



FINANCIAL STATEMENT

FOR OTHER BONDS FOR THIS ISSUER, SEE SEPARATE MUNICIPAL REPORTS

FINANCIAL STATEMENT (As of March 15, 2020)

Table with 2 columns: Description, Amount. Includes Special Obligation Debt (Senior Lien, Subordinate Lien) and Special Fund Balances (Debt Service Reserve).

* The Debt Service Reserve Fund Cash Balance is to provide additional security for the System's, Series 2010, Series 2011, Series 2011A, Series 2012 and Series 2013.

PAYMENT RECORD

Never defaulted.

DETAILS OF OUTSTANDING DEBT

Details of Senior Lien Debt (Outstanding 3/15/2020)

W & SS Rev Bds Ser 2011

Lien: Senior
Tax Treatment: Tax Exempt
Original Issue Amount \$19,205,000.00
Dated Date: 06/15/2011
Sale Date: 06/07/2011
Delivery Date: 07/07/2011
Sale Type: Negotiated
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 09/01, 03/01
1st Coupon Date: 03/01/2012

Paying Agent: Amegy Bank, Dallas, TX
Bond Counsel: Fulbright & Jaworski L.L.P.
Financial Advisor: First Southwest Company, Dallas, TX
Lead Manager: Southwest Securities
Co-Manager: Morgan Keegan & Co., Inc.
Co-Manager: Raymond James & Associates, Inc.
Co-Manager: RBC Capital Markets

Use of Proceeds: Water & Sewer.

Table with 4 columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Lists bond maturities from 03/01/2021 to 03/01/2031 with a total of \$14,480,000.00.

Call Option: Bonds maturing on 03/01/2022 to 03/01/2031 callable in whole or in part on any date beginning 03/01/2021 @ par.

W & SS Rev Bds Ser 2012

Lien: Senior
Tax Treatment: Tax Exempt
Original Issue Amount \$8,415,000.00
Dated Date: 06/01/2012
Sale Date: 06/05/2012
Delivery Date: 06/28/2012
Sale Type: Negotiated
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 09/01, 03/01
1st Coupon Date: 03/01/2013

Paying Agent: Amegy Bank, Dallas, TX
Bond Counsel: Fulbright & Jaworski L.L.P.
Financial Advisor: First Southwest Company, Dallas, TX
Lead Manager: Southwest Securities
Co-Manager: RBC Capital Markets
Underwriter's Counsel: Bracewell & Giuliani LLP

Use of Proceeds: Water & Sewer.

Table with 4 columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Lists bond maturities from 03/01/2021 to 03/01/2032 with a total of \$5,535,000.00.

Call Option: Bonds maturing on 03/01/2023 to 03/01/2032 callable in whole or in part on any date beginning 03/01/2022 @ par.

W & SS Rev Ref & Imp Bds Ser 2013

Lien: Senior
Tax Treatment: Tax Exempt
Original Issue Amount \$29,925,000.00
Dated Date: 05/01/2013
Sale Date: 05/07/2013
Delivery Date: 06/06/2013
Sale Type: Competitive
TIC: 2.3589%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 03/01, 09/01
1st Coupon Date: 09/01/2013

Paying Agent: Amegy Bank, Dallas, TX
Bond Counsel: Fulbright & Jaworski L.L.P.
Financial Advisor: First Southwest Company, Dallas, TX
Lead Manager: Morgan Stanley

Use of Proceeds: Refunding, Water & Sewer.

Refunding Notes: This bond refunded maturities from the following issues:

Table with 4 columns: Refunded Amount, Mat Date, Sched Call, Price Par. Shows a refund of 970,000 on 03/01/2016.

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1,005,000	03/01/2017	03/01/2014	Par
1,055,000	03/01/2018	03/01/2014	Par
1,110,000	03/01/2019	03/01/2014	Par
1,170,000	03/01/2020	03/01/2014	Par
1,185,000	03/01/2021	03/01/2014	Par
1,250,000	03/01/2022	03/01/2014	Par
1,315,000	03/01/2023	03/01/2014	Par
1,390,000	03/01/2024	03/01/2014	Par
1,460,000	03/01/2025	03/01/2014	Par

09/30/29	2,255,000.00	308,068.75	2,563,068.75
09/30/30	2,360,000.00	207,203.13	2,567,203.13
09/30/31	2,460,000.00	101,140.63	2,561,140.63
09/30/32	915,000.00	31,093.75	946,093.75
09/30/33	455,000.00	7,678.13	462,678.13

	44,690,000.00	9,001,915.63	53,691,915.63
=====			

W & SS Rev Bds Ser 2006

Refunded Amount	Mat Date	Sched Call	Price
845,000	03/01/2016	03/01/2014	Par
785,000	03/01/2017	03/01/2014	Par
820,000	03/01/2018	03/01/2014	Par
860,000	03/01/2019	03/01/2014	Par
895,000	03/01/2020	03/01/2014	Par
940,000	03/01/2021	03/01/2014	Par
930,000	03/01/2022	03/01/2014	Par
970,000	03/01/2023	03/01/2014	Par
1,010,000	03/01/2024	03/01/2014	Par
2,160,000	03/01/2026	03/01/2014	Par

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
09/30/2020	7,590,000.00	16.98%
09/30/2021	3,965,000.00	25.86%
09/30/2022	4,045,000.00	34.91%
09/30/2023	4,190,000.00	44.28%
09/30/2024	4,345,000.00	54.01%
09/30/2025	4,500,000.00	64.07%
09/30/2026	3,155,000.00	71.13%
09/30/2027	2,240,000.00	76.15%
09/30/2028	2,215,000.00	81.10%
09/30/2029	2,255,000.00	86.15%
09/30/2030	2,360,000.00	91.43%
09/30/2031	2,460,000.00	96.93%
09/30/2032	915,000.00	98.98%
09/30/2033	455,000.00	100.00%

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
03/01/2021	2,455,000.00	3.0000%	1.800%
03/01/2022	2,475,000.00	3.0000%	2.000%
03/01/2023	2,550,000.00	3.0000%	2.200%
03/01/2024	2,625,000.00	3.0000%	2.350%
03/01/2025	2,705,000.00	3.0000%	2.500%
03/01/2026	1,265,000.00	3.0000%	2.700%
03/01/2027	430,000.00	3.0000%	2.900%
03/01/2030T	1,260,000.00	3.2500%	3.290%
03/01/2033T	1,320,000.00	3.3750%	3.450%

-----\$17,085,000.00			

Details of Subordinate Lien Debt (Outstanding 3/15/2020)

W & SS Rev Ref & Imp Bds New Ser 2014

Lien: Subordinate
 Tax Treatment: Tax Exempt
 Original Issue Amount \$38,175,000.00
 Dated Date: 06/01/2014
 Sale Date: 05/20/2014
 Delivery Date: 06/19/2014
 Sale Type: Negotiated
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 03/01, 09/01
 1st Coupon Date: 09/01/2014
 Paying Agent: Amegy Bank, Dallas, TX
 Bond Counsel: Fulbright & Jaworski LLP
 Financial Advisor: First Southwest Company, Dallas, TX
 Lead Manager: Morgan Stanley
 Co-Manager: RBC Capital Markets
 Co-Manager: Siebert Brandford Shank & Co.
 Underwriter's Counsel: Bracewell & Giuliani LLP

Call Option: Bonds maturing on 03/01/2024 to 03/01/2027 and term bonds maturing on 03/01/2030 and 03/01/2033 callable in whole or in part on any date beginning 03/01/2023 @ par.

Term Call: Term bonds maturing on 03/01/2030:

Mandatory Redemption Date	Principal Amount
03/01/2028	\$445,000
03/01/2029	\$400,000
03/01/2030	\$415,000

Term bonds maturing on 03/01/2033:

Mandatory Redemption Date	Principal Amount
03/01/2031	\$425,000
03/01/2032	\$440,000
03/01/2033	\$455,000

Grand Total =====> \$37,100,000.00

Use of Proceeds: Refunding, Water & Sewer.

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/20	7,590,000.00	1,542,581.25	9,132,581.25
09/30/21	3,965,000.00	1,348,056.25	5,313,056.25
09/30/22	4,045,000.00	1,212,506.25	5,257,506.25
09/30/23	4,190,000.00	1,067,006.25	5,257,006.25
09/30/24	4,345,000.00	912,406.25	5,257,406.25
09/30/25	4,500,000.00	751,781.25	5,251,781.25
09/30/26	3,155,000.00	607,656.25	3,762,656.25
09/30/27	2,240,000.00	499,706.25	2,739,706.25
09/30/28	2,215,000.00	405,031.25	2,620,031.25

Refunding Notes: This bond refunded maturities from the following issues:

W & SS Rev Bds Ser 2004-A

Refunded Amount	Mat Date	Coupon	Price	Sched Call
2,040,000.00	03/01/2015	3.200	Par	09/01/2014
2,105,000.00	03/01/2016	3.300	Par	09/01/2014
2,180,000.00	03/01/2017	3.400	Par	09/01/2014
2,255,000.00	03/01/2018	3.500	Par	09/01/2014
2,335,000.00	03/01/2019	3.600	Par	09/01/2014
2,420,000.00	03/01/2020	3.650	Par	09/01/2014
2,515,000.00	03/01/2021	3.750	Par	09/01/2014
2,610,000.00	03/01/2022	3.850	Par	09/01/2014
2,715,000.00	03/01/2023	3.900	Par	09/01/2014
2,825,000.00	03/01/2024	3.950	Par	09/01/2014

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Maturity	Amount	Coupon	Orig Reoffering Price/Yield
03/01/2021	2,965,000.00	5.0000%	1.950%
03/01/2022	3,120,000.00	5.0000%	2.170%
03/01/2023	3,280,000.00	5.0000%	2.370%
03/01/2024	1,675,000.00	5.0000%	2.520%
03/01/2024	1,750,000.00	3.5000%	2.520%
03/01/2025	845,000.00	4.0000%	2.740%
03/01/2026	880,000.00	4.5000%	2.870%
03/01/2027	920,000.00	4.7500%	2.930%
03/01/2028	970,000.00	5.0000%	2.970%
03/01/2029	1,020,000.00	5.0000%	3.060%
03/01/2030	1,030,000.00	5.0000%	3.130%
03/01/2031	1,080,000.00	5.0000%	3.200%
03/01/2032	1,140,000.00	5.0000%	3.270%
03/01/2033	1,195,000.00	5.0000%	3.340%
03/01/2034	1,255,000.00	5.0000%	3.400%
-----\$23,125,000.00			

Call Option: Bonds maturing on 03/01/2025 to 03/01/2034 callable in whole or in part on any date beginning 03/01/2024 @ par.

W & SS Rev Ref Bds New Ser 2016

Lien: Subordinate
Tax Treatment: Tax Exempt
Original Issue Amount \$16,715,000.00
Dated Date: 11/15/2016
Sale Date: 11/15/2016
Delivery Date: 12/14/2016
Sale Type: Negotiated
NIC: 2.5984%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 03/01, 09/01
1st Coupon Date: 09/01/2017

Paying Agent: Amegy Bank, Plano, TX
Bond Counsel: Norton Rose Fulbright US LLP, Dallas, TX
Financial Advisor: FirstSouthwest, a Division of Hilltop Securities Inc., Dallas, TX
Lead Manager: Morgan Stanley
Co-Manager: Estrada Hinojosa & Co., Inc.
Underwriter's Counsel: Bracewell LLP, Dallas, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues: W & SS Rev Bds Ser 2007

Refunded Amount	Mat Date	Coupon	Price	Sched Call
1,470,000.00	03/01/2018	5.000	Par	03/01/2017
1,550,000.00	03/01/2019	5.000	Par	03/01/2017
1,630,000.00	03/01/2020	5.000	Par	03/01/2017
1,715,000.00	03/01/2021	5.000	Par	03/01/2017
1,800,000.00	03/01/2022	5.000	Par	03/01/2017
10,355,000.00	03/01/2027	4.500	Par	03/01/2017

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
03/01/2021	1,530,000.00	4.0000%	1.800%
03/01/2022	1,600,000.00	5.0000%	1.950%
03/01/2023	1,685,000.00	5.0000%	2.160%
03/01/2024	1,775,000.00	5.0000%	2.360%
03/01/2025	1,860,000.00	5.0000%	2.540%
03/01/2026	1,955,000.00	5.0000%	2.700%
03/01/2027	2,055,000.00	5.0000%	2.850%
-----\$12,460,000.00			

Call Option: Non Callable

W & SS Rev Ref Bds New Ser 2017

Lien: Subordinate
Tax Treatment: Tax Exempt
Original Issue Amount \$21,430,000.00
Dated Date: 05/15/2017
Sale Date: 05/16/2017
Delivery Date: 06/13/2017
Sale Type: Negotiated
NIC: 2.4010%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 03/01, 09/01
1st Coupon Date: 09/01/2017

Paying Agent: Amegy Bank, Plano, TX
Bond Counsel: Norton Rose Fulbright US LLP, Dallas, TX
Financial Advisor: FirstSouthwest, a Division of Hilltop Securities Inc., Dallas, TX
Lead Manager: BOK Financial Securities, Inc.
Co-Manager: Frost Bank
Underwriter's Counsel: Bracewell LLP, Dallas, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:

Refunded Amount	Mat Date	Coupon	Price	Sched Call
2,125,000.00	03/01/2019	5.000	Par	03/01/2018
2,235,000.00	03/01/2020	5.000	Par	03/01/2018
2,350,000.00	03/01/2021	5.000	Par	03/01/2018
2,465,000.00	03/01/2022	4.625	Par	03/01/2018
2,580,000.00	03/01/2023	4.750	Par	03/01/2018
2,220,000.00	03/01/2024	4.750	Par	03/01/2018
2,330,000.00	03/01/2025	4.750	Par	03/01/2018
2,445,000.00	03/01/2026	4.750	Par	03/01/2018
2,565,000.00	03/01/2027	4.875	Par	03/01/2018
2,695,000.00	03/01/2028	5.000	Par	03/01/2018

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
03/01/2021	2,015,000.00	5.0000%	1.400%
03/01/2022	2,105,000.00	4.0000%	1.580%
03/01/2023	2,195,000.00	5.0000%	1.750%
03/01/2024	1,825,000.00	5.0000%	1.960%
03/01/2025	2,210,000.00	5.0000%	2.170%
03/01/2026	2,330,000.00	5.0000%	2.370%
03/01/2027	2,445,000.00	5.0000%	2.480%
03/01/2028	2,570,000.00	5.0000%	2.600%
-----\$17,695,000.00			

Call Option: Bonds maturing on 03/01/2028 callable in whole or in part on any date beginning 03/01/2027 @ par.

W & SS Rev Ref Bds New Ser 2018

Lien: Subordinate
Tax Treatment: Tax Exempt
Original Issue Amount \$48,310,000.00
Dated Date: 05/15/2018
Sale Date: 05/15/2018
Delivery Date: 06/12/2018
Sale Type: Negotiated
NIC: 3.7586%
Record Date: MSRB
Bond Form: BE

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Denomination \$5,000
Interest pays Semi-Annually: 09/01, 03/01
1st Coupon Date: 03/01/2019

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Norton Rose Fulbright US LLP, Dallas, TX
Financial Advisor: Hilltop Securities Inc., Dallas, TX
Lead Manager: BOK Financial Securities, Inc.
Co-Manager: Frost Bank
Co-Manager: SMBC Nikko Securities America, Inc.
Underwriter's Counsel: Bracewell LLP, Dallas, TX

Use of Proceeds: Refunding Comm Paper.

Table with columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Rows list maturities from 03/01/2021 to 03/01/2038 with corresponding amounts and yields.

Call Option: Bonds maturing on 03/01/2029 to 03/01/2038 callable in whole or in part on any date beginning 03/01/2028 @ par.

W & SS Rev Ref Bds New Ser 2018A

Lien: Subordinate
Tax Treatment: Tax Exempt
Original Issue Amount \$9,700,000.00
Dated Date: 12/01/2018
Sale Date: 12/04/2018
Delivery Date: 12/20/2018
Sale Type: Negotiated
NIC: 2.8050%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 09/01, 03/01
1st Coupon Date: 03/01/2019

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Norton Rose Fulbright US LLP, Dallas, TX
Financial Advisor: Hilltop Securities Inc., Dallas, TX
Lead Manager: BOK Financial Securities, Inc.
Underwriter's Counsel: Bracewell LLP, Dallas, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
W & SS Rev Bds Ser 2009

Table with columns: Refunded Amount, Mat Date, Coupon, Price, Sched Call. Rows show refunded amounts for various maturity dates from 03/01/2020 to 03/01/2023.

Table with columns: Amount, Maturity, Coupon, Price/Yield. Rows list amounts and yields for maturities from 03/01/2024 to 03/01/2029.

Table with columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Rows list maturities from 03/01/2021 to 03/01/2029 with corresponding amounts and yields.

Call Option: Non Callable

W & SS Rev Bds New Ser 2019

Lien: Subordinate
Tax Treatment: Tax Exempt
Original Issue Amount \$6,670,000.00
Dated Date: 06/01/2019
Sale Date: 05/21/2019
Delivery Date: 08/02/2019
Sale Type: Private Placement
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 09/01, 03/01
1st Coupon Date: 03/01/2020

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Norton Rose Fulbright US LLP, Dallas, TX
Purchaser: Texas Water Development Board

Use of Proceeds: Water.

Table with columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Rows list maturities from 03/01/2021 to 03/01/2034 with corresponding amounts and yields.

Call Option: Bonds maturing on 03/01/2030 to 03/01/2034 callable in whole or in part inversely on any date beginning 09/01/2029 @ par.

W & SS Rev Ref Bds New Ser 2019A

Lien: Subordinate
Tax Treatment: Tax Exempt
Original Issue Amount \$50,865,000.00

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Dated Date: 12/01/2019
Sale Date: 11/05/2019
Delivery Date: 12/03/2019
Sale Type: Competitive
TIC: 2.2782%
Record Date: MSRB
Bond Form: BE
Denomination: \$5,000
Interest pays: Semi-Annually: 03/01, 09/01
1st Coupon Date: 09/01/2020

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Norton Rose Fulbright US LLP, Dallas, TX
Financial Advisor: Hilltop Securities Inc., Dallas, TX
Lead Manager: Morgan Stanley
Co-Manager: American Veterans Group
Co-Manager: Fidelity Capital Markets
Co-Manager: R. Seelaus & Co., Inc.
Co-Manager: Raymond James
Co-Manager: UBS Financial Services, Inc.
Co-Manager: Ziegler Securities Inc.
Disclosure Counsel: Bracewell LLP, Dallas, TX

Use of Proceeds: Refunding Comm Paper, Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
W & SS Rev Bds Ser 2010

Table with 5 columns: Refunded Amount, Mat Date, Coupon, Price, Sched Call. Lists bond refunding details for W & SS Rev Bds Ser 2010.

W & SS Rev Ref Bds Ser 2011A

Table with 5 columns: Refunded Amount, Mat Date, Coupon, Price, Sched Call. Lists bond refunding details for W & SS Rev Ref Bds Ser 2011A.

Table with 4 columns: Maturity, Amount, Coupon, Orig Reoffering Price/Yield. Lists maturity schedule and reoffering details.

Call Option: Bonds maturing on 03/01/2030 to 03/01/2040 callable in whole or in part on any date beginning 03/01/2029 @ par.

Grand Total =====> \$165,180,000.00

Bond Debt Service

Table with 4 columns: Period Ending, Principal, Interest, Debt Service. Shows bond debt service schedule from 09/30/20 to 09/30/40.

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Table with 3 columns: Period Ending, Principal, % of Principal. Shows debt amortization rates from 09/30/2020 to 09/30/2040.

PERTINENT PROVISIONS

PERTINENT PROVISIONS OF THE UTILITY SYSTEM REVENUE BOND INDENTURE

1. Nature of Pledge: First lien on and pledge of the net revenues from the operation of the Water & Sewer Systems. Series 2014, 2016, 2017, 2018, 2018A, 2019, and 2019A bonds are subordinate the the lien on and pledge of the Net Revenues to the payment and security of the outstanding Prior Lien Bonds.

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2. Special Funds Created by Indenture comparing balances which are ultimately and presently required to actual balances.

I&S Fund: To receive net revenues by the 15th day of each month sufficient to meet debt service requirements when due.

Reserve Fund: To maintain a Required Reserve Fund amount equal to the average annual requirements on all bonds similarly secured as determined on the date of the delivery of the last series of bonds which are similarly secured. Monthly deposits are made to the Reserve Fund on or before the 15th day of each month in an amount equal to 1/60th of the Required Reserve Fund amount until the total Required Reserve Fund required to be maintained is fully funded for all additional bonds. The Reserve Fund shall be established and maintained for the Water Development Board Bonds so long as the Board is the owner of the Water Development Board Bonds for the purposes of (i) finally retiring the last of the Water Development Board Bonds and (ii) paying principal of and interest on the Water Development Board Bonds in the event moneys on hand in the Bond Fund are insufficient for such purpose. The amount to be accumulated in the Reserve Fund shall be equal to the average annual debt service requirements on all outstanding Water Development Board Bonds. The initial Required Reserve will be funded in equal monthly installments over the initial 60 months following the delivery of the Bonds.

3. Coverage Required as a Condition to Issuance of Parity Bonds: For the preceding fiscal year or any 12 consecutive months ending not more than 90 days immediately preceding the issuance and sale of additional bonds, net revenues shall have been not less than 1.25 times average annual requirements, after giving effect of the additional bonds, and 1.00 times the maximum annual principal and interest requirements for all Outstanding Prior Lien Bonds and Outstanding Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds then being issued.

4. Rate Covenant: The City has covenanted that it will charge and collect rates for services rendered by the System sufficient to pay all operating and maintenance charges of the system and pay all other outstanding indebtedness against said System as when the same becomes due.

OPERATING STATEMENT

WATERWORKS & SEWER SYSTEM OPERATING EXPERIENCE The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditures identified as capital.

	Fiscal Year Ended			
	09-30-2019	09-30-2018	09-30-2017	09-30-2016
Revenues:				
W & S Service	\$122,316,228	\$120,087,027	\$107,860,420	\$108,001,996
Other	1,861,403	1,030,730	701,267	700,162
Total Revenues	\$124,177,631	\$121,117,757	\$108,561,687	\$108,702,158
Expenses:				
Water Purchased	\$38,752,328	\$37,084,695	\$33,248,412	\$30,160,876
Other	37,848,529	39,039,673	36,052,411	34,856,138
Total Expenses	\$76,600,857	\$76,124,368	\$69,300,823	\$65,017,014
Available For Debt Service	\$47,576,774	\$44,993,389	\$39,260,864	\$43,685,144
Senior Lien Annual Reqmts Coverage	\$11,717,056 4.06X	\$13,790,431 3.26X	\$17,271,500 2.27X	\$16,793,169 2.60X
All Revenue Bonds Annual Reqmts Coverage	\$24,514,222 1.94X	\$20,939,056 2.15X	\$21,279,600 1.85X	\$20,793,319 2.10X

OPERATING DATA

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	Fiscal Year Ended			
	9-30-19	9-30-18	9-30-17	9-30-16
CUSTOMER COUNT:				
Water	69,960	69,506	69,294	69,219
Sewer	67,689	67,235	67,074	66,956

SYSTEM DESCRIPTION AND PERTINENT CONTRACTS

NORTH TEXAS MWD WATER SUPPLY SYSTEM - Wholesale Treated Water Supply Contract (See TMR #5636 for additional information, including all member cities)

Amended Contract Date: August 11, 1989
 Bonds Outstanding: \$2,806,220,000* as of 10-15-2019

*Excludes \$28,097,923 Government Contracts as of 09-30-2018.

Nature of Contract: The NTMWD issued revenue bonds for the construction of treated water supply facilities for the purpose of providing its member cities with wholesale treated water. The District owns and operates the extensive treated water supply system and obtains its water supply from Lavon Dam and Reservoir (located approximately 25 miles northeast of the City of Dallas). The members purchase treated water from the NTMWD. The contract has no expiration date and the NTMWD currently provides water service to approximately 1.7 million people, including 13 member cities, 34 customer cities, 31 other cities and utility districts, areas serviced by water supply corporations or special districts, and approximately 100 individual customers.

SEWER SYSTEM The City's Sewer System provides retail Sewer System service to all customers located within the City limits. In addition, the City has entered into various agreements to treat sewage for the Cities of Richardson, Rowlett, Dallas, Sachse, and the Town of Sunnyvale.

The Sewer System consists of two Sewer System treatment plants. The Rowlett Creek Plant, and the Duck Creek Plant have a daily capacity of 68 million gallons. In 2018 these plants handled a combined average daily flow of 37 million gallons.

RATES AND FEES

Water Rates

Old Rates (Effective as of March 1, 2019)

Residential	
Customer Charge	Rates
5/8" meter	\$23.05
3/4" meter	30.80(Min)
Volume Charge	
First 3,000	\$4.80/M gals
Next 12,000	5.88/M
Over 15,000	9.36/M

New Rates (Effective as of October 1, 2019)

Residential	
Customer Charge	Rates
5/8" meter	\$22.45
3/4" meter	30.80(Min)
Volume Charge	
First 3,000	\$4.80/M gals
Next 12,000	5.88/M
Over 15,000	9.36/M

Sewer/Wastewater Rates

Old Rates (Effective as of October 1, 2018)

Rates	
Customer Charge	\$8.55 per month
Volume Charge	4.50/M gals



New Rates (Effective as of October 1, 2019)

	Rates
Customer Charge	\$9.40 per month
Volume Charge	4.50/M gals

AUTHORIZED BUT UNISSUED

REVENUE BONDS AUTHORIZED BUT UNISSUED None*

* Excludes authorizations from the following election proposition(s) because the remaining authorization is deemed too small or too old:

08/22/1981-	\$175,000	Sewer
10/13/1984-	\$1,000	Water & Wastewater

NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of September 30, 2019)

The City reports additional debt in the principal amount of \$7,671,384 under Sewer Fund and \$5,197,981 under Water Fund as follows:

	Amount Outstanding	Reported Under
OPEB*	\$3,693,307	Sewer Fund
Compensated Absences	\$525,651	Sewer Fund
Pension Liability*	\$3,452,426	Sewer Fund
OPEB*	\$2,353,578	Water Fund
Pension Liability*	\$2,538,807	Water Fund
Compensated Absences	\$305,596	Water Fund

* See PENSION FUND LIABILITY section of TMR #1533 for details of this obligation.

WATER AND SEWER COMMERCIAL PAPER PROGRAM

Pursuant to an ordinance adopted by the City Council on August 15, 2015, the City authorized a Water and Sewer Commercial Paper Program pursuant to which the City is authorized to issue commercial paper notes (the "2015 Notes") for any Authorized Purposes, with a total available authorization in the principal amount of \$90,000,000. A portion of the proceeds of the Bonds will be used to refund \$5,000,000 of the 2015 Notes. No 2015 Notes will remain outstanding after the Bonds are issued.

MATERIAL EVENTS AND OTHER FILINGS

This section contains excerpt(s) from or a summary of filings made by or on behalf of the issuer. The information below is an extract or summary only. The complete filing should be viewed on the Texas MAC website (www.mactexas.com) or the Electronic Municipal Market Access (EMMA) System of the Municipal Securities Rulemaking Board (https://emma.msrb.org/). See TMR disclaimer at the bottom of this page.

11/06/2019 - Standard & Poor's Underlying: Downgrade on 10/25/2019

"On October 25, 2019, the underlying rating for the debt of the Issuer, as assigned by S&P Global Ratings, has been downgraded to AA- from AA."

07/21/2015 - Fitch Ratings Underlying: Downgrade on 07/20/2015

"On July 20, 2015 the underlying rating for the above referenced debt of the issuer, as assigned by Fitch's Ratings Services, has been downgraded from AA+ to AA."

ECONOMIC BACKGROUND

The City of Garland is located approximately 14 miles northeast of downtown

Dallas. The City's 2010 population was 226,876, an increase of 5.15% since 2000. The City encompassing 57 square miles, abuts the City of Dallas and the suburban cities of Richardson, Mesquite, Rowlett, Sachse and Sunnyvale. The economy is based on industry and manufacturing. Lake Lavon, 18 miles northeast of Garland, has excellent facilities for fishing, swimming, boating, and picnicking. Lake Ray Hubbard also provides excellent recreational facilities.

COUNTY CHARACTERISTICS: Dallas County was created in 1846 from Nacogdoches and Robertson Counties and named for the U.S. Vice-President, George Mifflin Dallas. The north central Texas county is the major component of the Dallas Primary Metropolitan Statistical Area. Dallas County is a national center for insurance, banking, electronics, conventions, aircraft manufacturing, and trade shows. As one of the nation's leading convention centers, as well as trade and market centers, Dallas County receives an estimated 1,000,000 visitors annually.

COUNTY SEAT: Dallas

2010 census: 2,368,139 increasing 6.7% since 2000
2000 census: 2,218,899 increasing 19.8% since 1990
1990 census: 1,852,810

ECONOMIC BASE

Mineral: sand, oil, gravel and gas.

Industry: U.S. Customs, transportation, trade center, telecommunications, government, electronic equipment, data processing and conventions.

Agricultural: wheat, soybeans, horticulture, horses, hay, crops and corn.

OIL AND GAS - 2018

The gas production for this county accounts for 0.17% of the total state production. The county ranks 61 out of all the counties in Texas for gas production.

GAS WELL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2016	GW Gas	5,917,443 MCF	-22.02
2017	GW Gas	5,090,904 MCF	-13.97
2018	GW Gas	8,537,385 MCF	67.70

PARKS (Texas Parks & Wildlife)

Year	Description	Volume
2016	Cedar Hill State Park	171,629 Visitors
2017	Cedar Hill State Park	220,466 Visitors
2018	Cedar Hill State Park	233,037 Visitors

RETAIL SALES & EFFECTIVE BUYING INCOME (The Nielsen Company)

Year	2018	2017	2016
Retail Sales	\$42.6B	\$44.7B	\$35.9B
Effective Buying Income (EBI)	\$67.0B	\$62.4B	\$59.8B
County Median Household Income	\$49,044	\$46,170	\$45,082
State Median Household Income	\$61,175	\$57,227	\$55,352
% of Households with EBI below \$25K	21.6%	24.1%	12.5%
% of Households with EBI above \$25K	69.3%	67.2%	66.8%

EMPLOYMENT DATA (Texas Workforce Commission)

	2019	2018	2017			
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	1,706,277	\$32.5B	1,683,215	\$31.2B	1,661,518	\$29.7B
2nd Q:	1,728,619	\$29.3B	1,701,189	\$27.6B	1,680,031	\$26.5B
3rd Q:	N/A	N/A	1,711,635	\$27.7B	1,687,753	\$26.6B
4th Q:	N/A	N/A	1,736,303	\$30.5B	1,712,436	\$29.3B

MAJOR COLLEGES AND UNIVERSITIES: University of Texas at Dallas, University of North Texas at Dallas, University of Dallas, The University of Texas Southwestern Medical at Dallas, Southern Methodist University, Paul Quinn College, Dallas County Community College District, Dallas Baptist University, Amberton University

COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
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2018	9	134,618
2017	9	126,621
2016	9	124,509
2015	9	122,461
2014	9	120,332
2013	9	120,594
2012	7	113,008
2011	7	115,250
2010	7	111,524
2009	7	102,779
2008	7	70,766

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 wkucera@garlandtx.gov

TOP EMPLOYERS

Major Employers	# Employees
Kraft Foods	796
Manufacturing	
US Food Service	520
Manufacturing	
Atlas Copco	460
Mining/Drilling Equipment	
SilverLine Window	425
Manufacturing	
Hatco (Resistol)	390
Manufacturing	
L3 Communications	350
Aerospace & Defense	
Arrow Fabricated Tubing	340
Manufacturing	
Valspar	300
Manufacturing	
KARLEE, Inc.	290
Manufacturing	
General Dynamics	275
Aerospace & Defense	

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Source: City of Garland CAFR dated September 30, 2019.

FINANCE CONNECTED OFFICIALS

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 Fax: 972-205-2504
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Finance Director
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