

Fort Worth Public Improvement District No. 17 (Rock Creek Ranch)

Annual Service Plan Update – Fiscal Year 2022

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FORT WORTH PUBLIC IMPROVEMENT DISTRICT NO. 17

(ROCK CREEK RANCH)

FORT WORTH, TEXAS

ANNUAL SERVICE PLAN UPDATE

A. Introduction

The Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) (the “PID”) was created pursuant to the PID Act and a resolution of the City Council on December 13, 2016 to finance certain Authorized Improvements for the benefit of the property in the PID. The City of Fort Worth, Texas Special Assessment Revenue Bonds, Series 2017 (Fort Worth Public Improvement District No. 17 – Rock Creek Ranch – Major Improvement Project) (the “Major Improvement Bonds”), in the aggregate principal amount of \$12,685,000 were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the Major Improvements that benefited all of the property in the PID. In addition, the City of Fort Worth, Texas Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 – Rock Creek Ranch – Roadway Improvement Project) (the “Roadway Improvement Bonds”), in the aggregate principal amount of \$5,155,000 were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the Roadway Improvements that benefited the Western Improvement Area within in the PID.

The Service and Assessment Plan was initially prepared at the direction of the City and approved by the City Council on August 15, 2017 identifying the Major Improvements to be provided by the PID, the costs of the Major Improvements, the indebtedness to be incurred for the Major Improvements, and the manner of assessing the Assessed Property within the PID for the costs of the Major Improvements. The Service and Assessment Plan was updated at the direction of the City and approved by the City Council on June 5, 2018 (the “Updated Service and Assessment Plan”) identifying the Roadway Improvements to be provided by the PID, the costs of the Roadway Improvements, the indebtedness to be incurred for the Roadway Improvements, and the manner of assessing the Assessed Property within the Western Improvement Area of the PID for the costs of the Roadway Improvements.

The Updated Service and Assessment Plan was amended and restated at the direction of the City and approved by the City Council on January 26, 2021 (the “Amended Service and Assessment Plan”) allocating the Major Improvement Special Assessments separately for the Major Improvements related to the Water Improvements (the “**Water Improvements portion of the Major Improvement Special Assessments**”) and the Major Improvements related to the Sanitary Sewer Improvements (the “**Sanitary Sewer Improvements portion of the Major Improvement Special Assessments**”). In addition, The Amended Service and Assessment Plan established that the Water Improvements Portion of the Major Improvements are being provided for the benefit of all of the Assessed Property in the PID (in both the Eastern Improvement Area and the Western Improvement Area excluding the Water Improvements Unserved

Tracts). Similarly, the Sanitary Sewer Improvements Portion of the Major Improvements are being provided for the benefit of all of the Assessed Property in the PID (in both the Eastern Improvement Area and the Western Improvement Area excluding the Sanitary Sewer Improvements Unserved Tracts).

Pursuant to the PID Act, the Service and Assessment Plan (as updated and/or amended from time to time) must be reviewed and updated annually for the purpose of determining the annual budget for the Authorized Improvements. This document is an update of the Amended Service and Assessment Plan for fiscal year 2022 (the “Annual Service Plan Update”) and covers updates to the annual budget of the PID and Annual Installments to be collected for fiscal year 2022.

The City also adopted assessment rolls (the “Assessment Rolls”) identifying the assessments on each Parcel of Assessed Property within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for tax year 2021 and fiscal year 2022.

Capitalized terms not defined herein shall have the meaning specified in the Amended Service and Assessment Plan.

B. Update of the Service Plan

Budget for the Authorized Improvements

The updated total estimated costs of the Major Improvements to be funded with the Major Improvement Bonds (including bond issuance costs) was equal to \$12,765,569 and the updated total estimated costs of the Major Improvements (including the Major Improvements to be funded with the Major Improvement Bonds, the University Improvements and the Non-PID Related Improvements) was equal to \$14,362,900 as shown in the Amended Service and Assessment Plan.

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Table B-1				
Major Improvement Bonds				
Updated Sources and Uses of Funds				
	Major		Non-PID	
	Improvement	University	Related	
Description	Bonds	Improvements	Improvements	Total
Sources of Funds				
Gross Bond Amount	\$ 12,685,000	\$ -	\$ -	\$ 12,685,000
City of Fort Worth contribution	\$ -	\$ -	\$ 1,111,047	\$ 1,111,047
Net premium	\$ 70,568	\$ -	\$ -	\$ 70,568
Developer deposit to property tax account	\$ 10,000	\$ -	\$ -	\$ 10,000
Other contribution ^(a)	\$ -	\$ 486,284	\$ -	\$ 486,284
Total Sources	\$ 12,765,568	\$ 486,284	\$ 1,111,047	\$ 14,362,900
Uses of Funds				
Water	\$ 2,759,319	\$ 155,045	\$ 98,570	\$ 3,012,934
Sanitary sewer	\$ 5,724,317	\$ 331,239	\$ 1,012,477	\$ 7,068,033
Authorized/Off-Site Improvements Subtotal ^(b) :	\$ 8,483,636	\$ 486,284	\$ 1,111,047	\$ 10,080,967
Other Fund Deposits:				
Debt service reserve fund ^(c)	\$ 1,151,119	\$ -	\$ -	\$ 1,151,119
Capitalized interest ^(d)	\$ 1,898,149	\$ -	\$ -	\$ 1,898,149
Other Fund Deposits Subtotal:	\$ 3,049,268	\$ -	\$ -	\$ 3,049,268
Developer deposit to Property Tax Account	\$ 10,000	\$ -	\$ -	\$ 10,000
Costs of issuance ^(e)	\$ 844,283	\$ -	\$ -	\$ 844,283
Underwriter's costs/underwriter counsel ^(f)	\$ 378,382	\$ -	\$ -	\$ 378,382
Total uses of funds	\$ 12,765,569	\$ 486,284	\$ 1,111,047	\$ 14,362,900
(a) Under the PID Reimbursement Agreement, the Developer is obligated to fund any cost overruns of the Major Improvements and University Improvements in excess of the funds deposited with the trustee under the Indenture related to the Major Improvement Bonds.				
(b) See Table III-A, Table IV-A, and Table IV-B for details.				
(c) The Major Improvement Bonds include a debt service reserve fund calculated at the maximum annual debt service for the Major Improvement Bonds. Such calculation is in accordance with the IRS rules and the Indenture.				
(d) The Major Improvement Bonds include capitalized interest from September 14, 2017 through September 30, 2020.				
(e) Inclusive of prepayment of a portion of the initial year's Administrative Expenses.				
(f) Calculated at 2.98% of the Gross Bond Amount.				

The updated total estimated costs of the Roadway Improvements to be funded with the Roadway Improvement Bonds (including bond issuance costs) was equal to \$8,427,774 and the updated total estimated costs of the Roadway Improvements (including the Roadway Improvements to be funded with the Roadway Improvement Bonds, the Chisholm Trail Ranch Roadway Improvements and the University Road Improvements) was equal to \$10,960,362 as shown in the Updated Service and Assessment Plan. According to the Developer, there have been no changes to the updated total estimated costs of the Roadway Improvements as shown in the Amended Service and Assessment Plan and summarized in Table B-2 on following page.

Table B-2 Roadway Improvement Bonds Updated Sources and Uses of Funds				
	Roadway	Chisholm Trail	University	
	Improvement	Ranch Roadway	Road	
Description	Bonds	Improvements	Improvements	Total
Sources of Funds				
Gross bond amount	\$ 5,155,000	\$ -	\$ -	\$ 5,155,000
Bond premium	\$ 88,228	\$ -	\$ -	\$ 88,228
City of Fort Worth contribution (a)	\$ 3,184,546	\$ 1,239,594	\$ -	\$ 4,424,140
Chisholm Trail contribution	\$ -	\$ 635,002	\$ -	\$ 635,002
Other contribution (b)	\$ -	\$ -	\$ 657,992	\$ 657,992
Total Sources	\$ 8,427,774	\$ 1,874,596	\$ 657,992	\$ 10,960,362
Uses of Funds				
Authorized/Off-Site Improvements:				
Roadway improvements	\$ 6,931,647	\$ 1,874,596	\$ 657,992	\$ 9,464,235
Authorized/Off-site Improvements Subtotal:	\$ 6,931,647	\$ 1,874,596	\$ 657,992	\$ 9,464,235
Other Fund Deposits:				
Debt service reserve fund (c)	\$ 463,000	\$ -	\$ -	\$ 463,000
Capitalized interest (d)	\$ 564,902	\$ -	\$ -	\$ 564,902
Other Fund Deposits Subtotal:	\$ 1,027,902	\$ -	\$ -	\$ 1,027,902
Costs of issuance (e)	\$ 314,100	\$ -	\$ -	\$ 314,100
Underwriter's costs/underwriter counsel (f)	\$ 154,125	\$ -	\$ -	\$ 154,125
Total uses	\$ 8,427,774	\$ 1,874,596	\$ 657,992	\$ 10,960,362
<p>(a) The total Roadway Improvement Costs are \$9,464,235, which include \$6,973,683 in construction costs, \$375,000 in ROW, \$90,956 in project management fees, \$150,000 in developer financing costs and \$1,874,596 in Chisholm Trail improvement costs. The University share of the Roadway Improvements (excluding the Chisholm Trail improvement cost) is \$657,992 [(\$9,464,235 - \$1,874,596) × 8.669609%], which will be funded in full with private funds of the Developer. The City contribution for the Roadway Improvement Costs is \$3,184,546. In addition, the City contribution for Chisholm Trail improvements is \$1,239,594 and the balance of the Chisholm Trail improvement costs, \$635,002 (\$1,874,596 - \$1,239,594), will be funded with private funds of the Developer.</p> <p>(b) The Developer will fund all Major Improvements not funded by the Major Improvement Bonds. The Developer and the City will equally share any cost overruns for the Roadway Improvements (excluding ROW costs, project management costs, or Developer financing costs) under the terms of the Roadway Financing Agreement. The Owner's contributions include 100% of the University share of the Roadway Improvement Costs, \$657,992 (\$7,589,639 × 8.669609%).</p> <p>(c) The Roadway Improvement Bonds include a debt service reserve fund calculated in accordance with IRS rules.</p> <p>(d) The Roadway Improvement Bonds include capitalized interest from June 22, 2018 through September 1, 2020.</p> <p>(e) Inclusive of the initial year's Administrative Expenses.</p> <p>(f) Calculated at 2.99% of the gross Roadway Improvement Bond amount.</p>				

A service plan must cover a period of five years. The Major Improvements are expected to be built within a period of five years. The projected Annual Installments for the Major Improvements over a period of five years is shown in Table B-3 on the following page.

Table B-3 Five Year Service plan - Projected Annual Installments - Major Improvements							
Period Ending September 1	Principal Payments	Interest Expense	Administrative Expenses	Delinquency & Prepayment Reserve	Capitalized Interest	Other Available Funds (a)	Projected Annual PID Installments
2018-2020	\$0	\$1,897,444	\$133,924	\$190,205	(\$1,876,099)	(\$78,415)	\$267,059
2021	\$480,000	\$639,721	\$79,424	\$63,355	\$0	(\$84,500)	\$1,178,000
2022	\$505,000	\$615,719	\$70,326	\$60,955	\$0	\$0	\$1,252,000
2023	\$530,000	\$590,669	\$71,765	\$58,450	\$0	\$0	\$1,250,884
2024	\$560,000	\$564,169	\$73,201	\$55,800	\$0	\$0	\$1,253,170
2025	\$590,000	\$536,169	\$74,665	\$53,000	\$0	\$0	\$1,253,834
2026	\$620,000	\$506,669	\$76,158	\$50,050	\$0	\$0	\$1,252,877
2027	\$645,000	\$475,669	\$77,681	\$46,950	\$0	\$0	\$1,245,300
Total	\$3,930,000	\$5,826,229	\$657,144	\$578,765	(\$1,876,099)	(\$162,915)	\$8,953,124

(a) Other Available Funds includes available excess PID Annual Installments from a prior year, available excess administrative expense funds, available excess excess funds held in the pledged revenue fund, and available interest income earned.

The Roadway Improvements are also expected to be built within a period of five years. The projected Annual Installments for the Roadway Improvements over a period of five years is shown in Table B-4 below.

Table B-4 Five Year Service plan - Projected Annual Installments - Roadway Improvements							
Period Ending September 1	Principal Payments	Interest Expense	Administrative Expenses	Delinquency & Prepayment Reserve	Capitalized Interest	Other Available Funds (a)	Projected Annual PID Installments
2019-2020	\$0	\$561,550	\$90,912	\$51,215	(\$556,584)	(\$80,868)	\$66,225
2021	\$195,000	\$254,398	\$52,162	\$25,440	\$0	(\$28,000)	\$499,000
2022	\$205,000	\$244,648	\$47,754	\$24,465	\$0	(\$23,867)	\$498,000
2023	\$220,000	\$234,500	\$48,709	\$23,450	\$0	\$0	\$526,659
2024	\$225,000	\$223,500	\$49,684	\$22,350	\$0	\$0	\$520,534
2025	\$235,000	\$212,250	\$50,677	\$21,225	\$0	\$0	\$519,152
2026	\$245,000	\$200,500	\$51,691	\$20,050	\$0	\$0	\$517,241
2027	\$260,000	\$188,250	\$52,725	\$18,825	\$0	\$0	\$519,800
Total	\$1,585,000	\$2,119,596	\$444,314	\$207,020	(\$556,584)	(\$132,735)	\$3,666,611

(a) Other Available Funds includes available excess PID Annual Installments from a prior year, available excess administrative expense funds, available excess excess funds held in the pledged revenue fund, and available interest income earned.

Debt Service and Administrative Expenses

Major Improvement Bonds - Annual Installments

The Major Improvement Special Assessments imposed on any Parcel may be paid in full at any time. If not paid in full, the Major Improvement Special Assessment shall be payable in twenty Annual Installments of principal and interest beginning with the tax year following the issuance of the Major Improvement Bonds, of which sixteen (16) Annual Installments currently remain outstanding.

Pursuant to the Service and Assessment Plan, each Major Improvement Special Assessment on the Assessed Property within the Western Improvement Area and Eastern Improvement Area of the PID shall bear interest at the rate on the Major Improvement Bonds plus 0.5% as described below commencing with the issuance of the Major Improvement Bonds. The effective interest rate on the Major Improvement Bonds is 5.05% per annum for fiscal year 2022. Pursuant to Section 372.018 of the PID Act, the

interest rate for that assessment may not exceed a rate that is one-half of one percent (0.5%) higher than the actual interest rate (the Additional Interest rate), paid on the debt. Accordingly, the effective interest rate on the Major Improvement Bonds plus Additional Interest of one-half of one percent (5.55%) is used to calculate the interests on the Major Improvement Special Assessments. These payments, the “Annual Installments” of the Major Improvement Special Assessments, shall be billed by the City (or another party designated by the City) in 2021 and will be delinquent on February 1, 2022. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and applicable Indenture, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Major Improvement Bonds from the collection of the Annual Installments of the Major Improvement Special Assessments levied against the Assessed Property within the Western Improvement Area and Eastern Improvement Area of the PID. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments and administration of the PID. The Additional Interest collected with the Annual Installments will be used to fund the Delinquency and Prepayment Reserve amounts as described in the Service and Assessment plan and the applicable Indenture.

Major Improvement Annual Installments to be collected for fiscal year 2022

The budget for Major Improvements of the PID will be paid from the collection of Annual Installments collected for fiscal year 2022 as shown by Table B-5-1 on the following page.

Table B-5-1	
Budget for the Major Improvement Annual Installments	
To be collected for Fiscal Year 2022	
	Major Improvement Bonds
Interest payment on March 1, 2021 ^(a)	\$307,859.54
Interest payment on September 1, 2021 ^(a)	\$307,859.54
Principal payment on September 1, 2021 ^(a)	\$505,000.00
<i>Subtotal debt service on bonds</i>	<i>\$1,120,719.08</i>
Administrative expenses	\$70,325.69
Additional interest for Delinquency and Prepayment Reserves	\$60,955.23
Total Uses	\$1,252,000.00
Available reserve fund income	\$0.00
Available capitalized interest funds	\$0.00
Available administrative expense funds	\$0.00
Subtotal funds available	\$0.00
Annual Installments	\$1,252,000.00
Total Sources	\$1,252,000.00
<i>(a) Budgeted amounts to be collected for debt service are based upon the current outstanding Major Improvement Special Assessments. Variances between amounts budgeted for debt service and actual debt service may be funded by the prepayment reserve account and/or any other available funds, if any.</i>	

As shown in Table B-5-1 on above, the total Annual Installment of the Major Improvement Special Assessments to be collected for fiscal year 2022 is equal to \$1,252,000.00 for payments that will be due within the fiscal year 2022. The total debt service portion of the Annual Installments to be collected for the Major Improvement Bonds, the Administrative Expenses, and the excess interest for Delinquency and Prepayment Reserve to be collected for fiscal year 2022 are shown as \$1,120,719.08, \$70,325.69 and \$60,955.23, respectively. The total debt service portion of the Annual Installments to be collected for the Major Improvement Bonds within the fiscal year 2022 represent two semi-annual interest payments of \$307,859.54 each due on March 1, 2022 and September 1, 2022, and \$505,000.00 in principal payment due on September 1, 2022 for the fiscal year 2022. There are no other funds anticipated to be available to pay a portion of the above shown expenses during fiscal year 2022.

Pursuant to the Service and Assessment Plan, the Major Improvement Special Assessments and the related Annual Installments shall be allocated to the Assessed Property within the Western Improvement Area and Eastern Improvement Area based on the ratio of the estimated buildout values for each area.

As described in the introduction section of this Annual Service Plan Update, the Amended Service and Assessment Plan was approved for allocating the Water Improvements portion of the Major Improvement Special Assessments and the Sanitary Sewer Improvements portion of the Major Improvement Special Assessments. In addition, the Amended Service and Assessment Plan established that the Water Improvements Portion of the Major Improvements are being provided for the benefit of all of the Assessed Property in the PID (in both the Eastern Improvement Area and the Western Improvement Area excluding the Water Improvements Unserved Tracts). Similarly, the Sanitary Sewer Improvements Portion of the Major Improvements are being provided for the benefit of all of the Assessed Property in the PID (in both the Eastern Improvement Area and the Western Improvement Area excluding the Sanitary

Sewer Improvements Unserved Tracts). Accordingly, the outstanding Major Improvement Special Assessment and fiscal year 2022 Major Improvement Annual Installments are calculated in Table B-5-2 on the following page based on the allocation percentages applicable to each category of Tracts [i.e., (i) Western Improvement Area – Major Improvements (Sanitary Sewer Improvements and Water Improvements served Tracts), (ii) Western Improvement Area – Major Improvements (Sanitary Sewer Improvements Unserved Tracts), (iii) Western Improvement Area – Major Improvements (Water Improvements Unserved Tracts), (iv) Eastern Improvement Area – Major Improvements (Excluding Water Improvements Unserved Tracts), and (v) Eastern improvement Area – Major Improvements (Water Improvements Unserved Tracts) that were calculated and included in the Amended Service And Assessment Plan.

Table B-5-2 Allocation of the Major Improvement Annual Installments (Fiscal Year 2022)								
Improvement Area	Water Improvement Portion of Outstanding Major Improvement Special Assessments	% (a)	Allocated Major Improvement Annual Installments (Water Improvement Portion)	Sanitary Sewer Improvement Portion of Major Improvement Special Assessments	% (a)	Allocated Major Improvement Annual Installments (Sewer Improvement Portion)	Total Major Improvement Special Assessments (Water and Sewer Improvement Portions)	Total Major Improvement Annual Installments (Water and Sewer Improvement Portions)
Western Improvement Area - (Sewer Improvements Unserved Tracts)	\$140,727.49	3.55%	\$14,452.48	\$0.00	0.00%	\$0.00	\$140,727.49	\$14,452.48
Western Improvement Area - (Water Improvements Unserved Tracts)	\$0.00	0.00%	\$0.00	\$300,169.65	3.649%	\$30,826.92	\$300,169.65	\$30,826.92
Western Improvement Area - (Sewer Improvements and Water Improvement served Tracts)	\$2,612,590.23	65.89%	\$268,308.63	\$3,762,992.66	45.746%	\$386,453.03	\$6,375,582.89	\$654,761.65
Eastern Improvement Area - (Water Improvements Unserved Tracts)	\$0.00	0.00%	\$0.00	\$2,417,267.64	29.386%	\$248,249.32	\$2,417,267.64	\$248,249.33
Eastern Improvement Area - (Excluding Water Improvement Unserved Tracts)	\$1,211,843.71	30.56%	\$124,454.31	\$1,745,455.12	21.219%	\$179,255.31	\$2,957,298.83	\$303,709.62
Total - Water Improvement Portion	\$3,965,161.43	100.00%	\$407,215.42					
Total - Sewer Improvement Portion				\$8,225,885.07	100.00%	\$844,784.58		
Grand Total - All Tracts							\$12,191,046.50	\$1,252,000.00

(a) The percentages shown above are calculated and shown in Table IV-D.1 of the Amended Service and Assessment Plan.

The list of Parcels within the Western Improvement Area and the Eastern Improvement Area of the PID, the aggregate Major Improvement Special Assessments for the Western Improvement Area and the Eastern Improvement Area, and the aggregate Annual Installments to be collected from each Parcel for fiscal year 2022 are shown in:

Appendix A-1 – Western Improvement Area – Major Improvements Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements and Water Improvements served Tracts) attached herein,

Appendix A-2 – Western Improvement Area – Major Improvements Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements Unserved Tracts) attached herein,

Appendix A-3 – Western Improvement Area – Major Improvements Assessment Roll Summary 2021-22 (Water Improvements Unserved Tracts) attached herein,

Appendix A-4 – Eastern Improvement Area – Major Improvements Assessment Roll Summary 2021-22 (Excluding Water Improvements Unserved Tracts) attached herein, and

Appendix A-5 – Eastern improvement Area – Major Improvements Assessment Roll Summary 2021-22 (Water Improvements Unserved Tracts) attached herein.

Roadway Bonds - Annual Installments

The Roadway Improvement Special Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Special Assessment shall be payable in nineteen Annual Installments of principal and interest beginning with the 2018 tax year, of which sixteen (16) Annual Installments currently remain outstanding.

Pursuant to the Service and Assessment Plan, each Roadway Improvement Special Assessment on Assessed Property within the Western Improvement Area of the PID shall bear interest at the rate on the Roadway Bonds plus 0.5% as described below commencing with the issuance of the Roadway Improvement Bonds. The effective interest rate on the Roadway Bonds is 5.00 percent per annum for fiscal year 2022. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent (0.5%) higher than the actual interest rate (the Additional Interest rate), paid on the debt. Accordingly, the effective interest rate on the Roadway Improvement Bonds plus Additional Interest of one-half of one percent (5.50%) is used to calculate the interests on the Roadway Improvement Special Assessments. These payments, the “Annual Installments” of the Roadway Improvement Special Assessments, shall be billed by the City (or another party designated by the City) in 2021 and will be delinquent on February 1, 2022. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and applicable Indenture, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Roadway Improvement Bonds from the collection of the Annual Installments of the Roadway Improvement Special Assessment levied on the Assessed Property within the Western Improvement Area. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments and administration of the PID. The Additional Interest collected with the Annual Installments will be used to fund the Delinquency and Prepayment Reserve amounts as described in the Service and Assessment plan and the applicable Indenture.

Roadway Annual Installments to be collected for fiscal year 2022

The budget for Roadway Bonds that lies within the Western Improvement Area of the PID will be paid from the collection of Annual Installments collected for the fiscal year 2022 as shown by Table B-6-1 on the following page.

Table B-6-1	
Budget for the Roadway Improvement Annual Installments	
To be collected for Fiscal Year 2022	
	Roadway Bonds
Interest payment on March 1, 2022 ^(a)	\$122,324.05
Interest payment on September 1, 2022 ^(a)	\$122,324.05
Principal payment on September 1, 2022 ^(a)	\$205,000.00
Subtotal debt service on bonds	\$449,648.10
Administrative expenses	\$47,754.37
Additional interest for Delinquency and Prepayment Reserves	\$24,464.81
Total Uses	\$521,867.28
Available reserve fund income	\$0.00
Available capitalized interest account	\$0.00
Available Administrative Expense account	(\$23,867.28)
Subtotal funds available	(\$23,867.28)
Annual Installments	\$498,000.00
Total Sources	\$521,867.28
(a) Budgeted amounts to be collected for debt service are based upon the current outstanding Roadway Improvement Special Assessments. Variances between amounts budgeted for debt service and actual debt service may be funded by the prepayment reserve account and/or any other available funds, if any.	

As shown in Table B-6-1 above, the total Annual Installment of the Roadway Improvement Special Assessments to be collected for fiscal year 2022 is equal to \$498,000.00 for payments that will be due within the fiscal year 2022. The total debt service portion of the Annual Installments to be collected for the Roadway Improvement Bonds, the Administrative Expenses and the excess interest for Delinquency and Prepayment Reserve to be collected for fiscal year 2022 are shown as \$449,648.10, \$23,887.09 ($\$47,754.37 - \$23,867.28 = \$23,887.09$) and \$24,464.81, respectively. The total debt service portion of the Annual Installments to be collected for the Roadway Improvement Bonds within the fiscal year 2022 represent two semi-annual interest payments of \$122,324.05 each due on March 1, 2022 and September 1, 2022, and \$205,000.00 in principal payments due on September 1, 2022 for the fiscal year 2022. The projected excess administrative expense funds are available to pay Administrative Expenses during the fiscal year 2022 in the amount of \$23,867.28.

Pursuant to the Amended Service and Assessment Plan, the Roadway Improvement Special Assessments and the related Annual Installments shall be allocated to the Assessed Property within the Western Improvement Area based on the ratio of the estimated buildout values for each Parcel. The outstanding Roadway Improvement Special Assessment and fiscal year 2022 Roadway Improvement Annual Installments are calculated in Table B-6-2 on the following page based on the allocation percentages applicable to each category of Tracts [i.e., (i) Western Improvement Area – Roadway Improvements (Sanitary Sewer Improvements and Water Improvements served Tracts), (ii) Western Improvement Area – Roadway Improvements (Sanitary Sewer Improvements Unserved Tracts), and (iii) Western Improvement Area – Roadway Improvements (Water Improvements Unserved Tracts that were calculated and included in the Amended Service And Assessment Plan.

Table B-6-2			
Allocation of the Roadway Improvement Annual Installments (Fiscal Year 2022)			
Improvement Area	Outstanding Roadway Improvement Special Assessments	%	Total Roadway Improvement Annual Installments (Western Improvement Area)
Western Improvement Area - (Sewer Improvements Unserved Tracts)	\$232,491.27	4.75%	\$23,662.69
Western Improvement Area - (Water Improvements Unserved Tracts)	\$344,296.34	7.04%	\$35,042.08
Western Improvement Area - (Sewer Improvements and Water Improvement served Tracts)	\$4,316,174.59	88.21%	\$439,295.23
Eastern Improvement Area - (Water Improvements Unserved Tracts)	\$0.00	0.00%	\$0.00
Eastern Improvement Area - (Excluding Water Improvement Unserved Tracts)	\$0.00	0.00%	\$0.00
<i>Total - Western Improvement Area</i>	\$4,892,962.20	100.00%	\$498,000.00
<i>Total - Eastern Improvement Area</i>			
Grand Total - All Tracts	\$4,892,962.20		\$498,000.00
(a) The percentages shown above are calculated and shown in Table IV-D.1 of the Amended Service and Assessment Plan.			

The list of Parcels within the Western Improvement Area, the aggregate Roadway Improvement Special Assessments for the Western Improvement Area, and the aggregate Annual Installments to be collected from each Parcel for fiscal year 2022 are shown in:

Appendix A-6 – Western Improvement Area – Roadway Improvements Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements and Water Improvements served Tracts) attached herein,

Appendix A-7 – Western Improvement Area – Roadway Improvements Assessment Roll Summary 2021-22 (Water Improvements Unserved Tracts) attached herein, and

Appendix A-8 – Western Improvement Area – Roadway Improvements Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements Unserved Tracts) attached herein.

C. Update of the Assessment Plan

The Updated Service and Assessment Plan adopted by the City Council provided that the cost of Authorized Improvement shall be allocated to the Assessed Property based on the ratio of estimated buildout value anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvement to Parcels similarly benefited.

This method of assessing property has not been changed and Assessed Property will continue to be assessed as provided for in the Amended Service and Assessment Plan.

D. Update of the Assessment Roll

Pursuant to the Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

(i) the identification of each Parcel; (ii) the Special Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Special Assessment is payable in installments); and (iv) payments of the Special Assessment, if any, as provided by Section VII.C of the Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendices A-1 through A-8 attached herein. Each Parcel in the PID is identified, along with the aggregate Special Assessment for the applicable improvement area and the Annual Installments to be collected from each Parcel.

Parcel Updates

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Special Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the formula shown in the Updated Service and Assessment Plan.

According to the Developer, a final plat was approved by the City on February 15, 2019 for Brewer Boulevard, a 25.957-acre roadway located entirely within the Western Improvement Area of the PID. Table D-1 on the following page shows the list of Parcels within the Western Improvement Area and the aggregate Major Improvement Special Assessments prior to and after subdivision; while Table D-2 on page fourteen of this report shows the list of Parcels within the Western Improvement Area and the aggregate Roadway Improvement Special Assessments prior to and after subdivision.

Table D-1			
Western Improvement Area - Parcel Subdivision and Aggregate Major Improvement Bond Special Assessment			
Prior to Subdivision			
Parcel ID^(a)	Parcel Acreage^(a)	Special Assessment	
4103629	221.000	\$6,536,824	
6839851	215.526		
3710890	411.211		
Total	847.737	\$6,536,824	
After Subdivision			
Parcel ID^(b,c)	Parcel Acreage^(b,c)	Special Assessment	
4103629	139.760	\$6,536,824	
42423153	76.144		
42423145	5.096		
<i>Subtotal</i>	<i>221.000</i>		
6839851	109.445		
42423196	95.689		
42423188	10.392		
<i>Subtotal</i>	<i>215.526</i>		
3710890	381.211		
42423218	23.650		
42423200	6.138		
<i>Subtotal</i>	<i>410.999</i>		
Total	847.525		\$6,536,824
<p>(a) The Parcel ID and Parcel acreage reflect 2018 certified Parcel information as provided by the Tarrant County Appraisal District.</p> <p>(b) The Parcel ID and Parcel acreage reflect 2020 certified Parcel information as provided by the Tarrant County Appraisal District.</p> <p>(c) Parcel 42423145, Parcel 42423188, and Parcel 42423200 will be non-Assessed Parcels as those Parcels represent Brewer Boulevard according to the Tarrant County Appraisal District online records.</p>			

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Table D-2			
Western Improvement Area - Parcel Subdivisions and Aggregate Roadway Improvement Bond Special Assessment			
Prior to Subdivision			
Parcel ID^(a)	Parcel Acreage^(a)	Special Assessment	
4103629	221.000	\$5,087,962	
6839851	215.526		
3710890	411.211		
Total	847.737	\$5,087,962	
After Subdivision			
Parcel ID^(b,c)	Parcel Acreage^(b,c)	Special Assessment	
4103629	139.760	\$5,087,962	
42423153	76.144		
42423145	5.096		
<i>Subtotal</i>	<i>221.000</i>		
6839851	109.445		
42423196	95.689		
42423188	10.392		
<i>Subtotal</i>	<i>215.526</i>		
3710890	381.211		
42423218	23.650		
42423200	6.138		
<i>Subtotal</i>	<i>410.999</i>		
Total	847.525		\$5,087,962
(a) The Parcel ID and Parcel acreage reflect 2018 certified Parcel information as provided by the Tarrant County Appraisal District. (b) The Parcel ID and Parcel acreage reflect 2020 certified Parcel information as provided by the Tarrant County Appraisal District. (c) Parcel 42423145, Parcel 42423188, and Parcel 42423200 will be non-Assessed Parcels as those Parcels represent Brewer Boulevard according to the Tarrant County Appraisal District online records.			

Prepayment of Assessments

As of June 30, 2020, the Developer donated a twelve-acre tract of Assessed Property to the City for use as a police station, a fire station, or other public facility. Pursuant to Section VI.C of the Service and Assessment Plan, any transfer of Assessed Property to a party that is exempt from the payment of the Special Assessment under applicable law, or if an owner causes a Parcel or portion thereof to become Non-Benefited Property would trigger a Mandatory Prepayment.

As a result, the net amount of Special Assessment for the Series 2017 Major Improvement Bonds to be prepaid was \$12,687.27, and the net amount of Special Assessment for the Series 2018 Roadway Improvement Bonds to be prepaid was \$61,016.75, which totaled a Mandatory Prepayment of \$73,704.02. The respective Mandatory Prepayment amounts were calculated pursuant to Sections IV(3) and VI(C) of the Service and Assessment Plan (as updated for the Roadway Improvement Bonds). According to the Trustee, the Mandatory Prepayment funds associated with the twelve-acre land donation were received in April 2019. Series 2017 Major Improvement Bonds and the Series 2018 Roadway Improvement Bonds were proportionally redeemed on December 1, 2020 with proceeds of these prepayments.

There were no additional prepayments through June 30, 2021.

Appendix A-1					
Western Improvement Area - Major Improvements					
Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements and Water Improvements served Tracts)					
Tax Parcel ID	Outstanding Major Improvement Special Assessment (a)	Major Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
04103629 (Part of)	\$296,958.63	\$27,299.31	\$1,713.05	\$1,484.79	\$30,497.15
42423153 (Part of)	\$177,771.15	\$16,342.45	\$1,025.50	\$888.86	\$18,256.81
42423145	\$0.00	\$0.00	\$0.00	\$0.00	\$0.000
06839851	\$791,889.69	\$72,798.17	\$4,568.12	\$3,959.45	\$81,325.74
42423196 (Part of)	\$1,172,280.20	\$107,767.35	\$6,762.46	\$5,861.40	\$120,391.21
03710890	\$3,637,315.82	\$334,377.30	\$20,982.35	\$18,186.58	\$373,546.23
42423218	\$299,367.39	\$27,520.75	\$1,726.94	\$1,496.84	\$30,744.53
42423200	\$0.00	\$0.00	\$0.00	\$0.00	\$0.000
41524853	\$0.00	\$0.00	\$0.00	\$0.00	\$0.000
42617357	\$0.00	\$0.00	\$0.00	\$0.00	\$0.000
Total	\$6,375,582.88	\$586,105.33	\$36,778.42	\$31,877.92	\$654,761.67

(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.1 of the Amended Service and Assessment Plan.

(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-5-2.

Appendix A-2
Western Improvement Area - Major Improvements
Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements Unserved Tracts)

Tax Parcel ID	Outstanding Major Improvement Special Assessment (a)	Major Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
4103629 (Part of)	\$140,727.49	\$12,937.03	\$811.81	\$703.64	\$14,452.48
Total	\$140,727.49	\$12,937.03	\$811.81	\$703.64	\$14,452.48

(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.2 of the Amended Service and Assessment Plan.

(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-5-2

Appendix A-3
Western Improvement Area - Major Improvements
Assessment Roll Summary 2021-22 (Water Improvements Unserved Tracts)

Tax Parcel ID	Outstanding Major Improvement Special Assessment (a)	Major Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
4103629 (Part of)	\$78,692.99	\$7,234.22	\$453.95	\$393.46	\$8,081.63
42423153 (Part of)	\$219,386.51	\$20,168.13	\$1,265.56	\$1,096.93	\$22,530.62
42423196 (Part of)	\$2,090.15	\$192.15	\$12.06	\$10.45	\$214.66
Total	\$300,169.65	\$27,594.50	\$1,731.57	\$1,500.84	\$30,826.91

(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.3 of the Amended Service and Assessment Plan.

(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-5-2

Appendix A-4 Eastern Improvement Area - Major Improvements Assessment Roll Summary 2021-22 (Excluding Water Improvements Unserved Tracts)					
Tax Parcel ID	Outstanding Major Improvement Special Assessment (a)	Major Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
41295149 (Part of)	\$578,068.54	\$53,141.66	\$3,334.67	\$2,890.34	\$59,366.67
41291522	\$2,379,230.29	\$218,721.89	\$13,724.91	\$11,896.15	\$244,342.95
Total	\$2,957,298.83	\$271,863.55	\$17,059.58	\$14,786.49	\$303,709.62
(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.3 of the Amended Service and Assessment Plan. (b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-5-2					

Appendix A-5
Eastern Improvement Area - Major Improvements
Assessment Roll Summary 2021-22 (Water Improvements Unserved Tracts)

Tax Parcel ID	Outstanding Major Improvement Special Assessment (a)	Major Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
05700906	\$1,831,122.15	\$168,334.48	\$10,563.07	\$9,155.61	\$188,053.16
41295149 (Part of)	\$586,145.49	\$53,884.17	\$3,381.26	\$2,930.73	\$60,196.16
Total	\$2,417,267.64	\$222,218.65	\$13,944.33	\$12,086.34	\$248,249.32

(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.3 of the Amended Service and Assessment Plan.

(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-5-2

Appendix A-6					
Western Improvement Area - Roadway Improvements					
Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements and Water Improvements served Tracts)					
Tax Parcel ID	Outstanding Roadway Improvement Special Assessment (a)	Roadway Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
04103629 (Part of)	\$201,036.57	\$18,474.64	\$981.45	\$1,005.18	\$20,461.27
42423153 (Part of)	\$120,348.42	\$11,059.65	\$587.53	\$601.74	\$12,248.92
42423145	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06839851	\$536,097.52	\$49,265.71	\$2,617.19	\$2,680.49	\$54,563.39
42423196 (Part of)	\$793,616.22	\$72,930.88	\$3,874.38	\$3,968.08	\$80,773.34
03710890	\$2,462,408.60	\$226,287.74	\$12,021.30	\$12,312.04	\$250,621.08
42423218	\$202,667.26	\$18,624.49	\$989.41	\$1,013.34	\$20,627.24
42423200	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
41524853	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
42617357	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$4,316,174.59	\$396,643.11	\$21,071.26	\$21,580.87	\$439,295.24
<p>(a) The Initial Roadway Improvement Special Assessments are shown in Appendix A-1-A.1 of the Amended Service and Assessment Plan.</p> <p>(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-6-2.</p>					

Appendix A-7
Western Improvement Area - Roadway Improvements
Assessment Roll Summary 2021-22 (Water Improvements Unserved Tracts)

Tax Parcel ID	Outstanding Roadway Improvement Special Assessment (a)	Roadway Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
4103629 (Part of)	\$90,261.32	\$8,294.74	\$440.65	\$451.31	\$9,186.70
42423153 (Part of)	\$251,637.61	\$23,124.72	\$1,228.48	\$1,258.19	\$25,611.39
42423196 (Part of)	\$2,397.42	\$220.32	\$11.70	\$11.99	\$244.01
Total	\$344,296.35	\$31,639.78	\$1,680.83	\$1,721.49	\$35,042.10

(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.3 of the Amended Service and Assessment Plan.

(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-6-2.

Appendix A-8
Western Improvement Area
Assessment Roll Summary 2021-22 (Sanitary Sewer Improvements Unserved Tracts)

Tax Parcel ID	Outstanding Roadway Improvement Special Assessment (a)	Roadway Improvement Annual Assessments (b)	Administrative Expenses (b)	Additional Interest for Delinquency and Prepayment Reserve (b)	Fiscal Year 2022 Annual Installments
4103629 (Part of)	\$232,491.27	\$21,365.23	\$1,135.01	\$1,162.46	\$23,662.70
Total	\$232,491.27	\$21,365.23	\$1,135.01	\$1,162.46	\$23,662.70

(a) The Initial Major Improvement Special Assessments are shown in Appendix A-1-A.2 of the Amended Service and Assessment Plan.

(b) The amount represents the prorated debt service amount due, Administrative Expenses due, and the Additional Interest for Delinquency and Prepayment Reserves due from Parcels within the Western Improvement Area for fiscal year 2022 based on the percentages shown in Table B-6-2.