



City of Montgomery, Texas

City Council Budget Workshop - Tax Rate Analysis
Utility System Improvement Projects - Water Plant & Wastewater Treatment Plant

Tax & Revenue Certificates of Obligation, Series 2026

\$27.445 Million Project Cost

20 and 30 Year Amortizations

October 3, 2025

James Gilley, Jr.
Managing Director
U.S. Capital Advisors, LLC
300 W 6th Street, Suite 1900
Austin, Texas 78701
Office: 512-813-1110
Mobile: 713-516-8804

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City of Montgomery, Texas
Capital Improvement Needs - \$27.445 Million Project Cost
Tax & Revenue Certificates of Obligation, Series 2026

Utility Assumptions ^(a)

Gross Revenues	\$	3,660,393
Gross Expenses		(3,050,359)
ADD:		
Depreciation		480,508
Net Revenues	\$	1,090,542
Est. # Connections		1,100

Financing Assumptions ^(b)

Sale Date	2/1/2026
Closing Date	3/1/2026
First Interest Payment	9/1/2026
First Principal Payment	3/1/2027
Project Funds	\$ 27,445,000
Assumed Interest Rate	4.400%
Amortization	20 Years

**20 Year
Amortization**

		A	B		C			D			E	F	G
		Tap Fees ^(a)			Outstanding Debt Service			Proposed Debt Service			GRAND TOTAL	Surplus (Shortfall)	Tap Fee
FYE 9/30	Tax Year	2024 Net Revenues	Cumulative Balance	Additions	Total	LESS: Tax-Supported	Self-Supported	Principal	Interest	Total		Self-Supported	Net Revenues Over Debt Service
2025	2024	\$ 1,090,542	\$ 1,318,652	\$ 489,749	\$ 1,157,401	\$ 472,502	\$ 684,899	\$ -	\$ -	\$ -	\$ 684,899	\$ 405,643	\$ 1,318,652
2026	2025	1,090,542	1,808,401	4,623,530	1,055,697	374,374	681,323	-	603,790	603,790	1,285,113	(194,571)	1,613,831
2027	2026	1,090,542	6,431,931	972,188	1,053,780	373,345	680,434	875,000	1,188,330	2,063,330	2,743,764	(1,653,222)	4,584,138
2028	2027	1,090,542	7,404,119	-	1,055,091	371,599	683,492	915,000	1,148,950	2,063,950	2,747,442	(1,656,900)	3,899,427
2029	2028	1,090,542	7,404,119	-	1,054,505	374,010	680,494	955,000	1,107,810	2,062,810	2,743,304	(1,652,762)	2,246,665
2030	2029	1,090,542	7,404,119	-	788,866	107,329	681,537	1,000,000	1,064,800	2,064,800	2,746,337	(1,655,795)	590,869
2031	2030	1,090,542	7,404,119	-	739,006	92,597	646,409	1,040,000	1,019,920	2,059,920	2,706,329	(1,615,787)	(1,024,917)
2032	2031	1,090,542	7,404,119	-	733,797	92,409	641,388	1,090,000	973,060	2,063,060	2,704,448	(1,613,906)	(2,638,823)
2033	2032	1,090,542	7,404,119	-	747,868	95,062	652,806	1,140,000	924,000	2,064,000	2,716,806	(1,626,264)	(4,265,087)
2034	2033	1,090,542	7,404,119	-	736,288	91,887	644,402	1,190,000	872,740	2,062,740	2,707,142	(1,616,600)	(5,881,687)
2035	2034	1,090,542	7,404,119	-	734,205	91,611	642,594	1,245,000	819,170	2,064,170	2,706,764	(1,616,222)	(7,497,909)
2036	2035	1,090,542	7,404,119	-	727,477	91,307	636,171	1,300,000	763,180	2,063,180	2,699,351	(1,608,809)	(9,106,718)
2037	2036	1,090,542	7,404,119	-	592,530	50,779	541,751	1,360,000	704,660	2,064,660	2,606,411	(1,515,869)	(10,622,587)
2038	2037	1,090,542	7,404,119	-	425,000	49,793	375,207	1,420,000	643,500	2,063,500	2,438,707	(1,348,165)	(11,970,752)
2039	2038	1,090,542	7,404,119	-	255,300	-	255,300	1,485,000	579,590	2,064,590	2,319,890	(1,229,348)	(13,200,100)
2040	2039	1,090,542	7,404,119	-	256,900	-	256,900	1,550,000	512,820	2,062,820	2,319,720	(1,229,178)	(14,429,278)
2041	2040	1,090,542	7,404,119	-	253,200	-	253,200	1,620,000	443,080	2,063,080	2,316,280	(1,225,738)	(15,655,016)
2042	2041	1,090,542	7,404,119	-	254,200	-	254,200	1,690,000	370,260	2,060,260	2,314,460	(1,223,918)	(16,878,934)
2043	2042	1,090,542	7,404,119	-	254,800	-	254,800	1,770,000	294,140	2,064,140	2,318,940	(1,228,398)	(18,107,332)
2044	2043	1,090,542	7,404,119	-	255,000	-	255,000	1,850,000	214,500	2,064,500	2,319,500	(1,228,958)	(19,336,290)
2045	2044	1,090,542	7,404,119	-	-	-	-	1,930,000	131,340	2,061,340	2,061,340	(970,798)	(20,307,088)
2046	2045	1,090,542	7,404,119	-	-	-	-	2,020,000	44,440	2,064,440	2,064,440	(973,898)	(21,280,986)
Total					\$ 13,130,908	\$ 2,728,603	\$ 10,402,306	\$ 27,445,000	\$ 14,424,080	\$ 41,869,080	\$ 52,271,386		

(a) Source: City of Montgomery Financial Statements FYE 9/30/2024; Tap fee schedule source WGA.

(b) Preliminary, subject to change. Assumes S&P AA rated, non-BQ. 9-25-25



City of Montgomery, Texas
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Net Revenues	\$	1,090,542

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Financing Assumptions ^(b)

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Project Funds	\$ 27,445,000
Assumed Interest Rate	4.800%
Amortization	30 Years

**30 Year
Amortization**

A		B		C			D			E		F	G
				Outstanding Debt Service			Proposed Debt Service					Surplus (Shortfall)	Tap Fee
		Tap Fees ^(a)					Series 2026 ^(b)			GRAND TOTAL		Net Revenues Over Debt Service	Fund Balance After Covering Shortfall
FYE 9/30	Tax Year	2024 Net Revenues	Cumulative Balance	Additions	Total	LESS: Tax-Supported	Self-Supported	Principal	Interest	Total	Self-Supported		
2025	2024	\$ 1,090,542	\$ 1,318,652	\$ 489,749	\$ 1,157,401	\$ 472,502	\$ 684,899	\$ -	\$ -	\$ -	\$ 684,899	\$ 405,643	\$ 1,318,652
2026	2025	1,090,542	1,808,401	4,623,530	1,055,697	374,374	681,323	-	658,680	658,680	1,340,003	(249,461)	1,558,941
2027	2026	1,090,542	6,431,931	972,188	1,053,780	373,345	680,434	420,000	1,307,280	1,727,280	2,407,714	(1,317,172)	4,865,298
2028	2027	1,090,542	7,404,119	-	1,055,091	371,599	683,492	440,000	1,286,640	1,726,640	2,410,132	(1,319,590)	4,517,897
2029	2028	1,090,542	7,404,119	-	1,054,505	374,010	680,494	460,000	1,265,040	1,725,040	2,405,534	(1,314,992)	3,202,905
2030	2029	1,090,542	7,404,119	-	788,866	107,329	681,537	485,000	1,242,360	1,727,360	2,408,897	(1,318,355)	1,884,549
2031	2030	1,090,542	7,404,119	-	739,006	92,597	646,409	510,000	1,218,480	1,728,480	2,374,889	(1,284,347)	600,203
2032	2031	1,090,542	7,404,119	-	733,797	92,409	641,388	535,000	1,193,400	1,728,400	2,369,788	(1,279,246)	(679,043)
2033	2032	1,090,542	7,404,119	-	747,868	95,062	652,806	560,000	1,167,120	1,727,120	2,379,926	(1,289,384)	(1,968,427)
2034	2033	1,090,542	7,404,119	-	736,288	91,887	644,402	585,000	1,139,640	1,724,640	2,369,042	(1,278,500)	(3,246,927)
2035	2034	1,090,542	7,404,119	-	734,205	91,611	642,594	615,000	1,110,840	1,725,840	2,368,434	(1,277,892)	(4,524,819)
2036	2035	1,090,542	7,404,119	-	727,477	91,307	636,171	645,000	1,080,600	1,725,600	2,361,771	(1,271,229)	(5,796,048)
2037	2036	1,090,542	7,404,119	-	592,530	50,779	541,751	675,000	1,048,920	1,723,920	2,265,671	(1,175,129)	(6,971,177)
2038	2037	1,090,542	7,404,119	-	425,000	49,793	375,207	710,000	1,015,680	1,725,680	2,100,887	(1,010,345)	(7,981,522)
2039	2038	1,090,542	7,404,119	-	255,300	-	255,300	745,000	980,760	1,725,760	1,981,060	(890,518)	(8,872,040)
2040	2039	1,090,542	7,404,119	-	256,900	-	256,900	780,000	944,160	1,724,160	1,981,060	(890,518)	(9,762,558)
2041	2040	1,090,542	7,404,119	-	253,200	-	253,200	820,000	905,760	1,725,760	1,978,960	(888,418)	(10,650,976)
2042	2041	1,090,542	7,404,119	-	254,200	-	254,200	860,000	865,440	1,725,440	1,979,640	(889,098)	(11,540,074)
2043	2042	1,090,542	7,404,119	-	254,800	-	254,800	905,000	823,080	1,728,080	1,982,880	(892,338)	(12,432,412)
2044	2043	1,090,542	7,404,119	-	255,000	-	255,000	945,000	778,680	1,723,680	1,978,680	(888,138)	(13,320,550)
2045	2044	1,090,542	7,404,119	-	-	-	-	995,000	732,120	1,727,120	1,727,120	(636,578)	(13,957,128)
2046	2045	1,090,542	7,404,119	-	-	-	-	1,045,000	683,160	1,728,160	1,728,160	(637,618)	(14,594,746)
2047	2046	1,090,542	7,404,119	-	-	-	-	1,095,000	631,800	1,726,800	1,726,800	(636,258)	(15,231,004)
2048	2047	1,090,542	7,404,119	-	-	-	-	1,150,000	577,920	1,727,920	1,727,920	(637,378)	(15,868,382)
2049	2048	1,090,542	7,404,119	-	-	-	-	1,205,000	521,400	1,726,400	1,726,400	(635,858)	(16,504,240)
2050	2049	1,090,542	7,404,119	-	-	-	-	1,265,000	462,120	1,727,120	1,727,120	(636,578)	(17,140,818)
2051	2050	1,090,542	7,404,119	-	-	-	-	1,325,000	399,960	1,724,960	1,724,960	(634,418)	(17,775,236)
2052	2051	1,090,542	7,404,119	-	-	-	-	1,390,000	334,800	1,724,800	1,724,800	(634,258)	(18,409,494)
2053	2052	1,090,542	7,404,119	-	-	-	-	1,460,000	266,400	1,726,400	1,726,400	(635,858)	(19,045,352)
2054	2053	1,090,542	7,404,119	-	-	-	-	1,530,000	194,640	1,724,640	1,724,640	(634,098)	(19,679,450)
2055	2054	1,090,542	7,404,119	-	-	-	-	1,605,000	119,400	1,724,400	1,724,400	(633,858)	(20,313,308)
2056	2055	1,090,542	7,404,119	-	-	-	-	1,685,000	40,440	1,725,440	1,725,440	(634,898)	(20,948,206)
Total					\$ 13,130,908	\$ 2,728,603	\$ 10,402,306	\$ 27,445,000	\$ 24,996,720	\$ 52,441,720	\$ 62,844,026		

(a) Source: City of Montgomery Financial Statements FYE 9/30/2024; Tap fee schedule source WGA.

(b) Preliminary, subject to change. Assumes S&P AA rated, non-BQ. 9-25-25