00	0.00
Engineering	754.76	750.00	7,823.50	2,000.00	3,000.00	3,000.00	3,000.00
Lab Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Election Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Permit Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operator	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bookkeeping	425.00	750.00	2,787.50	2,000.00	3,000.00	3,000.00	3,000.00
Repairs/Maintenance	0.00	50.00	0.00	133.33	200.00	200.00	200.00
Publication Legal Notice	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Chemicals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office Expenses	45.90	75.00	219.16	200.00	300.00	300.00	300.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance & Bonds	4,866.00	1,250.00	4,866.00	3,333.33	5,000.00	5,000.00	5,000.00
Travel Expenses	102.64	125.00	580.06	333.33	500.00	500.00	500.00
W/S Assessment Fees	0.00	187.50	0.00	500.00	750.00	750.00	750.00
Miscellaneous	0.00	0.00	1,202.66	0.00	0.00	0.00	0.00
TOTAL EXPENSES	12,486.61	11,950.00	57,064.28	31,866.67	35,000.00	35,000.00	47,800.00

Beginning Balance	(14,949.27)	(15,571.60)
Void prior yr ch BCAD	-	200.00
Net Surplus or (Deficit)	(12,486.61)	(12,064.28)
Funds Available as of May 20, 2014	(27,435.88)	(27,435.88)

BRAZORIA COUNTY MUD #22
PROPOSED OPERATING BUDGET
For Year Ending AUGUST 31, 2015

	Budget 8/31/2014	Actual Expenses 8	Projected Expenses at 12 months	1st DRAFT PROPOSED Budget for year ending 8/31/2015
INCOME:				
Water, Sewer & P&I	0	0	0	0
Tap Connection Fees	0	0	0	39,000
Maintenance Tax	0	0	0	0
Sewer Inspection Fees	0	0	0	15,900
Interest Earned	0	0	0	0
Developer Advance	35,000	45,000	60,000	59,150
Total Income	35,000	45,000	60,000	114,050
EXPENSES:				
Purchased Sewer Service	0	0	0	0
Purchased Water Service	0	0	0	0
Tap Connection Expenses	0	0	0	27,000
Sewer Inspection Expenses	0	0	0	7,500
Directors Fees	2,000	4,050	5,400	6,000
Payroll Taxes	250	-126	-168	450
Legal Fees (General)	20,000	26,741	35,655	38,000
Legal Fees (Construction)	0	8,921	11,894	10,000
Engineering	3,000	7,824	10,431	12,000
Lab Expenses	0	0	0	0
Election Expenses	0	0	0	0
Permit Fees	0	0	0	0
Operator	0	0	0	0
Bookkeeping	3,000	2,788	3,717	5,100
Repairs/Maintenance	200	0	0	200
Publication Legal Notice/Election exp.	0	0	0	0
Chemicals	0	0	0	0
Office Expenses	300	219	292	500
Utilities	0	0	0	0
Insurance & Bonds	5,000	4,866	4,878	5,000
Travel Expenses	500	580	773	800
Miscellaneous	750	1,203	1,604	1,500
Total Expense	35,000	57,064	74,476	114,050
SURPLUS (DEFICIT)	0	-12,064	-14,476	0

Brazoria County
Municipal Utility District No. 22

Annual Financial Report August 31, 2013



ANNUAL FINANCIAL REPORT of

District Name: Brazoria County Municipal Utility District # 22

Mailing Address: 1621 Milam - 3rd Floor

Houston, Texas 77002-8017

For The Fiscal Year Ended:

08-31-2013

(MM-DD-YYYY)

Prepared according to V.T.C.A. Water Code Section 49.198

Preparer: Myrtle Cruz, Inc.

Title: Bookkeeper

Date: October 2, 2013

AUDIT REPORT EXEMPTION

Texas Water Code Section 49.198 (effective September 1, 1997)

(a) A district may elect to file annual financial reports with the executive director in lieu of the district's compliance with Section 49.191 provided:

- (1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;
- (2) the district did not have gross receipts from operations, loans, taxes, or contributions in excess of \$100,000 during the fiscal period; and
- (3) the district's cash and temporary investments were not in excess of \$100,000 at any time during the fiscal period.

(b) The annual financial report must be accompanied by an affidavit attesting to the accuracy and authenticity of the financial report signed by a duly authorized representative of the district.

(c) The annual financial report and affidavit in a format prescribed by the executive director must be on file with the executive director within 45 days after the close of the district's fiscal year.

(d) Districts governed by this section are subject to periodic audits by the executive director.

If the accompanying financial statements are compiled by a certified public accountant, see SSARS-1 and SSARS-7 for the applicable standards for reporting on compiled financial statements.



FILING AFFIDAVIT

To: Texas Commission on Environmental Quality

Under the penalties of perjury, I certify that I have inspected the attached balance sheet, statement of receipts and disbursements, including the accompanying schedules and statements, and to the best of my knowledge and belief, they are a true, correct, and complete representation of the financial condition of:

Brazoria County Municipal Utility District # 22

as of

(Name of District)

August 31, 2013

(Date of Fiscal Year End)

I also certify that the above district has complied in full

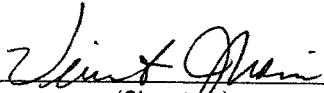
with all filing of audits, affidavits, and financial reports requirements of Section 49.194 of the Texas Water Code by filing copies of this Annual Financial Report in the district's office, located at:

1621 Milam - 3rd Floor Houston, Texas 77002-8017

(Address of District)

Vincent J. Norris - Bookkeeper

(Typed Name and Title)



(Signature)

October 2, 2013

(Date)

Sworn and subscribed to before me by Vincent J. Norris

This 2nd day of October, 2013


(Signature of Notary)

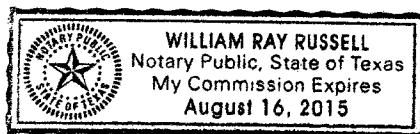
In & For Harris County, Texas

William R. Russell

(Typed Name of Notary)

August 16, 2015

(My Commission Expires On)



District Name: Brazoria County Municipal Utility District # 22

MISCELLANEOUS DISCLOSURES AND MAILING INFORMATION

As of The District's Fiscal Year-End

A. Disclosures to comply with Rule 30 TAC 293-95 (b)

- (1) Was there any developer activity to prepare for residential or commercial development?

"Developer activity" means construction performed or actions taken in preparation for construction (i.e., plans, permits) to provide services for or access to present or future residential or commercial water, sewer or drainage facilities.

(☒) yes () no

If yes, have payments for these facilities been made by (an) other party(ies) on behalf of the district?

(☒) yes () no

These payments are estimated to cumulatively be:

Organizational Costs	\$	<u>85,000</u>
Construction Costs		<u>149,500</u>
Administration Costs		<u>222,406</u>
Total Costs	\$	<u>456,906</u>

- (2) Was the Board aware of any other types of contingent or actual liabilities (e.g., claims, lawsuits) which are not disclosed elsewhere in this report?

() yes (☒) no If yes, explain.

- B. Disclosures to comply with V.T.C.A. Water Code §49.054(e) and §49.455(j).** The Texas Commission on environmental Quality must be notified of any changes in boundaries, board members, board terms, and addresses. Guidance for filing this information and a District Registration Form may be obtained by calling 512/239-4691.

- C. Additional Information.** This report should be sent to:

Utility & District Oversight Team, MC-152
Texas Commission on Environmental Quality
P. O. Box 13087
Austin, Texas 78711-3087

Phone #: (512) 239-4691 Facsimile #: (512) 239-6109



BALANCE SHEET - CASH BASIS

ASSETS

Cash on Hand	\$	
Cash in Bank (Schedule A)		1,813
Investments (Schedule B)		
TOTAL CASH AND INVESEMENTS (1)		1,813
Accrued Interest Receivable-Optional (Schedule B)		
Inventory		
General Fixed Assets		
Other Assets		
(Explain)		
TOTAL ASSETS (2)	\$	1,813

LIABILITIES AND EXCESS

Notes Payable	\$	
Refundable Deposits		
Developer Advances		
Other Liabilities		
(Explain)		
(Explain)		
TOTAL LIABILITIES		- 0 -
Excess Assets Over Liabilities		1,813
TOTAL LIABILITIES AND EXCESS (3)	\$	1,813

Note to Preparer. "TOTAL CASH AND INVESTMENTS" (1) **must equal** "CASH AND INVESTMENTS - End of Year" on the Statement of Receipts and Disbursements, page 5. "TOTAL LIABILITIES AND EXCESS" (3) **must equal** "TOTAL ASSETS" (2).



STATEMENT OF RECEIPTS AND DISBURSEMENTS - CASH BASIS

RECEIPTS

Service Revenues	\$ _____
Tax Receipts	_____
Penalty and Interest Received	_____
Interest Received on Investments	_____
Loans or Advances	21,000
All Other Receipts <u>Due to Myrtle Cruz, Inc.</u>	300
(Explain)	_____

(Explain)

TOTAL RECEIPTS	\$ 21,300
-----------------------	------------------

LESS DISBURSEMENTS

Purchased Services for Resale	\$ _____
Payroll	_____
Legal, Accounting, or Contract Service	14,965
Supplies and Materials	135
Maintenance	_____
Note Payments and Repayment of Advances	_____
All Other Disbursements (Schedule C)	6,421

TOTAL DISBURSEMENTS	\$ 21,521
----------------------------	------------------

EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	-221
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CASH AND INVESTMENTS - BEGINNING OF YEAR	2034
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CASH AND INVESTMENTS - END OF YEAR (See Note, page 4)	\$ 1,813
--	-----------------

Note to Preparer: In addition to all disbursements related to the purchase of consumable supplies and materials, certain assets of insignificant value may be considered consumable and according recognized under the account classification "Supplies and Materials". Please refer to EXPLANATION OF TERMS. General Fixed Assets, Pages 7 & 8 of this report for additional clarification.



SCHEDULE A - CASH IN BANK (1)

Name of Bank	Account Number	Purpose of Account	Balance
BBVA Compass Bank	59667	Operations	\$ 1,813
TOTAL			\$ 1,813

SCHEDULE B - INVESTMENTS (2)

Type of Investment	Name of Bank	Certificate Number	Interest Rate	Maturity Date	Principal Balance	(Optional) Accrued Interest
TOTALS					\$	\$ - 0 -

SCHEDULE C - SCHEDULE OF ALL OTHER DISBURSEMENTS (3)

Description of Disbursements (4)	Amount
Director Fees	\$ 1,200
Insurance	4,879
Payroll Taxes	172
Travel & Per Diem	170
TOTAL	\$ 6,421

- (1) Please refer to Explanation of Terms, Cash in Bank, page 7 of this report, for proper reporting.
- (2) Please refer to Explanation of Terms, Investments, page 8 of this report, for proper reporting of "Principal Balance" and "Accrued Interest".
- (3) Please refer to Explanation of Terms, All Other Disbursements, page 7 of this report, for proper reporting of "All Other Disbursements".
- (4) A description should be given for each type of transaction and the amount of payments attributable to this type of disbursement. It may not be necessary to list each transaction separately.



EXPLANATION OF TERMS

All Other Disbursements - This classification should be used only for payments which cannot be classified properly in the six remaining accounts listed in the six remaining accounts listed on the Statement of Receipts and Disbursements. Schedule C, page 6, should be completed for any report which utilizes the "All Other Disbursements" classification.

Cash Basis - The financial statements contained in this report are to be prepared on the cash basis of accounting. They are not intended to be in conformity with Generally Accepted Accounting Principles (GAAP). Only transactions involving the exchange of cash should be included in these statements. No liabilities should be recorded unless they arise from the transfer of money. Exceptions to this rule are listed in "Investments" and "General Fixed Assets" below. Receipts and disbursements should not be recorded until payment is made. For the purpose of the Statement of Receipts and Disbursements, movement of funds between checking accounts and investment should not be considered as receipts or disbursements.

Cash on Hand - Petty cash, checks, money orders, and bank drafts not on deposit.

Cash in Bank - (From Schedule A) - Cash deposited in the district's checking account(s). The reserves, restrictions, or limitations as to its availability should be so stated. The total amount shown on Schedule A must reflect the reconciled balance as of the fiscal year end and reported under the account classification "Cash in Bank" on the Balance Sheet.

Developer Advances - Amounts owed to a developer for cash placed in the district's account or otherwise paid to the district. However, amounts payable to a developer for which repayment is contingent upon a bond sale (or some other event) should not be included as a liability of the district. Please see the Miscellaneous Disclosures, page 3 of this report, for disclosure of these contingent liabilities.

Disbursements -- All transactions involving the disbursement of the district's fund should be included in the disbursements section. Payments made on behalf of the district by a third party should not be listed as a disbursement for the purpose of this statement. See the Miscellaneous Disclosures, page 3, of this report, for disclosures of these payments.

Excess Assets Over Liabilities - The difference between "Total Assets" and "Total Liabilities". If liabilities exceed assets, this number should be shown as a negative amount.

General Fixed Assets - A fixed asset is one which the cost exceeds \$50 and has a productive life longer than one year. "Fixed" denotes the intent to continue use or possession; it does not indicate the immobility of the asset. An asset of cost not in excess of \$50 should be considered consumable and accordingly recognized under the account classification "Supplies and Materials" on the Statement of Receipts and Disbursements. A fixed asset purchased through the issuance of a short-term note payable should be reported as an asset at its full cost even though no cash transaction may have taken place. Likewise, the corresponding note payable should be reported in the liability section of the Balance Sheet. Fixed assets donated to the district by a developer should be included as "General Fixed Assets" on the Balance Sheet. However, no amounts should be recorded on the Statement of Receipts and Disbursements for this type of transaction. The Credit offset to the fixed asset will be included in "Excess Assets Over Liabilities" on the Balance Sheet.



Investments (From Schedule B) - List the types of investments (certificates of deposit, savings accounts, securities) which generate income in the form of interest. This should not include any amounts listed on Schedule A as "Cash in Bank". The total amount shown on Schedule B for "Principal Balance" must be reported under the account classification "Investments" on the Balance Sheet. At the option of the preparer, any interest earned on investments but not yet received may be reported as "Accrued Interest" on Schedule B and in the Asset section of the Balance Sheet. Under no circumstance should accrued interest be included in "Interest Received on Investments" under "Receipts" on page 5. "Interest Received on Investments" should include only amounts actually received during the fiscal year.

Inventories - The cost of materials and other items purchased for use during the fiscal year by which are not completely consumed by the end of the fiscal year.

Notes Payable - The total outstanding principal of short-term loans which mature within one year of their issuance.

Other Liabilities - Only liabilities arising from the receipt of cash which cannot be properly classified in one of the other liability accounts should be listed in this classification along with a brief explanation of this liability. Accounts payable, accrued interest, and contracts payable should not be listed as liabilities in this report.

Receipts - All transactions involving the receipt of cash during the fiscal year should be included in the Receipts section. Only those amounts actually received during the fiscal year should be included. Amounts received for which repayment is contingent upon a bond sale (or some other event) should be included here. (See "Developer Advances" above for treatment of the contingent liability.)

Refundable Deposits - This amount reflects a liability arising from the receipt of deposits from customers which will be refunded to the customer at some future date, based on the terms and conditions of the deposit agreement.

Rounding Instructions - Please round to the nearest whole dollar amount. For example: \$467.50 should be rounded up to \$468, and \$3,678.49 should be rounded down to \$3,678.



Brazoria County
Municipal Utility District No. 22
Annual Financial Report August 31, 2012



ANNUAL FINANCIAL REPORT of

District Name: Brazoria County Municipal Utility District # 22

Mailing Address: 1621 Milam - 3rd Floor

Houston, Texas 77002-8017

For The Fiscal Year Ended:

08-31-2012

(MM-DD-YYYY)

Prepared according to V.T.C.A. Water Code Section 49.198

Preparer: Myrtle Cruz, Inc.

Title: Bookkeeper

Date: September 18, 2012

AUDIT REPORT EXEMPTION

Texas Water Code Section 49.198 (effective September 1, 1997)

(a) A district may elect to file annual financial reports with the executive director in lieu of the district's compliance with Section 49.191 provided:

- (1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;
- (2) the district did not have gross receipts from operations, loans, taxes, or contributions in excess of \$100,000 during the fiscal period; and
- (3) the district's cash and temporary investments were not in excess of \$100,000 at any time during the fiscal period.

(b) The annual financial report must be accompanied by an affidavit attesting to the accuracy and authenticity of the financial report signed by a duly authorized representative of the district.

(c) The annual financial report and affidavit in a format prescribed by the executive director must be on file with the executive director within 45 days after the close of the district's fiscal year.

(d) Districts governed by this section are subject to periodic audits by the executive director.

If the accompanying financial statements are compiled by a certified public accountant, see SSARS-1 and SSARS-7 for the applicable standards for reporting on compiled financial statements.



FILING AFFIDAVIT

To: Texas Commission on Environmental Quality

Under the penalties of perjury, I certify that I have inspected the attached balance sheet, statement of receipts and disbursements, including the accompanying schedules and statements, and to the best of my knowledge and belief, they are a true, correct, and complete representation of the financial condition of:

Brazoria County Municipal Utility District # 22

as of

(Name of District)

August 31, 2012

(Date of Fiscal Year End)

I also certify that the above district has complied in full

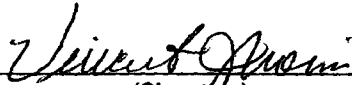
with all filing of audits, affidavits, and financial reports requirements of Section 49.194 of the Texas Water Code by filing copies of this Annual Financial Report in the district's office, located at:

1621 Milam - 3rd Floor Houston, Texas 77002-8017

(Address of District)

Vincent J. Norris - Bookkeeper

(Typed Name and Title)



(Signature)

September 18, 2012

(Date)

Sworn and subscribed to before me by Vincent J. Norris

This 18th day of September, 2012


(Signature of Notary)

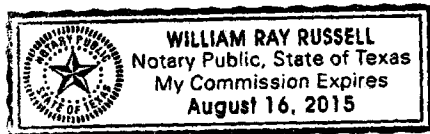
In & For Harris County, Texas

William R. Russell

(Typed Name of Notary)

August 16, 2015

(My Commission Expires On)



District Name: Brazoria County Municipal Utility District # 22

MISCELLANEOUS DISCLOSURES AND MAILING INFORMATION
As of The District's Fiscal Year-End

A. Disclosures to comply with Rule 30 TAC 293-95 (b)

- (1) Was there any developer activity to prepare for residential or commercial development?

"Developer activity" means construction performed or actions taken in preparation for construction (i.e., plans, permits) to provide services for or access to present or future residential or commercial water, sewer or drainage facilities.

(☒) yes () no

If yes, have payments for these facilities been made by (an) other party(ies) on behalf of the district?

(☒) yes () no

These payments are estimated to cumulatively be:

Organizational Costs	\$	85,000
Construction Costs		149,500
Administration Costs		201,406
Total Costs	\$	435,906

- (2) Was the Board aware of any other types of contingent or actual liabilities (e.g., claims, lawsuits) which are not disclosed elsewhere in this report?

() yes (☒) no If yes, explain.

- B. Disclosures to comply with V.T.C.A. Water Code §49.054(e) and §49.455(j).** The Texas Commission on environmental Quality must be notified of any changes in boundaries, board members, board terms, and addresses. Guidance for filing this information and a District Registration Form may be obtained by calling 512/239-4691.

- C. Additional Information.** This report should be sent to:

Utility & District Oversight Team, MC-152
Texas Commission on Environmental Quality
P. O. Box 13087
Austin, Texas 78711-3087

Phone #: (512) 239-4691 Facsimile #: (512) 239-6109



BALANCE SHEET - CASH BASIS

ASSETS

Cash on Hand	\$	
Cash in Bank (Schedule A)		2,034
Investments (Schedule B)		
TOTAL CASH AND INVESEMENTS (1)		2,034
Accrued Interest Receivable-Optional (Schedule B)		
Inventory		
General Fixed Assets		
Other Assets		
(Explain)		
TOTAL ASSETS (2)	\$	2,034

LIABILITIES AND EXCESS

Notes Payable	\$	
Refundable Deposits		
Developer Advances		
Other Liabilities		
(Explain)		
(Explain)		
TOTAL LIABILITIES		- 0 -
Excess Assets Over Liabilities		2,034
TOTAL LIABILITIES AND EXCESS (3)	\$	2,034

Note to Preparer. "TOTAL CASH AND INVESTMENTS" (1) must equal "CASH AND INVESTMENTS - End of Year" on the Statement of Receipts and Disbursements, page 5. "TOTAL LIABILITIES AND EXCESS" (3) must equal "TOTAL ASSETS" (2).



STATEMENT OF RECEIPTS AND DISBURSEMENTS - CASH BASIS

RECEIPTS

Service Revenues	\$	
Tax Receipts		
Penalty and Interest Received		
Interest Received on Investments		
Loans or Advances		33,000
All Other Receipts		
(Explain)		
(Explain)		
TOTAL RECEIPTS	\$	33,000

LESS DISBURSEMENTS

Purchased Services for Resale	\$	
Payroll		
Legal, Accounting, or Contract Service		19,219
Supplies and Materials		526
Maintenance		201
Note Payments and Repayment of Advances		
All Other Disbursements (Schedule C)		11,807
TOTAL DISBURSEMENTS	\$	31,753
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS		1,247
CASH AND INVESTMENTS - BEGINNING OF YEAR		787
CASH AND INVESTMENTS - END OF YEAR (See Note, page 4)	\$	2,034

Note to Preparer: In addition to all disbursements related to the purchase of consumable supplies and materials, certain assets of insignificant value may be considered consumable and according recognized under the account classification "Supplies and Materials". Please refer to EXPLANATION OF TERMS. General Fixed Assets, Pages 7 & 8 of this report for additional clarification.



SCHEDULE A - CASH IN BANK (1)

Name of Bank	Account Number	Purpose of Account	Balance
BBVA Compass Bank	59667	Operations	\$ 2,034
		TOTAL	\$ 2,034

SCHEDULE B - INVESTMENTS (2)

Type of Investment	Name of Bank	Certificate Number	Interest Rate	Maturity Date	Principal Balance	Accrued Interest
			TOTALS		\$	\$ - 0 -

SCHEDULE C - SCHEDULE OF ALL OTHER DISBURSEMENTS (3)

Description of Disbursements (4)	Amount
Director Fees	\$ 1,650
Insurance	9,756
Payroll Taxes	46
Travel & Per Diem	205
Miscellaneous Expenses	150
TOTAL	\$ 11,807

- (1) Please refer to Explanation of Terms, Cash in Bank, page 7 of this report, for proper reporting.
- (2) Please refer to Explanation of Terms, Investments, page 8 of this report, for proper reporting of "Principal Balance" and "Accrued Interest".
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EXPLANATION OF TERMS

All Other Disbursements - This classification should be used only for payments which cannot be classified properly in the six remaining accounts listed in the six remaining accounts listed on the Statement of Receipts and Disbursements. Schedule C, page 6, should be completed for any report which utilizes the "All Other Disbursements" classification.

Cash Basis - The financial statements contained in this report are to be prepared on the cash basis of accounting. They are not intended to be in conformity with Generally Accepted Accounting Principles (GAAP). Only transactions involving the exchange of cash should be included in these statements. No liabilities should be recorded unless they arise from the transfer of money. Exceptions to this rule are listed in "Investments" and "General Fixed Assets" below. Receipts and disbursements should not be recorded until payment is made. For the purpose of the Statement of Receipts and Disbursements, movement of funds between checking accounts and investment should not be considered as receipts or disbursements.

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Disbursements -- All transactions involving the disbursement of the district's fund should be included in the disbursements section. Payments made on behalf of the district by a third party should not be listed as a disbursement for the purpose of this statement. See the Miscellaneous Disclosures, page 3, of this report, for disclosures of these payments.

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Investments (From Schedule B) - List the types of investments (certificates of deposit, savings accounts, securities) which generate income in the form of interest. This should not include any amounts listed on Schedule A as "Cash in Bank". The total amount shown on Schedule B for "Principal Balance" must be reported under the account classification "Investments" on the Balance Sheet. At the option of the preparer, any interest earned on investments but not yet received may be reported as "Accrued Interest" on Schedule B and in the Asset section of the Balance Sheet. Under no circumstance should accrued interest be included in "Interest Received on Investments" under "Receipts" on page 5. "Interest Received on Investments" should include only amounts actually received during the fiscal year.

Inventories - The cost of materials and other items purchased for use during the fiscal year by which are not completely consumed by the end of the fiscal year.

Notes Payable - The total outstanding principal of short-term loans which mature within one year of their issuance.

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Refundable Deposits - This amount reflects a liability arising from the receipt of deposits from customers which will be refunded to the customer at some future date, based on the terms and conditions of the deposit agreement.

Rounding Instructions - Please round to the nearest whole dollar amount. For example: \$467.50 should be rounded up to \$468, and \$3,678.49 should be rounded down to \$3,678.



Brazoria County
Municipal Utility District No. 22

Annual Financial Report August 31, 2011



ANNUAL FINANCIAL REPORT of

District Name: Brazoria County Municipal Utility District # 22

Mailing Address: 1621 Milam - 3rd Floor

Houston, Texas 77002-8017

For The Fiscal Year Ended:

08-31-2011

(MM-DD-YYYY)

Prepared according to V.T.C.A. Water Code Section 49.198

Preparer: Myrtle Cruz, Inc.

Title: Bookkeeper Date: September 21, 2011

AUDIT REPORT EXEMPTION

Texas Water Code Section 49.198 (effective September 1, 1997)

(a) A district may elect to file annual financial reports with the executive director in lieu of the district's compliance with Section 49.191 provided:

- (1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;
- (2) the district did not have gross receipts from operations, loans, taxes, or contributions in excess of \$100,000 during the fiscal period; and
- (3) the district's cash and temporary investments were not in excess of \$100,000 at any time during the fiscal period.

(b) The annual financial report must be accompanied by an affidavit attesting to the accuracy and authenticity of the financial report signed by a duly authorized representative of the district.

(c) The annual financial report and affidavit in a format prescribed by the executive director must be on file with the executive director within 45 days after the close of the district's fiscal year.

(d) Districts governed by this section are subject to periodic audits by the executive director.

If the accompanying financial statements are compiled by a certified public accountant, see SSARS-1 and SSARS-7 for the applicable standards for reporting on compiled financial statements.



FILING AFFIDAVIT

To: Texas Commission on Environmental Quality

Under the penalties of perjury, I certify that I have inspected the attached balance sheet, statement of receipts and disbursements, including the accompanying schedules and statements, and to the best of my knowledge and belief, they are a true, correct, and complete representation of the financial condition of:

Brazoria County Municipal Utility District # 22

as of

(Name of District)

August 31, 2011

(Date of Fiscal Year End)

I also certify that the above district has complied in full

with all filing of audits, affidavits, and financial reports requirements of Section 49.194 of the Texas Water Code by filing copies of this Annual Financial Report in the district's office, located at:

1621 Milam - 3rd Floor Houston, Texas 77002-8017

(Address of District)

Vincent J. Norris - Bookkeeper

(Typed Name and Title)

Vincent J. Norris
(Signature)

September 21, 2011

(Date)

Sworn and subscribed to before me by Vincent J. Norris

This 21st day of September, 2011

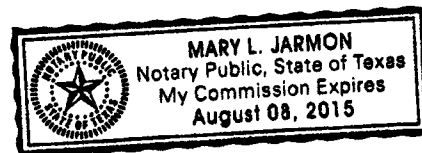
Mary L. Jarmon In & For Harris County, Texas
(Signature of Notary)

Mary L. Jarmon

(Typed Name of Notary)

August 08, 2015

(My Commission Expires On)



District Name: Brazoria County Municipal Utility District # 22

MISCELLANEOUS DISCLOSURES AND MAILING INFORMATION
As of The District's Fiscal Year-End

A. Disclosures to comply with Rule 30 TAC 293-95 (b)

(1) Was there any developer activity to prepare for residential or commercial development?

"Developer activity" means construction performed or actions taken in preparation for construction (i.e., plans, permits) to provide services for or access to present or future residential or commercial water, sewer or drainage facilities.

(☒) yes () no

If yes, have payments for these facilities been made by (an) other party(ies) on behalf of the district?

(☒) yes () no

These payments are estimated to cumulatively be:

Organizational Costs	\$ <u>85,000</u>
Construction Costs	<u>149,500</u>
Administration Costs	<u>168,406</u>
Total Costs	\$ <u>402,906</u>

(2) Was the Board aware of any other types of contingent or actual liabilities (e.g., claims, lawsuits) which are not disclosed elsewhere in this report?

() yes (☒) no If yes, explain.

B. Disclosures to comply with V.T.C.A. Water Code §49.054(e) and §49.455(j). The Texas Commission on environmental Quality must be notified of any changes in boundaries, board members, board terms, and addresses. Guidance for filing this information and a District Registration Form may be obtained by calling 512/239-4691.

C. Additional Information. This report should be sent to:

Utility & District Oversight Team, MC-152
Texas Commission on Environmental Quality
P. O. Box 13087
Austin, Texas 78711-3087

Phone #: (512) 239-4691 Facsimile #: (512) 239-6109



BALANCE SHEET - CASH BASIS

ASSETS

Cash on Hand	\$	
Cash in Bank (Schedule A)		787
Investments (Schedule B)		
TOTAL CASH AND INVESEMENTS (1)		787
Accrued Interest Receivable-Optional (Schedule B)		
Inventory		
General Fixed Assets		
Other Assets		
(Explain)		
TOTAL ASSETS (2)	\$	787

LIABILITIES AND EXCESS

Notes Payable	\$	
Refundable Deposits		
Developer Advances		
Other Liabilities		
(Explain)		
(Explain)		
TOTAL LIABILITIES		- 0 -
Excess Assets Over Liabilities		787
TOTAL LIABILITIES AND EXCESS (3)	\$	787

Note to Preparer. "TOTAL CASH AND INVESTMENTS" (1) must equal "CASH AND INVESTMENTS - End of Year" on the Statement of Receipts and Disbursements, page 5. "TOTAL LIABILITIES AND EXCESS" (3) must equal "TOTAL ASSETS" (2).



STATEMENT OF RECEIPTS AND DISBURSEMENTS - CASH BASIS

RECEIPTS

Service Revenues	\$	
Tax Receipts		
Penalty and Interest Received		
Interest Received on Investments		
Loans or Advances		10,000
All Other Receipts		
(Explain)		
(Explain)		
TOTAL RECEIPTS	\$	10,000

LESS DISBURSEMENTS

Purchased Services for Resale	\$	
Payroll		
Legal, Accounting, or Contract Service		9,255
Supplies and Materials		130
Maintenance		48
Note Payments and Repayment of Advances		
All Other Disbursements (Schedule C)		209
TOTAL DISBURSEMENTS	\$	9,642
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS		358
CASH AND INVESTMENTS - BEGINNING OF YEAR		429
CASH AND INVESTMENTS - END OF YEAR (See Note, page 4)	\$	787

Note to Preparer: In addition to all disbursements related to the purchase of consumable supplies and materials, certain assets of insignificant value may be considered consumable and according recognized under the account classification "Supplies and Materials". Please refer to EXPLANATION OF TERMS. General Fixed Assets, Pages 7 & 8 of this report for additional clarification.



SCHEDULE A - CASH IN BANK (1)

Name of Bank	Account Number	Purpose of Account	Balance
BBVA Compass Bank	59667	Operations	\$ 787
		TOTAL	\$ 787

SCHEDULE B - INVESTMENTS (2)

SCHEDULE B - INVESTMENTS (2)						(Optional)
Type of Investment	Name of Bank	Certificate Number	Interest Rate	Maturity Date	Principal Balance	Accrued Interest
TOTALS					\$	\$ - 0 -

SCHEDULE C - SCHEDULE OF ALL OTHER DISBURSEMENTS (3)

Description of Disbursements (4)	Amount
<u>Director Fees</u>	<u>\$ 450</u>
<u>Payroll Taxes</u>	<u>149</u>
<u>Election Expenses</u>	<u>- 460</u>
<u>Travel & Per Diem</u>	<u>70</u>
TOTAL	\$ 209

- (1) Please refer to Explanation of Terms, Cash in Bank, page 7 of this report, for proper reporting.
- (2) Please refer to Explanation of Terms, Investments, page 8 of this report, for proper reporting of "Principal Balance" and "Accrued Interest".
- (3) Please refer to Explanation of Terms, All Other Disbursements, page 7 of this report, for proper reporting of "All Other Disbursements".
- (4) A description should be given for each type of transaction and the amount of payments attributable to this type of disbursement. It may not be necessary to list each transaction separately.



EXPLANATION OF TERMS

All Other Disbursements - This classification should be used only for payments which cannot be classified properly in the six remaining accounts listed in the six remaining accounts listed on the Statement of Receipts and Disbursements. Schedule C, page 6, should be completed for any report which utilizes the "All Other Disbursements" classification.

Cash Basis - The financial statements contained in this report are to be prepared on the cash basis of accounting. They are not intended to be in conformity with Generally Accepted Accounting Principles (GAAP). Only transactions involving the exchange of cash should be included in these statements. No liabilities should be recorded unless they arise from the transfer of money. Exceptions to this rule are listed in "Investments" and "General Fixed Assets" below. Receipts and disbursements should not be recorded until payment is made. For the purpose of the Statement of Receipts and Disbursements, movement of funds between checking accounts and investment should not be considered as receipts or disbursements.

Cash on Hand - Petty cash, checks, money orders, and bank drafts not on deposit.

Cash in Bank - (From Schedule A) - Cash deposited in the district's checking account(s). The reserves, restrictions, or limitations as to its availability should be so stated. The total amount shown on Schedule A must reflect the reconciled balance as of the fiscal year end and reported under the account classification "Cash in Bank" on the Balance Sheet.

Developer Advances - Amounts owed to a developer for cash placed in the district's account or otherwise paid to the district. However, amounts payable to a developer for which repayment is contingent upon a bond sale (or some other event) should not be included as a liability of the district. Please see the Miscellaneous Disclosures, page 3 of this report, for disclosure of these contingent liabilities.

Disbursements - All transactions involving the disbursement of the district's fund should be included in the disbursements section. Payments made on behalf of the district by a third party should not be listed as a disbursement for the purpose of this statement. See the Miscellaneous Disclosures, page 3, of this report, for disclosures of these payments.

Excess Assets Over Liabilities - The difference between "Total Assets" and "Total Liabilities". If liabilities exceed assets, this number should be shown as a negative amount.

General Fixed Assets - A fixed asset is one which the cost exceeds \$50 and has a productive life longer than one year. "Fixed" denotes the intent to continue use or possession; it does not indicate the immobility of the asset. An asset of cost not in excess of \$50 should be considered consumable and accordingly recognized under the account classification "Supplies and Materials" on the Statement of Receipts and Disbursements. A fixed asset purchased through the issuance of a short-term note payable should be reported as an asset at its full cost even though no cash transaction may have taken place. Likewise, the corresponding note payable should be reported in the liability section of the Balance Sheet. Fixed assets donated to the district by a developer should be included as "General Fixed Assets" on the Balance Sheet. However, no amounts should be recorded on the Statement of Receipts and Disbursements for this type of transaction. The Credit offset to the fixed asset will be included in "Excess Assets Over Liabilities" on the Balance Sheet.



Investments (From Schedule B) - List the types of investments (certificates of deposit, savings accounts, securities) which generate income in the form of interest. This should not include any amounts listed on Schedule A as "Cash in Bank". The total amount shown on Schedule B for "Principal Balance" must be reported under the account classification "Investments" on the Balance Sheet. At the option of the preparer, any interest earned on investments but not yet received may be reported as "Accrued Interest" on Schedule B and in the Asset section of the Balance Sheet. Under no circumstance should accrued interest be included in "Interest Received on Investments" under "Receipts" on page 5. "Interest Received on Investments" should include only amounts actually received during the fiscal year.

Inventories - The cost of materials and other items purchased for use during the fiscal year by which are not completely consumed by the end of the fiscal year.

Notes Payable - The total outstanding principal of short-term loans which mature within one year of their issuance.

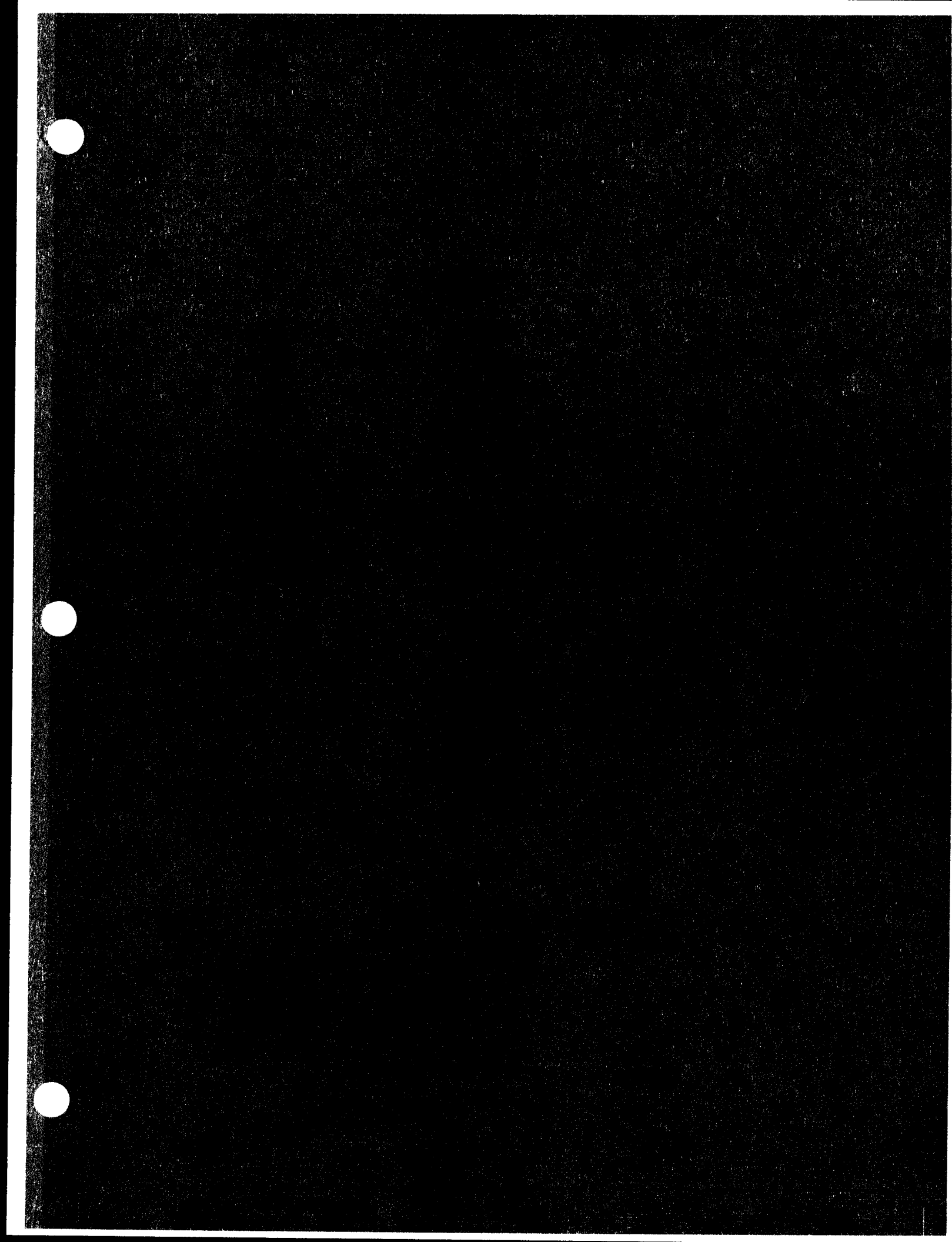
Other Liabilities - Only liabilities arising from the receipt of cash which cannot be properly classified in one of the other liability accounts should be listed in this classification along with a brief explanation of this liability. Accounts payable, accrued interest, and contracts payable should not be listed as liabilities in this report.

Receipts - All transactions involving the receipt of cash during the fiscal year should be included in the Receipts section. Only those amounts actually received during the fiscal year should be included. Amounts received for which repayment is contingent upon a bond sale (or some other event) should be included here. (See "Developer Advances" above for treatment of the contingent liability.)

Refundable Deposits - This amount reflects a liability arising from the receipt of deposits from customers which will be refunded to the customer at some future date, based on the terms and conditions of the deposit agreement.

Rounding Instructions - Please round to the nearest whole dollar amount. For example: \$467.50 should be rounded up to \$468, and \$3,678.49 should be rounded down to \$3,678.





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AMENDED RATE ORDER AND REGULATIONS GOVERNING WATER
AND SANITARY SEWER LINES AND CONNECTIONS

WHEREAS, Brazoria County Municipal Utility District No. 22 (the "District") is in the process of constructing a water, sewer and storm drainage system to provide service to residential and commercial establishments within the District (the "System"); and

WHEREAS, it is necessary that fees, charges, and conditions be established for service from the District's System; and

WHEREAS, the District has been asked by the State Legislature to adopt and implement a program of water conservation aimed at reducing the consumption of water, reducing the loss or waste of water and improving efficiency in the use of water; and

WHEREAS, it is the District's intent to establish rates for service from the District's System that will encourage sound management of the District's water usage and conservation practices by Users within the District; and

WHEREAS, the escalating rates for increased water usage herein adopted by the District are intended to promote conservation and efficient management of the District's water resources; Now, Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 22 THAT:

Section 1: Definitions. The following words or phrases shall have the meanings indicated below:

- A. "Single Family Residential User" - means a user of the District's System that consists of one residence designed for use and occupancy by a single family unit.
- B. "Non-Single Family Residential User" - means any user of the District's System other than a Single Family Residential User including, but not limited to, apartments, multi-family dwelling units, and commercial establishments.
- C. "Public Space User" - means any user of the District's System for public or homeowner association esplanades, lakes, recreational areas or green spaces ("Public Spaces").
- D. "Non-Taxable User" - means any user of the District's water and sewer system other than a Single Family Residential User or a Non-Single Family



Residential User that is exempt from ad valorem taxation by the District under the State Property Tax Code, including, but not limited to, schools and churches.

Section 2: Tap and Inspection Fees.

- A. Single Family Residential Users. Prior to connection to the District's System, a tap fee for water service as set forth herein plus the costs of the necessary service lines and repairing or restoring any yards, sidewalks, streets, landscaping, concrete or other improvements, affected by the installation (the "Installation Costs") shall be paid to the District to cover the cost of making said connection and the cost of providing the water meter. In the case of a 5/8" water meter, the tap fee shall be \$650.00. In the case of a 1" water meter, the tap fee shall be \$900.00. In the case of a water meter larger than 1", a tap fee equal to the District's actual cost for installation of the tap and meter, plus 100% (not to be less than \$900.00) shall be paid to the District. The District's operator will notify the User of the Installation Costs.
- B. Non-Single Family Residential Users. Prior to connection to the District's System, a tap fee for water service shall be paid to the District equal to three (3) times the District's actual cost of installing the tap and meter plus the costs of the necessary service lines, and repairing or restoring any yards, sidewalks, streets, landscaping, concrete or other improvements, affected by the installation (the "Installation Costs"). The District's operator will notify the User of the Installation Costs.
- C. Non-Taxable Users. Non-taxable Users shall pay a tap fee for water service equal to the District's actual cost of installing the tap, meter and any necessary service lines and the cost of repairing or restoring any yards, sidewalks, streets, landscaping, concrete or other improvements affected by the installation (as determined by the District's operator, together with the District's consultants) plus the District's actual cost of the facilities necessary to provide District services to the Non-Taxable User that are financed or to be fully or partially financed by the District's tax bonds (as determined by the District's consultants and approved by the Board of Directors) (the "Non-Taxable User Installation Costs"). The District's operator, together with the District's consultants, will determine the Non-Taxable User Installation Costs, which will then be approved by the Board of Directors and be sent to the User.
- D. Public Space User. All Public Space Users shall be required to have meters installed, which shall be installed by the District's operator. A user requesting a water or sanitary sewer tap for Public Spaces shall pay a tap fee



equal to the District's cost to install the sanitary sewer and water tap and water meter.

- E. Irrigation Systems. Prior to connection to the District's water system, a tap fee equal to the District's actual cost for installation plus the cost of the meter shall be paid to the District for irrigation systems that have been authorized by the District and that are to be used solely for the purpose of providing irrigation water to landscaped areas within the District. All such connections to the District's water system shall be made by a representative of the District.
- F. Irrigation Systems (homeowners associations). Prior to connection to the District's water system, a tap fee equal to the District's actual cost shall be paid to the District for irrigation systems. All connections to the District's water system shall be made by a representative of the District.
- G. Sewer Connection Inspection. All connections to the District's sewer system shall be made in accordance with the provisions of the Rules and Regulations Governing Water and Sanitary Sewer Lines and Connections. All connections to the District's sewer system shall be inspected by the District's operator or its subcontractor prior to being covered in the ground. In the event a sewer connection is made and covered without such inspection, water service at such location shall be terminated and shall not be allowed until an approved sewer connection inspection has been performed. An inspection fee of \$37.50 per Single Family Residential connection, \$80.25 per Non-Single Family Residential connection, and \$80.25 per Non-taxable connection shall be paid to the District. If a sewer connection fails the inspection, an additional inspection at the same inspection fee is to be paid to the District prior to reinspection.
- H. Pre-Facility Inspection. All builders or contractors for property owners within the District must contact the operator, prior to starting any work on property within the District, to do an inspection to verify District facilities. If any District facility is either damaged or cannot be located, the operator will make necessary repairs or locate and make visible such facility at the expense of the District. A copy of the inspection will be given to the builder's or contractor's representative. After the inspection and any necessary work is completed, the builder or contractor will then be responsible for paying the costs of all damages, adjustments, relocations and repairs found during the Final Site Survey. The cost for each inspection is \$27.00.
- I. Facility Inspection. After construction has been completed on the property, but before service is transferred to a User, the District's operator will conduct



a Final Site Survey to reinspect the water tap, meter and all other District facilities on the property for a fee of \$27.00. (The \$27.00 fee shall be collected at the time the tap fee is paid.) In connection with the above inspection or any other time, the property owner, builder or contractor will be held responsible for any damages or adjustments to District facilities or other conditions that might reasonably be expected to cause damage to District facilities, and the cost of correcting such conditions, repairing, adjusting or relocating the facilities (the "Backcharges"). Such charges are payable immediately and shall be paid before service shall be initiated to a User. If any re-inspections of the facilities are required to ensure that the District's facilities are repaired, relocated or adjusted, a fee of \$27.00 shall be charged for each such re-inspection before service will be transferred to a subsequent User. Payment of the Backcharges, or any \$27.00 inspection or re-inspection fees, shall be made on or before the 30th day after the date of the invoice for said charges. The District may withhold the provision of service to the property or to other property owned by any User, property owner, builder or contractor who has failed to timely pay the Backcharges or any \$27.00 inspection or re-inspection fee, including specifically the provision of additional taps; provided, however, the District shall follow the notification procedures set forth in this Rate Order prior to withholding the provision of service.

J. Builder Responsibilities.

- (1) Street Cleaning. The builder and developer will be responsible for ensuring that the street in front of their lots stays free from the accumulation of trash, sediment, dirt, and all other debris. Street cleaning will be done by street scraping or by using a vacuum sweeper. Washing sediments into the sewer inlets is prohibited by the District and the EPA.
- (2) Concrete Wash-Out Site. Each builder will provide a single, dedicated concrete wash-out site on one of the builder's reserved lots, for use during construction. The site selected will be reviewed with the District and developer, and an identification sign must be erected on the site by the builder prior to use.

The builder will clean and maintain the site as necessary and is responsible for the proper and legal disposal of concrete. Silt fencing must be installed along the curb in front of the wash-out site as well as an access pad.



The builder will inform its subcontractors of the location and purpose of the concrete wash-out site.

- (3) Other Builder Responsibilities. The builder is responsible for observing all signs and for enforcing the District's Rate Order with all employees, suppliers, and subcontractors. Builders are responsible for conducting regular inspections of their erosion control measures to insure they are functioning properly.
- (4) Failure to Comply. Failure of a builder to comply with these builder responsibilities will be considered a violation of this Rate Order and will subject the builder to penalties in this Rate Order. Further, the District, at its sole option, may perform or have performed any of the builder's responsibilities and backcharge the builder for the cost. Failure to timely pay a backcharge will subject the builder to termination of service in accordance with this Rate Order or withholding of taps in accordance with this Rate Order.

K. Grease Trap Inspection. For each grease trap installed, there shall be charged a monthly flat rate inspection fee of \$35.00. If the operator is required to reinspect the grease trap, such reinspection shall be charged at the same \$35.00 rate.

Section 3: Connection to Sewer. All connections to the District's sewer system shall be made in accordance with the provisions of the District's "Rules and Regulations Governing Water and Sanitary Sewer Lines and Connections" adopted on October 18, 2001.

All connections to the District's sewer system shall be inspected by a representative of the District prior to being covered in the ground. In the event a connection is made and covered without inspection by a representative of the District, water service at such location shall be terminated. An inspection fee of \$37.50 shall be paid to the District to cover the cost of making inspections of residential sewer connections, and a fee of \$80.25 shall be charged by the District for the expense of making inspections of commercial sewer connections.

Section 4: Regulatory Assessment. Pursuant to the Texas Water Code, each user of the District's water and sanitary sewer system is hereby assessed a charge of one-half of one percent of the District's charge for water and sewer service. This assessment is included in the rate schedules listed below and will be forwarded to the Texas Natural Resource Conservation Commission, as required by the Texas Water Code, and used to pay costs and expenses incurred in its regulation of water districts.



Section 5: Water and Sewer Rates.

- A. Builder Connections. After approval of the sewer connection and prior to initial occupancy, a builder shall be charged a monthly flat rate of \$35.00 for service whether or not there is any actual usage.
- B. Single Family Residential User Fees. After initial occupancy, each Single Family Residential User ("SFR") within the District shall be charged for service on a monthly basis according to the volume of water used and in accordance with the following schedule:

	<u>Amount of Payment</u>	<u>Water and Sewer Usage</u>
	\$34.50	Minimum monthly charge per SFR equivalent connection for water and sewer as determined by the District's engineer (institutes first 5,000 gallons usage)
	\$ 2.70	Water rate per 1,000 gallons metered water for usage between 5,000 gallons and 10,000 gallons
gallons	\$ 3.00	Water rate per 1,000 gallons metered water for usage between 10,000 gallons and 20,000
	\$ 3.15	Water rate per 1,000 gallons metered water for usage between 20,000 gallons and 50,000
gallons		
	\$ 3.30	Water rate per 1,000 gallons metered water for usage between 50,000 gallons and 75,000
gallons		
	\$ 3.60	Water rate per 1,000 gallons metered water for usage over 75,000 gallons
	\$ 2.25	Sewer rate per 1,000 gallons metered water for over 5,000 gallons, subject to limitations herein-after set forth

Sewer charges for billing periods April through September shall not exceed the average usage established during the billing periods of October through March. New SFR Users, with no historical usage for the October through

