



City of Corpus Christi, Texas

2022 PLAN OF FINANCE

ESTRADA • HINOJOSA
INVESTMENT BANKERS

General Obligation Debt Program

2022 Proposed Debt Issuance Summary

■ General Obligation Credit:

■ New Money:

- Partial issuance of 2020 GO Bond Authorization (\$40 million) anticipated
- \$20 Million of Certificates of Obligations (COs) anticipated:
 - \$11.0 million COs Non-Self-Supporting
 - \$9.0 million COs Self-Supporting (solid waste/landfill)

■ Refunding:

- Actively monitoring but none currently meeting savings criteria

| Purpose | GO Bonds (\$mm) | COs (\$mm) |
|-------------------|-----------------|---------------|
| Streets | \$30.50 | \$- |
| Parks | 6.75 | 0.3 |
| Public Safety | 2.00 | 5.4 |
| Solid Waste | | 9.0 |
| Public Facilities | | 3.3 |
| Health Department | | 2.0 |
| TOTAL | \$39.25 | \$20.0 |

HB1869 - Changes to “Debt” definition

■ Intent:

- Provide increased input from taxpayers on the debt issued by taxing unit by revising the definition of debt for the purpose of calculating I&S property tax rate (not subject to “rollback”).
- Projects not under the revised debt definition would need to be funded through the M&O tax rate (subject to “rollback”).

| New Definition – “Debt” | Prior Definition – “Debt” |
|--|---|
| <p>In General, Debt excluded from M&O tax rate is debt that is:</p> <ul style="list-style-type: none">• Self-Supporting;• Issued for <i>Designated Infrastructure</i>:<ul style="list-style-type: none">• Roads, sidewalks, parks, airports, communication/IT systems, cybersecurity, utility systems, police and fire, jails, and judicial facilities• Issued for Emergency;• Issued for renovating, improving, or equipping existing facilities;• Issued for vehicles/equipment;• Voter Authorized; or• For projects within a reinvestment zone | <p>In General, Debt excluded from M&O tax rate was not restricted based upon use of proceeds.</p> |

General Obligation Debt Program - Overview

| General Obligation Debt Outstanding as of 5/1/2022 | | | |
|--|-----------------------|-----------------------|-----------|
| Series | Outstanding | Callable | Call Date |
| Comb Tax & Ltd Pledge Rev C/O Ser 2021A | \$ 8,200,000 | \$ 5,090,000 | 3/1/2031 |
| Comb Tax & Ltd Pledge Rev C/O Taxable Ser 2021B | 8,545,000 | 4,900,000 | 3/1/2031 |
| GO Imp Ref Bds Taxable Ser 2021C | 39,205,000 | - | NC |
| GO Imp Ref Bds Ser 2021D (Fwd Delivery) | 10,265,000 | - | NC |
| GO Imp Ref Bds Ser 2021E (Airport Fwd Ref- AMT) | 1,985,000 | - | NC |
| Gen Imp Bds Ser 2020A | 75,780,000 | 53,505,000 | 3/1/2029 |
| Gen Imp Ref Bds Taxable Ser 2020C | 65,620,000 | 38,020,000 | 3/1/2030 |
| Gen Imp Ref Bds Ser 2020B (Fwd Delivery) | 24,295,000 | 6,995,000 | 3/1/2030 |
| GO Imp Ref Bds Taxable Ser 2019B | 3,395,000 | - | NC |
| Gen Imp Ref Bds Ser 2019A | 7,170,000 | - | NC |
| Gen Imp Bds Ser 2018 | 15,735,000 | 12,890,000 | 3/1/2026 |
| Comb Tax & Ltd Pledge Rev C/O Taxable Ser 2018B | 6,465,000 | 4,525,000 | 3/1/2028 |
| Comb Tax & Ltd Pledge Rev C/O Ser 2018A | 13,765,000 | 11,260,000 | 3/1/2026 |
| Comb Tax & Ltd Pledge Rev C/O Taxable Ser 2017 | 1,345,000 | - | NC |
| Gen Imp Ref Bds Ser 2016A | 3,860,000 | - | NC |
| Gen Imp Ref Bds Ser 2016 | 3,255,000 | 1,485,000 | 3/1/2026 |
| Comb Tax & Ltd Pledge Rev C/O Ser 2016A | 12,685,000 | 9,750,000 | 3/1/2026 |
| Comb Tax & Ltd Pledge Rev C/O Ser 2016 | 1,495,000 | 1,225,000 | 9/1/2024 |
| Comb Tax & Ltd Pledge Rev C/O Taxable Ser 2015 | 7,185,000 | 5,820,000 | 3/1/2025 |
| Gen Imp Ref Bds Ser 2015 | 47,580,000 | 27,205,000 | 3/1/2025 |
| Gen Imp Bds Ser 2015 | 68,140,000 | 55,745,000 | 3/1/2025 |
| Pub Prop Fin Contractual Oblign Ser 2014 | 3,330,000 | - | NC |
| Gen Imp Bds Ser 2013 | 3,945,000 | - | NC |
| Gen Imp Ref Bds Ser 2012A (Airport Ref - AMT) | 350,000 | 350,000 | 3/1/2022 |
| Pub Prop Fin Contractual Oblign Ser 2012 | 1,355,000 | 1,355,000 | 3/1/2022 |
| Comb Tax & Ltd Pledge Rev C/O Ser 2010 (Cvtn Ctr) | 1,475,000 | 1,475,000 | 3/1/2021 |
| TOTAL ALL BONDS | \$ 436,425,000 | \$ 241,595,000 | |

| Historical Tax Rate (Fiscal Year) | | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Fiscal Year | 2018 | 2019 | 2020 | 2021 | 2022 |
| M&O | \$ 0.3768 | \$ 0.4068 | \$ 0.4268 | \$ 0.4268 | \$ 0.4268 |
| I&S | 0.2295 | 0.2195 | 0.2195 | 0.2195 | 0.2195 |
| Total | \$ 0.6063 | \$ 0.6263 | \$ 0.6463 | \$ 0.6463 | \$ 0.6463 |

| Net Taxable Assessed Value (\$bn) and Levy (\$mm) | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Fiscal Year | 2018 | 2019 | 2020 | 2021 | 2022* |
| TAV | \$ 18.46 | \$ 18.89 | \$ 19.67 | \$ 21.50 | \$ 22.04 |
| Levy | \$ 118.42 | \$ 124.84 | \$ 134.10 | \$ 138.95 | \$ 139.60 |

*Estimated

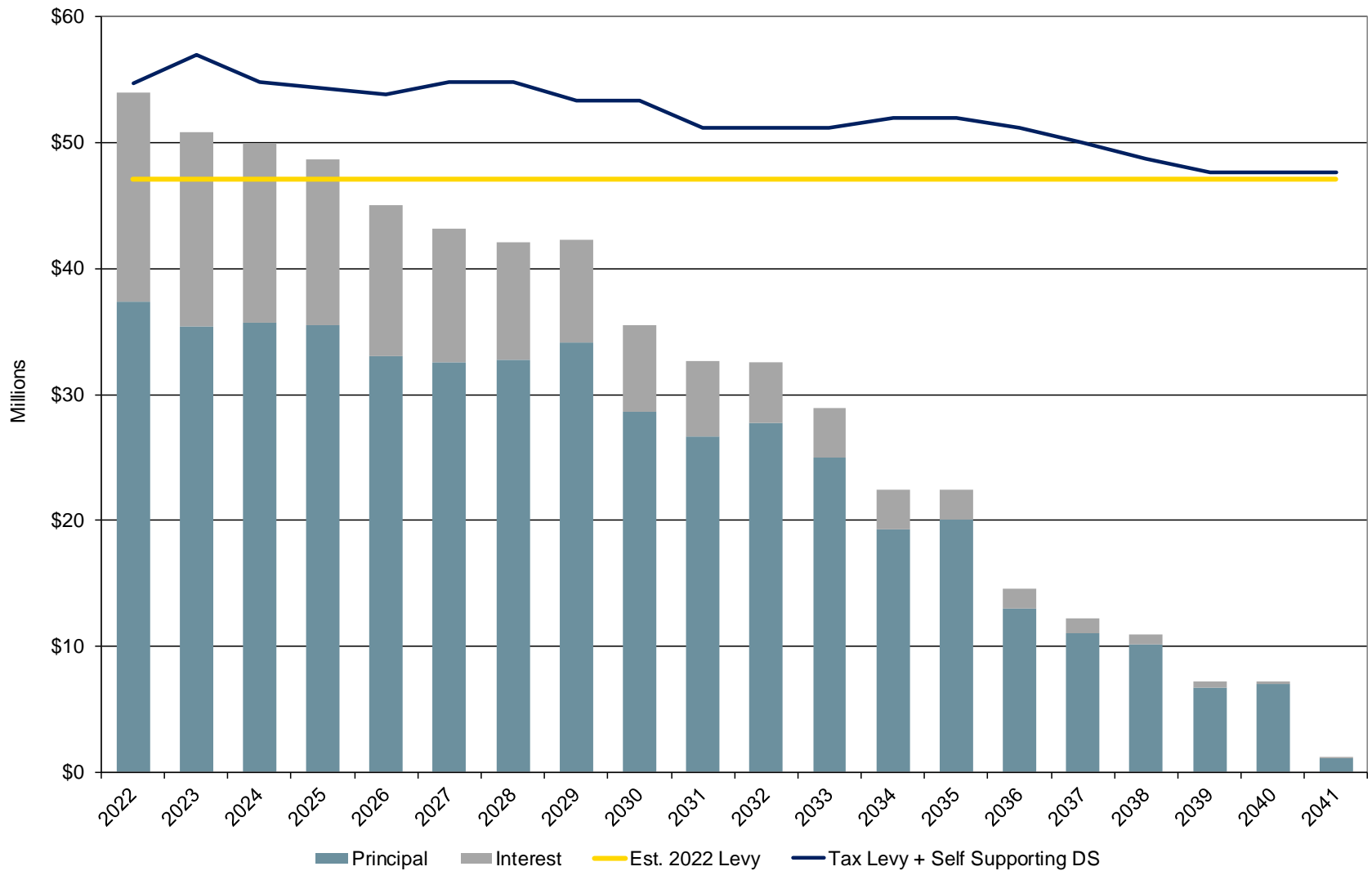
| Outstanding Ratings | | |
|---------------------|--------|---------|
| Agency | Rating | Outlook |
| Moody's | Aa2 | Stable |
| S&P | AA | Stable |
| Fitch | AA | Stable |

| November 2020 Bond Election | |
|-----------------------------|----------------------|
| Purpose | Amount |
| Street | \$ 61,000,000 |
| Parks and Recreation | 12,000,000 |
| Public Safety | 2,000,000 |
| | \$ 75,000,000 |

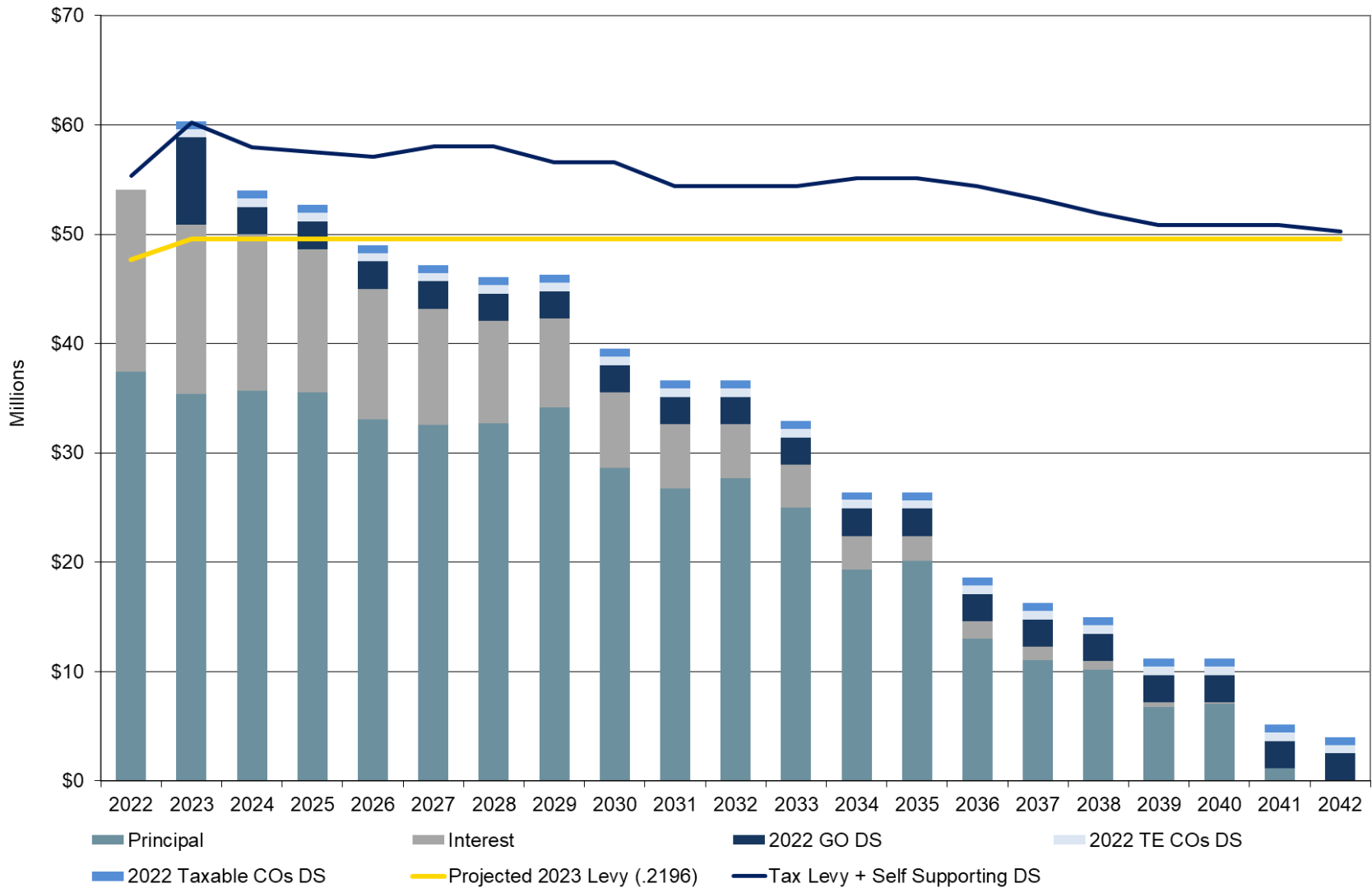
Denotes refunding candidates monitored

Portions of authorized amount to be issued through 2022 General Improvement Bonds

GO Debt Graph - Current



GO Debt Graph – With Proposed 2022 Issues⁽¹⁾



⁽¹⁾ Preliminary, subject to change.

GO Taxable Advance Refunding Debt Monitor

| Series | Refunded | | Refunded Par | Call Date | Escrow | | Refunding Par | Savings | % Savings | Negative Arb | Savings | | Cum. % Savings | Evaluation |
|--|----------|--------|--------------|-----------|--------|-----------|---------------|----------------|-----------|--------------|------------|---------|----------------|------------|
| | Maturity | Coupon | | | Rate | New Yield | | | | | Efficiency | | | |
| Comb Tax & Ltd Pledge Rev C/O Taxable Ser 2015: | | | | | | | | | | | | | | |
| | 3/1/2026 | 3.464% | 485,000 | 3/1/2025 | 2.47% | 3.311% | 510,450 | -16,191 | -3.34% | 10,222 | - | -3.338% | - | - |
| | 3/1/2027 | 3.654% | 500,000 | 3/1/2025 | 2.47% | 3.451% | 529,032 | -17,395 | -3.48% | 12,301 | - | -3.410% | - | - |
| | 3/1/2028 | 3.784% | 520,000 | 3/1/2025 | 2.47% | 3.600% | 552,181 | -19,471 | -3.74% | 14,746 | - | -3.525% | - | - |
| | 3/1/2029 | 3.954% | 540,000 | 3/1/2025 | 2.47% | 3.710% | 576,119 | -19,901 | -3.69% | 16,817 | - | -3.568% | - | - |
| | 3/1/2030 | 4.014% | 565,000 | 3/1/2025 | 2.47% | 3.710% | 603,788 | -18,404 | -3.26% | 17,611 | - | -3.500% | - | - |
| | 3/1/2031 | 4.193% | 585,000 | 3/1/2025 | 2.47% | 3.760% | 628,241 | -14,935 | -2.55% | 19,005 | - | -3.327% | - | - |
| | 3/1/2032 | 4.293% | 615,000 | 3/1/2025 | 2.47% | 3.890% | 662,268 | -16,979 | -2.76% | 21,983 | - | -3.236% | - | - |
| | 3/1/2033 | 4.393% | 640,000 | 3/1/2025 | 2.47% | 4.060% | 691,072 | -21,584 | -3.37% | 25,588 | - | -3.255% | - | - |
| | 3/1/2034 | 4.443% | 670,000 | 3/1/2025 | 2.47% | 4.210% | 724,451 | -28,300 | -4.22% | 29,271 | - | -3.382% | - | - |
| | 3/1/2035 | 4.493% | 700,000 | 3/1/2025 | 2.47% | 4.310% | 757,919 | -32,950 | -4.71% | 32,315 | - | -3.541% | - | - |
| | | | \$ 5,820,000 | | | | \$ 6,235,521 | \$ (206,110) | | \$ 199,859 | | | | |
| Comb Tax & Ltd Pledge Rev C/O Ser 2016: | | | | | | | | | | | | | | |
| | 9/1/2025 | 2.250% | 95,000 | 9/1/2024 | 2.36% | 3.111% | 96,907 | -3,444 | -3.63% | 1,436 | - | -3.543% | - | - |
| | 9/1/2026 | 3.000% | 95,000 | 9/1/2024 | 2.36% | 3.311% | 98,666 | -3,642 | -3.83% | 1,831 | - | -3.547% | - | - |
| | 9/1/2027 | 3.000% | 100,000 | 9/1/2024 | 2.36% | 3.451% | 103,859 | -4,742 | -4.74% | 2,207 | - | -3.567% | - | - |
| | 9/1/2028 | 3.000% | 100,000 | 9/1/2024 | 2.36% | 3.600% | 103,859 | -5,914 | -5.91% | 2,505 | - | -3.605% | - | - |
| | 9/1/2029 | 3.000% | 105,000 | 9/1/2024 | 2.36% | 3.710% | 109,052 | -7,403 | -7.05% | 2,860 | - | -3.662% | - | - |
| | 9/1/2030 | 5.000% | 105,000 | 9/1/2024 | 2.36% | 3.710% | 114,237 | 2,270 | 2.16% | 2,933 | 43.6% | -3.567% | - | - |
| | 9/1/2031 | 5.000% | 115,000 | 9/1/2024 | 2.36% | 3.760% | 125,117 | 3,093 | 2.69% | 3,329 | 48.2% | -3.457% | - | - |
| | 9/1/2032 | 5.000% | 120,000 | 9/1/2024 | 2.36% | 3.890% | 130,556 | 2,887 | 2.41% | 3,790 | 43.2% | -3.351% | - | - |
| | 9/1/2033 | 5.000% | 125,000 | 9/1/2024 | 2.36% | 4.060% | 135,996 | 1,926 | 1.54% | 4,377 | 30.6% | -3.261% | - | - |
| | 9/1/2034 | 5.000% | 130,000 | 9/1/2024 | 2.36% | 4.210% | 141,436 | 829 | 0.64% | 4,945 | 14.4% | -3.187% | - | - |
| | 9/1/2035 | 5.000% | 135,000 | 9/1/2024 | 2.36% | 4.310% | 146,876 | 81 | 0.06% | 5,406 | 1.5% | -3.125% | - | - |
| Sub-Total | | | \$ 1,225,000 | | | | \$ 1,306,561 | \$ (14,059) | | \$ 35,619 | | | | |
| Gen Imp Bds Ser 2015: | | | | | | | | | | | | | | |
| | 3/1/2026 | 5.000% | 4,560,000 | 3/1/2025 | 2.47% | 3.311% | 5,005,299 | -94,379 | -2.07% | 98,329 | - | -2.710% | - | - |
| | 3/1/2027 | 5.000% | 4,795,000 | 3/1/2025 | 2.47% | 3.451% | 5,263,247 | -58,485 | -1.22% | 120,355 | - | -2.275% | - | - |
| | 3/1/2028 | 3.000% | 4,990,000 | 3/1/2025 | 2.47% | 3.600% | 5,183,750 | -284,238 | -5.70% | 139,837 | - | -3.073% | - | - |
| | 3/1/2029 | 4.000% | 5,170,000 | 3/1/2025 | 2.47% | 3.710% | 5,522,803 | -182,769 | -3.54% | 161,121 | - | -3.163% | - | - |
| | 3/1/2030 | 4.000% | 5,380,000 | 3/1/2025 | 2.47% | 3.710% | 5,747,133 | -178,283 | -3.31% | 167,658 | - | -3.188% | - | - |
| | 3/1/2031 | 5.000% | 5,630,000 | 3/1/2025 | 2.47% | 3.760% | 6,179,788 | 72,030 | 1.28% | 185,109 | 28.0% | -2.519% | - | - |
| | 3/1/2032 | 3.500% | 5,870,000 | 3/1/2025 | 2.47% | 3.890% | 6,184,245 | -413,720 | -7.05% | 207,344 | - | -3.131% | - | - |
| | 3/1/2033 | 5.000% | 6,130,000 | 3/1/2025 | 2.47% | 4.060% | 6,728,614 | 16,653 | 0.27% | 247,302 | 6.3% | -2.710% | - | - |
| | 3/1/2034 | 5.000% | 6,445,000 | 3/1/2025 | 2.47% | 4.210% | 7,074,375 | -36,659 | -0.57% | 283,901 | - | -2.464% | - | - |
| | 3/1/2035 | 5.000% | 6,775,000 | 3/1/2025 | 2.47% | 4.310% | 7,436,600 | -74,921 | -1.11% | 315,118 | - | -2.317% | - | - |
| Sub-Total | | | \$55,745,000 | | | | \$ 60,325,854 | \$ (1,234,771) | | \$1,926,074 | | | | |
| Gen Imp Ref Bds Ser R2015: | | | | | | | | | | | | | | |
| | 3/1/2026 | 5.000% | 7,495,000 | 3/1/2025 | 2.47% | 3.311% | 8,226,911 | -155,124 | -2.07% | 161,618 | - | -2.291% | - | - |
| | 3/1/2027 | 5.000% | 7,850,000 | 3/1/2025 | 2.47% | 3.451% | 8,616,578 | -95,748 | -1.22% | 197,035 | - | -2.183% | - | - |
| | 3/1/2028 | 5.000% | 5,785,000 | 3/1/2025 | 2.47% | 3.600% | 6,349,924 | -41,506 | -0.72% | 167,036 | - | -2.082% | - | - |
| | 3/1/2029 | 5.000% | 6,075,000 | 3/1/2025 | 2.47% | 3.710% | 6,668,243 | -16,401 | -0.27% | 192,156 | - | -1.960% | - | - |
| Sub-Total | | | \$27,205,000 | | | | \$ 29,861,656 | \$ (308,779) | | \$ 717,845 | | | | |
| Total | | | \$89,995,000 | | | | \$ 97,729,592 | \$ (1,763,719) | | \$2,879,397 | | | | |

- Assumptions
 - Delivery: 7/26/2022
 - Aa2/AA Taxable Rates as of 5/18/2022
- Evaluation: **Green** indicates bonds that produce more than 5% PV Savings and Savings Efficiency is greater than 70%. **Blank** indicates threshold not met.
- Savings Efficiency is equal to Individual Savings divided by the sum of Negative Arbitrage and Individual Savings.
- Savings expressed as a percent of par of refunded bonds

GO Preliminary Financing Timetable

| April | | | | | | |
|-------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |

| May | | | | | | |
|-----|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

| June | | | | | | |
|------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | | |

| July | | | | | | |
|-------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24/31 | 25 | 26 | 27 | 28 | 29 | 30 |

| Date | Day | Event |
|-------------------------------|---------|--|
| April 14, 2022 | Tuesday | City Council adopts Resolution authorizing the publication of the notice of intent to issue Certificates of Obligation |
| May 24, 2022 | Tuesday | Present Plan of Finance (GO and Utility) |
| Week of May 23rd | | Rating Agency Calls (GO and Utility) |
| June 14, 2022 | Tuesday | Adopt Bond Ordinances with Parameters Approval. First reading of Ordinances (both GO and Utility) |
| June 21, 2022 | Tuesday | Second reading of Ordinance (both GO and Utility) |
| Week of June 27 th | | Pricing/Sale of Obligations |
| July 26, 2022 | Tuesday | Close on Obligations |

| | |
|--|---------------------|
| | Federal Holidays |
| | Key Financing Dates |

Utility Debt Program

2022 Potential Debt Issuance Summary

■ Utility Credit:

■ New Money:

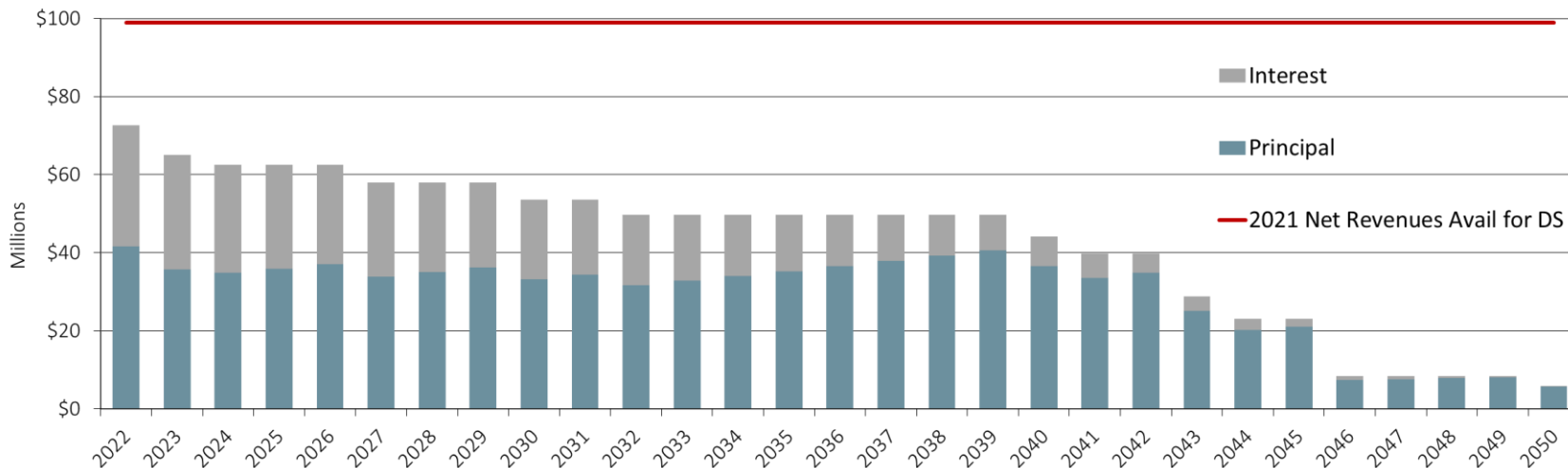
- \$100 million in Junior Lien Revenue Bonds through public bond sale
- Plus, previously approved \$3.56 million in Junior Lien Revenue Bonds through Texas Water Development Fund (CWSRF) along with \$1.19 million of Principal Forgiveness

| Purpose | Jr Lien 2022 | TWDB 2022 |
|--------------|-----------------|---------------|
| Water | \$30.00 | \$-- |
| Wastewater | 40.04 | 4.75 |
| Stormwater | 30.00 | - |
| TOTAL | \$100.04 | \$4.75 |

Utility Revenue Debt Program - Overview

| Utility System Debt Outstanding as of 5/1/2022 | | | | Historical Debt Service Coverage (\$mm) | | | | | |
|--|-----------------------|-----------------------|-----------|---|----------|---------|---------|---------|---------|
| Series | Outstanding | Callable | Call Date | Fiscal Year | 2017 | 2018 | 2019 | 2020 | 2021 |
| Util Sys Jr Lien Rev Notes Txbl New Ser 2021A | \$ 35,000,000 | \$ 18,295,000 | 7/15/2026 | Pledge Revenues | \$ 102.5 | \$ 99.0 | \$ 89.9 | \$ 93.6 | \$ 98.9 |
| Util Sys Jr Lien Rev Imp Bds New Ser 2020C | 11,425,000 | 8,395,000 | 7/15/2031 | Priority DCSR | 4.27x | 8.96x | 10.24x | 15.09x | N/A |
| Util Sys Jr Lien Rev Imp & Ref Bds Ser 2020A | 132,145,000 | 103,285,000 | 7/15/2030 | Jr. Lien DSCR | 1.66x | 1.44x | 1.31x | 1.40x | 1.46x |
| Util Sys Jr Lien Rev Ref Bds Taxable Ser 2020B | 180,010,000 | 130,485,000 | 7/15/2029 | *Priority Lien paid off as of 2021 | | | | | |
| Util Sys Jr Lien Rev & Imp Ref Bds Ser 2019 | 91,630,000 | 76,940,000 | 7/15/2029 | | | | | | |
| Subord Lien Rev Ref Bds Ser 2018 | 23,970,000 | 3,255,000 | 7/15/2028 | | | | | | |
| Jr Lien Rev Imp Bds Ser 2017 | 2,750,000 | - | NC | | | | | | |
| Jr Lien Rev Ref Bds Ser 2017 | 43,060,000 | 33,735,000 | 7/15/2027 | | | | | | |
| Util Sys Jr Lien Rev Ref Bds Ser 2016 | 71,615,000 | 55,690,000 | 7/15/2026 | | | | | | |
| Util Sys Jr Lien Rev Imp Bds Ser 2015C | 90,825,000 | 81,880,000 | 7/15/2025 | | | | | | |
| Util Sys Jr Lien Rev Ref Bds Ser 2015 | 23,220,000 | 5,110,000 | 7/15/2025 | | | | | | |
| Util Sys Jr Lien Rev Imp Bds Ser 2015A | 83,665,000 | 75,395,000 | 7/15/2025 | | | | | | |
| Util Sys Jr Lien Rev Imp Bds Ser 2013 | 13,040,000 | 8,200,000 | 7/15/2023 | | | | | | |
| Util Sys Jr Lien Rev & Ref Bds Ser 2012 | 26,380,000 | 11,025,000 | 7/15/2022 | | | | | | |
| Util Sys Jr Lien Rev Imp Bds Ser 2012 | 24,270,000 | 22,670,000 | 7/15/2022 | | | | | | |
| TOTAL ALL BONDS | \$ 853,005,000 | \$ 634,360,000 | | | | | | | |

| Outstanding Ratings | | |
|---------------------|--------|---------|
| Agency | Rating | Outlook |
| Moody's | Aa3 | Stable |
| S&P | AA- | Stable |
| Fitch | AA- | Stable |



- Denotes taxable refunding candidate analyzed.
- Denotes tax-exempt refunding candidate monitored.

Utility System Pro Forma- Current

| FYE | FYE Revenues Available for DS* | Annual Drought Exemption Surcharge Fee(1) | PGA Payments Related to 2021A Rev Notes(2) | Net Revenues Available for Debt Service | Total Existing Prior and Jr Lien Debt Service | Jr Lien Revenue Bonds, New \$2022(3) | CWSRF 2022(4) | Total Prior + Jr. Lien DS | 1.15x Req. Jr. Lien DSCR | Subordinate Lien Debt Service | Total Debt Service | 1.15x Req. Jr. Lien DSCR | FYE | | |
|------------------|--------------------------------|---|--|---|---|--------------------------------------|---------------|---------------------------|--------------------------|-------------------------------|--------------------|--------------------------|------------------|---------------|------------------|
| | | | | | | | | | | | | | | | |
| 2022 | \$ 98,966,720 | \$ 517,082 | \$ 3,867,500 | \$ 103,351,302 | \$ 69,205,253 | \$ - | \$ - | \$ 69,205,253 | 1.49x | \$ 3,396,298 | \$ 72,601,550 | 1.42x | 2022 | | |
| 2023 | 98,966,720 | 516,620 | 3,867,930 | 103,351,270 | 61,536,486 | - | - | 61,536,486 | 1.68x | 3,402,998 | 64,939,483 | 1.59x | 2023 | | |
| 2024 | 98,966,720 | 521,059 | 3,867,250 | 103,355,029 | 59,138,499 | - | - | 59,138,499 | 1.75x | 3,411,068 | 62,549,567 | 1.65x | 2024 | | |
| 2025 | 98,966,720 | 520,322 | 3,865,460 | 103,352,502 | 59,138,905 | - | - | 59,138,905 | 1.75x | 3,414,713 | 62,553,617 | 1.65x | 2025 | | |
| 2026 | 98,966,720 | 519,417 | 3,867,560 | 103,353,697 | 59,129,219 | - | - | 59,129,219 | 1.75x | 3,419,088 | 62,548,307 | 1.65x | 2026 | | |
| 2027 | 98,966,720 | 523,077 | 3,863,458 | 103,353,255 | 54,504,464 | - | - | 54,504,464 | 1.90x | 3,406,066 | 57,910,530 | 1.78x | 2027 | | |
| 2028 | 98,966,720 | 521,275 | 3,863,245 | 103,351,240 | 54,488,827 | - | - | 54,488,827 | 1.90x | 3,393,066 | 57,881,893 | 1.79x | 2028 | | |
| 2029 | 98,966,720 | 519,133 | 3,866,830 | 103,352,683 | 54,497,565 | - | - | 54,497,565 | 1.90x | 3,365,670 | 57,863,235 | 1.79x | 2029 | | |
| 2030 | 98,966,720 | 521,549 | 3,864,120 | 103,352,389 | 53,583,142 | - | - | 53,583,142 | 1.93x | | 53,583,142 | 1.93x | 2030 | | |
| 2031 | 98,966,720 | 523,651 | 3,865,208 | 103,355,579 | 53,577,899 | - | - | 53,577,899 | 1.93x | | 53,577,899 | 1.93x | 2031 | | |
| 2032 | 98,966,720 | 519,766 | - | 99,486,486 | 49,710,487 | - | - | 49,710,487 | 2.00x | | 49,710,487 | 2.00x | 2032 | | |
| 2033 | 98,966,720 | 520,111 | - | 99,486,831 | 49,703,257 | - | - | 49,703,257 | 2.00x | | 49,703,257 | 2.00x | 2033 | | |
| 2034 | 98,966,720 | 524,751 | - | 99,491,471 | 49,704,211 | - | - | 49,704,211 | 2.00x | | 49,704,211 | 2.00x | 2034 | | |
| 2035 | 98,966,720 | 523,984 | - | 99,490,704 | 49,693,209 | - | - | 49,693,209 | 2.00x | | 49,693,209 | 2.00x | 2035 | | |
| 2036 | 98,966,720 | 522,842 | - | 99,489,562 | 49,706,103 | - | - | 49,706,103 | 2.00x | | 49,706,103 | 2.00x | 2036 | | |
| 2037 | 98,966,720 | 526,354 | - | 99,493,074 | 49,676,094 | - | - | 49,676,094 | 2.00x | | 49,676,094 | 2.00x | 2037 | | |
| 2038 | 98,966,720 | 524,501 | - | 99,491,221 | 49,691,995 | - | - | 49,691,995 | 2.00x | | 49,691,995 | 2.00x | 2038 | | |
| 2039 | 98,966,720 | 527,403 | - | 99,494,123 | 49,676,168 | - | - | 49,676,168 | 2.00x | | 49,676,168 | 2.00x | 2039 | | |
| 2040 | 98,966,720 | 524,963 | - | 99,491,683 | 44,100,112 | - | - | 44,100,112 | 2.26x | | 44,100,112 | 2.26x | 2040 | | |
| 2041 | 98,966,720 | 527,268 | - | 99,493,988 | 39,789,075 | - | - | 39,789,075 | 2.50x | | 39,789,075 | 2.50x | 2041 | | |
| 2042 | 98,966,720 | 527,557 | - | 99,494,277 | 39,773,725 | - | - | 39,773,725 | 2.50x | | 39,773,725 | 2.50x | 2042 | | |
| 2043 | 98,966,720 | 527,612 | - | 99,494,332 | 28,796,637 | - | - | 28,796,637 | 3.46x | | 28,796,637 | 3.46x | 2043 | | |
| 2044 | 98,966,720 | 527,433 | - | 99,494,153 | 22,973,129 | - | - | 22,973,129 | 4.33x | | 22,973,129 | 4.33x | 2044 | | |
| 2045 | 98,966,720 | 532,020 | - | 99,498,740 | 22,977,866 | - | - | 22,977,866 | 4.33x | | 22,977,866 | 4.33x | 2045 | | |
| 2046 | 98,966,720 | 531,256 | - | 99,497,976 | 8,435,656 | - | - | 8,435,656 | 11.79x | | 8,435,656 | 11.79x | 2046 | | |
| 2047 | 98,966,720 | 529,600 | - | 99,496,320 | 8,437,450 | - | - | 8,437,450 | 11.79x | | 8,437,450 | 11.79x | 2047 | | |
| 2048 | 98,966,720 | 532,696 | - | 99,499,416 | 8,437,696 | - | - | 8,437,696 | 11.79x | | 8,437,696 | 11.79x | 2048 | | |
| 2049 | 98,966,720 | 530,420 | - | 99,497,140 | 8,436,270 | - | - | 8,436,270 | 11.79x | | 8,436,270 | 11.79x | 2049 | | |
| 2050 | 98,966,720 | 532,896 | - | 99,499,616 | 5,857,996 | - | - | 5,857,996 | 16.99x | | 5,857,996 | 16.99x | 2050 | | |
| 2051 | 98,966,720 | - | - | 98,966,720 | - | - | - | - | - | | - | - | 2051 | | |
| 2052 | 98,966,720 | - | - | 98,966,720 | - | - | - | - | - | | - | - | 2052 | | |
| \$ 1,214,377,396 | | | | | | | | | | | \$ - | \$ - | \$ 1,214,377,396 | \$ 27,208,965 | \$ 1,241,586,361 |

Notes

* From 2021 Continuing Disclosure

- (1) Lesser of City projections for FY 2022-23, assume assumptions for new industrial customers or SWIFT debt service. Projections past FY2023 assume constant revenue
- (2) Assumed equal to debt service on 2021A Bonds
- (3) CM AA-/Aa3 Rates + 75bps. Preliminary, subject to change.
- (4) Assumes TWDB CWSRF Rates as of 4/1/2022 + 50bps. Preliminary, subject to change.

Utility System Pro Forma- Post 2022 Issuance

| FYE | FYE Revenues Available for DS* | Annual Drought | PGA Payments | Net Revenues Available for Debt Service | Total Existing Prior and Jr Lien Debt Service | Jr Lien Revenue | | | 1.15x Req. Jr. Lien DSCR | Subordinate Lien Debt Service | Total Debt Service | 1.15x Req. Jr. Lien DSCR | FYE |
|------|--------------------------------|----------------------------|------------------------------|---|---|---------------------|---------------|---------------------------|--------------------------|-------------------------------|--------------------|--------------------------|------|
| | | Exemption Surcharge Fee(1) | Related to2021A Rev Notes(2) | | | Bonds, New S2022(3) | CWSRF 2022(4) | Total Prior + Jr. Lien DS | | | | | |
| 2022 | \$ 98,966,720 | \$ 517,082 | \$ 3,867,500 | \$ 103,351,302 | \$ 69,205,253 | \$ - | \$ - | \$ 69,205,253 | 1.49x | \$ 3,396,298 | \$ 72,601,550 | 1.42x | 2022 |
| 2023 | 98,966,720 | 516,620 | 3,867,930 | 103,351,270 | 61,536,486 | 5,892,730 | 224,136 | 67,653,352 | 1.53x | 3,402,998 | 71,056,349 | 1.45x | 2023 |
| 2024 | 98,966,720 | 521,059 | 3,867,250 | 103,355,029 | 59,138,499 | 5,892,956 | 224,752 | 65,256,207 | 1.58x | 3,411,068 | 68,667,274 | 1.51x | 2024 |
| 2025 | 98,966,720 | 520,322 | 3,865,460 | 103,352,502 | 59,138,905 | 5,893,206 | 224,394 | 65,256,504 | 1.58x | 3,414,713 | 68,671,217 | 1.51x | 2025 |
| 2026 | 98,966,720 | 519,417 | 3,867,560 | 103,353,697 | 59,129,219 | 5,894,206 | 224,967 | 65,248,392 | 1.58x | 3,419,088 | 68,667,480 | 1.51x | 2026 |
| 2027 | 98,966,720 | 523,077 | 3,863,458 | 103,353,255 | 54,504,464 | 5,890,706 | 224,448 | 60,619,618 | 1.70x | 3,406,066 | 64,025,684 | 1.61x | 2027 |
| 2028 | 98,966,720 | 521,275 | 3,863,245 | 103,351,240 | 54,488,827 | 5,892,706 | 224,860 | 60,606,392 | 1.71x | 3,393,066 | 63,999,458 | 1.61x | 2028 |
| 2029 | 98,966,720 | 519,133 | 3,866,830 | 103,352,683 | 54,497,565 | 5,894,706 | 224,180 | 60,616,451 | 1.71x | 3,365,670 | 63,982,121 | 1.62x | 2029 |
| 2030 | 98,966,720 | 521,549 | 3,864,120 | 103,352,389 | 53,583,142 | 5,891,456 | 224,431 | 59,699,029 | 1.73x | 59,699,029 | 59,699,029 | 1.73x | 2030 |
| 2031 | 98,966,720 | 523,651 | 3,865,208 | 103,355,579 | 53,577,899 | 5,892,956 | 224,590 | 59,695,445 | 1.73x | | 59,695,445 | 1.73x | 2031 |
| 2032 | 98,966,720 | 519,766 | - | 99,486,486 | 49,710,487 | 5,893,706 | 224,657 | 55,828,849 | 1.78x | | 55,828,849 | 1.78x | 2032 |
| 2033 | 98,966,720 | 520,111 | - | 99,486,831 | 49,703,257 | 5,893,456 | 224,632 | 55,821,345 | 1.78x | | 55,821,345 | 1.78x | 2033 |
| 2034 | 98,966,720 | 524,751 | - | 99,491,471 | 49,704,211 | 5,893,256 | 224,515 | 55,821,981 | 1.78x | | 55,821,981 | 1.78x | 2034 |
| 2035 | 98,966,720 | 523,984 | - | 99,490,704 | 49,693,209 | 5,893,856 | 224,306 | 55,811,370 | 1.78x | | 55,811,370 | 1.78x | 2035 |
| 2036 | 98,966,720 | 522,842 | - | 99,489,562 | 49,706,103 | 5,895,056 | 224,005 | 55,825,164 | 1.78x | | 55,825,164 | 1.78x | 2036 |
| 2037 | 98,966,720 | 526,354 | - | 99,493,074 | 49,676,094 | 5,891,656 | 224,612 | 55,792,362 | 1.78x | | 55,792,362 | 1.78x | 2037 |
| 2038 | 98,966,720 | 524,501 | - | 99,491,221 | 49,691,995 | 5,893,656 | 224,104 | 55,809,755 | 1.78x | | 55,809,755 | 1.78x | 2038 |
| 2039 | 98,966,720 | 527,403 | - | 99,494,123 | 49,676,168 | 5,890,656 | 224,504 | 55,791,328 | 1.78x | | 55,791,328 | 1.78x | 2039 |
| 2040 | 98,966,720 | 524,963 | - | 99,491,683 | 44,100,112 | 5,892,656 | 224,789 | 50,217,557 | 1.98x | | 50,217,557 | 1.98x | 2040 |
| 2041 | 98,966,720 | 527,268 | - | 99,493,988 | 39,789,075 | 5,894,256 | 223,959 | 45,907,290 | 2.17x | | 45,907,290 | 2.17x | 2041 |
| 2042 | 98,966,720 | 527,557 | - | 99,494,277 | 39,773,725 | 5,890,256 | 224,037 | 45,888,017 | 2.17x | | 45,888,017 | 2.17x | 2042 |
| 2043 | 98,966,720 | 527,612 | - | 99,494,332 | 28,796,637 | 5,890,656 | | 34,687,292 | 2.87x | | 34,687,292 | 2.87x | 2043 |
| 2044 | 98,966,720 | 527,433 | - | 99,494,153 | 22,973,129 | 5,893,832 | | 28,866,960 | 3.45x | | 28,866,960 | 3.45x | 2044 |
| 2045 | 98,966,720 | 532,020 | - | 99,498,740 | 22,977,866 | 5,895,144 | | 28,873,010 | 3.45x | | 28,873,010 | 3.45x | 2045 |
| 2046 | 98,966,720 | 531,256 | - | 99,497,976 | 8,435,656 | 5,894,384 | | 14,330,040 | 6.94x | | 14,330,040 | 6.94x | 2046 |
| 2047 | 98,966,720 | 529,600 | - | 99,496,320 | 8,437,450 | 5,891,344 | | 14,328,794 | 6.94x | | 14,328,794 | 6.94x | 2047 |
| 2048 | 98,966,720 | 532,696 | - | 99,499,416 | 8,437,696 | 5,890,816 | | 14,328,512 | 6.94x | | 14,328,512 | 6.94x | 2048 |
| 2049 | 98,966,720 | 530,420 | - | 99,497,140 | 8,436,270 | 5,895,229 | | 14,331,499 | 6.94x | | 14,331,499 | 6.94x | 2049 |
| 2050 | 98,966,720 | 532,896 | - | 99,499,616 | 5,857,996 | 5,890,591 | | 11,748,587 | 8.47x | | 11,748,587 | 8.47x | 2050 |
| 2051 | 98,966,720 | - | - | 98,966,720 | - | 5,891,902 | | 5,891,902 | 16.80x | | 5,891,902 | 16.80x | 2051 |
| 2052 | 98,966,720 | - | - | 98,966,720 | - | 5,893,515 | | 5,893,515 | 16.79x | | 5,893,515 | 16.79x | 2052 |
| | | | | | \$ 1,214,377,396 | \$ 176,785,493 | \$ 4,488,878 | \$ 1,395,651,767 | | \$ 27,208,965 | \$ 1,422,860,732 | | |

Notes

* From 2021 Continuing Disclosure

(1) Lesser of City projections for FY 2022-23, assume assumptions for new industrial customers or SWIFT debt service. Projections past FY2023 assume constant revenue

(2) Assumed equal to debt service on 2021A Bonds

(3) CM AA-/Aa3 Rates + 75bps. Preliminary, subject to change.

(4) Assumes TWDB CWSRF Rates as of 4/1/2022 + 50bps. Preliminary, subject to change.

Utility Tax-Exempt Refunding Debt Monitor

- Assumptions
 - Delivery: 8/15/2022
 - Aa3/AA- Tax-Exempt Rates as of 5/18/2022
- Evaluation: **Green** indicates bonds that produce more than 5% PV Savings and Savings Efficiency is greater than 70%. **Blank** indicates threshold not met.
- Savings Efficiency is equal to Individual Savings divided by the sum of Negative Arbitrage and Individual Savings.
- Savings expressed as a percent of par of refunded bonds

| Series | Refunded Maturity | Coupon | Refunded Par | Call Date | New Yield | Refunding Par | Savings | % Savings | Savings Efficiency | Cum. % Savings | Evaluation |
|---------------------------------|-------------------|--------|---------------|-----------|-----------|---------------|--------------|-----------|--------------------|----------------|------------|
| Jr Lien Rev Imp Bds Ser 2012: | | | | | | | | | | | |
| | 7/15/2023 | 5.000% | 1,680,000 | 7/15/2022 | 1.875% | 1,665,696 | 21,655 | 1.289% | 100.0% | 1.289% | - |
| | 7/15/2032 | 3.125% | 2,605,000 | 7/15/2022 | 2.871% | 2,237,706 | 22,131 | 0.850% | 100.0% | 1.022% | - |
| | 7/15/2042 | 3.500% | 18,385,000 | 7/15/2022 | 3.202% | 17,528,725 | (245,897) | -1.337% | 0.0% | -0.892% | - |
| Sub-Total | | | \$ 22,670,000 | | | \$ 21,432,127 | \$ (202,111) | | 100.0% | | |
| Jr Lien Rev & Ref Bds Ser 2012: | | | | | | | | | | | |
| | 7/15/2023 | 5.000% | 8,810,000 | 7/15/2022 | 1.875% | 8,734,988 | 113,558 | 1.289% | 100.0% | -0.281% | - |
| | 7/15/2032 | 3.125% | 2,215,000 | 7/15/2022 | 2.871% | 1,902,695 | 18,818 | 0.850% | 100.0% | -0.207% | - |
| Sub-Total | | | \$ 11,025,000 | | | \$ 10,637,683 | \$ 132,376 | | 100.0% | | |

Utility Preliminary Financing Timetable



| May | | | | | | |
|-----|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

| June | | | | | | |
|------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | | |

| July | | | | | | |
|-------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24/31 | 25 | 26 | 27 | 28 | 29 | 30 |

| August | | | | | | |
|--------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 | | | |

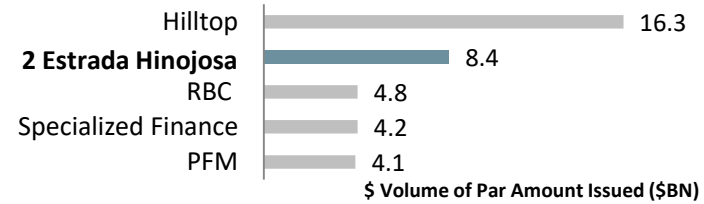
| Date | Day | Event |
|-------------------------------|-----------|--|
| May 17, 2022 | Tuesday | Bond Ordinance adoption for TWDB Loan |
| May 24, 2022 | Tuesday | Present Plan of Finance (GO and Utility) |
| Week of May 23rd | | Rating Agency Calls (GO and Utility) |
| June 22, 2022 | Wednesday | Close on TWDB Loan and Principal Forgiveness |
| June 14, 2022 | Tuesday | Adopt Bond Ordinance with Parameters Approval. First reading of Ordinances |
| June 21, 2022 | Tuesday | Second reading of Ordinance (both GO and Utility) |
| Week of July 18 th | | Pricing/Sale of the Bonds |
| August 15, 2022 | Tuesday | Close on the Bonds |

 Federal Holidays
 Key Financing Dates

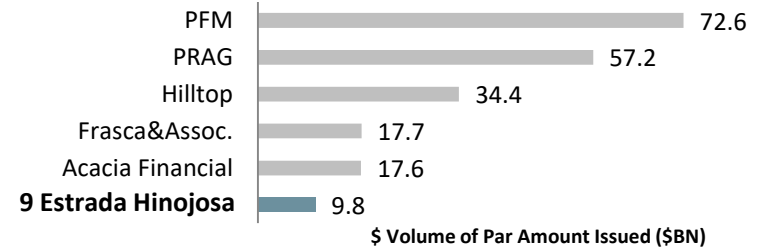
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- **In 30 years, the Firm has completed:**
 - ✓ 6,592 transactions totaling \$602.9 billion.
 - ✓ #2 FA Firm in TX and #9 in the Nation.
- **In calendar year 2021, the Firm completed:**
 - ✓ Financial Advisory 173 financings totaling \$15.8 billion
 - ✓ Negotiated Underwriting 82 financings totaling \$10.8 billion
 - ✓ Competitive Underwriting 194 financings totaling \$12.1 billion
 - ✓ 449 transactions totaling \$38.8 billion

2021 Texas Financial Advisory Rankings (Par Amount)*



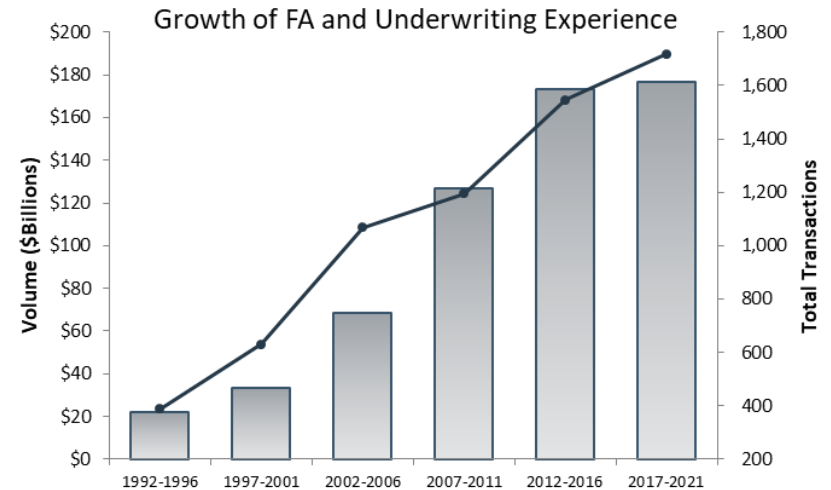
2021 U.S. Financial Advisory Rankings (Par Amount)*



Map of Estrada Hinojosa Offices



Estrada Hinojosa



*Source: Thomson Reuters

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