Note 7: Summary of Changes in Capital Assets and Intangible Assets

		Balance 01/01/2017	Increases	Decreases	Balance 12/31/2017
Capital assets not depreciated:					
Land	\$	217,650			217,650
Engineering Fees		40,175			40,175
Total capital assets not					
being depreciated		257,825		· · · · · · · · · · · · · · · · · · ·	257,825
Depreciable capital assets:					
Water distribution system		8,560,711	3,400,855		11,961,566
Vehicles & maintenance		,			
equipment		380,188	39,166		419,354
Buildings & improvements		185,666			185,666
Office equipment		166,887	24,378		191,265
Treatment facilities &					
equipment	_	11,297,030	123,479		11,420,509
Total historical cost	_	20,590,482	3,587,878	-,	24,178,360
Less accumulated depreciation:					
Water distribution system		3,574,064	327,401		3,901,465
Vehicles & maintenance					
equipment		273,738	27,133		300,871
Buildings & improvements		94,703	7,163		101,866
Office equipment		134,412	12,965		147,377
Treatment facilities &					
equipment	_	4,871,025	397,616		5,268,641
Total accumulated					
depreciation	_	8,947,942	772,278		9,720,220
Depreciable capital assets, net	: _	11,642,540	2,815,600		14,458,140
Capital assets, net	\$_	11,900,365	2,815,600		14,715,965

Note 8: Operating Lease Commitments

The District leases a copier, a postal machine, a mailing machine, and land under non-cancelable operating leases. Total costs for such leases were \$6,900 for the year ended December 31, 2017. Future minimum lease payments follow:

	1	Amount
2018	\$	4,695
2019		2,348
Total	\$	7,043

Note 9: Revenue Bonds Payable

The District issues revenue bonds to provide funds for construction, repair and maintenance of existing facilities, acquire new systems, and to pay the issuance costs. These bonds constitute special obligations of the District and are secured by revenues from the District's operation.

Revenue bonds payable as of December 31, 2017 consist of the following:

				Bond Issues	<u> </u>	
		Series 2003-A	Series 2008-A	Series 2010	Series 2017	Total
Original bond	\$	930,000	4,694,000	628,000	2,261,000	
Interest rate		4.25%	4.375%	4.0%	2.75%	
Dates interest payable		2/15; 8/15	2/15; 8/15	2/15; 8/15	2/15; 8/15	
Maturity dates		8/15/42	8/15/48	8/15/49	2/15/57	
Beginning bonds outstanding	\$	773,000	4,312,000	582,000		5,667,000
Bonds sold during the fiscal year					1,512,000	1,512,000
Bonds retired during the fiscal year	-	(16,000)	(64,000)	(9,000)		(89,000)
Ending bonds outstanding	\$	757,000	4,248,000	573,000	1,512,000	7,090,000

Note 9: Revenue Bonds Payable (continued)

The annual debt service requirements for the revenue bonds as of December 31, 2017 are as follows:

Year Ending December 31,	Principal	Interest	Total
2018	\$ 106,000	323,149	429,149
2019	130,000	298,295	428,295
2020	136,000	293,186	429,186
2021	139,000	287,851	426,851
2022	146,000	282,369	428,369
2023 - 2027	822,000	1,320,598	2,142,598
2028 - 2032	1,000,000	1,143,839	2,143,839
2033 - 2037	1,218,000	927,813	2,145,813
2038 - 2042	1,487,000	663,045	2,150,045
2043 - 2047	1,531,000	361,465	1,892,465
2048 - 2049	685,000	101,526	786,526
2056 - 2057	439,000	30,869	469,869
	\$ 7,839,000	6,034,005	13,873,005

Note 10: Contingencies and Commitments

Grants

The District participates in federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grant; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Effluent Fees Contract

The District signed a contract with El Paso County Water Improvement District No. 1 in 2001 which permits the discharge of sewer effluent into drainage ditches maintained by El Paso County Water Improvement District No. 1. The District has no financial interest in any shared facilities. Based on the contract, the District will pay an annual drain maintenance fee of \$2,505 and an annual fee of \$68 per acre foot of effluent discharged into the drainage system.

Note 11: Subsequent Events

In 2018 and years beyond, the District is seeking to secure funding for its future capital improvement water and wastewater projects.

In 2018 the District will complete construction at the end of May of the I-10 Tank, Booster Pump Station and 8 inch Water Main, the Nano-Filtration System at the 10th Street Water Distribution Site is scheduled to be completed by mid-June and the drilling of 2 new wells was completed on April 2018.

Future water projects include: Construction of an additional .5 MG ground storage tank with CAP funds provided from the North American Development Bank.

Future sewer projects include: replacement of the thirty-five year old 10 inch sewer force main, replacement of Ikard & Hampton lift stations and refurbishing of all manholes District wide.

The District's 2018 Water and Wastewater Rate Plan and its Tax Rate will be reviewed and adjusted as further indebtedness occurs.

Subsequent events have been evaluated through May 1, 2018 which is the date the financial statements were available to be issued.

Note 12: Financial Statement Presentation

Certain reclassifications have been made to the financial statement presentation to correspond to the current year's format. Total net position and changes in net position are unchanged due to these reclassifications.

El Paso County Water Control and Improvement District No. 4 TSI-1. Services and Rates December 31, 2017

X Parks/re Solid was Participation	vastewate ecreation aste/garb ates in jo nan emer	oage	W X	e water e wastewater etion trol r wastewater sei	Irri Sec	ainag gatio curity ads	on	
2. Retail service pr	oviders							
a. Retail rates fo	or a 5/8 n	neter (or eq	uivalent):					
		nimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum	Usa	ge L	evels
		20.20	3,000	N	\$ 2.03	3,001	to	15,000
Water	\$	20.20			3.18	15,001 34,001	to to	34,000 1,000,000
Water Wastewater	\$ \$	29.20	3,000	N		•		
					3.88 5.06	34,001 1,000,001	to to	1,000,000 No limit

El Paso County Water Control and Improvement District No. 4 TSI-1. Services and Rates December 31, 2017

	etail connections:		70.00	
Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
	Connections	Connections		L5i C3
Unmetered	2.022	2 224	x 1.0	2 2 2 4
3/4" 1"	2,933 74	2,224	x 1.0	2,224
1-1/2"	13	<u>64</u> 10	x 2.5 x 2.5	160 25
2"	47	44	x 2.3 x 5.0	$\frac{23}{220}$
3"	12	11	x 8.0	88
4"	9	5	x 15.0	75
6"	13	6	x 25.0	150
8"	1	1	x 80.0	80
10"	-	•	x 115.0	
Total water	3,102	2,365	-	3,022
Total wastewater	2,217	2,210	x 1.0	2,210
Water accountability ratio:				<u>91%</u>
. Standby fees				91%
Standby fees The District does not levy s				91%
. Standby fees	standby fees.			91% El Paso
Standby fees The District does not levy s Location of district:	standby fees.	unty?	X	
Standby fees The District does not levy s Location of district: County in which district is	standby fees. located. ely within one cou	•		El Paso
Standby fees The District does not levy so Location of district: County in which district is Is the District located entired.	standby fees. located. ely within one count a city?	•		El Paso
Standby fees The District does not levy so Location of district: County in which district is Is the District located entired Is the District located within	standby fees. located. ely within one count of a city? ated.	Entirely_	Partly	El Paso Yes No Not at allX
Standby fees The District does not levy so Location of district: County in which district is Is the District located entired Is the District located within City in which district is located.	standby fees. located. ely within one count a city? ated. n a city's extra ten	Entirely_	Partly	El Paso Yes No Not at allX N/A

El Paso County Water Control and Improvement District No. 4 TSI-2. Enterprise Fund Expenses December 31, 2017

Personnel (including payroll taxes) Health insurance and retirement		\$	568,3 8 1 177,613
Professional fees: Legal and professional			632,316
Legal and professional			032,310
Utilities and telephone			150,379
Maintenance, repairs and rent			398,957
Administrative expenses:			
Bad debt expense			606 70.406
Billing, office, and computer Insurance			79,496 32,320
			,
Depreciation			772,278
Amortization			
Taxes, permits, and licenses			119,041
Other expenses		***************************************	53,752
Total expenses		\$	2,985,139
Number of persons employed by the District	_15_ Full-time	Pa	art-time

El Paso County Water Control and Improvement District No. 4 TSI-3. Temporary Investments December 31, 2017

	C.D. #	Interest Rate	Maturity Date	Bank Balance	Accrued Interest Receivable at Year end
Certificate of deposit	300012640	.41%	09/26/17 \$	373,980	-

El Paso County Water Control and Improvement District No. 4 TSI-4. Taxes Levied and Receivable December 31, 2017

Taxes receivable, beginning o	f yea	ır			\$	133,579
2017 Tax levy					_	190,861
Total					_	324,440
Collections:						
Current year						51,811
Prior years					-	114,164
Total collections					-	165,975
Taxes receivable, end of year					\$_	158,465
Taxes receivable by years:						
2007					\$	255
2008						249
2009						1,232
2014						2,584
2015						3,364
2016						6,109
2017						144,672
Taxes receivable, end of year					\$_	158,465
	_	2017	2016	2015		2014
Property valuations	\$	142,577,666	126,061,017	124,963,617		122,858,968
Tax rate per \$100 valuation	-	.00137808	.00132882	.00134155		.00137586
Original tax levy	\$_	196,483	167,512	167,645		169,037
Percent of taxes collected						
to taxes levied		26%	27%	28%		28%
	-	20,0				

El Paso County Water Control and Improvement District No. 4 TSI-5. Long Term Debt Service Requirements by Years December 31, 2017

			Series 2003-A	
Year		Principal	Interest	Total
2010	ď	17,000	*22.172	40 172
2018	\$	17,000	*32,173	49,173
2019		18,000	31,450	49,450
2020		19,000	30,685	49,685
2021		19,000	29,878	48,878
2022		20,000	29,070	49,070
2023		21,000	28,220	49,220
2024		22,000	27,328	49,328
2025		23,000	26,393	49,393
2026		24,000	25,415	49,415
2027		25,000	24,395	49,395
2028		26,000	23,333	49,333
2029		28,000	22,228	50,228
2030		29,000	21,038	50,038
2031		30,000	19,805	49,805
2032		31,000	18,530	49,530
2033		33,000	17,213	50,213
2034		34,000	15,810	49,810
2035		36,000	14,365	50,365
2036		38,000	12,835	50,835
2037		39,000	11,220	50,220
2038		41,000	9,563	50,563
2039		43,000	7,820	50,820
2040		45,000	5,993	50,993
2041		47,000	4,080	51,080
2042		49,000	2,083	51,083
	\$	757,000	490,923	1,247,923

El Paso County Water Control and Improvement District No. 4 TSI-5. Long Term Debt Service Requirements by Years December 31, 2017

		Series 2008-A	
Year	Principal	Interest	Total
2018 \$	67,000	185,850	252,850
2019	70,000	182,919	252,919
2020	73,000	179,856	252,856
2021	76,000	176,663	252,663
2022	80,000	173,338	253,338
2023	83,000	169,838	252,838
2024	87,000	166,206	253,206
2025	91,000	162,400	253,400
2026	94,000	158,419	252,419
2027	99,000	154,306	253,306
2028	103,000	149,975	252,975
2029	107,000	145,469	252,469
2030	112,000	140,788	252,788
2031	117,000	135,888	252,888
2032	122,000	130,769	252,769
2033	128,000	125,431	253,431
2034	133,000	119,831	252,831
2035	139,000	114,013	253,013
2036	145,000	107,931	252,931
2037	151,000	101,588	252,588
2038	158,000	94,981	252,981
2039	165,000	88,069	253,069
2040	172,000	80,850	252,850
2041	180,000	73,325	253,325
2042	187,000	65,450	252,450
2043	196,000	57,269	253,269
2044	204,000	48,694	252,694
2045	213,000	39,769	252,769
2046	222,000	30,450	252,450
2047	232,000	20,738	252,738
2048	242,000	10,588	252,588
\$	4,248,000	3,591,661	7,839,661

El Paso County Water Control and Improvement District No. 4 TSI-5. Long-Term Debt Service Requirements - by Years December 31, 2017

		Series 2010	
Year	Principal	Interest	Total
2018 \$	9,000	22,920	31,92
2019	9,000	22,560	31,56
2020	10,000	22,200	32,20
2021	10,000	21,800	31,80
2022	11,000	21,400	32,40
2023	11,000	20,960	31,96
2024	12,000	20,520	32,52
2025	12,000	20,040	32,04
2026	13,000	19,560	32,56
2027	13,000	19,040	32,04
2028	14,000	18,520	32,52
2029	14,000	17,960	31,96
2030	15,000	17,400	32,40
2031	15,000	16,800	31,80
2032	16,000	16,200	32,20
2033	16,000	15,560	31,56
2034	17,000	14,920	31,92
2035	18,000	14,240	32,24
2036	19,000	13,520	32,52
2037	19,000	12,760	31,76
2038	20,000	12,000	32,00
2039	21,000	11,200	32,20
2040	22,000	10,360	32,36
2041	23,000	9,480	32,48
2042	23,000	8,560	31,56
2043	24,000	7,640	31,64
2044	25,000	6,680	31,68
2045	26,000	5,680	31,68
2046	27,000	4,640	31,64
2047	28,000	3,560	31,56
2048	30,000	2,440	32,44
2049	31,000	1,240	32,24
\$	573,000	452,360	1,025,36

El Paso County Water Control and Improvement District No. 4 TSI-5. Long-Term Debt Service Requirements - by Years December 31, 2017

			Series 2017	
Year	_	Principal	Interest	Total
2018	\$	13,000	82,206	95,206
2019	Ψ	33,000	61,366	94,366
2020		34,000	60,445	94,445
2021		34,000	59,510	93,510
2022		35,000	58,561	93,561
2023		36,000	57,585	93,585
2024		37,000	56,581	93,581
2025		38,000	55,550	93,550
2026		40,000	54,478	94,478
2027		41,000	53,364	94,364
2027		42,000	52,223	94,223
2029		43,000	51,054	94,054
2030		44,000	49,858	93,858
2031		45,000	48,634	93,634
2031		47,000	47,369	94,369
2032		48,000	46,063	94,063
2033		49,000	44,729	93,729
2035		51,000	43,354	94,354
2036		52,000	41,938	93,938
2037		53,000	40,494	93,494
2037		55,000	39,009	94,009
2039		57,000	37,469	94,469
2040		58,000	35,888	93,888
2040		60,000	34,265	94,265
2042		61,000	32,601	93,601
2043		63,000	30,896	93,896
2044		65,000	29,136	94,136
2045		67,000	27,321	94,321
2046		69,000	25,451	94,451
2047		70,000	23,540	93,540
2048		72,000	21,588	93,588
2049		74,000	19,580	93,580
2050		76,000	17,518	93,518
2051		79,000	15,386	94,386
2052		81,000	13,186	94,186
2053		83,000	10,931	93,931
2054		85,000	8,621	93,621
2055		88,000	6,243	94,243
2056		90,000	3,795	93,795
2057	_	93,000	1,279	94,279
	\$	2,261,000	1,499,065	3,760,065

El Paso County Water Control and Improvement District No. 4 TSI-5. Long-Term Debt Service Requirements - by Years December 31, 2017

Year	Principal	ll Requirements for All Interest	Total
2018 \$	106,000	323,149	429,149
2019	130,000	298,295	428,295
2020	136,000	293,186	429,186
2021	139,000	287,851	426,851
2022	146,000	282,369	428,369
2023	151,000	276,603	427,603
2024	158,000	270,635	428,635
2025	164,000	264,383	428,383
2026	171,000	257,872	428,872
2027	178,000	251,105	429,105
2028	185,000	244,051	429,051
2029	192,000	236,711	428,711
2030	200,000	229,084	429,084
2031	207,000	221,127	428,127
2032	216,000	212,868	428,868
2033	225,000	204,267	429,267
2034	233,000	195,290	428,290
2035	244,000	185,972	429,972
2036	254,000	176,224	430,224
2037	262,000	166,062	428,062
2038	274,000	155,553	429,553
2039	286,000	144,558	430,558
2040	297,000	133,091	430,091
2041	310,000	121,150	431,150
2042	320,000	108,694	428,694
2043	283,000	95,805	378,805
2044	294,000	84,510	378,510
2045	306,000	72,770	378,770
2046	318,000	60,541	378,541
2047	330,000	47,838	377,838
2048	344,000	34,616	378,616
2049	105,000	20,820	125,820
2050	76,000	17,518	93,518
2051	79,000	15,386	94,386
2052	81,000	13,186	94,186
2053	83,000	10,931	93,931
2054	85,000	8,621	93,621
2055	88,000	6,243	94,243
2056	90,000	3,795	93,795
2057	93,000	1,279	94,279
\$	7,839,000	6,034,009	13,873,009

El Paso County Water Control and Improvement District No. 4 TSI-6. Change in Long-Term Bonded Debt December 31, 2017

				Bond Issues	3	
		Series 2003-A	Series 2008-A	Series 2010	Series 2017	Total
Original bond	\$	930,000	4,694,000	628,000	2,261,000	
Interest rate		4.25%	4.375%	4.0%	2.75%	
Dates interest payable		2/15; 8/15	2/15; 8/15	2/15; 8/15	2/15; 8/15	
Maturity dates		8/15/42	8/15/48	8/15/49	2/15/57	
Beginning bonds outstanding	\$	773,000	4,312,000	582,000		5,667,000
Bonds sold during the fiscal year					1,512,000	1,512,000
Bonds retired during the fiscal year		(16,000)	(64,000)	(9,000)		(89,000)
Ending bonds outstanding	\$	757,000	4,248,000	573,000	1,512,000	7,090,000
Interest paid during the fiscal year	\$.	32,853	188,650	23,280		244,783

Paying agent's name and city

Series 2003-A J P Morgan Chase Bank, Dallas, Texas Series 2008-A J P Morgan Chase Bank, Dallas, Texas

Series 2010 US Bank, Dallas, Texas Series 2017 US Bank, Dallas, Texas

Bond authority:	Tax Bonds*	 Other Bonds	Refunding Bonds
Amount authorized by voters	N/A	\$ 17,540,000	N/A
Amount issued	N/A	8,513,000	N/A
Remaining to be issued	N/A	9,027,000	N/A

^{*} Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

Debt Service Fund cash and temporary investments balances as of December 31, 2017:

\$ 66,405

Average annual debt service payment (principal and interest) for remaining term of all debt:

\$ 346,825

El Paso County Water Control and Improvement District No. 4 TSI-7c. Comparative Statements of Revenues and Expense December 31, 2017

TSI-7c. Comparative Statements of Revenues and Expenses

2015 WCID No 4 TSI-7.xlsx

El Paso County Water Control and Improvement District No. 4 TSI-8. Board Members, Key Personnel, and Consultants December 31, 2017

Complete district mailing address: P.O. Box 3880, Fabens, Texas 79838-3880					
District business telephon	e number:	(915) 70	64-2212		
Submission date of the me	ost recent district	registrati	on form		
(TWC Sections 36.054 ar	nd 49.054):	January	9, 2017		
Limit on fees of office tha	-				
(Set by Board Resolution	- TWC Section 49	9.060)		-	
	Term of Office (Elected or	e	Fees of Office	Evnanca	
	Appointed)		Paid *	Expense Reimbursements	Title at
Names:	or Date Hired	l	12/31/17	12/31/17	Year-End
Board members:					
Double Memoria	Appointed				
Magda Flores	11/14-11/18				President
	Elected				
Juana Gutierrez	11/16-11/20				Vice President
	Elected				
Thelma Quinonez	11/16-11/20				Director
	Appointed				
Jose Ramirez	11/14-11/18				Director
	Appointed				
Barbara Telas	11/14-11/18				Secretary
77 A 1					
Key Administrative Perso.	nnel:				General
Mike Terrazas, Jr.	04/22/13	\$	64,080		Manager
Hilaria Garcia	08/24/98	\$	45,028		Office Manager
Martin Madrid	09/03/97	\$	49,807		Field Manager
Consultants:					
Kemp Smith L.L.P.		\$	97,041		Attorney
CDM Smith		\$	391,553		Engineer
Bixler & Company, L.	.L.P.	\$	17,500		Auditor

^{*} Fees of Office are the amounts actually paid to a board member during the District's fiscal year.

Andrew A. Haddad, CPA Michael K. O'Donnell, CPA*

1280 HAWKINS SUITE 200 EL PASO, TEXAS 79925 (915) 593-1280 FAX (915) 594-8364



INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Board of Directors El Paso County Water Control and Improvement District No. 4 Fabens, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the El Paso County Water Control and Improvement District No. 4 (the District) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 1, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

Bifler + Co., L.L.P.

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

El Paso, Texas

May 1, 2018

Combination Tax and Revenue Improvement Bonds, Series 2003A

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Report

Debt Service Schedule

Combination Tax and Revenue Improvement Bonds, Series 2003A

Debt Service Schedule

Part 1 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
-	-	-	-	-	08/21/2003
-	19,103.75	19,103.75			02/15/2004
	27,762.50	19,762.50	4.250%	8,000.00	08/15/2004
46,866.25	-	-	-	-	12/31/2004
-	19,592.50	19,592.50	-	-	02/15/2005
-	29,592.50	19,592.50	4.250%	10,000.00	08/15/2005
49,185.00	-	-	(-)	-	12/31/2005
	19,380.00	19,380.00	-		02/15/2006
-	29,380.00	19,380.00	4.250%	10,000.00	08/15/2006
48,760.00	-	-	-	-	12/31/2006
-	19,167.50	19,167.50	-		02/15/2007
-	29,167.50	19,167.50	4.250%	10,000.00	08/15/2007
48,335.00		•	(a)	-	12/31/2007
	18,955.00	18,955.00	-		02/15/2008
	29,955.00	18,955.00	4.250%	11,000.00	08/15/2008
48,910.00	-			•	12/31/2008
	18,721.25	18,721.25			02/15/2009
-	29,721.25	18,721.25	4.250%	11,000.00	08/15/2009
48,442.50	-			-	12/31/2009
-	18,487.50	18,487.50			02/15/2010
-	30,487.50	18,487.50	4.250%	12,000.00	08/15/2010
48,975.00				-	12/31/2010
-	18,232.50	18,232.50	-	-	02/15/2011
-	31,232.50	18,232.50	4.250%	13,000.00	08/15/2011
49,465.00	-	-	•	-	12/31/2011
-	17,956.25	17,956.25			02/15/2012
-	30,956.25	17,956.25	4.250%	13,000.00	08/15/2012
48,912.50		-	-	•	12/31/2012
-	17,680.00	17,680.00	-	-	02/15/2013
-	31,680.00	17,680.00	4.250%	14,000.00	08/15/2013
49,360.00	-	•			12/31/2013
-	17,382.50	17,382.50	-	-	02/15/2014
-	31,382.50	17,382.50	4.250%	14,000.00	08/15/2014
48,765.00			-		12/31/2014
-	17,085.00	17,085.00	-	V 1=	02/15/2015
	32,085.00	17,085.00	4.250%	15,000.00	08/15/2015
49,170.00	-		•		12/31/2015
,	16,766.25	16,766.25		-	02/15/2016
-	32,766.25	16,766.25	4.250%	16,000.00	08/15/2016
49,532.50	-		-	-	12/31/2016
17,552.50	16,426.25	16,426.25	-	-	02/15/2017
-	32,426.25	16,426.25	4.250%	16,000.00	08/15/2017
48,852.50	- 120.20			-	12/31/2017

Combination Tax and Revenue Improvement Bonds, Series 2003A

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/15/2018	-	8=	16,086.25	16,086.25	-
08/15/2018	17,000.00	4.250%	16,086.25	33,086.25	-
12/31/2018	·	ų , 	•	-	49,172.50
02/15/2019	-	-	15,725.00	15,725.00	-
08/15/2019	18,000.00	4.250%	15,725.00	33,725.00	
12/31/2019		. .			49,450.00
02/15/2020	-	-	15,342.50	15,342.50	-
08/15/2020	19,000.00	4.250%	15,342.50	34,342.50	-
12/31/2020	-	.=	-	-	49,685.00
02/15/2021	-	-	14,938.75	14,938.75	-
08/15/2021	19,000.00	4.250%	14,938.75	33,938.75	
12/31/2021	-		-	-	48,877.50
02/15/2022	-	-	14,535.00	14,535.00	-
08/15/2022	20,000.00	4.250%	14,535.00	34,535.00	-
12/31/2022	.=	-	-	1-	49,070.00
02/15/2023			14,110.00	14,110.00	-
08/15/2023	21,000.00	4.250%	14,110.00	35,110.00	-
12/31/2023	-	-	•	-	49,220.00
02/15/2024	-	-	13,663.75	13,663.75	
08/15/2024	22,000.00	4.250%	13,663.75	35,663.75	-
12/31/2024	-	-	-	1-	49,327.50
02/15/2025	-	-	13,196.25	13,196.25	-
08/15/2025	23,000.00	4.250%	13,196.25	36,196.25	-
12/31/2025	1-	1-	-	-	49,392.50
02/15/2026	-	-	12,707.50	12,707.50	
08/15/2026	24,000.00	4.250%	12,707.50	36,707.50	-
12/31/2026	-	-	-	-	49,415.00
02/15/2027		-	12,197.50	12,197.50	-
08/15/2027	25,000.00	4.250%	12,197.50	37,197.50	-
12/31/2027	-	9-		-	49,395.00
02/15/2028	-		11,666.25	11,666.25	-
08/15/2028	26,000.00	4.250%	11,666.25	37,666.25	-
12/31/2028	-	-	•	-	49,332.50
02/15/2029	-		11,113.75	11,113.75	-
08/15/2029	28,000.00	4.250%	11,113.75	39,113.75	-
12/31/2029	-	i -	-	-	50,227.50
02/15/2030	-		10,518.75	10,518.75	-
08/15/2030	29,000.00	4.250%	10,518.75	39,518.75	-
12/31/2030	-	(-	-	-	50,037.50
02/15/2031	-	-	9,902.50	9,902.50	-
08/15/2031	30,000.00	4.250%	9,902.50	39,902.50	-
12/31/2031	-	-	-	-	49,805.00
02/15/2032	-		9,265.00	9,265.00	-

Combination Tax and Revenue Improvement Bonds, Series 2003A

Debt Service Schedule

Part 3 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
-	40,265.00	9,265.00	4.250%	31,000.00	08/15/2032
49,530.00	-	-	-	-	12/31/2032
-	8,606.25	8,606.25	-	-	02/15/2033
-	41,606.25	8,606.25	4.250%	33,000.00	08/15/2033
50,212.50		-			12/31/2033
-	7,905.00	7,905.00	-	-	02/15/2034
-	41,905.00	7,905.00	4.250%	34,000.00	08/15/2034
49,810.00		-	-	-	12/31/2034
-	7,182.50	7,182.50	-	-	02/15/2035
	43,182.50	7,182.50	4.250%	36,000.00	08/15/2035
50,365.00	-	-	-	-	12/31/2035
-	6,417.50	6,417.50	-	-	02/15/2036
-	44,417.50	6,417.50	4.250%	38,000.00	08/15/2036
50,835.00			-	-	12/31/2036
-	5,610.00	5,610.00	-		02/15/2037
-	44,610.00	5,610.00	4.250%	39,000.00	08/15/2037
50,220.00	-		-	-	12/31/2037
-	4,781.25	4,781.25	-		02/15/2038
-	45,781.25	4,781.25	4.250%	41,000.00	08/15/2038
50,562.50	-		-		12/31/2038
-	3,910.00	3,910.00	-		02/15/2039
-	46,910.00	3,910.00	4.250%	43,000.00	08/15/2039
50,820.00	-	-	-	-	12/31/2039
-	2,996.25	2,996.25		-	02/15/2040
-	47,996.25	2,996.25	4.250%	45,000.00	08/15/2040
50,992.50	-	-	-	-	12/31/2040
-	2,040.00	2,040.00	-	-	02/15/2041
-	49,040.00	2,040.00	4.250%	47,000.00	08/15/2041
51,080.00	-	-	-		12/31/2041
	1,041.25	1,041.25		-	02/15/2042
	50,041.25	1,041.25	4.250%	49,000.00	08/15/2042
51,082.50	-		-	-	12/31/2042
	\$1,931,448.75	\$1,001,448.75	-	\$930,000.00	Total

Combination Tax and Revenue Improvement Bonds, Series 2003A

Debt Service Schedule

Part 4 of 4

Yield Statistics	
Bond Year Dollars	\$23,563.50
Average Life	25.337 Years
Average Coupon	4.2500000%
Net Interest Cost (NIC)	4.2500000%
True Interest Cost (TIC)	4.2500487%
Bond Yield for Arbitrage Purposes	4.2500487%
All Inclusive Cost (AIC)	4.2500487%
IRS Form 8038	
Net Interest Cost	4.2500000%
Weighted Average Maturity	25.337 Years

Combination Tax and Revenue Improvement Bonds, Series 2008A (Wastewater Project)

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Report

Debt Service Schedule

Combination Tax and Revenue Improvement Bonds, Series 2008A (Wastewater Project)

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/26/2009	*	*	-		-
08/15/2009		-	96,406.28	96,406.28	
12/31/2009		-	-	-	96,406.28
02/15/2010			102,681.25	102,681.25	
08/15/2010	48,000.00	4.375%	102,681.25	150,681.25	-
12/31/2010	-	•	-		253,362.50
02/15/2011		. *	101,631.25	101,631.25	
08/15/2011	50,000.00	4.375%	101,631.25	151,631.25	-
12/31/2011	-	=	-	-	253,262.50
02/15/2012	-	-	100,537.50	100,537.50	
08/15/2012	52,000.00	4.375%	100,537.50	152,537.50	
12/31/2012		-	-	-	253,075.00
02/15/2013	_	-	99,400.00	99,400.00	-
08/15/2013	54,000.00	4.375%	99,400.00	153,400.00	-
12/31/2013	-		-	-	252,800.00
02/15/2014	-		98,218.75	98,218.75	
08/15/2014	57,000.00	4.375%	98,218.75	155,218.75	n=
12/31/2014	-	-		-	253,437.50
02/15/2015	-		96,971.88	96,971.88	-
08/15/2015	59,000.00	4.375%	96,971.88	155,971.88	_
12/31/2015	-	1.37370	-	-	252,943.76
02/15/2016			95,681.25	95,681.25	202,710.70
08/15/2016	62,000.00	4.375%	95,681.25	157,681.25	
12/31/2016	02,000.00	4.57570	75,001.25	137,001.23	253,362.50
02/15/2017	_	- C	94,325.00	94,325.00	233,302.30
08/15/2017	64,000.00	4.375%	94,325.00	158,325.00	
12/31/2017	04,000.00	4.57570	74,323.00	130,323.00	252,650.00
02/15/2018	-		92,925.00	92,925.00	232,030.00
08/15/2018	67,000.00	4.375%	92,925.00	159,925.00	_
12/31/2018	07,000.00	4.57570	72,723.00	137,723.00	252,850.00
02/15/2019			91,459.38	91,459.38	232,030.00
08/15/2019	70,000.00	4.375%	91,459.38	161,459.38	
12/31/2019	70,000.00	4.37370	71,437.36	101,437.30	252,918.76
02/15/2020	-	•	89,928.13	89,928.13	232,918.70
	73,000.00	4.375%	89,928.13	162,928.13	-
08/15/2020	73,000.00	4.373%	69,926.13	102,926.13	252,856.26
12/31/2020	-	•	99 221 25	88,331.25	232,630.20
02/15/2021	76,000.00	4.375%	88,331.25 88,331.25	164,331.25	-
08/15/2021	76,000.00	4.3/3%	88,331.23	104,331.23	252 662 50
12/31/2021	-	-	06 660 75	96 669 75	252,662.50
02/15/2022		4.2750/	86,668.75	86,668.75	•
08/15/2022	80,000.00	4.375%	86,668.75	166,668.75	252 227 50
12/31/2022		-	04.010.77	04.010.77	253,337.50
02/15/2023	-		84,918.75	84,918.75	

Combination Tax and Revenue Improvement Bonds, Series 2008A (Wastewater Project)

Debt Service Schedule

Part 2 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
-	167,918.75	84,918.75	4.375%	83,000.00	08/15/2023
252,837.50	-	-	-	-	12/31/2023
-	83,103.13	83,103.13	-	-	02/15/2024
-	170,103.13	83,103.13	4.375%	87,000.00	08/15/2024
253,206.26	-	-	-	-	12/31/2024
	81,200.00	81,200.00	-	-	02/15/2025
	172,200.00	81,200.00	4.375%	91,000.00	08/15/2025
253,400.00	•	-	-	-	12/31/2025
-	79,209.38	79,209.38	-		02/15/2026
-	173,209.38	79,209.38	4.375%	94,000.00	08/15/2026
252,418.76	-		-	-	12/31/2026
	77,153.13	77,153.13	-		02/15/2027
	176,153.13	77,153.13	4.375%	99,000.00	08/15/2027
253,306.26			-	-	12/31/2027
	74,987.50	74,987.50	*	-	02/15/2028
-	177,987.50	74,987.50	4.375%	103,000.00	08/15/2028
252,975.00			-	-	12/31/2028
	72,734.38	72,734.38	-	-	02/15/2029
-	179,734.38	72,734.38	4.375%	107,000.00	08/15/2029
252,468.76			-		12/31/2029
	70,393.75	70,393.75	-	-	02/15/2030
-	182,393.75	70,393.75	4.375%	112,000.00	08/15/2030
252,787.50		-	-	-	12/31/2030
-	67,943.75	67,943.75	-		02/15/2031
-	184,943.75	67,943.75	4.375%	117,000.00	08/15/2031
252,887.50	=			-	12/31/2031
-	65,384.38	65,384.38	-		02/15/2032
	187,384.38	65,384.38	4.375%	122,000.00	08/15/2032
252,768.76	-				12/31/2032
-	62,715.63	62,715.63	-	1-	02/15/2033
-	190,715.63	62,715.63	4.375%	128,000.00	08/15/2033
253,431.26	-	-		-	12/31/2033
-	59,915.63	59,915.63	-		02/15/2034
-	192,915.63	59,915.63	4.375%	133,000.00	08/15/2034
252,831.26	-	-	-	-	12/31/2034
	57,006.25	57,006.25		-	02/15/2035
-	196,006.25	57,006.25	4.375%	139,000.00	08/15/2035
253,012.50	•	-	-	-	12/31/2035
-	53,965.63	53,965.63	-		02/15/2036
-	198,965.63	53,965.63	4.375%	145,000.00	08/15/2036
252,931.26	-	-	1=1	-	12/31/2036
	50,793.75	50,793.75	-	-	02/15/2037
-	201,793.75	50,793.75	4.375%	151,000.00	08/15/2037

Combination Tax and Revenue Improvement Bonds, Series 2008A (Wastewater Project)

Debt Service Schedule

Part 3 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
252,587.50	-	-	-	-	12/31/2037
-	47,490.63	47,490.63	-	-	02/15/2038
-	205,490.63	47,490.63	4.375%	158,000.00	08/15/2038
252,981.26	-		-	-	12/31/2038
-	44,034.38	44,034.38	-	-	02/15/2039
-	209,034.38	44,034.38	4.375%	165,000.00	08/15/2039
253,068.76	-			-	12/31/2039
-	40,425.00	40,425.00	1-1	-	02/15/2040
-	212,425.00	40,425.00	4.375%	172,000.00	08/15/2040
252,850.00	-	-	-	-	12/31/2040
-	36,662.50	36,662.50	-	-	02/15/2041
	216,662.50	36,662.50	4.375%	180,000.00	08/15/2041
253,325.00	-	-		-	12/31/2041
-	32,725.00	32,725.00	-	-	02/15/2042
-	219,725.00	32,725.00	4.375%	187,000.00	08/15/2042
252,450.00	-			-	12/31/2042
-	28,634.38	28,634.38			02/15/2043
-	224,634.38	28,634.38	4.375%	196,000.00	08/15/2043
253,268.76	-	-	-	-	12/31/2043
-	24,346.88	24,346.88	=	-	02/15/2044
-	228,346.88	24,346.88	4.375%	204,000.00	08/15/2044
252,693.76	-	-	-	-	12/31/2044
-	19,884.38	19,884.38		-	02/15/2045
-	232,884.38	19,884.38	4.375%	213,000.00	08/15/2045
252,768.76	-	-	-	-	12/31/2045
-	15,225.00	15,225.00	-	¥	02/15/2046
	237,225.00	15,225.00	4.375%	222,000.00	08/15/2046
252,450.00			-		12/31/2046
-	10,368.75	10,368.75	-	-	02/15/2047
-	242,368.75	10,368.75	4.375%	232,000.00	08/15/2047
252,737.50	-	4	-		12/31/2047
-	5,293.75	5,293.75	-	-	02/15/2048
-	247,293.75	5,293.75	4.375%	242,000.00	08/15/2048
252,587.50	-	-	-		12/31/2048
-	\$9,960,956.44	\$5,266,956.44	-	\$4,694,000.00	Total

Combination Tax and Revenue Improvement Bonds, Series 2008A (Wastewater Project)

Debt Service Schedule

Part 4 of 4

Yield Statistics	
Bond Year Dollars	\$120,387.57
Average Life	25.647 Years
Average Coupon	4.3750001%
Net Interest Cost (NIC)	4.3750001%
True Interest Cost (TIC)	4.3750925%
Bond Yield for Arbitrage Purposes	4.3750925%
All Inclusive Cost (AIC)	4.4786223%
IRS Form 8038	
Net Interest Cost	4.3750001%
Weighted Average Maturity	25.647 Years

Combination Tax and Revenue Improvement Bonds, Series 2010 (Water Project)

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Combination Tax and Revenue Improvement Bonds, Series 2010 (Water Project)

Debt Service Schedule

Part 1 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
-	-	-	-	-	07/01/2010
	3,070.22	3,070.22	-	-	08/15/2010
3,070.22	-	-	-	-	12/31/2010
	12,560.00	12,560.00	-	-	02/15/2011
-	19,560.00	12,560.00	4.000%	7,000.00	08/15/2011
32,120.00	-		-		12/31/2011
	12,420.00	12,420.00	-	-	02/15/2012
7·	19,420.00	12,420.00	4.000%	7,000.00	08/15/2012
31,840.00	-	-	-	-	12/31/2012
	12,280.00	12,280.00		-	02/15/2013
	20,280.00	12,280.00	4.000%	8,000.00	08/15/2013
32,560.00	-	-			12/31/2013
-	12,120.00	12,120.00			02/15/2014
	20,120.00	12,120.00	4.000%	8,000.00	08/15/2014
32,240.00	-	-	-		12/31/2014
-	11,960.00	11,960.00	-		02/15/2015
	19,960.00	11,960.00	4.000%	8,000.00	08/15/2015
31,920.00	-	•	-	-	12/31/2015
	11,800.00	11,800.00	-		02/15/2016
	19,800.00	11,800.00	4.000%	8,000.00	08/15/2016
31,600.00					12/31/2016
-	11,640.00	11,640.00	-		02/15/2017
	20,640.00	11,640.00	4.000%	9,000.00	08/15/2017
32,280.00		-	-		12/31/2017
-	11,460.00	11,460.00			02/15/2018
-	20,460.00	11,460.00	4.000%	9,000.00	08/15/2018
31,920.00		-			12/31/2018
-	11,280.00	11,280.00	-		02/15/2019
_	20,280.00	11,280.00	4.000%	9,000.00	08/15/2019
31,560.00	-	-	-	-	12/31/2019
-	11,100.00	11,100.00			02/15/2020
	21,100.00	11,100.00	4.000%	10,000.00	08/15/2020
32,200.00	21,100.00	-	-	-	12/31/2020
-	10,900.00	10,900.00			02/15/2021
	20,900.00	10,900.00	4.000%	10,000.00	08/15/2021
31,800.00	20,700.00	-	-	-	12/31/2021
51,000.00	10,700.00	10,700.00	_	-	02/15/2022
	21,700.00	10,700.00	4.000%	11,000.00	08/15/2022
32,400.00	21,700.00	10,700.00	1.00070	-	12/31/2022
52,400.00	10,480.00	10,480.00			02/15/2023
	21,480.00	10,480.00	4.000%	11,000.00	08/15/2023
31,960.00	21,400.00	10,400.00	4.00070	11,000.00	12/31/2023
31,900.00	10,260.00	10,260.00			02/15/2024

Combination Tax and Revenue Improvement Bonds, Series 2010 (Water Project)

Debt Service Schedule

Part 2 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
-	22,260.00	10,260.00	4.000%	12,000.00	08/15/2024
32,520.00	-	-	-		12/31/2024
-	10,020.00	10,020.00			02/15/2025
-	22,020.00	10,020.00	4.000%	12,000.00	08/15/2025
32,040.00	-	-	-	-	12/31/2025
	9,780.00	9,780.00	-		02/15/2026
	22,780.00	9,780.00	4.000%	13,000.00	08/15/2026
32,560.00	-	-	-		12/31/2026
-	9,520.00	9,520.00	-		02/15/2027
-	22,520.00	9,520.00	4.000%	13,000.00	08/15/2027
32,040.00	-	-	-	-	12/31/2027
	9,260.00	9,260.00			02/15/2028
	23,260.00	9,260.00	4.000%	14,000.00	08/15/2028
32,520.00	-		-		12/31/2028
-	8,980.00	8,980.00	-		02/15/2029
-	22,980.00	8,980.00	4.000%	14,000.00	08/15/2029
31,960.00	-		-	-	12/31/2029
-	8,700.00	8,700.00	-		02/15/2030
	23,700.00	8,700.00	4.000%	15,000.00	08/15/2030
32,400.00		-	-	-	12/31/2030
-	8,400.00	8,400.00	-		02/15/2031
	23,400.00	8,400.00	4.000%	15,000.00	08/15/2031
31,800.00	-	•		-	12/31/2031
-	8,100.00	8,100.00	-		02/15/2032
-	24,100.00	8,100.00	4.000%	16,000.00	08/15/2032
32,200.00	-	-	-	-	12/31/2032
-	7,780.00	7,780.00	-	-	02/15/2033
	23,780.00	7,780.00	4.000%	16,000.00	08/15/2033
31,560.00	-	-	-		12/31/2033
-	7,460.00	7,460.00	-		02/15/2034
-	24,460.00	7,460.00	4.000%	17,000.00	08/15/2034
31,920.00	-	-	-		12/31/2034
-	7,120.00	7,120.00			02/15/2035
-	25,120.00	7,120.00	4.000%	18,000.00	08/15/2035
32,240.00	-	-	-	-	12/31/2035
-	6,760.00	6,760.00	-	-	02/15/2036
	25,760.00	6,760.00	4.000%	19,000.00	08/15/2036
32,520.00	•	-	-	-	12/31/2036
-	6,380.00	6,380.00	-	-	02/15/2037
-	25,380.00	6,380.00	4.000%	19,000.00	08/15/2037
31,760.00	-	-	-	-	12/31/2037
	6,000.00	6,000.00		-	02/15/2038
	26,000.00	6,000.00	4.000%	20,000.00	08/15/2038

Combination Tax and Revenue Improvement Bonds, Series 2010 (Water Project)

Debt Service Schedule

Part 3 of 4

Fiscal Total	Total P+I	Interest	Coupon	Principal	Date
32,000.00	-	-	-	-	12/31/2038
	5,600.00	5,600.00	-		02/15/2039
	26,600.00	5,600.00	4.000%	21,000.00	08/15/2039
32,200.00	-	-	-	-	12/31/2039
-	5,180.00	5,180.00	-	•	02/15/2040
	27,180.00	5,180.00	4.000%	22,000.00	08/15/2040
32,360.00	-	-	-	-	12/31/2040
	4,740.00	4,740.00	-	~	02/15/2041
-	27,740.00	4,740.00	4.000%	23,000.00	08/15/2041
32,480.00	•	-	-	-	12/31/2041
-	4,280.00	4,280.00	-		02/15/2042
-	27,280.00	4,280.00	4.000%	23,000.00	08/15/2042
31,560.00		-	-		12/31/2042
-	3,820.00	3,820.00		-	02/15/2043
-	27,820.00	3,820.00	4.000%	24,000.00	08/15/2043
31,640.00			-	-	12/31/2043
-	3,340.00	3,340.00	-	_	02/15/2044
	28,340.00	3,340.00	4.000%	25,000.00	08/15/2044
31,680.00	*	-	-	-	12/31/2044
-	2,840.00	2,840.00		-	02/15/2045
	28,840.00	2,840.00	4.000%	26,000.00	08/15/2045
31,680.00	¥	-	-		12/31/2045
-	2,320.00	2,320.00	-		02/15/2046
-	29,320.00	2,320.00	4.000%	27,000.00	08/15/2046
31,640.00	-	-	-		12/31/2046
-	1,780.00	1,780.00	-		02/15/2047
-	29,780.00	1,780.00	4.000%	28,000.00	08/15/2047
31,560.00	-	-	-	-	12/31/2047
-	1,220.00	1,220.00	-	-	02/15/2048
	31,220.00	1,220.00	4.000%	30,000.00	08/15/2048
32,440.00	-	-	-	-	12/31/2048
-	620.00	620.00	_	-	02/15/2049
	31,620.00	620.00	4.000%	31,000.00	08/15/2049
32,240.00		-	-	-	12/31/2049
-	\$1,252,990.22	\$624,990.22	-	\$628,000.00	Total

Combination Tax and Revenue Improvement Bonds, Series 2010 (Water Project)

Debt Service Schedule

Part 4 of 4

Yield Statistics	
Decline Deller	D15 (24.76
Bond Year Dollars	\$15,624 76
Average Life	24 880 Years
Average Coupon	4 0000000%
Net Interest Cost (NIC)	4 0000000%
True Interest Cost (TIC)	4 0002463%
Bond Yield for Arbitrage Purposes	4 0002463%
All Inclusive Cost (AIC)	4 2827581%
IRS Form 8038	
Net Interest Cost	4 0000000%
Weighted Average Maturity	24 880 Years

Combination Tax and Revenue Improvement Bonds All Series

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Report

Aggregate Debt Service

Aggregate | SINGLE PURPOSE | 4/23/2014 | 11:41 AM

Combination Tax and Revenue Improvement Bonds All Series

Aggregate Debt Service

Part 1 of 2

	2003A	2008A	2010	TOTAL
12/31/2013	49,360.00	252,800.00	32,560.00	334,720.00
12/31/2014	48,765.00	253,437.50	32,240.00	334,442.50
12/31/2015	49,170.00	252,943.76	31,920.00	334,033.76
12/31/2016	49,532.50	253,362.50	31,600.00	334,495.00
12/31/2017	48,852.50	252,650.00	32,280.00	333,782.50
12/31/2018	49,172.50	252,850.00	31,920.00	333,942.50
12/31/2019	49,450.00	252,918.76	31,560.00	333,928.76
12/31/2020	49,685.00	252,856.26	32,200.00	334,741.26
12/31/2021	48,877.50	252,662.50	31,800.00	333,340.00
12/31/2022	49,070.00	253,337.50	32,400.00	334,807.50
12/31/2023	49,220.00	252,837.50	31,960.00	334,017.50
12/31/2024	49,327.50	253,206.26	32,520.00	335,053.76
12/31/2025	49,392.50	253,400.00	32,040.00	334,832.50
12/31/2026	49,415.00	252,418.76	32,560.00	334,393.76
12/31/2027	49,395.00	253,306.26	32,040.00	334,741.26
12/31/2028	49,332.50	252,975.00	32,520.00	334,827.50
12/31/2029	50,227.50	252,468.76	31,960.00	334,656.26
12/31/2030	50,037.50	252,787.50	32,400.00	335,225.00
12/31/2031	49,805.00	252,887.50	31,800.00	334,492.50
12/31/2032	49,530.00	252,768.76	32,200.00	334,498.76
12/31/2033	50,212.50	253,431.26	31,560.00	335,203.76
12/31/2034	49,810.00	252,831.26	31,920.00	334,561.26
12/31/2035	50,365.00	253,012.50	32,240.00	335,617.50
12/31/2036	50,835.00	252,931.26	32,520.00	336,286.26
12/31/2037	50,220.00	252,587.50	31,760.00	334,567.50
12/31/2038	50,562.50	252,981.26	32,000.00	335,543.76
12/31/2039	50,820.00	253,068.76	32,200.00	336,088.76
12/31/2040	50,992.50	252,850.00	32,360.00	336,202.50
12/31/2041	51,080.00	253,325.00	32,480.00	336,885.00
12/31/2042	51,082.50	252,450.00	31,560.00	335,092.50
12/31/2043	-	253,268.76	31,640.00	284,908.76
12/31/2044		252,693.76	31,680.00	284,373.76
12/31/2045	-	252,768.76	31,680.00	284,448.76
12/31/2046	-	252,450.00	31,640.00	284,090.00
12/31/2047	_	252,737.50	31,560.00	284,297.50
12/31/2048	-	252,587.50	32,440.00	285,027.50
12/31/2049		-	32,240.00	32,240.00
Total	\$1,493,597.50	\$9,104,850.16	\$1,185,960.00	\$11,784,407.66

Aggregate | 4/23/2014 | 11:41 AM

Combination Tax and Revenue Improvement Bonds All Series

Aggregate Debt Service

Part 2 of 2

Par Amounts (Of Selected Issue	S
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2003A	832,000.00
2008A	4,544,000.00
2010	614,000.00
TOTAL	5,990,000.0

Aggregate | 4/23/2014 | 11:41 AM

Combination Tax and Revenue Improvement Bonds All Series

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Aggregate Debt Service

Aggregate | SINGLE PURPOSE | 4/23/2014 | 11 40 AM

Combination Tax and Revenue Improvement Bonds All Series

Aggregate Debt Service

Part 1 of 2

Date	Principal	Interest	Total P+I
12/31/2013	76,000 00	258,720 00	334,720 00
12/31/2014	79,000 00	255,442 50	334,442 50
12/31/2015	82,000 00	252,033 76	334,033 76
12/31/2016	86,000 00	248,495 00	334,495 00
12/31/2017	89,000 00	244,782 50	333,782 50
12/31/2018	93,000 00	240,942 50	333,942 50
12/31/2019	97,000 00	236,928 76	333,928 76
12/31/2020	102,000 00	232,741 26	334,741 26
12/31/2021	105,000 00	228,340 00	333,340 00
12/31/2022	111,000 00	223,807 50	334,807 50
12/31/2023	115,000 00	219,017 50	334,017 50
12/31/2024	121,000 00	214,053 76	335,053 76
12/31/2025	126,000 00	208,832 50	334,832 50
12/31/2026	131,000 00	203,393 76	334,393 76
12/31/2027	137,000 00	197,741 26	334,741 26
12/31/2028	143,000 00	191,827 50	334,827 50
12/31/2029	149,000 00	185,656 26	334,656 26
12/31/2030	156,000 00	179,225 00	335,225 00
12/31/2031	162,000 00	172,492 50	334,492 50
12/31/2032	169,000 00	165,498 76	334,498 76
12/31/2033	177,000 00	158,203 76	335,203 76
12/31/2034	184,000 00	150,561 26	334,561 26
12/31/2035	193,000 00	142,617 50	335,617 50
12/31/2036	202,000 00	134,286 26	336,286 26
12/31/2037	209,000 00	125,567 50	334,567 50
12/31/2038	219,000 00	116,543 76	335,543.76
12/31/2039	229,000 00	107,088 76	336,088 76
12/31/2040	239,000 00	97,202 50	336,202 50
12/31/2041	250,000 00	86,885 00	336,885 00
12/31/2042	259,000 00	76,092 50	335,092 50
12/31/2043	220,000 00	64,908 76	284,908 76
12/31/2044	229,000 00	55,373 76	284,373 76
12/31/2045	239,000 00	45,448 76	284,448 76
12/31/2046	249,000 00	35,090 00	284,090 00
12/31/2047	260,000 00	24,297 50	284,297 50
12/31/2048	272,000 00	13,027 50	285,027 50
12/31/2049	31,000 00	1,240 00	32,240 00
Total	\$5,990,000.00	\$5,794,407.66	\$11,784,407.66

Aggregate | 4/23/2014 | 11 40 AM

Combination Tax and Revenue Improvement Bonds All Series

Aggregate Debt Service

Part 2 of 2

Par Amounts Of Selected Issues

2003A	832,000 00
2008A	4,544,000 00
2010	614,000 00
TOTAL	5,990,000,00

Aggregate | 4/23/2014 | 11 40 AM

2015 RATE STUDY INFORMATION **September 22,2015**

- 1) A current list of anticipated capital improvement for the next 5 to 10 years. More specifically, I will need:
 - a. The list of water projects and year the projects will be initiated;
 - b. The list of wastewater projects and year the projects will be initiated;
 - c. How the utility will finance the projects (TWDB, USDA, Revenue Bonds, cash on hand,etc.), when and % applicable to water and wastewater.

WATER				
Project Name	Estimated	Project Initiation	Financing	Debt Issuance
	Cost	Year		Date
I-10 Tank, Booster and Collection Line	\$1,675,000	2016	USDA-RD Loan	2016
Nano Filtration System	\$1,664,000	2016	USDA-RD Loan	2016
CC Camp to 10th Street Well Collection Line	\$50,000	2019	BECC Grant	2019
WASTEWATER				
Project Name	Estimated	Project Initiation	Financing	Debt Issuance
	Cost	Year		Date
Sewer Force Main	\$1,400,000	2020	NADBank Loan	2020
Ikard Lift Station(Replacement)	\$2,500,000	2020	NADBank Loan	2021

USDA-RD

LOAN

Date of Loan Loan Amount Interest Rate WATER

7/1/2010 628,000.00

4.0

FORM RD-1951-9 (06/18)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

97000188802 LPLSINST

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

CASE NUMBER FUND CODE LOAN NU	IMBER DATE	FINAL YE OF LOAN 070110		50 .0000 AMOUNT OF LOAN	628,0	00.00
DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	INTEREST T RATE	EFFECTIVE DATE
BEGIN LOAN BALNCE		8,634.60	573,000.00	581,634.60		010118
PAYMENT		11,460 00	0.00	11,460.00		1
PAYMENT		11,460.00	9,000 00	20,460.00	R 04.000	081518
ł						ļ
				İ		
				1	1	
TOTAL LOAN PMTS		22,920.00	9,000.00	31,920.00		
LOAN ACTIVITY LOAN BALANCE	0.00 NPD INTEREST	22,920.00 8,498.50	9,000.00 ** UNPD PRI	31,920.00		
NXT AMT DUE	11,280.00	DAT	E DUE 021519		-	
PAYMENT STATUS			S PAID			
##These unpaid balances may no			it payoff. WIION: The amount shown ma			
RECIPIENT'S/LENGER'S name, stre- province, country. ZIP or foreign		one no not			al I	Nortgage
USDA RURAL DEVELOP PHONE#(833)797-372		sec you the	hits based on the loan amound the cost and value of the cured property may apply. Also may only deduct interest to extent it was incurred by a catent it was incurred by a catent it was incurred by a sectually paid by you, and	(Rev. June 2018)	l li	nterest
4300 GOODFELLOW BL		,,,,,	The minutes and by endings pers	Form 1098	S	tatement
2.1 <u>13515</u> , MO 301	- -		Mortgage interest received			
RECIPIENT'S/LENDERS TIN	PAYER'S/BORRE	OWER'S TIN	O . 2 Outstanding mortgage principal as of 17172018	, OO 3 Mortgage origination	1 date	COPY B
			\$		1	AYER/BORROWER
PAYER'S/BORROWER'S name, Streetown, state or province, country,	t address lincluding apt and ZIP or foreign pos		Refund of overpaid interes	5 Mortgage insurance premiums	The inf infor	ormation in boxes 1 9 is important tax mation and is being ished to the IRS, if
er 8.55 55		_ 3	Points paid on purchase of	principal residence	you are return, negligen	isned to the IHS, if a required to file a a negligence penalty ice penalty or other may be imposed on the IRS determines
EL PASO COUNTY W.C.I.D. NO. 4	49-727	' <u>\$</u>			sanction you if that an	may be imposed on the IRS determines underpayment of tax
P O BOX 3880 FABENS TX	79838	7	PAYER'S/BORROWER'S addr		oversta this for th	the IRS determines underpayment of tax results because you ted a deduction for martgage interest or less points, reported boxes 1 and 6; pr
			checked, or the address or in box 8.	description is entered	becau	n boxes 1 and 6; or use you didn't report a refund of interest 41; or because you med a nondeductible
9 Number of properties 10 Other securing the mortgage	r IRS FORM 1098	DOES 8	Address or description of	property securing mortgage	(box	4); or because you med a nondeductible item.
Account number (see instructions)	NOT APPLY TO Y	OUR LOAN	(see instructions)			
						j
ORM 1098 keep for your records		www.irs.gov	/Form1098	Department of the	Treasury - Intern	al Revenue Service

ATION PURPOSES

PAGE 003 DATE 123117

FINAL YEAR OF LOAN 2050 N 070110 INTEREST RATE 04.0000 AMOUNT OF LOAN ARER LOAN NUMBER DATE OF LOAN 070110 628,000.00 INTEREST EFFECTIVE DESCRIPTION **ADVANCES** INTEREST PRINCIPAL RATE TOTAL DATE BEGIN LOAN BALNCE 590,770.71 010117 8,770.71 582,000.00 PAYMENT 11,640.00 0.00 11,640.00 R 04.0000 021517 PAYMENT 11,640.00 9,000.00 20,640.00 R 04.0000 081517 TOTAL LOAN PMTS 9,000.00 23.280.00 32,280.00 32,280.00 573,000.00 ** 23,280.00 0 00 9,000.00 LOAN ACTIVITY UNPD INTEREST UNPD PRIN LOAN BALANCE NXT AMT DUE PAYMENT STATUS 8,634.60 ** 11,460.00 DATE DUE 021518 ON SCHEDULE TAXES PAID MRThese unpaid balances may not reflect the total amount due to the Agency at payoff. CAUTION: the amount shown may not be fully deductible by you. Limits based on the lean amount and the cost and value of the secured property may apply. Also, you may only deduct interest to the extent if was incurred by you, actually paid by you, and not relimbursed by another person. CORRECTED (if checked) OHB NO.1545-0901 RECIPIENT'S/LENDER'Sname, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Mortgage USDA RURAL DEVELOPMENT Interest PHONE#(314)457-4310 (Rev. June 2017) Statement 4300 GOODFELLOW BLVD FC-1332 Form 1098 ST. LOUIS, MO 63120 Mortgage interest received from payer(s)/borrower(s)# RECIPIENT'S/LENDERS
Federal identification number PAYER'S/BORROWER'S taxpayer identification no. 2 Outstanding mortgage principal as of 1/1/2017 3 Mortgage origination date COPY B FOR PAYER/BORROWER \$ The information in boxes 1 through 10 is important tax information and is being furnished to the internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed or you if the IRS detarmines that an underpayment of the or other than the internal penalty of the penalty PAYER'S/BORROWER'S name, Street address (including apt no.), city or town, state or province, country, and ZIP or foreign postal code 4 Refund of overpaid interest 5 Mortgage insurance \$ \$ 6 Points paid on purchase of principal residence EL PASO COUNTY 49-727 W.C.I.D. NO. 4 7 Is address of property securing mortgage same as PAYER'S/BORROWER'S address? P 0 B0X 3880 FABENS TX 79838 If "Yes", box is checked the cause you didn't reperture the refund of interest (box 4); or because you claimed a non-deductible If "No", see box 8 or 9, below 10 Number of 11 Other 8 Address of property securing mortgage mortgaged properties IRS FORM 1098 DOES NOT APPLY TO YOUR LOAN g if property securing mortgage has no address, Account number (see instructions) below is the description of the property

FORM 1098 keep for your records! www.irs.gov/form1098 Department of the Tressury-Internal Revenue Service

FORM RD-1951-9 (06/16)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

K7000191802 L19519RD

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL		TEREST	EFFECTIVE
OLGERIT I TOR	ADVANCES	INIERESI	FRINCIPAL	TOTAL	ľТ	RATE	DATE
BEGIN LOAN BALNCE		8,891.69	590,000.00	598,891.69			01011
PAYMENT		11,800.00	0.00	11,800.00	R O	4.0000	02151
PAYMENT		11,800.00	8,000.00	19,800.00	R O	4.0000	08151
				!			
TOTAL LOAN PMTS		23,600.00	8,000.00	31,600.00			
TOTAL PAID ON ALL		,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	21,30010			
LOANS THIS YEAR		248,495.00	86,000.00	334,495.00			
LOAN ACTIVITY	0.00	23,600.00		31,600.00			
	IPD INTEREST	8,770.7 DA	1 ** UNPD PRIN TE DUE 021517	582,000.00 *	*		
AYMENT STATUS		ON SCHEDULE		XXX			
LL LOAN ACTIVITY	0.00	248,495.00		334,495.00)		
ORR BAL UNP	D INTEREST	92,321.4 Int due to the Agency		,000.00			_
ECIPIENT'S/LENDER'Sname, street rovince, country, ZIP or foreign p	address, city or town, ostal code, and teleph	one number	CAUTION. The amount shown may not be fully deductible by you. Imits based on the loan amount	OHB NO.1545-090)1		ED lif checke
USDA RURAL DEVELOPM				2016			rtgage erest
PHONE#(314)457-4310 4300 GOODFELLOW BLV			secured preperty may apply. Also, ou may enty deduct interest to, ou may enty deduct interest to the extent it was incurred by ou, actually said by you, and lot reimbursed by another person	(Rev. June 2016)			tement
ST. LOUIS, MO 6312	0	İ	1 Mortgage interest received f				
ECIPIENT'S/LENDERS	Investe (none	24606	9.0				
ederal identification number	PAYER'S/BORRO	fication no.	2 Outstanding mortgage principal as of 17172016	3 Mortgaga originatio	on date	FOR PAYE	COPY B R/BORRONER
AYER'S/BORROWER'S name, Street own, state or province, country, a	address (including apt	no.), city or	4 Refund of overpaid interest	5 Mortgage insurance		The inform	stion in boxes
own, state or province, country, a	nd ZIP or forsign pos	tal còde	\$	\$ premiums		informat furnishe Revenue Se	ation in boxes is important is ion and is bei id to the interr irvice. If you if file a return, pensity or off
EL PASO COUNTY	49-72	,	6 Points paid on purchase of	principal residence		required to negligence sanction ma	penalty or off ty be imposed a IRS determine
W.C.I.D. NO. 4 P O BOX 3880		}	7 Is address of property secu	ring mortgage same as		that an und	by be imposed by be imposed a IRS determine arpsyment of suits because ated a deduction or to a suits because areas.
FABENS TX	79838		PAYER'S/BORROWER'S addre	X		for this orfor these	mortgage inter points, report ses I and 6;
			If No, see box 8 or 9, belo	ow .		the ri	mortgage inter- points, reports sales 1 and 6; you didn't reperfund of inter- ; or because ; a non-deductit
Oother RS FORM 1098 DOES N	OT APPLY TO V	OUR LOAN	8 Address of property securing	g mortgage		Ciantiau :	ite
ecount number (see instructions)			9 If property securing mortgag			4	

-1-9 L19519RD

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

JRMATION
1AX PURPOSES

<u> </u>						
_ NUMBER	BER DATE	FINAL Y DF LOAN 07/01/	EAR OF LOAN 205 10 Interest rate 04.			
DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	INTEREST T RATE	EFFECTIVE DATE
3.00	1	2011201				
BEGIN LOAN BALNCE		9,012.68	598,000.00	607,012.68		010115
PAYMENT PAYMENT		11,960.00 11,960.00		11,960.00 19,960.00		021515 081515
1						
	٠			į		
,						
TOTAL LOAN PMTS		23,920.00	8,000.00	31,920.00		
TOTAL PAID ON ALL LOANS THIS YEAR		252,033.74	82,000.00	334,033.74		
LOAN ACTIVITY	0.00	23,920.00	8,000.00	31,920.00		
LOAN BALANCE UN	PD INTEREST	8,891.6			*	
NXT AMT DUE 1	1,800.00		TE DUE 021516			
PAYMENT STATUS		ON SCHEDULE		O O		
ALL LOAN ACTIVITY	0.00	TAX 252,033.74	ES PAID	334,033.74		
	D INTEREST	93,725.0				
**These unpaid balances may not	reflect the total amou	int due to the Agency	at payoff.			
RECIPIENT'S/LENDER'S name, province, country, ZIP or foreign USDA RURAL DEVELOPM	postal code, and tele	or town, state or phone number	ACAUTION: The amount shown met be fufly deductible by you, imits based on the loan imount and the cost and value of he secured property may ipply Also, you may only deduc		'1	CTED (if checked)
PHONE#(314)457-4310 4300 GOODFELLOW BLV	D FC-1332		ipply Aiso, you may only deduc interest to the extent it was incurred by you, actually baid by you, and not reimbursed by another person.	2015		erest
ST. LOUIS, MO 6312				Form 1098	Sto	atement
RECIPIENT'S federal identificat	PAYER'S so	cial security number	\$ 0.	from payer(s)/borrower(s)* OO		COPY B VER/BORROWER
PAYER'S/BORROWER'S name, a province, country, and ZIP or for	trest address, city or eign postal code	town, state or	2 Points paid on purchase of	principal residence	2. 3, and inform furnish Revenue S required	nation in boxes 1, 4 is important tax ation and is being jied to the internal service. If you are to file a return, a penality or other say be imposed on he IRS determines
EL PASO COUNTY W.C.I.D. NO. 4	49-72	7	3 Refund of overpaid interes	31	I theren of	serits because you
P O BOX 3880 Fabens TX	79838		4		Of IRter	stated a deduction ortgage interest or paints or because report this refund est on your return
Account number (see instructions)			FORM 1098 YOUR LOAN TYPE IRS INSTRUCTIO		D	
				· · · · · · · · · · · · · · · · · · ·		



SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

		F LOAN 07/01/10		OOO AMOUNT OF LOAN	628,000 INTEREST	EFFECTIVE
DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL T	RATE	DATE
				545 489 66		
BEGIN LOAN BALNCE		9,133.66	606,000 00	615,133.66		010114
AYMENT AYMENT		12,120.00	0.00	12,120.00 R 20,120.00 R	04.0000 04.0000	021514 081514
TOTAL LOAN PMTS TOTAL PAID ON ALL LOANS THIS YEAR		24,240.00	8,000.00	32,240.00		
OAN ACTIVITY OAN BALANCE UN	O.OO PD INTEREST	24,240.00 9,012.68	8,000.00 ** UNPD PRIN	32,240.00 598,000.00 **	······································	
	1,960.00	DATE	DUE 021515			
YMENT STATUS			1010 21 (DE 20 2 P 20)	.00		
L LOAN ACTIVITY	0.00	TAXES 255,442.50	79,000.00	334,442.50		
ORR BAL UNPI	INTEREST	95,063.00	UNPD PRIN 5,835	,000.00		
ECIPIENT'S/LENDER'S name, province, country, ZIP or foreign	street address, city o		UTION: The amount shown may be fully deductible by you its based on the loan and the cost and value of	OHB NO.1545-0901	CORREC	TED (if checked
JSDA RURAL DEVELOPMI PHONE#(314)457-4310 4300 GOODFELLOW BLVI		ame the lipp sate was paic by	unt and the cost and value of secured property may ly. Also, you may only deduct rest to the extent it incurred by you, actually I by you, and not remibursed another person.	2014		ortgage erest
ST. LOUIS, MO 63120	0		·	Form 1098	Sto	itement
ECIPIENT'S federal identificati	on na. PAYER'S so	cial security number 1	Mortgage interest received f			COPY B ER/BORRONER
AYER'S/BORROWER'S name, st rovince, country, and ZIP or fore		town, state or 2	Points paid on purchase of	principal residence	The inform 2, 3, and 4 informs furnish Revenue S required	nation in boxes is important to ition and is bein od to the interna- arvice, if you at to file a return, a penalty or other
EL PASO COUNTY W.C.I.D. NO. 4 P O BOX 3880 FABENS TX	49-72 [°] 79838	7 3	Refund of overpaid interest		that an unifer	e penalty or oth ay be imposed he IRS determin- derpayment et to isults because y islated a deduction rigage interest paints er becau report this return report this return ay the second second report this return ay the second report this return ay the second penalt second ay the second ay
account number (see instructions)	, 5555	5	IRS FORM 1098 D	OES NOT APPLY TO	You did not of intere	report this refu ist on your retu

1-9 L19519RD

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

AMATION AX PURPOSES

AUMBER AD CODE LOAN NUMBER	BER DATE		EAR OF LOAN 20 10 INTEREST RATE 04	950 0000 amount of Loan	628,0	00.00
DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	INTEREST T RATE	T EFFECTIVE DATE
BEGIN LOAN BALNCE		9,254.64	614,000.00	623,254.64		010113
PAYMENT PAYMENT		12,280.00 12,280.00		12,280.00 20,280.00		
TOTAL LOAN DMTS		24 560 00	8 000 00	22 550 20		
TOTAL LOAN PMTS TOTAL PAID ON ALL		24,560.00	8,000.00	32,560.00		
LOANS THIS YEAR		258,720.00	76,000.00	334,720.00		
LOAN ACTIVITY LOAN BALANCE UN	0.00 PD INTEREST	24,560.00 9,133.6	8,000.00 6 ** UNPD PRI	32,560.00 N 606,000.00 *	*	
	2,120.00	DA	TE DUE 021514			
			ES PAID			
ALL LOAN ACTIVITY BORR BAL UNP	O.OO D INTEREST	258,720.00 96,351.70	76,000.00 6 UNPD PRIN 5,9	334,720.00)	
##These unpaid balances may not	reflect the total amou	nt due to the Agency	at Dayoff		I 🗆	RECTED (if checked)
RECIPIENT'S/LENDER'S name, street address, city or town, province of state, country, ZIP or foreign postal code, and telephone number USDA RURAL DEVELOPMENT PHONE#(314)457-4310 4300 GOODFELLOW BLVD FC-351 ST. LOUIS, MO 63120-1703			at be fully deductible by you, minis based on the loan rules to harm the cost and value pour, and the cost and value poly. Also, you may only only only also, you may only also, you may only also was incurred by you, actually aid by you, and not reimbursely another person.	,	Mortgage Interest	
				Farm 1098		Statement
RECIPIENT'S federal identificat	PAYER'S so	nal sacurity number	•	d from payer(s)/borrowar(s)* .00		COPY B PAYER/BORROWER
PAYER'S/BORROWER'S name, s or state, country, and ZIP or fore		town, province	2 Points paid on purchase o	of principal residence	2. 3. at form Revenue require	formation in boxes 1, nd 4 is important tax semation and is being nished to the internal is Service. If you are red to file a return, a
EL PASO COUNTY W.C.I.D. NO. 4 P O BOX 3880 FABENS TX	49-72° 79838	7	3 Refund of overpaid interes \$ 4 Mortgage insurance prem		for this	red to file a return, a pence penalty or other in may be imposed en if the IRS determines underpayment of tax results because you verstated a deduction is martgage interest or ase points or because net repert this refunda interest on your return.
Account number (see instructions!	<u> </u>		5 IRS FORM 1098 YOUR LOAN TYP IRS INSTRUCTION		į.	with your return.

USDA-RD

DATE OF LOAN

LOAN AMOUNT

INTEREST RATE

LOAN

05/18/2017

2,261,000

2.75

WATER

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

004 123118 PAGE DATE

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	T I	NTEREST RATE	EFFECTIVI DATE
					İ		
BEGIN LOAN BALNCE]	3,352.90	1,512,000.00	1,515,352.90			0101
CASH ADVANCE	229,000.00	i	1	_	11,	2.7500	0201
PAYMENT	223,000.00	8,832.14	12,758.45	21,590.59		2.7500	0201
PAYMENT CASH ADVANCE	520,000.00	0.00	241.55	241.55		2.7500 2.7500	0215 0302
PAYMENT	320,000.00	30,263.56	0.00	30,263.56		2.7500	0815
İ							
							<u>, </u>
							•
TOTAL LOAN PMTS		39,095.70	13,000.00	52,095.70			
_		55,000.70	10,000.00	32,003.70			
TOTAL PAID ON ALL LOANS THIS YEAR		280,038.20	106,000.00	386,038.20			
	740.000.00						
	749,000.00 PD INTEREST	39,095.70 23,180.28		52,095.70 2,248,000.00 *	*		
XT AMT DUE 6 PAYMENT STATUS	3,910.00	DA1 ON SCHEDULE	TE DUE 021519				
		TAXE	S PAID	*****			*****
LL LOAN ACTIVITY BORR BAL UNP	749,000.00 D INTEREST	280,038.20 112,532.43	106,000.00 3 UNPD PRIN 7,733	386,038.20 3,000.00)		
##These unpaid balances may not	reflect the total smou	nt due to the Agency	at payoff.	5,000.00			
ECIPIENT'S/LENDER'S name, street revince, country, ZIP or foreign po	address, city or town ostal code, and teleph	one no. Ini	AUTION: The amount shown may of be fully deductible by you. Imple based on the loan amount	OMB NO.1545-090)1	LI	ED lif checked rtgage
USDA RURAL DEVELOPM		ig i	nd the cest and value of the scured property may apply. Also, bu may only deduct interest to	2018		1	erest
PHONE#(833)797-3726 4300 GOODFELLOW BLV		\$5.6°	ie extent it was incurred by ou, actually paid by you, and of reimbursed by another person	(Rev. June 2018)		I -	tement
ST. LOUIS, MO 63120	0	<u> </u>	Mortgage interest received fr			1	
			\$	ю			
ECIPIENT'S/LENDERS TIN	PAYER'S/BORRO	OWER'S TIN	2 Outstandling mortgage principal as of 1/1/2018	3 Mortgage origination	on date	EOD BAYE	COPY B
			\$				
AYER'S/BORROWER'S name, Street own, state or province, country, and	address (including apt nd ZIP or foreign pos	no,1, city or al code	4 Refund of overpaid interest	5 Mortgage Insurance premiums		through 9 informat furnished	stion in bexes s important ta ion and is beli d to the IRS, i quired to file
EL 0.00		-	6 Points paid on purchase of p	Findipal residence		you are re return, a n negligence i	quired to file egligence peni penalty or othe
EL PASO COUNTY W.C.I.D. NO. 4	49-727		\$			saffellen ma you if the that an unde	quired to file egligence pensity or other pensity or other pensity or other pensity or other pensity or other pensity of the p
P 0 B0X 3880			7 If address of property securi PAYER'S/BORROWER'S addres	ing mortgage is the same a	s		
FABENS TX	79838		checked, or the address or d in box 8.			for these	points, resort
Number of properties 10 Other				anosty pagering waster	*****	the re thox 41; claimed	you didn't repo fund of intere or because y a nondeductif
	RS FORM 1098 OT APPLY TO Y	0023	8 Address or description of pro (see instructions)	operty securing mortgage			ite
	<u> </u>						

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	INTEREST T RATE	EFFECTIV DATE
					T	1
BEGIN LOAN BALNCE		0.00	0.00	0.00		0101
CASH ADVANCE CASH ADVANCE CASH ADVANCE CASH ADVANCE	46,000.00 424,000.00 240,000.00 802,000.00				02.7500 02.7500 02.7500 02.7500	0518 1102 1130 1229
OTAL LOAN PMTS		0.00	0.00	0.00		
LOANS THIS YEAR		244,782.50	89,000.00	333,782.50		
	,512,000.00	0.00		0.00	1	
CT AMT DUE 2	PD INTEREST 1,590.59		TE DUE 021518			
LYMENT STATUS		ON SCHEDULE	ES PAID			
	,512,000.00	244,782.50	89,000.00	333,782.50		
ORR BAL UNP	D INTEREST	94,222.5!		0,000.00		
CIPIENT'S/LENDER'Sname, street invince, country. 21P or foreign pour f	ENT D FC-1332	one no.	CAUTION: The amount shown may of be fully deductible by you. Imits based on the loan amount and the cest are value of the cest are value of the cest are value of the cest of	from payer(s)/borrower(s)#	Moi Inte	ED (If check rtgage erest tement
CIPIENT'S/LENDERS deral identification number	PAYER'S/BORRO taxpayer identif	OWER'S fication no.	2 Outstanding martgage principal as of 17172017	3 Mortgage origination	FOR PAYE	COPY (
YER'S/BORROWER'S name, Street wn, state or province, country, at	address lincluding apt nd ZIP or foreign pos	L	4 Refund of overpaid interest	\$	The information of the informati	stion in boxic is importantion and is both interest of the interest of the street of t
EL PASO COUNTY W.C.I.D. NO. 4 P O BOX 3880 FABENS TX	49-727 7 9838	<u></u>	 Points paid on purchase of Is address of property secured PAYER'S/BORROWER'S address of "Yes", box.s chacked 	iring mortgage same as	you if the that an und res overst for this or for thes	e iRS determ erpsyment of suits because ated a deduc mortgage into e points, reg exes i and t
	RS FORM 1098	PUL3	If "No", see box 8 or 9, b 8 Address of property securing	elaw	ibe c	you didn't re afund of inte or bacausa non-daduc
i No	OT APPLY TO Y	DUR LUAN			1	

USDA-RD
Date of Loan
Loan Amount
Interest Rate

LOAN

8/21/2003 930,000.00 4.25 FORM RD-1951-9 (06/18)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

97000188801 LPLSINST

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL		EREST	EFFECTIV DATE
-							
BEGIN LOAN BALNCE		12,118.52	757,000.00	769,118.52			0101
AYMENT]	16,086.25	0.00	16,086.25	R 04.	2500	0215
AYMENT		16,086.25	17,000.00	33,086.25	₹ 04.	2500	0815
					Ì		
				ŀ			
	ĺ						
	1						
OTAL LOAN PMTS		32,172.50	17,000.00	49,172.50	l		
	Ì	32,	(1,000,00	43, 172,30			
					ļ		
OAN ACTIVITY	0.00	32,172.50	17,000.00	49,172.50			
T AMT DUE 19	PD INTEREST 5,725.00		E DUE 021519	740,000.00 **		-,	
YMENT STATUS		N SCHEDULE	S PAID				
		TANE	3 TAID				
These unpaid belances may not i	reflect the total amou		at payoff.				
CIPIENT'S/LENDER'S name, street vince, ecuntry, ZIP or foreign po	address, city or town, estat code, and telepho	state or Gone no	AUTION: The amount shown may be be fully deductible by you. mits based on the loan amount	OHB NO.1545-0901	. [ED lif checks rtgage
ISDA RURAL DEVELOPME HONE#(833)797-3726	ENT	se yo th	wolker. In amount snown may be fully deductible by you. It is fully deductible by you. It is extended to the full of the set and value of the full of the set and value of the full of the	2018			erest
300 GOODFELLOW BLV		in a	it reimbursed by another person	(Rev June 2018) Form 1098		Sta	tement
T. LOUIS, MO 63120	,		1 Mortgage interest received fr	om payer(s)/borrower(s)#			
CIPIENT'S/LENDERS TIN	PAYER'S/BORRO		O.O 2 Outstanding mortgage principal as of 17172018	3 Mortgage origination	date		COPY B
		T .	principal as of 17172018				R/BORRONER
VER'S/BORROWER'S name, Street a	iddress lincluding apt d ZIP or foreign post	no.), city or al code	4 Refund of overpaid interest	5 Mortgage insurance premiums	1	he information	ation in boxes is important to ion and is bei d to the IRS, quired to file
		-	\$ Points paid on purchase of p	\$		edigence o	agrigation part
EL PASO COUNTY W.C.I.D. NO. 4	49-727	1 1	S Points paid on purchasa or p			vou if the	y be imposed i IRS determing prosyment of uits because a deduction
P O BOX 3880 FABENS TX	79838	•	7 If address of property securi PAYER'S/BORROWER'S addres	s, the bax is			
	19838		checked, or the address or d			in bo	points, reporting to the points, reporting to the points of the points o
lumber of properties 10 Other ecuring the mortgage IR	S FORM 1098	DOES	8 Address or description of pro	operty securing martgage		(box 4); claimed	or because a nondeducti
	T APPLY TO Y	a a	(see instructions)		- 1		

FORM RD-1951-9 (06/17)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

80000189901 LPLSINST

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	INTEREST T RATE	EFFECTIVE DATE
	T		i i	T	1	T
BEGIN LOAN BALNCE		12,375.61	773,000.00	785,375.61		01011
PAYMENT	1		· i	ì		1
PAYMENT	1	16,426.25 16,426.25	0.00	16,426.25 F 32,426.25 F		02151 08151
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		ľ				
	1				1	
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TOTAL LOAN PMTS]	32,852.50	16,000.00	48,852.50	,	ł
		·				
				Ì		
OAN ACTIVITY	0.00	32,852.50	16,000.00	48,852.50		
OAN BALANCE UN	INTEREST	12,118.52	** UNPD PRIN	757,000.00 **		
AYMENT STATUS	16,086.25		DUE 021518	(6./2%89)		
		TAXES	PAID			
MThese unpaid balances may not CIPIENT'S/LENDER'Sname, street ovince, country, ZIP or foreign p				046 NO.1545-0901	LICORRECT	ED (if checked
		ione no. Mot Lim and	Mich: The amount shown may be fully deductible by you. its based on the lean amount the cost and value of the ured property may apply. Also, may enly deduct interest to extent it was incurred by actually paid by you, and reimbursed by another person.	2017	E.J	rtgage
JSDA RURAL DEVELOPM PHONE#(314)457-4310		you the	may enly deduct interest to extent it was incurred by	(Rev. June 2017)	1	erest
4300 GOODFELLOW BLV ST. LOUIS, MO 6312		hat	reimbursed by another person.	Form 1098	Sta	tement
51. EUU15, MU 0512	· ·	1 \$	Mortgage interest received fr	om payer(s)/borrower(s)#		
CIPIENT'S/LENDERS	PAYER'S/BORRO		0. 0 0	3 Mortgage origination	date	COPY B
CIPIENT'S/LENDERS deral identification number	taxpayer identi	fication no.	Outstanding mortgage principal as of 17172017	3 Mortgege origination	1	R/BORROWER
YER'S/SORROWER'S name, Street wn, state or province, country, a	address (including apt	_ `	Refund of overpaid interest	5 Mortgage Insurance	The inform	ation in bexes
wn, state or province, country, a	nd ZIP of foreign pos	tal code \$	·	premiums \$	informat furnisha Ravanua Sa	tion and is beind to the internstruction. If you a
EL PASO COUNTY	49-727	, 6	Points paid on purchase of p	rincipal residence	required to negligence sanction ma	ation in bexes is important to and is being to the internitude. If you a file a return, pensity or ether to the imposed e IRS determine areasyment of the pensity or ether to the imposed e IRS determined of the impose
	,_	2	is address of property securi		you if the	e IRS determiner erpsyment of truits because y
W.C.I.D. NO. 4	70000	'	PAYER'S/BORROWER'S addres	s?	for this or for thes	ares a deduction mortgage intere e points, reger
W.C.I.D. NO. 4 P O BOX 3880 FABENS TX	79838		PAYER'S/BORROWER'S address? If "Yes", box is checked			you didn't repo
P O BOX 3880 Fabens TX			If "No", see box 8 or 9, bel	8 Address of property securing mortgage		
P 0 BOX 3880 FABENS TX Number of 11 Other		DOES 8			(box 4); claimed i	e IRS determina arpayment of truits because y utils because y also adduction mortgage interes points, repor exes I and 5; you didn't repor erund of interes; or because ye in non-daductio ites
P 0 BOX 3880 FABENS TX Number of mortgaged properties I		OUR LOAN		mortgage	(box 4); claimed i	or because you non-deductib

FORM RD-1951-9 (06/16)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

K7000151801 L19519RD

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL T	INTEREST RATE	EFFECTIVE DATE
DESCRIPTION	ADVANCES	INTEREST	FRINCIPAL	TOTAL	RAIC	DATE
BEGIN LOAN BALNCE		12,632.70	789,000.00	801,632.70		01011
PAYMENT PAYMENT		16,766.25 16,766.25	0.00	16,766.25 R 32,766.25 R	04.2500	02151
		-		·		
	1					
			1			
			ļ			1
			1			
						1
i						
						[
			1			
TOTAL LOAN PMTS		33,532.50	16,000.00	49,532.50		
LOAN ACTIVITY LOAN BALANCE UN	0.00 PD INTEREST	33,532.50 12,375.61	16,000.00 1 ** UNPD PRIN	49,532.50 773,000.00 **		
IXT AMT DUE 1	6,426.25	DAT	E DUE 021517			
AYMENT STATUS		ON SCHEDULE TAXE	S PAID			
##These unpaid balances may not						
ECIPIENT'S/LENDER'Sname, street rovince, country, ZIP or foreign p	address, city or town ostal code, and telep	, state or hene number no	SAUTION: The amount shown may be be fully deductible by you, imply based on the loan amount	OHB NO.1545-0901	1.1	FED (if checked rtgage
USDA RURAL DEVELOPM		**************************************	of be fully deductible by you, mits based on the loan amount in the cost and value of the cost and value of the cost and value of the cost and value of the cost and value of the cost and	2010	3	erest
PHONE#(314)457-4310 4300 GOODFELLOW BLV		ye ne	ou, actually paid by you, and of reimbursed by another person.	(Rev. June 2016) Form 1098	Sta	tement
ST. LOUIS, MO 6312	0	<u> </u>	1 Mortgage interest received for		-	
			\$ 0.0			
ECIPIENT'S/LENDERS ederal identification number	PAYER'S/BORR taxpayer ident	IOWER'S	2 Outstanding mortgage principal as of 1/1/2016	3 Mortgage origination of		COPY B ER/BORRONER
			\$			
AYER'S/BORROWER'S name, Street own, state or province, country, a	address including ap nd ZiP or foreign po	ol. no.), city or stal code	4 Refund of overpaid interest \$	5 Mortgage insurance premiums	informs furnishe	ation in boxes is important to tion and is bein id to the interni- rivice. If you a fite a return, pensity or oth
	40.70	_	6 Paints paid on purchase of p		required to	lile a return, penalty or oth
EL DACO COUNTY	49-72	_	\$		you if the	sy be imposed at IRS determine erpsyment of the sulfs because youteted a deduction mortgage interest
EL PASO COUNTY W.C.I.D. NO. 4			7 is address of property secur		for this	lated a deduction
W.C.I.D. NO. 4 P 0 BOX 3880	70020	Í	PAYER'S/BORROWER'S address			
W.C.I.D. NO. 4	79838		PAYER'S/BORROWER'S address If Yes, box is checked	X	because	you didn't repo
W.C.I.D. NO. 4 P 0 BOX 3880	79838		If Yes, box is checked		in because the r (box 4) cisimed	points, reports you didn't repo fund of intere or because you non-deduction ter
W.C.I.D. NO. 4 P O BOX 3880 FABENS TX		YOUR LOAN	If Yes, box is checked If No, see box 8 or 9, below	w n mortgaga	in b because the r (box 4) cialmed	you didn't repo efund of intere ; or because yo & non-deductib

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL T	INTEREST RATE	EFFECTIVE DATE
					T	1
BEGIN LOAN BALNCE	ļ	12,873.72	804,000.00	816,873.72		01011
AYMENT		17,085.00	0 00		04 0500	İ
AYMENT		17,085.00		17,085.00 R 32,085.00 R	04.2500	02151
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	1			1		
OTAL LOAN PMTS	1	34,170.00	15,000.00	49,170.00		
					1	
DAN ACTIVITY DAN BALANCE UNI	0.00 PD INTEREST	34,170.00 12,632.7		49,170.00 789,000.00 **		
T AMT DUE 10	6,766.25	DA	TE DUE 021516			
YMENT STATUS	0	N SCHEDULE	ES PAID	\$144.00 M		
		144	ES PAID			
These unpaid balances may not i	reflect the total amour	it due to the Agency	at payoff.			
CIPIENT'S/LENDER'S name, ovince, country, ZIP or foreign	street address, city er postal code, and telep	town, state or	CAUTION: The amount shown mit tot be fully deductible by you limits based on the loan imount and the cost and value o	OMB NO.1545-0901	CORRECT	ED of checked
SDA RURAL DEVELOPME			imits based on the loan imount and the cost and value o he secured property may	0045	Ma	·•
HONE#(314)457-4310	TO-1000		himburk and me cost and value of the secured property may privately apply. Also, you may only deduct microst to the extent it was incurred by you, sotually hald by you, and not reimbursed by another person.	2015	14101	rtgage
300 GOODFELLOW BLVD T. LOUIS, MO 63120			y another person.		Inte	erest
				Form 1098	Sta	tement
CIPIENT'S federal Identification	on no. PAYER'S soci	al security number	1 Mertgage interest received	•		COPY B
			\$ 0.0	00	1	R/BORROWER
PER'S/BORROWER'S name, str vince, country, and ZIP or forei		own, state or	2 Points paid on purchase of	principal residence	The information 2. 3, and 4 information	ition in bexes is impertant to on and is bein
	J. P. P. P. P. P. P. P. P. P. P. P. P. P.	Ì	\$		Revenue Ser	vice. If you ar
EL PASO COUNTY	49-727	ļ	3 Refund of overpaid interest		I Bedigence	pensity or ether to the pensity or ether to the pensity of the pen
W.C.I.D. NO. 4 P O BOX 3880		-	<u> </u>	•	that an underes	erpayment of ta ults because you sted a deduction
FABENS TX	79838	Ì	-		for this mer	ted a deduction to the design of the deduction to the ded
		ŀ	5 IRS FORM 1098 F	DOES NOT APPLY TO	of interes	t on your ratur



FORM RD 1951-9 *15000199201* L19519RD (06/14)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

CASE NUMBER FUND CODE LOAN NUMBER	BER DATE (FINAL Y OF LOAN 08/21/		43 .2500 AMOUNT OF LOAN	930,000	.00
DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	INTEREST T RATE	EFFECTIVE DATE
DESCRIPTION	ADVANCES	INIERESI	T RINGIT AC	TOTAL		JAN L
BEGIN LOAN BALNCE		13,098.67	818,000.00	831,098.67		010114
					04 0500	
PAYMENT PAYMENT		17,382.50 17,382.50		17,382.50 31,382.50		021514 081514
						1 1
						1 1
						1 1
						1
						1 1
						1 1
						1 1
						1 1
						1 1
						1 1
TOTAL LOAN PMTS		34,765.00	14,000.00	48,765.00		1
101112 201111 11110		,				1 1
						1 1
LANK LOTTUTTY	0.00	34,765.00	14,000.00	48,765.00		
LOAN ACTIVITY LOAN BALANCE UN	IPD INTEREST	12,873.7			*	
NXT AMT DUE 1	7,085.00		TE DUE 021515	pe XX		
PAYMENT STATUS		ON SCHEDULE	INT PATO 34,7 ES PAID	65.00		
**These unpaid balances may not						
RECIPIENT'S/LENDER'S name, province, country, ZIP or foreign	street address, city of postal code, and tele		CAUTION: The amount shown of be fully deductible by you limits based on the loan mount and the cost and value	OMB NO.1545-090	1 CORREC	TED (if checked)
USDA RURAL DEVELOPM	IENT		mount and the cost and value he secured property may oply. Also, you may only dedu	of 0011	Mo	rtgage
PHONE#(314)457-4310 4300 GOODFELLOW BLV		į.	he sacured property may pply. Also, you may only dedinterest to the extent it was incurred by you, actually said by you, and not reimburs and not make the person.	2014		
ST. LOUIS, MO 6312		ľ	y another person.		int	erest
•				Farm 1098	Sto	tement
RECIPIENT'S federal identificat	ionno. PAYER'S so	cial security number	· ·	d from payer(s)/borrower(s)*		COPY B
			\$ 0	.00	1	ER/BORROWER
PAYER'S/BORROWER'S name, s	treet address, city or	town, state or	2 Points paid on purchase	of principal residence	Z, 3, and 4	nation in boxes 1. is important tax ition and is being
province, country, and ZIP or for	argir pustar code		\$		Revenue S required	ed to the internal ervice. If you are to file a return, a e penalty or other any be imposed on the IRS determines derpayment of tax suits because you taled a deduction
EL PASO COUNTY	49-72	7	3 Refund of overpaid inter	est	negligence sanction m you if the	e penalty or other ay be imposed on he IRS determines
W.C.I.D. NO. 4 P O BOX 3880		1	\$		that an une	derpayment of tax sults because you tated a deduction
FABENS TX	79838		•		for this mo for these you did not	stated a deduction ritgage interest or points or because report this refund
		ŀ	5 TRS FORM 1098	DOES NOT APPLY TO	of intere	st on your return.
Account number (see instructions)			YOUR LOAN TYP			
			IRS INSTRUCTI	ONS.		



SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

	ADVANCES	INTEREST	DDTNCTDAL	TOTAL	INTEREST	EFFECTIVE
DESCRIPTION	ADVANCES	IMIERESI	PRINCIPAL	TOTAL T	RATE	DATE
DECTN LOAN SALNOS		10 000 60	222 222 22	0.45 000 00		
BEGIN LOAN BALNCE		13,323.62	832,000.00	845,323.62		01011
AYMENT		17,680.00	0.00	17,680.00 R	04.2500	02151
AYMENT		17,680.00	14,000.00	31,680.00 R	04.2500	08151
-						
TOTAL LOAN DATE		05 000 00	44 000 00	10 000 00		
TOTAL LOAN PMTS		35,360.00	14,000.00	49,360.00		
OAN ACTIVITY	0.00	35,360.00	14,000.00	49,360.00		
OAN BALANCE UN	PD INTEREST	13,098.67		818,000.00 **		
T AMT DUE 1	7,382.50	N SCHEDULE	TE DUE 021514 INT PAID 35,360	00		
			S PAID			
*These unpaid balances may not	reflect the total amou	nt due to the Agency	at payoff.			
ECIPIENT'S/LENDER'S name, tate, country, ZIP or foreign pos	street address, city of tal code, and telephor	e number	CAUTION: The amount shown ma	OMB NO.1545-0901	CORRECT	ED lif checked
JSDA RURAL DEVELOPMI		a.	mount and the cost and value of	0010	A4	
PHONE#(314)457-4310		in	the secured property may only deduct lerest to the extent it as incurred by you, actually sid by you, and not reimbursed y another person.	2013	MOI	rtgage
4300 GOODFELLOW BLVI ST. LOUIS, MO 63120		B	aid by you, and not reimbursed y another person.	_0.0	Inte	erest
31. LUUIS, MU 63120	5-1703			Form 1098	54	tement
					Sia	
ECIPIENT'S federal identificati	onno. PAYER'S soc	ial security number	1 Mortgage interest received 6		FOR DAYS	COPY B
			• 0.0	70		R/BORROWER
AYER'S/BORROWER'S name, st r state, country, and ZIP or forei	treet address, city or	town, province	2 Points paid on purchase of	principal residence	2, 3, and 4 informat	ition in boxes is important ta: ion and is bein d to the Interna rvice. If you ar of file a return,
,,			\$		Revenue Ser	rvice. If you ar
EL PASO COUNTY	49-727	· -	3 Refund of overpaid interest		negligence sanction ma	penalty or other
W.C.I.D. NO. 4			\$		that an under	penalty or other y be imposed; a IRS determine arpayment of to ults because yea sted a deductio gage interest counts or because port this refun t on your retur
P 0 BOX 3880	70000		4 Mortgage insurance premium \$	ns	for this mor	sted a deduction tgage interest of pints or because
	70272					
FABENS TX	79838	-	5 IRS FORM 1098 F		you did not re of interes	eport this refu t on your retur

USDA-RD

Date of Loan
Loan Amount
Interest Rate
Seven.

LOAN

2/26/2009 4,694,000.00 4.375 FORM RD-1951-9 (06/18)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

DESCRIPTION	ADVANCES	INTEREST	PRINCIPAL	TOTAL	T	INTEREST RATE	EFFECTIVE DATE
					П		
BEGIN LOAN BALNCE		70,116.53	4,248,000.00	4,318,116.53			01011
AYMENT		92,925.00	0.00	92,925.00	R	04.3750	02151
AYMENT		92,925.00	7,074.99	99,999.99		04.3750	08151
AYMENT		0.00	59,925.01	59,925.01		04.3750	08151
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TOTAL LOAN PMTS		185,850.00	67,000.00	252,850.00	1 1		
	0.00	185.850.00	67,000.00	252,850.00	Ш		<u> </u>
OAN ACTIVITY OAN BALANCE UN	PD INTEREST	69,008.29		4,181,000.00	**		
XT AMT DUE 9	1,459.37	DAT	E DUE 021519				
AYMENT STATUS							
		<u>TAXE</u>	S PAID				
Withese unpaid balances may not		unt due to the Agency	at payoff. AUTION: The amount shown may	OHB NO.1545-09	Δ1	Floorisa	TED (if checke
CIPIENT'S/LENDER'S name, street ovince, country, ZIP or foreign p	ostal code, and telep	hone no. no	t be fully deductible by you. mis based on the loan amount d the cost and value of the cured property may apply. Also, u may only deduct interest to, avted it was incurred by	OND NO. 1949-09	OI	1	rtgage
JSDA RURAL DEVELOPM	ENT	an se	d the cost and value of the cured property may apply. Also,	12018			rrgage erest
PHONE#(833)797-3726		thi vo	a extent if was incurred by u. actually paid by you, and	(Rev. June 2018)			
4300 GOODFELLOW BLV		ńo	t reimbursed by enother person	Form 1098) Sra	tement
ST. LOUIS, MO 6312	0		Mortgage interest received fr	om payer(s)/borrower(s)#			
			\$	ю			
CIPIENT'S/LENDERS TIN	PAYER'S/BORE	IOWER'S TIN	2 Outstanding mortgage principal as of 17172018	3 Mortgage originat	on d	ate	COPY B
			\$ principal as or 1/1/2015			FOR PAYE	R/BORROWER
VERIS (BORROWERIS			*	5 Mortgage insurance		The inform	ation in boxes
YER'S/BORROWER'S name, Street with, state or province, country, as	nd ZIP or foreign po	stal code	4 Refund of overpaid interest	premiums		furnishe	stion in boxes is important to tion and is be ad to the IRS, aquired to file
			-	\$		you are re return, a	equired to file
EL PASO COUNTY	49-72	7	Points paid on purchase of p	rmeipai residence		sanction me	negligence per penalty or oth ty be imposed a IRS determin
W.C.I.D. NO. 4		<u> </u>		na mostas = : : *!		that an unid	e IMS determi erpsyment of wite because a deduction rigage interest points, repor pass 1 and 6
P 0 B0X 3880	70000		7 If address of property secur PAYER'S/BORROWER'S addres	s, the box is		overstated this mo	a deduction
FABENS TX	79838	į	checked, or the address or o			in because	yeu didn't rez
			in box θ.			the r	yeu didn't ret efund of inter or because a nondeduct
Number of properties 140 Other						- claime	s nondeduct
Number of properties securing the mortgage	RS FORM 1098	DOES 1	Address or description of pr (see instructions)	operty securing mortgage		1	ıt

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

### PAYMENT 94,395,00	DESCRIPTION	ADVANCES	INTEREST	DDIRCIDM	TOTAL	INTEREST	EFFECTIV
PAYMENT 94,325.00 5,674.99 39,939.99 R 04.3750 70.00 58,325.01 70.00 58,325.01 70.00 7	DESCRIFTION	ADTARCES	INTEREST	PRINCIPAL	TOTAL	I RAIE	DATE
### PAYMENT 94,325.00 5,674.99 99,999.99 04.3750	BEGIN LOAN BALNCE		71,175.15	4,312,000.00	4,383,175.15		0101
LOAN ACTIVITY O.00 188,650.00 64,000.00 252,650.00 LOAN BALANCE UNPD INTEREST 70,116.53 ** UNPD PRIN 4,248,000.00 ** XXT AMT DUE 92,925.00 DATE DUE 021518 PAYMENT STATUS ON SCHEDULE TAXES PAID ***TIMES unpaid bilances may not reflect the total amount due to the Agency at payoff. IECIPIENT'S/LENDER'S name, street address, city or town, state or revince, country, 2IP or foraging postal code, and telephone no. USDA RURAL DEVELOPMENT PHONE #(314) 457 - 4310 4300 GOODFELLOW BLVD FC-1332 ST. LOUIS, MO 63120 PAYER'S/BORROWER'S name. Street address lineluding apt, no.), city or country, and province, country, and 2IP or foraging postal code ECIPIENT'S/LENDERS Indeed interest received from payer(a/borrower(a)) AVER'S/BORROWER'S name. Street address lineluding apt, no.), city or country, and 2IP or foraging postal code **APPEN'S/BORROWER'S name. Street address lineluding apt, no.), city or country, and 2IP or foraging postal code **APPEN'S/BORROWER'S name. Street address lineluding apt, no.), city or country, and 2IP or foraging postal code **APPEN'S/BORROWER'S address of principal residence **STATES ON STATES	PAYMENT		94,325.00	5,674.99	99,999.99	04.3750	0215 0815 0815
LOAM ACTIVITY O.OO 188, 650. OO 64,000.0O 252,650.0O LOAM BALANCE UNPD INTEREST 70,116.53 ** UNPD PRIN 4,248,000.0O ** XT AMT DUE 92,925.0O DATE DUE 021518 AYMENT STATUS ON SCHEDULE TAXES PAID *** *** *** *** ** ** ** **							
LOAM ACTIVITY O.OO 188, 650. OO 64,000.0O 252,650.0O LOAM BALANCE UNPD INTEREST 70,116.53 ** UNPD PRIN 4,248,000.0O ** XT AMT DUE 92,925.0O DATE DUE 021518 AYMENT STATUS ON SCHEDULE TAXES PAID *** *** *** *** ** ** ** **		į					
AYMENT STATUS ON SCHEDULE TAXES PAID TA	TOTAL LOAN PMTS		188,650.00	64,000.00	252,650.00		
AYMENT STATUS ON SCHEDULE TAXES PAID TA							
AVMENT STATUS ON SCHEDULE TAXES PAID INThese unpaid balances may not reflect the total amount due to the Agency at payoff. ICPIPIENT'S/LENDER'Sname, street address, city or lown, state or ownice, country, 2IP or foreign postal code, and telephone no. JSDA RURAL DEVELOPMENT PHONE#(314)457-4310 4300 GOODFELLOW BLVD FC-1332 ST. LOUIS, MO 63120 PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code Wer's/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, Street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, street address including apt. no.l. city or win, state or province, country, and ZIP or foreign postal code FOR PAYER'S/BORROWER'S name, street address incl					4,248,000.00 **		
Complete the total amount due to the Agency at payoff.							
COMPLEXT'S/LENDER'S name, street address, city or town, state or evinces, country, 21P or foreign postal code, and telephone no. JSDA RURAL DEVELOPMENT PHONE#(314)457-4310 4300 GOODFELLOW BLVD FC-1332 ST. LOUIS, MO 63120 CIPIENT'S/LENDERS deral identification number PAYER'S/BORROWER'S name, Street address lincluding apt. no.l, city or win, state or province, country, and 21P or foreign postal code FABENS TX 79838 CANTONE The amaunit shown may not wount the feeth and value of the east and valu			TAXE	S PAID	· · · · · · · · · · · · · · · · · · ·		
COMPLET'S/LENDER'S name, street address, city or town, state or evince, country, 21P or foreign postal code, and telephone no. JSDA RURAL DEVELOPMENT PHONE#(314)457-4310 4300 GOODFELLOW BLVD FC-1332 ST. LOUIS, MO 63120 CIPIENT'S/LENDERS derst identification number CIPIENT'S/LENDERS derst identification number PAYER'S/BORROWER'S name, Street address (including apt. no.), city or win, state or province, country, and 21P or foreign postal code FABENS TX 79838 CAMTONE The amaunt shown may now out the first of the second of the loan year of the loan year of the loan year of the loan year of the loan year of the loan year of the second of the loan year of the loan year of the loan year of the second of the loan year of the	Whese unneld balances may not co	effect the total amo	of due to the Anancy	at nevoff			
Company Comp				Alfficer The secures shows may	OMB NO.1545-0901	CORRECT	ED (If check
ST. LOUIS, MO 63120 Mortgage interest received from payeris/borrower(s)	USDA RURAL DEVELOPME		Li sr se ye	mits based on the loss emount of the cest and value of the scured preperty may apply. Also by may only deduct interest to	2017	1	
Cipient's/Lenders deral identification number PAYER'S/BORROWER'S taxpayer identification no. PAYER'S/BORROWER'S name. Street address (including apt. no.), city or swin, state or province, country, and ZIP or foreign postal codes EL PASO COUNTY W.C.I.D. ND. 4 P O BOX 3880 FABENS TX 79838 PAYER'S/BORROWER'S name as PAYER'S/BORROWER'S address? If "Yes", box is checked	4300 GOODFELLOW BLVD		<u></u>		701111 2070	Sta	tement
CIPIENT'S/LENDERS deral identification number PAYER'S/BORROWER'S texpayer identification no. PAYER'S/BORROWER'S texpayer identification no. PAYER'S/BORROWER'S texpayer identification no. POR PAYER/BORROWER'S texpayer identification no. POR P				\$			
YER'S/BORROWER'S name. Street address lineluding apt. no.), city or win, state or province, country, and ZIP or foreign postal code ### A Refund of overpaid interest	CIPIENT'S/LENDERS deral identification number	PAYER'S/BORR taxpayer identi	OWER'S fication no.	2 Outstandling mortgage principal as of 1/1/2017	· - · · · · · · · · · · · · · · · · · ·	l l	COPY I
P O BOX 3880 FABENS TX 7 Is address of property securing mortgage same as PAYER'S/BORROWER'S address? If "Yes", box is checked	YER'S/BORROWER'S name, Street a own, state or province, country, and	ddress lincluding ap I ZIP or foreign pos	t. no.), city or stal code	4 Refund of overpaid interest	5 Mortgage insurance premiums	The inform	stion in boxe is important ion and is be
P O BOX 3880 FABENS TX 7 Is address of property securing mortgage same as PAYER'S/BORROWER'S address? If "Yes", box is checked				Points paid on purchase of	principal residence	Revenue Se required to negligence sanction ma	rvice. If you file a return pensity or o
Number of 44 Other If "No", see box 8 or 9, below the refund toox 4); or b	W.C.I.D. NO. 4		<u> </u>	*	Iring mortgage come se	that an und	HIS determinent of ults because
Number of 14 Other how 4); or b		79838		PAYER'S/BORROWER'S addre If "Yes", box is checked,	sss?	overst for this i or for thes	mines a deduction or together the contract of
mortgaged properties IRS FORM 1098 DOES 8 Address of property securing mortgage claimed a non-	·	S FORM 1098	DOES			the re fbox 4l; claimed a	fund of inte or because on mededucti
NOT APPLY TO YOUR LOAN count number (see instructions) 9 If property securing mortgage has no address,							

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

CASE MUMBER				YEAR OF		49					
FUND CODE LOAN	NUMBER	DATE	OF LOAN 02260	9 INTE	REST RATE 04	.3750	MOUNT OF	LOAI	1 4	1,694,000 INTEREST	. OO EFFECTIV
DESCRIPTION	AD	VANCES	INTEREST	PI	RINCIPAL		TOTAL		T	RATE	DATE
	İ										
BEGIN LOAN BALNO	CE		72,200.6	9 4,3	74,000.00	4,4	46,200	. 69	11		0101
PAYMENT	1		95,681.2	5	0.00		95,681	. 25	R	04.3750	0215
PAYMENT			95,681.2	5	4,318.74		99,999	. 99	R	04.3750	0815
PAYMENT	f		0.0	٥١	57,681.26		57,681	. 26	R	04.3750	0815
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SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT ANNUAL STATEMENT OF LOAN ACCOUNT

SAVE THIS INFORMATION FOR INCOME TAX PURPOSES

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Rick Giardina & Associates, Inc.

Water and Wastewater Rate Study

Prepared for:

El Paso County Water Control & Improvement District #4

(Draft-Final)

October 12, 2001

2000-2010





October 12, 2001

To: Veronique Laurents, North American Development Bank

Steve Rodriguez, Manager, Fabens Water District

From: Rick Giardina, RGA Project Manager

Re: Rate Study – Draft Report

We have completed our preliminary and prepared the attached draft report. Per our conversations I will present these results at the District's October 22, 2001 Board meeting. However, please call me before the meeting if you have any questions or concerns.



Utility Rate and Financial Consultants

Ø

The North American Development Bank

Water and Wastewater Rate
Study for the
El Paso County Water
Control & Improvement
District #4

IDP Project No. IDP 107-02/1

Draft
Final Report

October 15, 2001



lty Rate and Financial Consultants



Specializing in:

- · Cost of Service Studies
- · Impact Fee Studies
- · Financial Feasibility Analysis
- Litigation Support
- Privatization Studies
- Mergers and Acquisitions
- Management and Organizational Reviews

October 12, 2001

Ms. Veronique Laurents
Project Manager
North American Development Bank
203 S. St. Mary's, Suite 300
San Antonio, TX 78205

Dear Ms. Laurents:

On behalf of Rick Giardina & Associates, Inc. I am pleased to submit this draft final report on the *Water and Wastewater Rate Study* completed for the El Paso County Water Control & Improvement District #4 (the District) (IDP 107-02/1). The attached report contains our analysis, findings, and recommendations regarding the financial performance (cashflow projections) of the District's water and wastewater utility systems.

Thank you for the opportunity to be of service to the North American Development Bank and the District on this important project. Questions regarding our report should be directed to me at (303) 699-2690.

Sincerely,

Richard D. Giardina

President

1 East Rice Place Suite 100 Aurora, Colorado 80015

Phone 303 699-2690 Fax 303 699-2666

The North American Development Bank

Water and Wastewater Rate Study for the El Paso County Water Control & Improvement District #4 No. IDP#107-02/01

Draft Final Report

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The North American Development Bank

Water and Wastewater Rate Study for the El Paso County Water Control & Improvement District #4 No. IDP#107-02/01

Draft Final Report

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The North American Development Bank

Water and Wastewater Rate Study for the El Paso County Water Control & Improvement District #4 No. IDP#107-02/01

Draft Final Report

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Δ	Financial Plan	

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Water Rate Summary В

> iii DIST002948

A. Overview and Purpose

This Water and Wastewater Rate Study for the El Paso County Water Control & Improvement District #4 (the District), was sponsored and funded by the North American Development Bank (Project No. IDP 107-02/01) and prepared by the firm of Rick Giardina & Associates, Inc. (RGA).

Components of this project include:

	Identification of all costs associated with the operation of the District's water and wastewater system.
	Projection of future costs.
0	Definition of customer classifications.
	Compilation of demographic data related to customer base.
	Analysis of existing rate structure for appropriateness and sufficiency of revenue generated.
	Creation of a financial planning model based on information gathered in the course of the study.
	Determination of the ability of the system to support debt for planned projects.

B. Summary of Findings and Recommendations

The most significant findings and recommendations resulting from the rate and financial planning study are listed below:

1. NADB transition assistance is only available for residential customers; rates for non-residential accounts are based on the full, indicated cost of service. Transition assistance is intended to mitigate the rate impact associated with the construction and acquisition of water and wastewater facilities needed for the community and at least in part funded by NADB and/or other governmental agencies. NADB assistance is not intended to lessen the impact of future rate adjustments for non-residential accounts.



2. The NADB has determined that transition assistance will be provided in the amounts and timeframe indicated in table ES-1. Total assistance

I	Table NADB Transi	e ES-1 tion Assis	tance
	Water	<u>Was</u>	tewater
Year	Amount	<u>Year</u>	<u>Amount</u>
02	\$86,100	02	\$192,274
03	\$69,478	03	\$182,509
04	\$51,016	04	\$171,751
05	\$30,031	05	\$159,737
06	\$8,890	06	\$146,449
07	\$6,365	07	\$131,561
08	\$4,225	08	\$114,861

- is \$256,105 for water and \$1,099,142 is for wastewater.
- 3. The Bank is also providing construction assistance for both water and wastewater facilities. This assistance \$2.03 million for water and \$2.02 for wastewater, is assumed to provide to the District in 2002; the same year as the planned capital improvements.
- 4. As a condition of receiving transition assistance the District must establish rates for service (residential and non-residential) that meet the

following requirements for the period over which transition assistance is provided:

- ☐ Establish an operating and maintenance (O&M) expense reserve equal to at least 60 days or approximately 17% of annual cash O&M costs.
- ☐ Set rates so as to generate net revenues before debt service, equal to 1.25 times the current year's debt service amount debt service coverage ratio.

The recommended plan achieves these goals for the water operations for each year of the 10-year study period. However, for debt service coverage wastewater operations falls short of the 1.25 times requirement in one of the seven years during which NADB provides transitions assistance. During all years the total utility fund (water and wastewater) of the District exceeds the 1.25 times coverage requirement.

5. The District is not required to (at this time), adopt the increases noted on Table ES-2. Each year as part of the budget process the District should carefully evaluate the performance of the water and wastewater operations in light of projected O&M and capital needs. Based on this assessment, the District would then establish rates for the next year.

Based on the current projected financial results and the rate increases as noted in Table ES-2, detailed rate schedules have been prepared – see Appendix B. Rates in 2002 reflect uniform or across-the-board increases based on the revenue increases noted on Table ES-1. Rates



for all subsequent years as illustrated in Appendix B, are computed based on the previous years rate multiplied by the indicated residential or non-residential revenue increase (Table ES-2). For financial planning purposes the increases noted in Table ES-2 were assumed to be effective at the start of the District's year – January 1.

As noted on Table ES-2 residential water rate increases are not projected over the 10-year study period. However, an increase in residential rates (12%) will be needed in 2002 to achieve the cash reserve and debt service coverage requirements established by NADB. Both residential (59%) and non-residential (140%) rates will be increased in order to move wastewater operations in the direction of achieving established financial targets.

			ES-2									
	Revenues Increases Water Wastewater											
Year	Residential	<u>Non-</u> Residential	Year	Residential	<u>Non-</u> Residential							
01	0%	0%	01	0%	0%							
02	0%	12%	02	59%	140%							
03	0%	0%	03	38%	38%							
04	0%	0%	04	2%	2%							
05	0%	0%	05	0%	0%							
06	2%	2%	06	0%	0%							
07	0%	0%	07	2%	2%							
08	1%	2%	08	0%	0%							
09	0%	0%	09	0%	0%							
10	0%	1%	10	43%	43%							

Table ES-3 illustrates current and proposed wastewater rates while Table ES-4 compares current and proposed combined bills for different residential customers. For example, a customer using 6,000 gallons of water in a monthly billing period currently pays \$18.90 for both water and wastewater service. Based upon a 59% increase in residential wastewater rates effective January 1, 2002, this same customer would pay \$23.18 – an increase of \$4.28 or approximately 23%. Similarly, a residential customer using 12,000 gallons of water in a monthly billing period would currently pay \$26.05 for both water and wastewater service. Under the recommended rate structure, this same customer would pay \$31.38 – an increase of \$5.33 or approximately 20%.



Current an	Table ES-3 d Proposed 2002 V	Vastewater Rate	9	
			Differ	<u>ence</u>
	Current	Proposed	<u>\$</u>	<u>%</u>
Monthly Charge (per account)				
Residential	\$ 7.25	\$11.53	\$4.28	59%
Residential/Commercial	9.95	23.88	13.93	140%
Large User	68.40	164.16	95,76	140%
Commodity Charge (on usage over 8,500)				
Residential	\$0.50	\$0.80	\$0.30	60%
Residential/Commercial	\$0.50	\$1.20	\$0.70	140%
Large User	\$0.50	\$1.20	\$0.70	140%

		Table ES	-4						
Water and Wastewater Bill Comparison									
Customer Monthly									
<u>Type</u>	<u>Use</u>	Current	Proposed	Diffe	rence				
	(1,000 gals.)			<u>\$</u>	<u>(%)</u>				
Residential									
In District									
Low	6.00	\$ 18.90	\$ 23.18	\$ 4.28	23%				
Average	12.00	26.05	31.38	5.33	20%				
High	34.00	74.00	86.53	12.53	17%				
Very High	80.00	179.60	205.33	25.73	14%				
(1) Rates effecti	ve January 1, 200	2.							



I. INTRODUCTION

A. Overview and Purpose

The firm of Rick Giardina & Associates, Inc. (RGA) was retained by the North American Development Bank (NADB) to complete a Water and Wastewater Rate Study for the El Paso County Water Control & Improvement District #4 (the District) (IDP 107-02/01). Financing for this study was provided by the NADB through its Institutional Development Cooperation Program (IDP). In general, the purpose of the study was to develop a rate and financial plan that may be used in determining future NADB participation in capital funding projects for Fabens.

Components of this project include:

u	Identification of all costs associated with the operation of the District's water and wastewater system.
	Projection of future costs.
	Definition of customer classifications.
	Compilation of demographic data related to customer base.
	Analysis of existing rate structure for appropriateness and sufficiency of revenue generated.
	Creation of a financial planning model based on information gathered in the course of the study.
	Determination of the ability of the system to support debt for planned projects.

B. Report Organization

Our report to the NADB contains an executive summary, four detailed sections, and two appendices. Sections I and II provide an introduction and overview of the methodology employed in the completion of this project. Sections III and IV address financial planning and rate design issues for each of the two separate utilities. The appendices contain copies of the complete financial plan, the water and wastewater rate design schedules and schedules illustrating the customer impacts associated with the rate increases.



C. Acknowledgments

On behalf of the project team, we would like to acknowledge the commitment and contributions provided by District and Bank personnel in completing this project. In particular, we would like to recognize Steve Rodriguez, the District Manager, Fernando Escarcega and Veronique Laurents of the NADB.

D. Reliance on District-Provided Data

During the course of this project the District (and/or its representatives) provided RGA with a variety of technical information, including cost and revenue data. RGA did not independently assess or test for the accuracy of such data – historic or projected. We have relied on this data in the formulation of our findings and subsequent recommendations, as well as in the preparation of this report. As is often the case, there will be differences between actual and projected data, and these differences may be significant. Therefore, we take no responsibility for the accuracy of data or projections provided by or prepared on behalf of the District, nor do we have any responsibility for updating this report for events occurring after the date of this report.



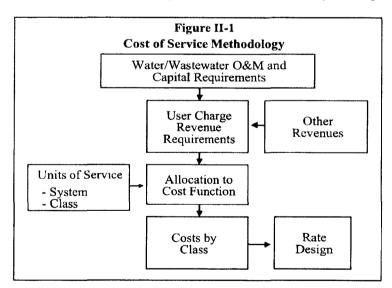
II. METHODOLOGY

A. Introduction

This section contains an overview and general description of the methodologies used in determining user charges for the District's water and wastewater utilities. The general approach involves the following:

- ☐ Identification of revenue requirements O&M and capital costs
- Consideration of other revenue sources and determination of net user charge revenue requirements
- ☐ Determination of customer demands and usage
- ☐ Allocation of revenue requirements to customer categories
- ☐ Determination of costs by customer class
- Design of user charges or rates

Figure II-1 illustrates this general process. One of the objectives of this



study is to ensure that the water and wastewater operations achieve and maintain financial independence from one another. Recognizing this objective, it was necessary to categorize costs between water and wastewater operations in order to complete separate cost of service analyses.

The study period for this project includes the 10-year period ending in 2010, where the District operates under a calendar year. The "base" or starting year for the analysis is 2000.

B. Projection of Revenue Requirements

For determining water and wastewater rates, the total costs of providing the respective services were projected through the end of the study period. These projections were based primarily on the District's FY 2000 budget,



as well as similar historical data. Revenue requirements provide the basis for the development of a financial plan that reflects decisions regarding, the issuance of debt, rate changes, etc. These types of decisions are heavily influenced by a number of financial considerations including:

☐ The amount of "cash" reserves that can be used to moderate otherwise needed rate increases; and

☐ Debt service coverage requirements established for general obligation and revenue bond issues.¹

Revenue requirements include operation and maintenance (O&M) expenses, capital (non-operating) expenditures, and debt service.

Operation and maintenance expenses are typically defined as expenses that are ongoing and recurring and are generally incurred during a utility's operating cycle. Examples of operating expenses would include salaries and wages, contracted services, and materials and supplies, etc. A general inflation factor of 4% was applied to base year O&M to control for the effect of changes in the general price level over the planning period.

Conversely, capital expenditures generally are not recurring, and result in the creation (by construction or purchase) of assets which typically have a useful life longer than one year. Additionally, a minimum cost threshold typically further defines capital expenditures. Examples of utility-related capital expenses would include treatment plants, pumping stations, interceptors, etc.

Debt service represents the utility's annual repayment of principal and interest on borrowed funds.

The District has received and is projected to receive grant monies from the State to construct both water and wastewater facilities. This source of capital funding is reflected in the financial and rate plan based upon discussions with NADB, the District and the District's outside financial advisor.

For purposes of this study current and future debt will require that rates be sufficient to achieve a 1.25 debt service coverage ratio as of FY 2002.



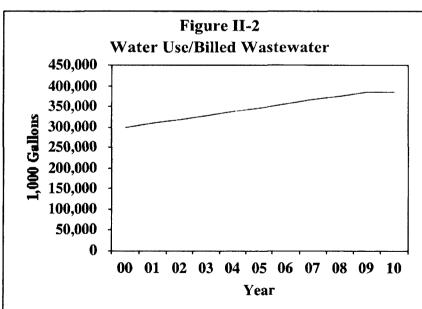
C. Projection of Service Demands

Factors affecting future service demands for utility service (e.g., water use and wastewater flows) typically include forecasts of account growth.

Using the number of accounts as of September 2000, as a starting point, the percentage change in accounts as projected by the District was used to estimate residential and non-residential accounts over the 10-year study period. The growth rate or percentage change was applied uniformly to all customer classifications. Table II-1 is a summary of accounts over the 10-year study period.

		Wa	Table ter and Wast		unts		
	Wa	iter			Waste	water	
2000	2,201	2006	2,408	2000	2,201	2006	2,408
2001	2,234	2007	2,444	2001	2,234	2007	2,444
2002	2,268	2008	2,2481	2002	2,268	2008	2,481
20 03	2,302	2009	2,2518	2003	2,302	2009	2,518
2004	2,337	2010	2,556	2004	2,337	2010	2,556
20 05	2,372		•	2005	2,372		

Billed water use was estimated based on the database of accounts and projections of accounts provided by the District. For 2000 annual residential water use per account was 103,410 gallons and for non-residential customers 64,528 gallons per year per account. For the study



period, annual billed water use was based on the projected number of accounts multiplied by the respective use per account. Water use per account (and billed wastewater flows) was held constant over the study period.

Figure II-2 illustrates current and projected water use and wastewater flows. Wastewater flow and billable units, are estimated at 100% of water use.

Table II-2 is a summary of

account, usage and current revenue information for 2000.

			able II-2 Usage Summa 2000	ry		
		Water		1	Wastewate	r
Class	Accounts	Usage	Revenue	Accounts	Flow	Revenue
		(1)	(2)		(1)	(2)
Residential	2,242	232.57	\$419,138	2,242	232.57	\$239,620
Non-Residential	165,	66.51	153,561	165	66.51	93,686
Total	2,407	299.08	\$572,699	2,407	299.08	\$333,306

Customer classes as used in the rate analysis included both residential and non-residential (commercial) classifications.

D. Financial Planning

Because transition and construction assistance is provided by the NADB only for the benefit of residential accounts it was necessary to use an iterative process in preparing the recommended financial plan and projection of rate increases. This process involved the development of a financial plan without any NADB financial assistance. This plan is illustrated in Table II-3. This table contains as inputs the percentage incrase in rates, construction assistance amounts, bond proceeds, and transition assistance amounts. Without any NADB assistance a plan was developed using a combination of rate increases and bond issues. This plan (see Table II-3) meets the 60-day O&M reserve requirement and the 1.25 times debt service coverage threshold. All rate increases are equal for both residential and non-residential accounts.

The next step in the process was to then input the construction and transition assistance provided by the NADB. This alternative or the recommended financial plan is shown on Table II-4. Once the NADB assistance is considered the bond issues and residential rate increases are adjusted to achieve the 60-day reserve and 1.25 times coverage requirements. By only adjusting the residential rate increases the plan reflects the "benefit" of NADB assistance going directly to the residential accounts. For example, without NADB assistance the 2002 water rate increase for all accounts is 50%. With NADB assistance the 50% increase for residential accounts can be eliminated. In similar fashion the 2002 residential wastewater increase of 140% (see Table II-3) is reduced to 59% with NADB assistance (see Table II-4).

Methodology

Table II-3 Financial Plan Without NADB Assistance

	CURRENT										
	YEAR 2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenue Adjustments			I - I					Γ			
Water [1]											
Residential		0%	50%	100%	0%	0%	0%	0%	0%	0%	00.4
Non-Residential		0%	50%	100%	0%	0%	0%	0%	0%	0%	0%
Effective Month of Adjustment (1=Jan)		11	1	1	1	1	1	1	1	1	1
Wastewater [1]											
Residential		0%	140%	38%	5%	0%	0%	0%	0%	0%	37%
Non-Residential		0%	140%	38%	5%	0%	0%	0%	0%	0%	37%
Effective Month of Adjustment (1=Jan)		11	1	1	1	1	1	1	1	1	i
Construction Assistance		!									
Water			_				_	_		_	
Wastewater				_	_				_		
Total											
i otal											
Bond Proceeds [2]											
Water	\$0	\$0	\$1,000,000	\$0	\$0	\$ 0	\$0	50	\$0	\$0	\$0
Wastewater	0	0	6,016,877	0	0	0	0	0	0_	0	2,300,000
Total	\$0	SO	\$7,016,877	\$0	\$0	\$0	\$0	\$0	\$ 0	\$0	\$2,300,000
Transition Assistance											
Water			l sol	\$0	\$0	so	\$0	\$0	so		ļ
Wastewater			0	0	0	0	0	0	0		1
Total	50	\$0	\$0	SO.	SO	\$0	S 0	SO.	\$0	S0	SO
• • • • • • • • • • • • • • • • • • •									•		
End of Year Cash Balance						ł			}		
Water	\$1,267,713	\$1,522,345	\$1,942,943			\$2,756,580				\$8,955,013	\$8,748,733
Wastewater	(140,781)	(329,018)	3,812,748	97,246	1 55, 145	211,037	264,215	313,917	457,049	598,893	127,384
Total	\$1,126,933	\$1,193,326	\$5,755,691	\$168,565	\$1,537,858	\$2,967,617	\$ 4,459,341	\$6,014,537	\$7,748,694	\$9,553,906	\$8,876 ,116
O&M Reserve Ratio days [3]	`										
Water	1,163	1,407	1,726	61	1,136	2,177	3,186	4,163	5,120	6,046	5,679
Wastewater	(108)			62	96	125	151	173	242	306	63
Total	471	472	2,190	62	542	1,006	1,455	1,888	2,340	2,777	2,482
Dalus and Grand But											
Debt Service Coverage Ratio			,	10.10		,,,,	1000		20.52	21.51	22.44
Water	NA	NA		18 18	17.38	18 15	18 95	19 77	20 62	21 51	22 44
Wastewater	NA	NA		1 52	1 32	1 32	131	1 31	1 30	130	2 31
Total [4]	NA	NA	NA NA	3 89	3 61	3.72	3 83	3 94	4 05	4 18	5 18

^[1] Input percentage increase in revenues

^[2] Input bond / Ioan amounts
[3] Ending cash balance as a percent of O&M expenditures - target 60 days or (16 44%)
[4] Required Coverage 1 25

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Table II-4 Financial Plan With NADB Assistance

	CURRENT										
	YEAR 2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenue Adjustments	T			<u> </u>			<u> </u>		T		
Water [1]											
Residential	İ	0%	0%	0%	0%	0%	0%	0%	0%	0%	()9
Non-Residential		0%			0%	0%		0%	0%	0%	0*
Effective Month of Adjustment (1=Jan)		11		1	1	1	l 1	1	l 1	1	1
Wastewater [1]			•	•		•			_		
Residential		0%	52%	38%	5%	0%	0%	0%	0%	0%	34%
Non-Residential		0%	140%		5%	0%		0%	0%	0%	349
Effective Month of Adjustment (1=Jan)		11	1	1	1	1	1	1	1	l	1
Construction Assistance											
Water	_	_	\$2,032,621	_		_		-			_
Wastewater	_		2,016,877	_		_	١.	_			
Total	-	-	4,049,498		-	•	-	•	-		•
Bond Proceeds [2]									l		
Water	so	\$0	\$1,000,000	\$0	\$0	\$0	\$0	S 0	s ₀	\$0	\$315 000
Wastewater	1 0	0	4,016,877	0	0	o	0	0	0	0	2,750,000
Total	\$0		\$5,016,877	\$0	\$0	\$0	\$0	\$0	\$0		\$3,065,000
Transition Assistance											
Water			\$86,100	\$69,478	\$ 51,016	\$30,031	\$8,890	\$6.365	\$4,225		
Wastewater			192,274	182,509	171, 75 1	159,737	146,449	131 ,561	114,861		
Total	S0	\$0	\$278,374	\$251,987	\$222,767	\$189,768		\$137,926	\$119,086	\$0	\$0
End of Year Cash Balance											
Water	\$1.767.712	\$1,522,345	¢2 004 211	\$010.920	\$1,123,648	\$1.216.264	\$1.497.154	£1 652 477	\$1 931 064	£2 001 308	\$538,241
Wastewater	(140,781)		1 ' '		264,787	350,536	416,540	459,681	541,723	500,007	121,437
Total			3,804,661 \$7,608,872	161,950							\$659,678
Lotai	31,120,933	31,193,320	37,008,872	31,072,780	\$1,366,433	31,000,000	31,903,094	\$2,113,138	32,372,787	32,301,403	3039,070
O&M Reserve Ratio days [3]			1								
Water	1,163	1,407	3,380	778	923	1.040	1,129	1,207	1,286	1,351	349
Wastewater	(108)	(227)		104	163	208	238	253	287	255	60
Total	471	472	2,895	393	489	565	621	663	717	727	184
Debt Service Coverage Ratio											
Water	NA	NA	NA	5 59	3 85	3.60	3 34	3.28	3 22	3 13	3 08
Wastewater	NA NA	NA.	1	190	1 52	1 47	1 41	1 34	1 26	0 88	187
Total (4)	NA NA	NA NA	1	2 63	1 99	190	1 79	1 73	1 65	1 33	2 11

^[1] Input percentage increase in revenues
[2] Input bond / loan amounts
[3] Ending cash balance as a percent of O&M expenditures - target 60 days or (16 44%)
[4] Reguired Coverage 1 25

APPENDIX A

Financial Plan

III. WATER RATES AND FINANCIAL PLAN

A. Current Rates

Table II		
Current Water Ser	Vice Charges Inside	Outside
Monthly Charge	District	District
(per account)		
Residential	\$8.95	\$13.43
Residential/Commercial	11.05	16.58
Large User	36.05	54.08
Commodity Charge (1)	· · · · · · · · · · · · · · · · · · ·	
3,000 – 15,000	\$0.90	\$1.35
15,001 - 34,000	1.55	2.23
34,001 - 1,000,000	1.90	2.85
> 1,000,000	2.47	2.96

The District's current water rate structure is composed of two parts, a volume rate per 1,000 gallons of metered water use and a monthly charge, which varies by customer class as well as for accounts located in the District and those located out of the District. Table III-1 illustrates the current rate structure.

Commodity charges also vary by customer class. The first 3,000 gallons are included in the monthly charge. Beyond 3,000 gallons in District residential customers pay \$.90 per 1,000 gallons of water use for up to 15,000. From 15,000 to 34,000 the charge is \$1.55 per thousand gallons.

\$1.90 is charged per thousand gallons used between 34,000 and 1 million gallons. Customers using more than 1 million gallons per month are charged the highest rate at \$2.47 per thousand gallons used beyond the million gallon level. In district non-residential customers also receive the first 3,000 gallon inclusion in the monthly rate. Once the 3,000 gallon limit has been reached, a commodity charge structure that mirrors the residential rates come into effect.

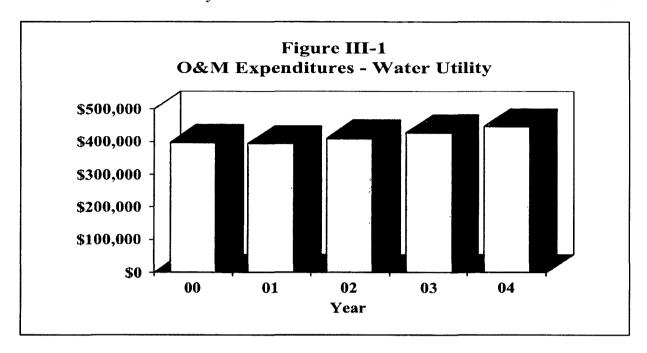
B. Revenue Requirements / Financial Plan

As previously noted, revenue requirements include both O&M and capital related costs.

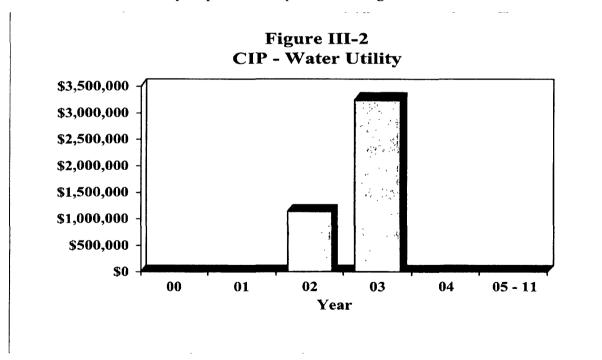
0&M

Figure III-1 illustrates the operation and maintenance expenditures for the water utility over the first five years of the 10-year study period. O&M expenditures are estimated to increase at an inflation rate of 4% per year. The budget for 2000 is \$397,936 and projected to increase to \$462,146 in 2005 and nearly \$562,272 in 2010.





CIP
Capital improvements for the water system are derived from the District's multi-year plan and are presented in Figure III-2².



² Capital improvements for the District's water and wastewater utility were provided by the District. The timing and amounts of individual projects have been reviewed and accepted by District management. A copy of the capital improvement plan is contained in Appendix A of this report.

In 2002 the District has programmed CIP projects associated with water improvements at a cost of \$1.1 million; followed by \$3.2 million in improvements in 2003. Further improvements at a cost of \$2 million are projected for 2010. No capital project expenditures have been identified in 2004-2009. Identified projects include:

	Water supply: Installation of a pump and chemical treatment units.
Q	Storage Capacity: Furnish and install an altitude valve at the I-10 storage tank and addition of 0.5 MG tank at well site # 4.
	Pumping Capacity: Additional 500 gallon per minute (gpm) pump boost to well # 4.
	Pumping Capacity: New 1,000 gpm booster pump station at well site # 4.
0	Mains: Replacement of water mains.

Debt Service

The District currently does not have any outstanding debt. There will, however, be debt issues within the 10-year study period, \$1 million in 2002. The annual debt service on this issue will be approximately \$82,000 in 2003, and remain constant throughout the study period.

As required by the NADB, a debt service reserve must be established equal to the annual debt service payment. The reserve is funded over five years via equal installments or transfers from the water operations to a separate debt service fund.

Cashflow

Cash-on-hand or the beginning-of-year fund balance for the water utility was estimated at \$1.0 million in 2000 (January 1, 2000). The water operating fund is projected to receive a \$1 million bond issue in 2002. However, with estimated combined capital outlays of \$4.3 million in 2002, and 2003, this fund balance is eroded to just over \$900,000 at the end of 2003. A combination of bond issues, and NADB transition and construction assistance will allow the water utility to meet financial criteria as established by the NADB, without any rate increases (see Table III-2).

In general terms, the financial criteria or conditions of the transition assistance relate to the maintenance of certain reserve requirements as well as debt service coverage ratios. Based on an independent analysis the NADB has determined or estimated that water transition assistance in the



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amount of approximately \$256,000 is warranted in order to mitigate the impact of rate increases that would otherwise be necessary over the 7-year period ending 2008 (see Table III-3). It should be noted that transition assistance from the NADB is only available to residential customers.

		Table III-2				
	Cashflow	Projection –	Water Fund			
	_	Current				
	Last Year	Year				
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Rate Increases						
Residential	-	-	-	-	-	-
Non-Residential	-	-	12%	-	-	-
Beginning of Year Cash Balance:	\$1,075,570	\$1,267,713	\$1,522,345	\$3,804,211	\$ 910,830	\$1,123,648
Operating Revenues:						
Service Revenues:						
Single Family Residential	418,425	424,701	431,072	437,538	444,101	450,763
Multi Family Residential	4,593	4,662	4,732	4,803	4,875	4,948
Churches	3,880	3,938	4,996	5,071	5,147	5,224
Non-Residential	149,681	151,926	192,756	195,647	198,582	201,561
Transition Assistance	-	-	86,100	69,478	51,016	30,031
Connection Revenues	16,000	16,240	16,484	16,731	16,982	17,237
Total Operating Revenues	592,579	601,468	736,139	729,268	720,703	709,703
Other Revenues:						
Construction Assistance	-	-	2,032,621	-	-	_
Bond/Loan Proceeds	-	_	1,000,000	-	-	_
Interest Income	_	50,709	60,894	152,168	336,433	44,946
Total Operating/Other Revenue	592,579	652,176	3,829,654	881,437	757,136	754,709
Expenditures:						
Operating Expenditures	397,936	395,045	410,8476	427,280	444,372	462,146
Capital Outlays	0	0	1,134,441	3,247,591	0	0
Deposit to R & R Reserve	2,500	2,500	2,500	2,500	2,500	2,500
Debt Service – Existing	0	0	0	0	0	0
Debt Service – Proposed	0	0	0	81,205	81,205	81,205
Deposit to Debt Service Reserve	-		-	16,241	16,241	16,241
Total Expenditures	400,436	397,545	1,547,788	3,774,818	544,318	562,093
Increase / (Decrease) in Cash	192,143	254,631	2,281,867	(2,893,381)	212,818	192,616
End of Year Cash Balance	\$1,267,713	\$1,522,345	\$3,804,211	\$ 910,830	\$1,123,648	\$1,316,264
O&M Reserve Ratio – Days	1,163	1,407	3,380	778	923	1,040
Debt Service Coverage Ratio	NA	NA	NA	5.59	3.85	3.60



Table III-3 NADB Transition Assistance Water				
$\mathbf{\underline{FY}}$	Amount			
2002	\$86,100			
2003	69,478			
2004	51,016			
2005	30,031			
2006	8,890			
2007	6,365			
2008	4,225			
Total	\$256,105			

Table III-4 is a summary of projected residential and non-residential water rate increases. Four increases are deemed necessary throughout the study period. A 12% rate increase for non-residential customers in 2002 and a 2% increase to both residential and non-residential customers in 2006. Residential customers have one more 1% increase in 2008, while a 2% and a 1% increase is deemed necessary for non-residential customers in 2008 and 2010, respectively.

Due to the transition and construction assistance smaller revenue (rate) increases (2% and 1%) are needed (non initially for residential accounts and a 12% increase for non-residential in 2002 followed by smaller increases in later years). These

conditions are two-fold. First, the District must establish cash or operating reserves in an amount equal to approximately 60 days or 17% of annual

	teserves in an amou									
	Table III									
	Water Revenue Increases									
<u>FY</u>	Residential	Non-Residential								
2001	0%	0%								
2002	0%	12%								
2003	0%	0%								
2004	0%	0%								
2005	0%	0%								
2006	2%	2%								
2007	0%	0%								
2008	1%	2%								
2009	0%	0%								
2010	0%	1%								

cash O&M expenditures.

The second financial requirement set forth by the NADB is associated with the annual calculation of debt service coverage. Debt service coverage is a measure of the utility's ability to repay its debt obligations. The NADB has indicated that by 2002 the District's utilities must be generating revenues sufficient to achieve a 1.25 times debt service coverage. The recommended financial plan is designed to meet not only debt service coverage, but also the cash reserve requirement as specified by the NADB.

NADB transition assistance is provided on an annual basis. Accordingly, it is incumbent upon the District to carefully monitor the financial performance of the water operation. While revenue increases over the next several years are not warranted, increases may be necessary depending on the level of future CIP expenditures and a variety of other factors. Annual reviews, as part of the budget process, should be used to periodically assess the condition of the water operation.

C. Rate Structure Recommendations

Rate Increase

Transition assistance is only available to residential customers. As such rate increases for non-residential customers will be higher than for the residential customers. This is evident in 2002 where residential rates are



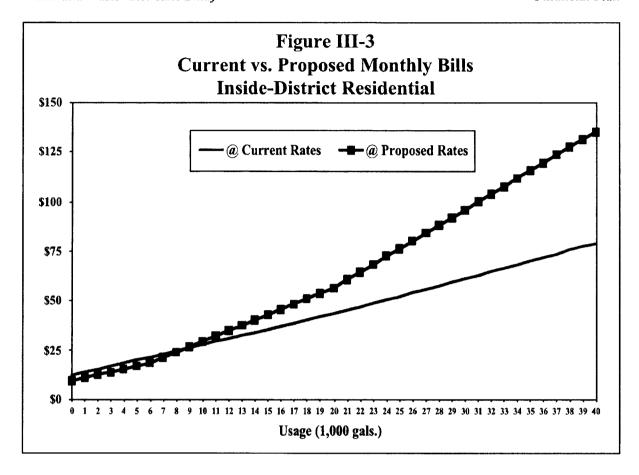
not increased and a 12% increase for non-residential customers is proposed. This increase is illustrated in Table III-5 which compares current and proposed inside-District water rates for 2002. As illustrated all non-residential accounts will experience a uniform increase in bills. based on the across-the-board application of the 12% increase. (See Appendix B for a complete listing of projected water rates monthly bill for the 10-year study period.)

	Currentys	TRUE TO COMP	(Roses		
<u> १५, ५५ का २० छान्त्र आहे. ५०</u>			The second second second	Differ of the last	
Monthly Cha	ree	<u>Current</u>	Proposed	<u>\$</u>	½
Residential		\$ 8.95	\$ 8.95	\$0.00	0%
Residential/Co	mmercial	11.05	12.38	1.33	12%
Large User		36.05	40.38	4.33	12%
Commodity C	barge				
Residential	3,000 - 15,000	\$0.90	\$0.90	\$0.00	0%
	15,001 - 34,000	\$1.55	\$1.55	\$0.00	0%
	34,001 - 1,000,000	\$1.90	\$1.90	\$0.00	0%
	> 1,000,000	\$2.47	\$2.47	\$0.00	0%
Residential/Co	mmercial &				
Large User	3,000 - 15,000	\$0.90	\$1.01	\$0.11	12%
_	15,001 - 34,000	\$1.55	\$1.74	\$0.19	12%
	34,001 - 1,000,000	\$1.90	\$2.13	\$0.23	12%
	> 1,000,000	\$2,47	\$2.77	\$0.30	12%

Table III-6 and Figure III-3 is a comparison of current and proposed monthly water bills at different water usage levels.

	Cuerent No.	Table III-6 Water Proposed Mo	mehly Bills		
Customer Type	Monthly <u>Use</u> (1,000 gals.)	Current	Proposed	Diff	erence (%)
Residential	(_,,			<u> </u>	7741
Low	6	\$ 11.65	\$ 11.65	\$0	0%
Average	12	17.05	17.05	0	0%
High	36	53.00	53.00	0	0%
Very High	80	136.60	136.60	0	0%

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IV. WASTEWATER RATES

A. Current Rates

Tab Current Wastew	ole IV-1 ater Service Ch	narges
Monthly Charge (per account)	Inside <u>District</u>	Outside <u>District</u>
Residential Residential/Commercial Large User	\$7.25 9.95 68.40	\$10.88 \$14.95 \$102.60
Commodity Charge (on usage over 8,500)		
Residential	\$0.50	\$0.75
Residential/Commercial	\$0.50	\$0.75
Large User	\$0.50	\$0.75

The District's current wastewater rate structure is composed of two parts, a volume rate per 1,000 gallons based on 100% of metered water use and a monthly charge. Table IV-1 illustrates the current rate structure. monthly or fixed charge varies by customer class. The in-district residential accounts are charged at the rate of \$7.25 per month. In-district residential/commercial accounts are charged \$9.95 a month, and the large users accounts that are within the district are charged \$68.40. monthly charge includes an 8,500 gallon usage allowance.

The commodity charge is constant by customer class, but again varies between in-District and out-of-District accounts. The in-Districts residential, residential/commercial, and large users classes are all charged \$0.50 per 1,000 gallons for usage above 8,500. Wastewater volumes are estimated based on 100% of actual water use.

B. Revenue Requirements / Financial Plan

As previously noted, revenue requirements include both O&M and capital related costs.

0&M

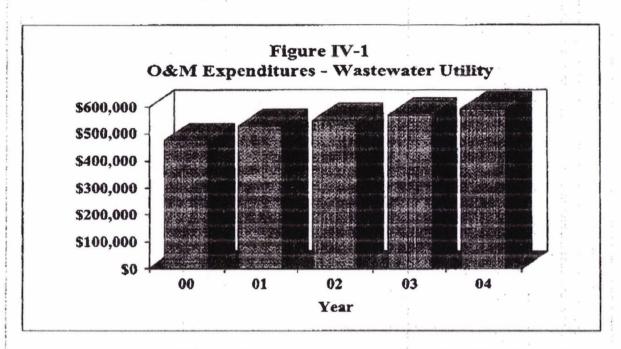
Figure IV-1 illustrates the operation and maintenance expenditures for the wastewater utility over the first five years of the 10-year study period. O&M expenditures are estimated to increase at an inflation rate of 4% per year. The budget for 2000 is \$475,687 and projected to increase to \$614,509 in 2005; escalating to \$742,985 in 2010.

CIP

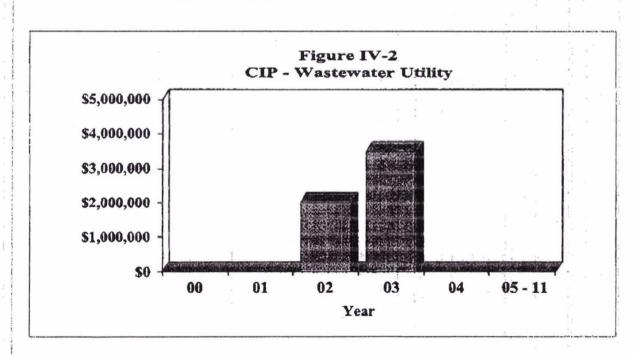
Capital improvements for the wastewater system are derived from the District's multi-year plan and are presented in Figure IV-2.



El Paso County WCID #4 Water and Wastewater Rate Study



In 2002 the District has programmed almost \$2 million for wastewater improvement projects, and another \$3.6 million in 2003. \$2.4 million of similar system improvements are projected in 2010. These capital improvement projects include:





OT

u	Additional rotor and battle walls to existing oxidation ditch.
	Modification of existing chlorine basin.
	Expansion of wastewater treatment plant to meet future flows River street relief interceptor.

Debt Service

There are currently no existing debt obligations for the wastewater utility.

The previously mentioned CIP funding is expected to be accomplished via a balance of new borrowings, transition assistance from the NADB and grants. On new borrowings of \$4.25 million in 2002, debt service payments in 2003 are estimated at approximately \$345,123 per year, remaining constant over the course of the study period.

As required by the NADB, a debt service reserve must be established equal to the annual debt service payment. The reserve is funded over five years via equal installments or transfers from the wastewater operations to a separate debt service reserve fund.

Cashflow

A comprehensive statement of cashflows for the wastewater utility is provided in Table IV-2 based on the recommended rate and financial plan. The full financial plan for the wastewater (and water) utility is contained in Appendix A to this report. The beginning of year fund balance was \$0 for 2000 (January 1, 2000). This was based on the allocation of 100% of the total District fund balance to the water utility. District personnel indicated that the wastewater operations have not generated sufficient revenues for several years. Accordingly, 100% of District cash was assigned to the water fund. With the issuance of bonds and construction assistance by the end of 2003 this balance is estimated at \$425,000.

A combination of bonds, NADB transition and construction assistance and rate increases, are necessary in order to meet financial criteria set forth by NADB as a condition of various funding of the project including the transition assistance. In general terms, the conditions of the transition assistance relate to the maintenance of certain reserve requirements (debt and O&M reserves) as well as debt service coverage ratios. Based on an independent analysis the NADB has determined or estimated the wastewater transition assistance in the amount of approximately \$1.1 million is warranted in order to mitigate the impact of rate increases that would otherwise be necessary over the 7 year period to 2008. It should be noted that transition assistance from the NADB is only available to residential customers. Accordingly, non-residential accounts do not



benefit from the transition assistance and based on the cost of service study, must bear their proportionate share of the necessary rate increases as noted on Table IV-3.

Table IV-2 Cashflow Projection – Wastewater Fund With Rate Increases										
	Current Year 2000	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>				
Rate Increases										
Residential Non-Residential	-	-	36% 140%	35% 35%	-	20% 20%				
Beginning of Year Cash Balance:	\$ 0	(\$140,781)	(\$329,018)	\$3,804,661	\$ 161,950	\$ 264,787				
Operating Revenues:										
Service Revenues:	227 000	240.644	251.266	***	554004					
Single Family Residential	237,088	240,644	371,266	520,032	554,224	562,537				
Multi Family Residential	2,532	2,570	3,965	5,554	5,919	6,008				
Churches	2,177	2,210	5,384	7,541	8,037	8,158				
Non-Residential	91,509	92,882	226,261	316,924	337,762	342,828				
Transition Assistance	-	4.1.60	192,274	182,509	171,751	159,737				
Connection Revenues	4,100	4,162	4,224	4,287	4,352	4,417				
Total Operating Revenues	337,406	342,467	803,373	1,036,847	1,082,044	1,083,685				
Other Revenues:										
Construction Assistance	_	-	2,016,877	-	+	-				
Bond/Loan Proceeds	_	_	4,016,877	-	-					
Interest Income	•	-	-	152,186	6,478	10,591				
Total Operating/Other Revenue	337,406	342,467	6,837,127	1,189,034	1,088,522	1,094,276				
Expenditures:										
Operating Expenditures	475,687	528,205	548,546	569,689	591,665	614,509				
Capital Outlays	0	0	2,152,402	3,868,036	0	0				
Deposit to R & R Reserve	2,500	2,500	2,500	2,500	2,500	2,500				
Debt Service – Existing	0	0	0	0	0	0				
Debt Service – Proposed	0	0	0	326,266	326,266	326,266				
Deposit to Debt Service Reserve	-	_	0	65,253	65,253	65,253				
Total Expenditures	478,187	530,705	2,703,448	4,831,745	985,685	1,008,528				
Increase / (Decrease) in Cash	(140,781)	(188,238)	4,133,679	(3,642,711)	102,838	85,748				
End of Year Cash Balance	(\$140,781)	(\$329,018	\$3,804,661	\$ 161,950	\$ 264,787	\$ 350,536				
O&M Reserve Ratio - Days	(108)	(227)	2,532	104	163	208				
Debt Service Coverage Ratio	NA	NA	NA	1.90	1.52	1.47				



As can be seen in Table IV-3, significant rate increases are projected for the wastewater fund in years 2002, and 2003. Beyond 2003 additional rate

Wa	Table IV-3 Wastewater Revenue Increases								
<u>FY</u>	Residential	Non-Residential							
2000	0%	0%							
2001	0%	0%							
2002	59%	140%							
2003	38%	38%							
2004	2%	2%							
2005	0%	0%							
2006	0%	0%							
2007	2%	2%							
2008	0%	0%							
2009	43%	43%							

increases are necessary in 2004, 2007 and 2009 in order to achieve the financial performance criteria or conditions established by the NADB.

These conditions are two-fold. First, the District must establish cash or operating reserves in an amount equal to 60 days or 17% of annual cash O&M expenditures.

The second financial requirement set forth by the NADB is associated with the annual calculation of debt service coverage. Debt service coverage is a measure of the utility's ability to repay its debt obligations. The District's utilities must be

generating revenues sufficient to achieve a 1.25 times debt service coverage. The recommended financial plan is designed to meet not only debt service coverage, but also the cash reserve requirement as specified by the NADB.

NADB transition assistance is provided on an annual basis. Accordingly, it is incumbent upon the District to carefully monitor the financial performance of the wastewater operation. Even with the revenue increases already discussed, other increases may be necessary depending on the level of future CIP expenditures and a variety of other factors. Annual reviews, as part of the budget process, should be used to periodically assess the condition of the wastewater operation.

C. Rate Structure Recommendations

Rate Increase

Rates associated with the 2002 indicated increases are illustrated in Table IV-4. As applied in a uniform or across-the-board fashion rates to all residential accounts will increase 59% and for non-residential accounts 140%. Table IV-4 illustrates in-District rates. Out-of-District rates will increase as well. Projected rates for all accounts are shown in Appendix B. Table IV-5 illustrates this customer impact based on the proposed 59% revenue increase on residential wastewater users.

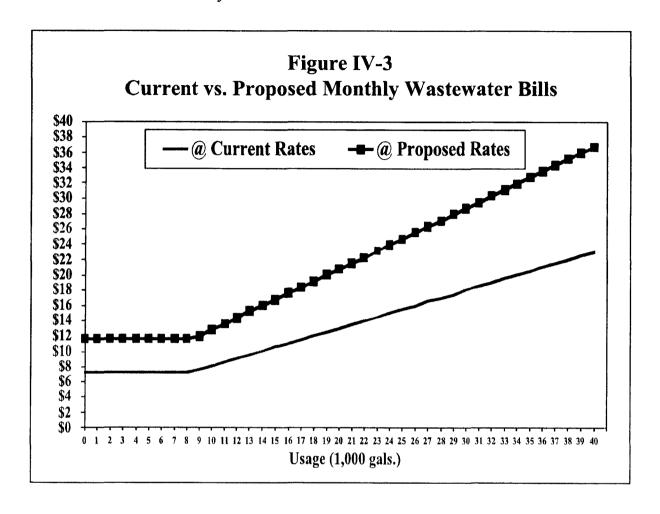


Table IV-4 Current vs. Proposed (2002) Rates Inside-District									
Difference									
Monthly Charge	Current	<u>Proposed</u>	<u>\$</u>	<u>%</u>					
Residential	\$7.25	\$11.53	\$4.28	59%					
Residential/Commercial	9.95	23.88	13.93	140%					
Large User	68.40	164.16	95.76	140%					
Commodity Charge (on usage over 8,500)									
Residential	\$0.50	\$0.80	\$0.30	60%					
Residential/Commercial	\$0.50	\$1.20	\$0.70	140%					
Large User	\$0.50	\$1.20	\$0.70	140%					

Table IV-5 Wastewater Current vs. Proposed Monthly Bills Inside-District Residential									
Customer Type	Monthly <u>Use</u> (1,000 gals.)	Current	Proposed	<u>Diffe</u> <u>\$</u>	rence (%)				
Residential				- 					
Low	6	\$ 7.25	\$ 11.53	\$ 4.28	59%				
Average	12	9.00	14.33	5.33	59%				
High	36	21.00	33.53	12.53	59%				
Very High	80	43.00	68.73	25.73	59%				

Figure IV-3 is a comparison of current and proposed monthly wastewater bills at different service or flow levels.







FILE: SCHEDULE:

Fabens xls DEC CRIT

DATE: 10/15/01 RANGE: DECCRIT

	CURRENT					Pi	rojected				
	YEAR 2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenue Adjustments											
Water [1]											
Residential		0%	50%	100%	0%	0%	0%	0%	0%	0%	0%
Non-Residential		0%	50%	100%	0%	0%	0%	0%	0%	0%	0%
Effective Month of Adjustment (1=Jan) Wastewater [1]		11	1	1	1 .	1	1	1	1	1	1
Residental		0%	140%	38%	5%	0%	0%	0%	0%	0%	37%
Non-Residential		0%	140%	38%	5%	0%	0%	0%	0%	0%	37%
Effective Month of Adjustment (1=Jan)		11	1	1	1	1	1	1	1	1	1
Construction Assistance											
Water	-	-	-	-	-	-	-	-		-	-
Wastewater	•		•	•		•					_
Total	•	-	•	•	-	•	-	<u> </u>		•	-
Bond Proceeds [2]					'						
Water	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wastewater	0	0	6,016,877	0	0	0	0	0	0	0	2,300,000
Total	S0	\$0	\$7,016,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,300,000
Transition Assistance											
Water			\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Wastewater			0	0	0	0	0	0	0		
Total	\$0	SO	\$0	S0	S0	\$0	, \$0	\$0	\$0	S0	\$0
End of Year Cash Balance							ł				
Water	\$1,267,713	\$1.522,345	\$1,942,943	\$71,319	\$1,382,713	\$2 756,580	\$4,195,126	\$5,700,621	\$7,291,645	\$8,955,013	\$8,748,733
Wastewater	(140.781)	(329 018)		97 246	155 145	211 037	264 215	313,917	457.049	598 893	127 384
Total	\$1,126,933	\$1,193,326	S5,755,691	\$168,565	S1,537,858	\$2.967,617	S4 459 341	\$6,014,537	\$7,748,694	\$9,553,906	\$8,876,116
O&M Reserve Ratio: days [3]											Ì
Water	1,163	1,407	1,726	61	1,136	2,177	3,186	4,163	5,120	6,046	5,679
Wastewater	(108)	(227)	2,537	62	96	125	151	173	242	306	63
Total	471	472	2,190	62	542	1,006	1,455	1,888	2,340	2,777	2,482
Debt Service Coverage Ratio											
Water	NA	NA	NA	18.18	17.38	18.15	18.95	19.77	20 62	21.51	22 44
Wastewater	NA	NA	NA	1.52	1.32	1.32	1.31	1.31	1.30	1 30	2 31
Total [4]	NA	NA	N/A	3.89	3 61	3.72	3,83	3.94	4.05	4.18	5.18

^[1] Input percentage increase in revenues.
[2] Input bond / Ioan arrounts
[3] Ending cash balance as a percent of O&M expenditures - target 60 days or (16.44%.)
[4] Required Coverage 1 25.