



Allens Creek TWDB Financing

***Presented by
David Thompson
Chief Financial Officer***

Meeting Date: July 31, 2023

TWDB Financing Update:

- **April 6th - received invitation to submit complete application**
- **May 4th - complete SWIFT application submitted to the TWDB**
- **July 25th - TWDB staff presented funding request to their Board**
- **July 31st - BRA resolution for the adoption of Financing Agreement committing BRA to borrow from the TWDB**
- **August/September - anticipate commitment from TWDB and execute Financing Agreement**
- **September 25th - BRA Board resolution authorizing bond issue**
- **October - TWDB bond closing anticipated**
- **November 2nd - BRA closing scheduled**

Estimated TWDB Financing

• Refund Short-Term Financing	\$46,000,000
• Cost of Issuance	385,000
• Debt Service Reserve Fund	3,037,215
• Contingency/Rounding	<u>577,785</u>
• Total Estimated Financing	\$50,000,000

TWDB Financing

- **Estimated savings of TWDB financing over similar Open Market borrowing - \$10.3 million**
- **Deferred loan includes \$5.4M of interest during deferral period that does not have to be paid.**
- **No increase in System Rate over the borrowing period as a result of this debt issuance.**
- **\$50M includes \$578k of contingency for rate increases above estimate**

**RESOLUTION APPROVING THE EXECUTION AND
DELIVERY OF A FINANCING AGREEMENT WITH THE
TEXAS WATER DEVELOPMENT BOARD FOR WATER
SUPPLY SYSTEM REVENUE BONDS, NEW SERIES 2023B
AND NEW SERIES 2023C**

“WHEREAS, the Brazos River Authority (“Authority”) anticipates receiving a commitment from the Texas Water Development Board pursuant to which the Texas Water Development Board agrees to loan approximately \$50,000,000 to the Authority, as evidenced by the issuance of Brazos River Authority Water Supply System Revenue Bonds, New Series 2023B and New Series 2023C to fund costs related to the acquisition of land and water rights permits.



NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Brazos River Authority that:

1. The Financing Agreement committing the Authority to borrow from the Texas Water Development Board with terms and conditions in the best interest of the Authority is hereby approved, and the General Manager/CEO is hereby authorized and directed to execute and deliver the Financing Agreement; and

2. This authorization shall become effective immediately upon adoption. “



**Brazos
River
Authority**