



CITY OF WILLOW PARK, TX

CAPITAL FINANCING INFORMATION

NOVEMBER 17, 2025



TABLE OF CONTENTS

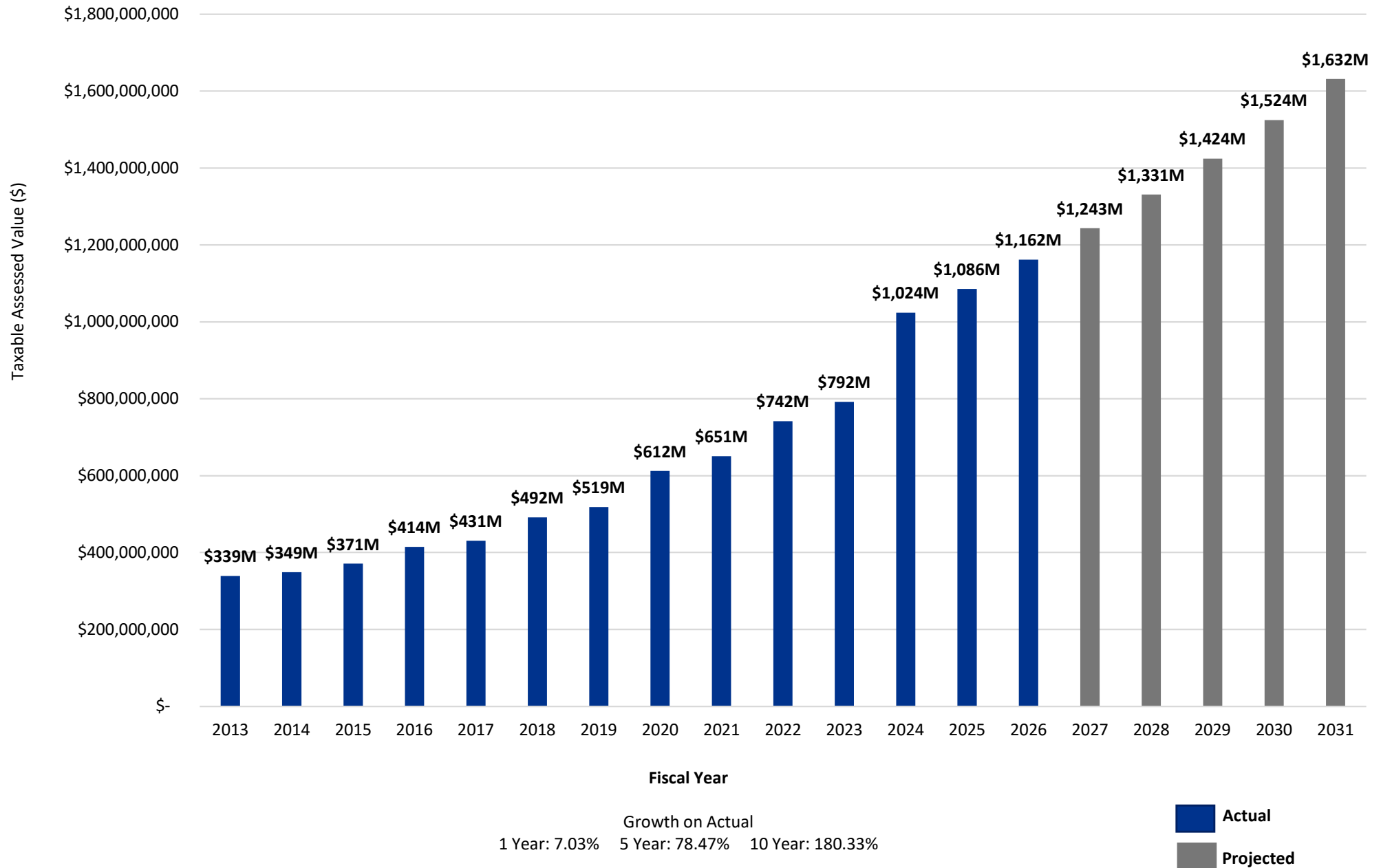
- Tab A: City Profile
- Tab B: Estimated Debt Service Impact
- Tab C: Rating Information
- Tab D: Financing Alternatives: Texas Cities
- Tab E: Sample C/O Issuance Calendar



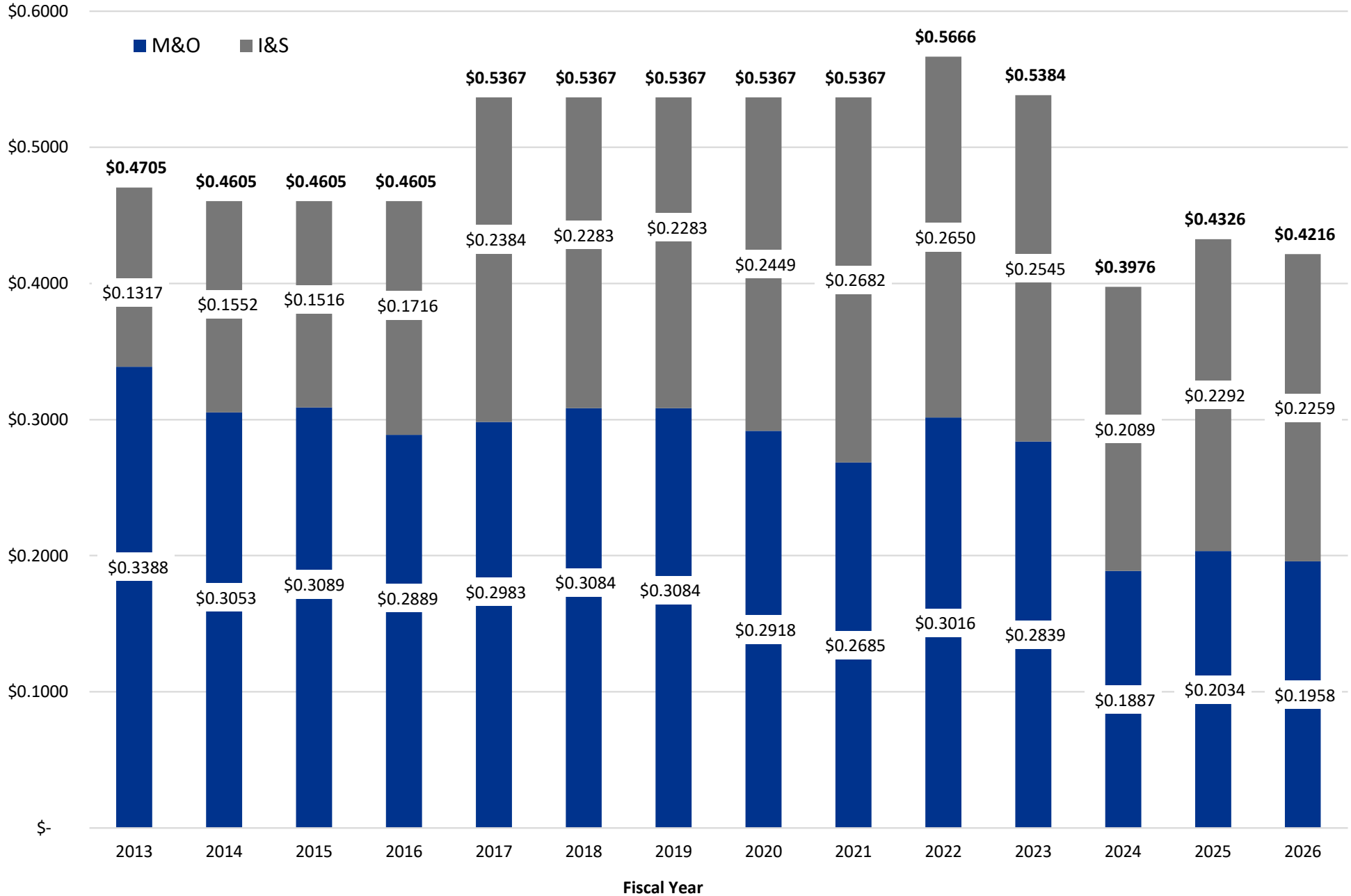
CITY PROFILE

TAB A

HISTORICAL (AND PROJECTED) TAXABLE ASSESSED VALUATION



HISTORICAL TAX RATES



OUTSTANDING DEBT SERVICE



A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Aggregate			Aggregate			Aggregate			Aggregate			
	Utility Portion - Water			Utility Portion - Sewer			Utility Portion - Drainage			Tax Portion			
FYE	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	FYE
2025	1,196,468	664,725	1,861,193	215,000	154,707	369,707	200,000	167,400	367,400	1,148,532	867,397	2,015,929	2025
2026	1,201,475	674,421	1,875,896	225,000	199,323	424,323	210,000	157,150	367,150	1,203,525	907,715	2,111,240	2026
2027	1,210,386	663,007	1,873,393	230,000	193,089	423,089	225,000	146,275	371,275	784,614	861,300	1,645,914	2027
2028	1,252,694	649,791	1,902,485	305,000	184,969	489,969	235,000	134,775	369,775	822,306	828,132	1,650,439	2028
2029	1,272,694	635,044	1,907,738	310,000	174,961	484,961	245,000	122,775	367,775	852,306	793,297	1,645,604	2029
2030	1,282,694	619,546	1,902,240	325,000	164,623	489,623	260,000	110,150	370,150	892,306	756,707	1,649,013	2030
2031	1,310,002	602,188	1,912,190	335,000	153,830	488,830	275,000	96,775	371,775	974,998	717,697	1,692,695	2031
2032	1,295,000	583,408	1,878,408	350,000	142,581	492,581	285,000	82,775	367,775	1,020,000	675,548	1,695,548	2032
2033	1,310,000	564,258	1,874,258	90,000	134,575	224,575	300,000	68,150	368,150	765,000	636,483	1,401,483	2033
2034	1,335,000	544,180	1,879,180	90,000	130,075	220,075	315,000	52,775	367,775	800,000	601,125	1,401,125	2034
2035	1,355,000	522,684	1,877,684	95,000	125,450	220,450	330,000	36,650	366,650	835,000	563,910	1,398,910	2035
2036	1,340,000	499,952	1,839,952	100,000	120,575	220,575	350,000	21,400	371,400	870,000	525,028	1,395,028	2036
2037	1,355,000	476,229	1,831,229	105,000	115,450	220,450	360,000	7,200	367,200	910,000	487,665	1,397,665	2037
2038	1,330,000	451,455	1,781,455	110,000	110,075	220,075	-	-	-	945,000	452,945	1,397,945	2038
2039	1,350,000	425,886	1,775,886	120,000	104,925	224,925	-	-	-	980,000	417,725	1,397,725	2039
2040	1,375,000	399,295	1,774,295	120,000	100,125	220,125	-	-	-	1,020,000	381,670	1,401,670	2040
2041	1,405,000	372,121	1,777,121	125,000	95,225	220,225	-	-	-	1,055,000	344,910	1,399,910	2041
2042	1,435,000	344,318	1,779,318	130,000	90,125	220,125	-	-	-	1,095,000	306,740	1,401,740	2042
2043	1,460,000	315,216	1,775,216	140,000	84,725	224,725	-	-	-	585,000	274,898	859,898	2043
2044	1,490,000	284,921	1,774,921	145,000	79,025	224,025	-	-	-	610,000	249,425	859,425	2044
2045	1,525,000	253,388	1,778,388	150,000	73,031	223,031	-	-	-	635,000	222,718	857,718	2045
2046	1,555,000	220,629	1,775,629	155,000	66,741	221,741	-	-	-	670,000	194,635	864,635	2046
2047	1,595,000	186,647	1,781,647	160,000	60,244	220,244	-	-	-	420,000	169,265	589,265	2047
2048	1,625,000	151,460	1,776,460	170,000	53,438	223,438	-	-	-	445,000	146,758	591,758	2048
2049	1,665,000	115,057	1,780,057	175,000	46,322	221,322	-	-	-	465,000	123,063	588,063	2049
2050	1,710,000	77,178	1,787,178	185,000	38,781	223,781	-	-	-	490,000	98,180	588,180	2050
2051	880,000	45,590	925,590	190,000	30,813	220,813	-	-	-	515,000	71,963	586,963	2051
2052	910,000	20,593	930,593	200,000	22,525	222,525	-	-	-	545,000	44,298	589,298	2052
2053	90,000	5,950	95,950	210,000	13,813	223,813	-	-	-	575,000	15,038	590,038	2053
2054	95,000	2,019	97,019	220,000	4,675	224,675	-	-	-	-	-	-	2054
2055	-	-	-	-	-	-	-	-	-	-	-	-	2055
	38,211,411	11,371,155	49,582,566	5,480,000	3,068,813	8,548,813	3,590,000	1,204,250	4,794,250	22,928,589	12,736,230	35,664,819	

*Excludes capital leases.



ESTIMATED DEBT SERVICE IMPACT

TAB B

SERIES 2026 ISSUANCE ASSUMPTIONS



- Assumes issuance of Certificates of Obligation
- **Total project proceeds: \$9,910,000**
 - Street projects: \$6,350,000 – supported by I&S
 - Water projects: \$3,560,000 – supported by utility revenues
- 20-year level repayment
- Assumes issuance early 2026
- First debt service scheduled for FY 2027

PROJECTED TAX IMPACT – STREET PROJECTS



A	B	C	D	E	F	G	H	I	J	K	L	M
9/30 FYE	Assessed Valuation ⁽¹⁾	Growth	Existing Tax Supported Debt Service ⁽²⁾	Calculated I&S Tax Rate ⁽³⁾	\$6,350,000 Project Proceeds 2/26/2026 - 4.33%				City Contribution and / or Cap. Interest	Aggregate Tax Supported Debt Service	Calculated I&S Tax Rate ⁽³⁾	9/30 FYE
					Principal ⁽⁴⁾	Interest	Debt Service	Tax Impact ⁽³⁾				
2025	\$ 1,085,581,785		\$ 2,015,929	0.2292					\$ -	\$ 2,015,929	0.2292	2025
2026	1,161,858,159	7.03%	2,111,240	0.2259	\$ -	\$ -	\$ -		-	2,111,240	0.2259	2026
2027	1,179,286,031	1.50%	1,645,914	0.1424	45,000	445,586	490,586	0.0424	-	2,136,500	0.1849	2027
2028	1,196,975,322	1.50%	1,650,439	0.1407	195,000	296,875	491,875	0.0419	-	2,142,314	0.1826	2028
2029	1,214,929,952	1.50%	1,645,604	0.1382	205,000	286,875	491,875	0.0413	-	2,137,479	0.1795	2029
2030	1,233,153,901	1.50%	1,649,013	0.1365	215,000	276,375	491,375	0.0407	-	2,140,388	0.1771	2030
2031	1,251,651,209	1.50%	1,692,695	0.1380	225,000	265,375	490,375	0.0400	-	2,183,070	0.1780	2031
2032	1,270,425,978	1.50%	1,695,548	0.1362	240,000	253,750	493,750	0.0397	-	2,189,298	0.1758	2032
2033	1,289,482,367	1.50%	1,401,483	0.1109	250,000	241,500	491,500	0.0389	-	1,892,983	0.1498	2033
2034	1,308,824,603	1.50%	1,401,125	0.1092	265,000	228,625	493,625	0.0385	-	1,894,750	0.1477	2034
2035	1,328,456,972	1.50%	1,398,910	0.1075	275,000	215,125	490,125	0.0376	-	1,889,035	0.1451	2035
2036	1,348,383,826	1.50%	1,395,028	0.1056	290,000	201,000	491,000	0.0372	-	1,886,028	0.1427	2036
2037	1,368,609,584	1.50%	1,397,665	0.1042	305,000	186,125	491,125	0.0366	-	1,888,790	0.1408	2037
2038	1,389,138,728	1.50%	1,397,945	0.1027	320,000	170,500	490,500	0.0360	-	1,888,445	0.1387	2038
2039	1,409,975,808	1.50%	1,397,725	0.1012	340,000	154,000	494,000	0.0358	-	1,891,725	0.1369	2039
2040	1,431,125,446	1.50%	1,401,670	0.0999	355,000	136,625	491,625	0.0351	-	1,893,295	0.1350	2040
2041	1,452,592,327	1.50%	1,399,910	0.0983	375,000	118,375	493,375	0.0347	-	1,893,285	0.1330	2041
2042	1,474,381,212	1.50%	1,401,740	0.0970	395,000	99,125	494,125	0.0342	-	1,895,865	0.1312	2042
2043	1,496,496,930	1.50%	859,898	0.0586	415,000	78,875	493,875	0.0337	-	1,353,773	0.0923	2043
2044	1,518,944,384	1.50%	859,425	0.0577	435,000	57,625	492,625	0.0331	-	1,352,050	0.0908	2044
2045	1,541,728,550	1.50%	857,718	0.0568	455,000	35,375	490,375	0.0325	-	1,348,093	0.0892	2045
2046	1,564,854,478	1.50%	864,635	0.0564	480,000	12,000	492,000	0.0321	-	1,356,635	0.0885	2046
2047	1,588,327,296	1.50%	589,265	0.0379					-	589,265	0.0379	2047
2048	1,612,152,205	1.50%	591,758	0.0375					-	591,758	0.0375	2048
2049	1,636,334,488	1.50%	588,063	0.0367					-	588,063	0.0367	2049
2050	1,660,879,505	1.50%	588,180	0.0361					-	588,180	0.0361	2050
2051	1,685,792,698	1.50%	586,963	0.0355					-	586,963	0.0355	2051
2052	1,711,079,588	1.50%	589,298	0.0351					-	589,298	0.0351	2052
2053	1,736,745,782	1.50%	590,038	0.0347					-	590,038	0.0347	2053
2054	1,762,796,969	1.50%	-	0.0000					-	-	0.0000	2054
					\$ 6,080,000	\$ 3,759,711	\$ 9,839,711		\$ -	\$ 45,504,530		

Notes:

⁽¹⁾ Certified FY 2025 and FY 2026 assessed valuation provided by the City.

⁽²⁾ Excludes capital leases.

⁽³⁾ Tax collection percentage of 98%. Actual tax rate for FY 2025 and FY 2026.

⁽⁴⁾ Includes estimated financing costs.

Maximum: 0.0424

Maximum After FY 2026: 0.1849

Increase/(Decrease) From FY 2026: (0.0410)

HOMEOWNER TAX IMPACT CHART – FOR ILLUSTRATION



I&S Tax Rate	Tax Impact Based on Taxable Value									
	\$200,000		\$300,000		\$400,000		\$500,000		\$600,000	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
\$0.0200	\$40.00	\$3.33	\$60.00	\$5.00	\$80.00	\$6.67	\$100.00	\$8.33	\$120.00	\$10.00
\$0.0400	\$80.00	\$6.67	\$120.00	\$10.00	\$160.00	\$13.33	\$200.00	\$16.67	\$240.00	\$20.00
\$0.0600	\$120.00	\$10.00	\$180.00	\$15.00	\$240.00	\$20.00	\$300.00	\$25.00	\$360.00	\$30.00
\$0.0800	\$160.00	\$13.33	\$240.00	\$20.00	\$320.00	\$26.67	\$400.00	\$33.33	\$480.00	\$40.00
\$0.1000	\$200.00	\$16.67	\$300.00	\$25.00	\$400.00	\$33.33	\$500.00	\$41.67	\$600.00	\$50.00
\$0.1200	\$240.00	\$20.00	\$360.00	\$30.00	\$480.00	\$40.00	\$600.00	\$50.00	\$720.00	\$60.00
\$0.1400	\$280.00	\$23.33	\$420.00	\$35.00	\$560.00	\$46.67	\$700.00	\$58.33	\$840.00	\$70.00
\$0.1600	\$320.00	\$26.67	\$480.00	\$40.00	\$640.00	\$53.33	\$800.00	\$66.67	\$960.00	\$80.00
\$0.1800	\$360.00	\$30.00	\$540.00	\$45.00	\$720.00	\$60.00	\$900.00	\$75.00	\$1,080.00	\$90.00
\$0.2000	\$400.00	\$33.33	\$600.00	\$50.00	\$800.00	\$66.67	\$1,000.00	\$83.33	\$1,200.00	\$100.00
\$0.2200	\$440.00	\$36.67	\$660.00	\$55.00	\$880.00	\$73.33	\$1,100.00	\$91.67	\$1,320.00	\$110.00
\$0.2400	\$480.00	\$40.00	\$720.00	\$60.00	\$960.00	\$80.00	\$1,200.00	\$100.00	\$1,440.00	\$120.00

SERIES 2026 ISSUANCE – WATER PROJECTS



A	B	C	D	E	F	G	H	I
9/30 FYE	Existing Self-Supported			\$3,560,000 Project Proceeds 2/26/2026 - 4.33%			Aggregate Self Supported Debt Service	9/30 FYE
	Water & Sewer Debt Service ⁽¹⁾	Drainage Debt Service ⁽¹⁾	Total Debt Service ⁽¹⁾	Principal ⁽²⁾	Interest	Debt Service		
2025	\$ 2,230,900	\$ 367,400	\$ 2,598,300				\$ 2,598,300	2025
2026	2,300,218	367,150	2,667,368	\$ -	\$ -	\$ -	2,667,368	2026
2027	2,296,482	371,275	2,667,757	25,000	249,548	274,548	2,942,305	2027
2028	2,392,453	369,775	2,762,228	110,000	166,250	276,250	3,038,478	2028
2029	2,392,699	367,775	2,760,474	115,000	160,625	275,625	3,036,099	2029
2030	2,391,863	370,150	2,762,013	120,000	154,750	274,750	3,036,763	2030
2031	2,401,019	371,775	2,772,794	125,000	148,625	273,625	3,046,419	2031
2032	2,370,989	367,775	2,738,764	135,000	142,125	277,125	3,015,889	2032
2033	2,098,833	368,150	2,466,983	140,000	135,250	275,250	2,742,233	2033
2034	2,099,255	367,775	2,467,030	145,000	128,125	273,125	2,740,155	2034
2035	2,098,134	366,650	2,464,784	155,000	120,625	275,625	2,740,409	2035
2036	2,060,527	371,400	2,431,927	165,000	112,625	277,625	2,709,552	2036
2037	2,051,679	367,200	2,418,879	170,000	104,250	274,250	2,693,129	2037
2038	2,001,530		2,001,530	180,000	95,500	275,500	2,277,030	2038
2039	2,000,811		2,000,811	190,000	86,250	276,250	2,277,061	2039
2040	1,994,420		1,994,420	200,000	76,500	276,500	2,270,920	2040
2041	1,997,346		1,997,346	210,000	66,250	276,250	2,273,596	2041
2042	1,999,443		1,999,443	220,000	55,500	275,500	2,274,943	2042
2043	1,999,941		1,999,941	230,000	44,250	274,250	2,274,191	2043
2044	1,998,946		1,998,946	245,000	32,375	277,375	2,276,321	2044
2045	2,001,419		2,001,419	255,000	19,875	274,875	2,276,294	2045
2046	1,997,370		1,997,370	270,000	6,750	276,750	2,274,120	2046
2047	2,001,891		2,001,891				2,001,891	2047
2048	1,999,897		1,999,897				1,999,897	2048
2049	2,001,379		2,001,379				2,001,379	2049
2050	2,010,959		2,010,959				2,010,959	2050
2051	1,146,403		1,146,403				1,146,403	2051
2052	1,153,118		1,153,118				1,153,118	2052
2053	319,763		319,763				319,763	2053
2054	321,694		321,694				321,694	2054
	<u>\$ 58,131,379</u>	<u>\$ 4,794,250</u>	<u>\$ 62,925,629</u>	<u>\$ 3,405,000</u>	<u>\$ 2,106,048</u>	<u>\$ 5,511,048</u>	<u>\$ 68,436,677</u>	

Notes:

⁽¹⁾ Existing general obligation bonds that are self-supported by W&S revenue and excludes capital leases.

⁽²⁾ Includes estimated financing costs.



RATING INFORMATION

TAB C

BOND RATING



- There are three major agencies that provide credit ratings for debt issuers in the U.S. municipal market and other sectors
 - Moody's Investors Service ("Moody's")
 - S&P Global Ratings ("S&P")
 - Fitch Ratings ("Fitch")
- A credit rating is an **opinion** about the **relative risk** and potential for default associated with a particular security
- It is not a recommendation to buy, sell or hold that security
- A credit rating is expressed in alphanumeric symbols across a spectrum from highest to lowest
- S&P affirmed the City's "AA" rating on 11/5/2024.**

	Moody's	S&P	Fitch	
Investment Grade	Aaa	AAA	AAA	HIGHEST ↑
	Aa1	AA+	AA+	
	Aa2	AA	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	
	Baa2	BBB	BBB	
	Baa3	BBB-	BBB-	
Speculative Grade	Ba1	BB+	BB+	↓ LOWEST
	Ba2	BB	BB	
	Ba3	BB-	BB-	
	B1	B+	B+	
	B2	B	B	
	B3	B-	B-	
	Caa1	CCC+	CCC+	
	Caa2	CCC	CCC	
	Caa3	CCC-	CCC-	
	Ca	CC	CC	
	C	C	C	
	D	D	D	

NUMBER OF TEXAS CITIES BY RATING



Number of Texas Cities by Rating
As of August 1, 2025

Moody's	Cities
Aaa	11
Aa1	28
Aa2	33
Aa3	23
A1	22
A2	7
A3	3
Baa1	2
Baa2	2
Baa3	3

S&P	Cities
AAA	38
AA+	64
AA	89
AA-	101
A+	71
A	21
A-	7
BBB+	2
BBB	5
BBB-	2

Fitch	Cities
AAA	9
AA+	17
AA	25
AA-	1
A+	1
A	--
A-	--
BBB+	--
BBB	--
BBB-	--

Source: Moody's, Standard & Poor's, & Fitch Ratings



FINANCING ALTERNATIVES: TEXAS CITIES

TAB D

FINANCING OF CAPITAL PROJECTS – TEXAS CITIES



AUTHORIZED DEBT INSTRUMENTS FOR TEXAS CITIES

Instrument	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Tax Notes	Public Property Finance Contractual Obligations (PPFCO)	Contract Revenue Bonds
Purpose	General Purpose	General Purpose (HB 1869)	Specific Income Producing Projects/Systems	General Purpose	Personal Property and Equipment	Capital Improvements for Revenue Systems
Voter Authorization	Yes	No ⁽¹⁾	No	No	No	No
Security/Source of Payment	Taxes	Taxes and/or Revenues	Revenues	Taxes	Taxes and/or Revenues	Taxes and/or Revenues
Specifics	Strongest Credit Best Rates	Same as General Obligation Bonds - Strong Credit/Best Rates	Interest rates generally higher than General Obligation bonds. Usually Requires a Debt Service Reserve Fund and Mandated Coverage.	Limit to Seven Repayment Year Term Same as General Obligation Bonds - Strong Credit/Best Rates	Limit to 25 Year Term	Sell at Interest Rates Similar to Revenue Bonds

(1) Publication of notice required; petition during notice period could require election.

GENERAL OBLIGATION BONDS “GO”

- Requires bond election for authorization
- Issued for any public purpose
 - Real Property
 - Personal Property
 - Legal Judgment
 - Land Acquisition
- Amortization not to exceed 40 years
- Secured in Texas by issuer’s ad valorem taxing power
 - Viewed as a city’s most secure obligation
 - General Law City (under 5,000 population) - up to \$1.50 tax (\$1.00 I&S)
 - Home Rule City (over 5,000 population) - up to \$2.50 tax (\$1.50 I&S) as determined by individual charter
- Attracts lowest interest rate
- I&S tax rate is not subject to the voter-approval tax rate (rollback rate)
- **If failed election, prohibited from alternative financing for the same project in the following three years**

CERTIFICATES OF OBLIGATION “CO”



- Requires no voter authorization
 - A petition signed by 5% of the registered voters can force an election
- Notice of Intent to Issue is required
 - Published in the local paper on the same day of two consecutive weeks
 - First publication must be at least 45 days prior to sale date
 - Notice to also be posted on entities website
- Amortization not to exceed 40 years
- When secured solely by ad valorem taxes available purposes are limited to land acquisition, judgment funding, or purchase of heavy equipment
- When secured by an ad valorem tax and a revenue pledge, they can be issued for the same lawful purposes as GO bonds
- Sell at interest rates similar to GO bonds
- I&S tax rate is not subject to the voter-approval tax rate (rollback rate)

- H.B.1869 effective September 1, 2021
 - Relating to the definition of ‘debt’, meets one of the following requirements:
 - Approved at an election
 - Includes self-supporting debt
 - Loan under a State or Federal program
 - Refunding bond
 - Issued in response to an emergency
 - Renovating or improving existing buildings or facilities
 - Issued for vehicles or equipment
 - Issued for ‘designated infrastructure’
 - Streets, roads, highways, bridges, sidewalks, parks, landfills, parking structures, airports, telecommunications, information technology systems, cybersecurity, part of any utility system, water plant, wastewater plant, conveyance facility, wharf, dock, flood control, drainage, police stations, fire stations, other public safety facilities, jails, juvenile detention facilities, judicial facilities (and any facilities physically attached)



SAMPLE C/O ISSUANCE CALENDAR

TAB E

SAMPLE C/O ISSUANCE CALENDAR



Dec 2025						
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			

Jan 2026						
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

Feb 2026						
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

Date	Day	Event
Dec 8, 2025	Monday	HilltopSecurities receives requested information and begins preparation of the Preliminary Official Statement (POS)
Dec 9, 2025	Tuesday	Council meeting to approve publication of Notice of Intent for CO's
Dec 10, 2025	Wednesday	Draft POS distributed to the City and Bond Counsel
Dec 15, 2025	Monday	1st Notice of Intent published for CO's
Dec 17, 2025	Wednesday	HilltopSecurities receives comments on draft POS
Dec 19, 2025	Friday	Distribute POS to rating agencies
Dec 22, 2025	Monday	2nd Notice of Intent published for CO's
Week of Jan. 5th - 9th		Rating calls
Jan 16, 2026	Friday	Receive ratings
Jan 20, 2026	Tuesday	Electronically post POS to the market
Jan 27, 2026	Tuesday	Pricing
Jan 27, 2026	Tuesday	City Council passes Ordinance authorizing issuance of CO's
Feb 26, 2026	Thursday	Certificate closing and delivery of funds to the City