



SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Agenda Item Summary

Meeting Date: September 19, 2018

Purpose: ☒ Presentation/Report ☐ Recognition ☐ Discussion/ Possible Action

☐ Closed/Executive Session ☐ Work Session ☐ Discussion Only ☐ Consent

From: Juan C. Zamora, Chief Financial Officer

Item Title: Report on Outstanding Bonds and Bonding Capacity

Description:

Presentation on South San Antonio ISD's Bonds.

Recommendation:

N/A

District Goal/Strategy:

Strategy 5 We will promote and ensure a safe and secure learning environment for all students.

Funding Budget Code and Amount:

CFO Approval

APPROVED BY:

SIGNATURE

DATE

Chief Officer:

Superintendent:

JC Zamora
[Signature]

8/30/18
9-12-2018

South San Antonio Independent School District

Board Meeting:

Bond Capacity Analysis Update

September 19, 2018



RBC Capital Markets

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RBC Capital Markets

Table of Contents

1. Overview of Existing Debt
2. Build America Bonds Refunding Analysis
3. Tax Rate Impact Analysis

Overview of Existing Debt

SECTION 1



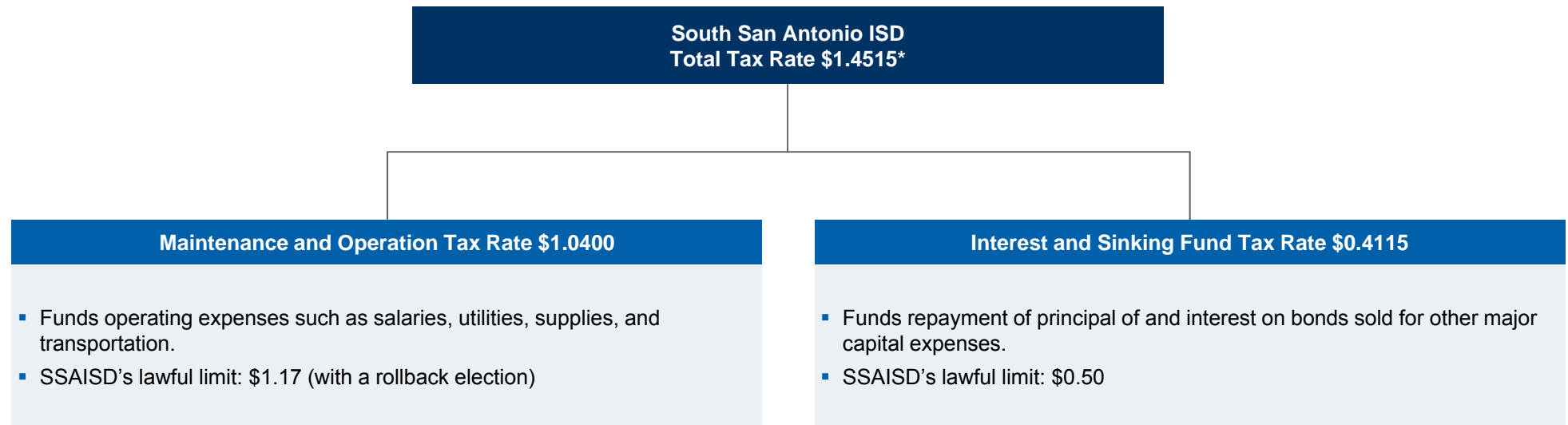
RBC Capital Markets

Overview of Existing Debt

Breakout of the Total Tax Rate and Lawful Uses

The total tax rate or local tax dollars are split into two different taxes or parts:

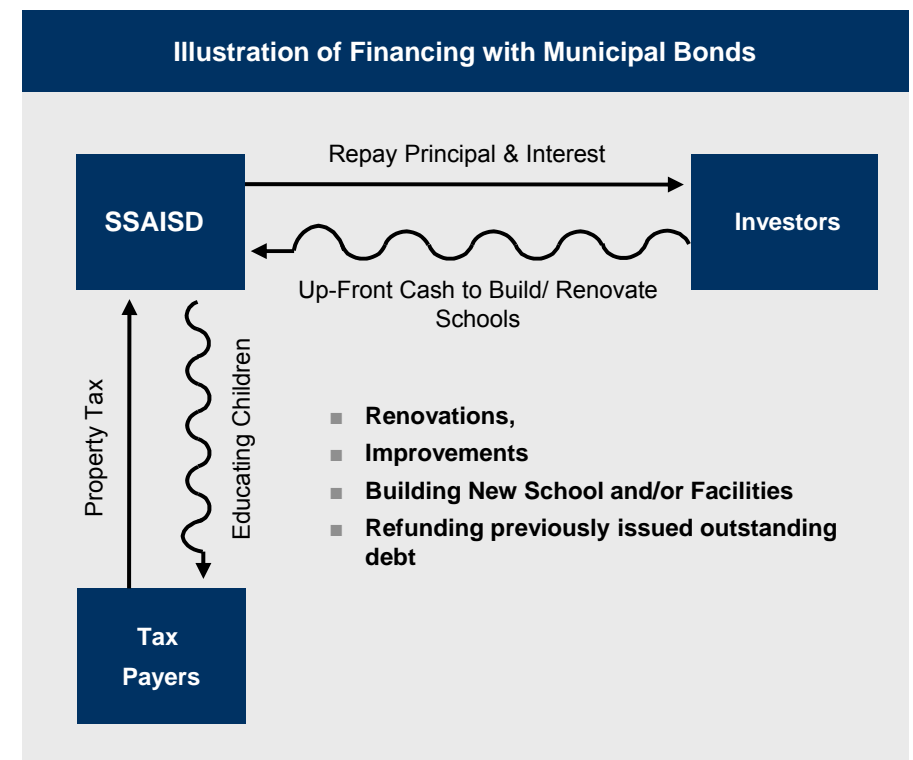
- **Maintenance and Operations (M&O)** - Used for the day-to-day operations of the district, including salaries, utilities, furniture, supplies, food, gas, etc.
- **Interest and Sinking (I&S)** - Funds building and capital outlay expenditures and can only be used to pay off interest and principal of the school construction or refunding bonds



Overview of Existing Debt

Overview of School Bonds (Municipal Tax-Exempt Bonds)

- **Bond** – similar to a home mortgage; It is a contract to repay borrowed money with a low-cost interest rate over time and are sold by a school district to competing lenders to raise funds.
- **Use** – allow the district to finance capital projects, such as the renovations, improvements, building new schools and/or facilities, or refunding previously issued outstanding debt.
- **Approval** – bond election is required to approve the sale of general obligation bonds by voters.
- **A bond is essentially a loan an investor makes to the Issuer (“The District”) for:**
 - New buildings
 - Additions and renovations to existing facilities
 - Land acquisition
 - Technology infrastructure
 - Equipment for new or existing buildings or
 - Refunding outstanding debt
- **Benefits of Bonds**
 - Receive cash Up-Front to finance projects now
 - Low interest loan – Tax-Exempt Rates



Overview of Existing Debt

Financial Team Needed to Complete a Bond Deal

Issuer's Team

- **District Administration/Board**
- **Financial Advisor** – provides a fiduciary responsibility to ensure the District receives the best structure while achieving their capital plan at the lowest possible cost. **Has a fiduciary obligation to the Issuer.**
- **Bond Counsel** – independent expert who represents the District and provides a legal opinion concerning tax exemption and drafts documents concerning the issuance of the bonds.

The “Other Side”

- **Underwriter(s)** – responsible for distribution, sale, and/or purchase of bonds. The Underwriter usually assists the District in preparing a financing plan, determining the least costly method of financing, and completing a disclosure and sales document to be sent to potential investors. **Does NOT have a fiduciary obligation to the Issuer.**
- **Underwriter's Counsel** – Municipal bond attorneys hired by the Underwriter to draft offering documents, such as the bond purchase agreements and/or the Official Statements, and coordinate disclosure documents. Such counsel also assists the Underwriter in meeting its legal responsibilities generally in sale of the bonds.

Other Essential Players

- **Rating Agencies** – firm that provides its opinion on the creditworthiness of an entity and the financial obligations (such as bonds, preferred stock, and commercial paper) issued by an entity. Generally, credit ratings distinguish between investment grade and non-investment grade.
- **Attorney General** – provides final approval related to issue's compliance with state law and procedures.
- **Paying Agent** – receives the District's debt service payments prior to debt service dates and distributes these funds to the debt holder.
- **Permanent School Fund (PSF)** – Texas Education Agency (TEA) provides the enhanced credit rating. The PSF Bond Guarantee Program (BGP) guarantees bonds issued by a school district and has received “AAA” ratings from the major bond rating services, thus allowing participating school districts to borrow at a lower cost. Applications for new issues are subject to a monthly prioritization system in accordance with State Board of Education rules. Applications that are received on or before 5:00 p.m. of the last business day of the calendar month will be held until the fifteenth business day of the subsequent month. The commissioner of education announces the results of the prioritization on this day each month.

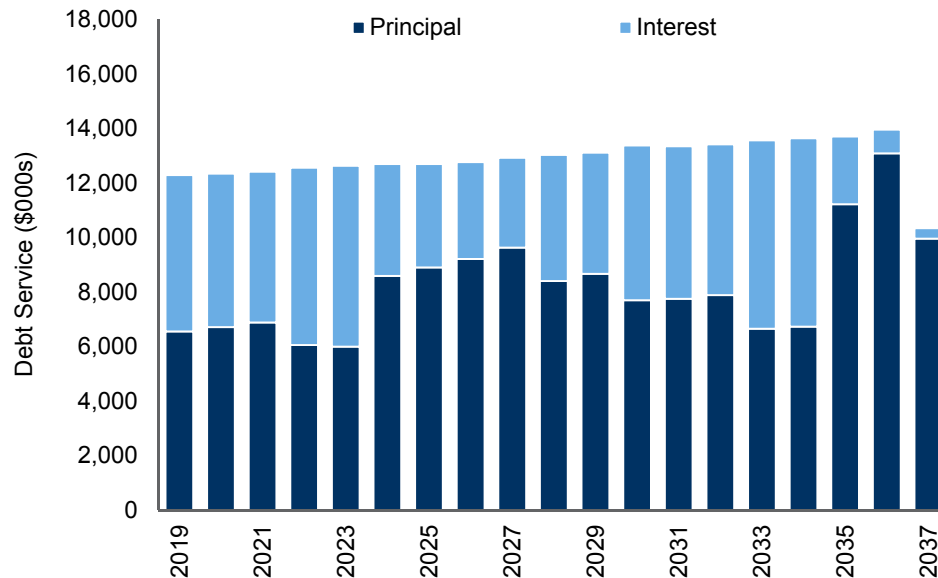
Overview of Existing Debt

Overview of Existing Debt ("A+ / A+")

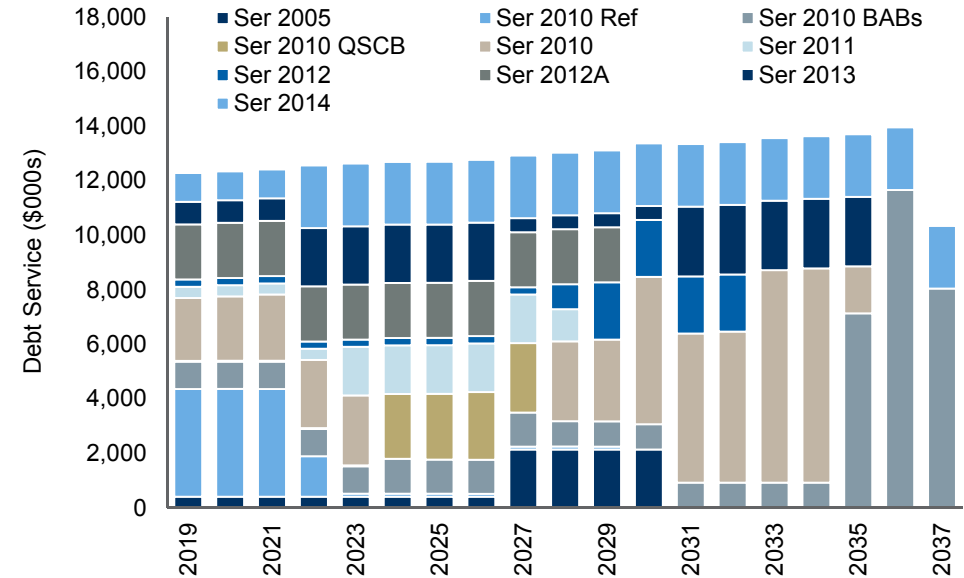
South San Antonio ISD Debt Profile

Issue	Issued Par Amount	Outstanding Par Amount	Interest Rate Range	First Call Date	Final Maturity	Structure	Use of Proceeds
U/L Tax Sch Bldg Bds Ser 2005	\$40,500,000	\$7,510,000	5.500%	N/A	08/15/2030	Fixed Rate	School Building
U/L Tax Ref Bds Ser 2010	23,475,000	12,545,000	4.000% - 5.000%	02/15/2020	08/15/2029	Fixed Rate	Refunding
U/L Tax Sch Bldg Taxable Ser 2010 (BABs)	26,095,000	26,095,000	4.607% - 5.740%	08/15/2020	08/15/2037	Fixed Rate	School Building
U/L Tax Sch Bldg QSCB Taxable Ser 2010	9,785,000	9,785,000	5.190%	N/A	08/15/2027	Fixed Rate	School Building
U/L Tax Sch Bldg Bds Ser 2010	22,116,909	22,116,909	3.250% - 5.020%	N/A	08/15/2035	Fixed Rate	School Building
U/L Tax Ref Bds Ser 2011	8,684,990	8,324,990	3.000% - 3.600%	02/15/2021	08/15/2028	Fixed Rate	Refunding
U/L Tax Ref Bds Ser 2012	8,390,000	8,390,000	3.000% - 3.500%	08/15/2020	08/15/2032	Fixed Rate	Refunding
U/L Tax Taxable Ref Bds Ser 2012A	24,815,000	17,845,000	3.250% - 4.250%	08/15/2022	08/15/2029	Fixed Rate	Refunding
U/L Tax Ref Bds Ser 2013	18,815,000	18,465,000	3.000% - 5.000%	08/15/2023	08/15/2035	Fixed Rate	Refunding
U/L Tax Ref Bds Ser 2014	25,835,000	25,510,000	2.440% - 5.000%	08/15/2024	08/15/2037	Fixed Rate	Refunding
Total	\$208,511,899	\$156,586,899					

Outstanding Unlimited Tax Debt by Principal & Interest



Outstanding Unlimited Tax Debt by Series



Overview of Existing Debt

Callable Bonds Schedule

South San Antonio ISD Callable Bonds Schedule

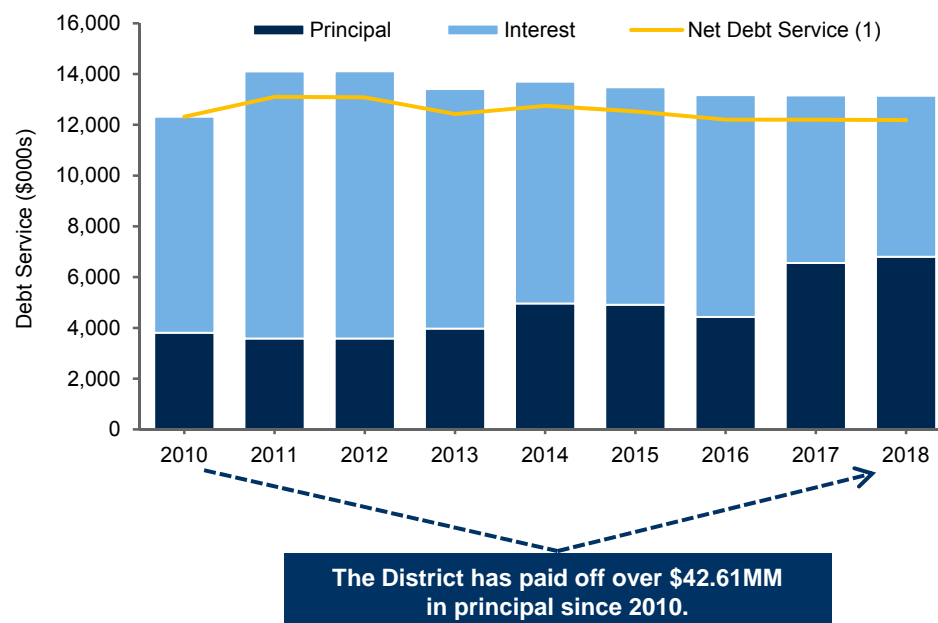
Maturity	Series 2005	Series 2010 Refunding	Series 2010 School Bldg	Series 2010 QSCB	Series 2010 BABs	Series 2011	Series 2012	Series 2012A	Series 2013	Series 2014	Total Callable Par Amount	Total Par Amount	Principal Payoff
2019	\$ -	\$ 3,340,000	\$ 1,725,869	\$ -	\$ -	\$ 135,000	\$ -	\$ 1,355,000	\$ -	\$ -	\$ -	\$ 6,555,869	4.2%
2020	-	3,505,000	1,671,187	-	-	135,000	-	1,400,000	-	-	43,690,000	6,711,187	8.5%
2021	-	3,670,000	1,621,515	-	-	140,000	-	1,450,000	-	-	8,050,000	6,881,515	12.9%
2022	-	1,385,000	1,583,475	-	-	145,000	-	1,500,000	1,310,000	130,000	12,140,000	6,053,475	16.7%
2023	-	85,000	1,540,154	-	-	205,000	-	1,545,000	1,375,000	1,240,000	15,780,000	5,990,154	20.6%
2024	-	85,000	-	2,343,000	280,000	1,530,000	-	1,605,000	1,450,000	1,300,000	22,840,000	8,593,000	26.0%
2025	-	90,000	-	2,413,000	290,000	1,580,000	-	1,660,000	1,500,000	1,370,000	-	8,903,000	31.7%
2026	-	90,000	-	2,482,000	300,000	1,630,000	-	1,725,000	1,565,000	1,420,000	-	9,212,000	37.6%
2027	1,730,000	95,000	-	2,547,000	305,000	1,685,000	-	1,795,000	-	1,475,000	-	9,632,000	43.8%
2028	1,825,000	100,000	1,293,712	-	-	1,135,000	650,000	1,865,000	-	1,535,000	-	8,403,712	49.1%
2029	1,925,000	100,000	1,247,070	-	-	-	1,850,000	1,945,000	-	1,600,000	-	8,667,070	54.7%
2030	2,030,000	-	2,105,946	-	-	-	1,900,000	-	-	1,660,000	-	7,695,946	59.6%
2031	-	-	2,000,135	-	-	-	1,965,000	-	2,040,000	1,745,000	-	7,750,135	64.5%
2032	-	-	1,902,158	-	-	-	2,025,000	-	2,145,000	1,815,000	-	7,887,158	69.6%
2033	-	-	2,521,701	-	-	-	-	-	2,245,000	1,885,000	-	6,651,701	73.8%
2034	-	-	2,403,944	-	-	-	-	-	2,360,000	1,965,000	-	6,728,944	78.1%
2035	-	-	500,043	-	6,205,000	-	-	-	2,475,000	2,040,000	-	11,220,043	85.3%
2036	-	-	-	-	10,960,000	-	-	-	-	2,125,000	-	13,085,000	93.6%
2037	-	-	-	-	7,755,000	-	-	-	-	2,205,000	-	9,960,000	100.0%
Total	\$ 7,510,000	\$ 12,545,000	\$ 22,116,909	\$ 9,785,000	\$ 26,095,000	\$ 8,320,000	\$ 8,390,000	\$ 17,845,000	\$ 18,465,000	\$ 25,510,000		\$ 156,581,909	
Callable	\$ -	\$ 9,205,000	\$ -	\$ -	\$ 26,095,000	\$ 8,050,000	\$ 8,390,000	\$ 12,140,000	\$ 15,780,000	\$ 22,840,000	\$ 102,500,000		
Call Date		02/15/2020			08/15/2020	02/15/2021	08/15/2020	08/15/2022	08/15/2023	08/15/2024			

Overview of Existing Debt

South San Antonio Bond Election Results

State and Federal bond assistance has helped South San Antonio ISD fund its 1999, 2002, 2005, 2007 and 2010 bond referendum. Listed below is brief description of each of the bond Packages.

- **1999 (\$37.7MM):** On May 1, 1999 the District held an election and approved \$37.7 Million to construct a new elementary, additions and new construction at existing facilities and renovation and ADA compliance at existing facilities.
- **2002 (\$40.5MM):** On June 8, 2002 the District held an election and approved \$40.5 Million for new construction, acquisition and equipment in the school building of the District and purchase necessary sites for school building.
- **2005 (\$35.2MM):** On June 12, 2004 the District held an election and approved \$35.2 Million for new construction, acquisition and equipment in the school building of the District and purchase necessary sites for school building.
- **2007 (\$37.2MM):** On May 12, 2007 the District held an election and approved \$37.2 Million improvements and additions to the various elementary, middle, and high school campuses in the District.
- **2010 (\$58MM):** On May 8, 2010 the District held an election and approved \$58 Million bonds for renovations of South San Antonio High School.



Debt Service Schedule (2010 - 2018)

FYE (8/31)	Principal	Interest	Debt Service	Federal Subsidy	Net Debt Service ⁽¹⁾
2010	\$3,810,758	\$8,506,361	\$12,317,119	\$0	\$12,317,119
2011	3,579,525	10,522,136	14,101,661	(1,002,961)	13,098,700
2012	3,583,590	10,522,880	14,106,470	(1,028,678)	13,077,792
2013	3,970,345	9,440,568	13,410,913	(983,930)	12,426,983
2014	4,962,810	8,737,109	13,699,919	(954,613)	12,745,306
2015	4,912,010	8,567,909	13,479,919	(953,584)	12,526,334
2016	4,432,958	8,732,361	13,165,319	(958,728)	12,206,591
2017	6,555,000	6,603,000	13,158,000	(957,699)	12,200,301
2018	6,805,000	6,340,106	13,145,106	(960,785)	12,184,321
Total	\$42,611,995	\$77,972,429	\$120,584,424	(\$7,800,977)	\$112,783,447

Overview of Existing Debt

Rating Guidelines for Local Governments

- **Rating Factors** – rating agencies usually consider four major factors in determining a municipal entity's GO credit rating:
 - **Debt** – review of the types and proportions of debt utilized (i.e. GO, lease, and special tax), repayment structure, and key ratios, as well as policies governing debt and capital planning.
 - **Financial Performance** – focuses on the consistency of operating results over time and fund balance levels relative to expenditures or revenues. Historical operating results are reviewed for the matching of recurring expenditures with recurring revenues, the generating of operating surpluses, and the minimal use of nonrecurring revenues to fund ongoing expenditures.
 - **Management, Administrative, and Legal Factors** – evaluation of management is an integral part of the analysis, and rating agencies recognize those issuers that have, over time, implemented sound processes and policies for budgeting and financial operations. Notable practices that can lead to improved ratings include implementation of “rainy day” reserve funds, multiyear revenue and expenditure forecasts, sound capital planning, and debt affordability guidelines.
 - **Local Tax Base and Economy** – considers the capacity of the community's economic and tax base to support ongoing operations and repayment of debt. The economic drivers are determined by assessing the depth and breadth of area employment base and local taxpayers, along with historical economic trends and the outlook for ongoing growth.

Overview of Existing Debt

South San Antonio ISD Credit Rating Summary

Fitch Rating Summary (October 24, 2017)

On October 24, 2017, Fitch affirmed it's "A+" underlying rating with a Negative outlook along with a PSF enhanced rating of "Aaa".

Strengths:

- ▲ Sound expenditure framework
- ▲ Low carrying costs provide solid degree of expenditure flexibility
- ▲ Strong reserves

Weaknesses:

- ▼ Stagnant revenue growth due to declining enrollment
- ▼ Competition from area charter schools
- ▼ Elevated but moderate liabilities
- ▼ Low income levels

Upside Scenario:

- A continuing trend of stable operating and maintenance would result in a return to a Stable outlook.

Downside Scenario:

- Deterioration of the District's financial position and reversal of positive trends could result in a downgrade.

Credit Rating Grid

	Moody's	S&P	Fitch
Highest Quality (Lowest default risk)	Aaa	AAA	AAA
High Grade / High Quality	Aa1	AA+	AA+
	Aa2	AA	AA
	Aa3	AA-	AA-
Upper Medium Grade	A1	A+	A+
	A2	A	A
	A3	A-	A-
Minimum Investment Grade	Baa1	BBB+	BBB+
	Baa2	BBB	BBB
	Baa3	BBB-	BBB-
Speculative Grade	Ba1	BB+	BB+
	Ba2	BB	BB
	Ba3	BB-	BB-
	B1	B+	B+
	B2	B	B
	B3	B-	B-
Highly Speculative Grade	Caa1	CCC (+,-)	CCC (+,-)
	Caa2	CC	CC
	Caa3	C	C
Imminent default or in default	Ca or C	SD or D	SD or D

PSF Ratings

Underlying Ratings

Build America Bonds Refunding Analysis

SECTION 2



RBC Capital Markets

Build America Bonds Refunding Analysis

BAB Refunding Considerations

- The American Recovery and Reinvestment Act allowed state and local governments to issue taxable Build America Bonds (“BAB”) that would receive federal subsidies to offset a portion (35%) of their interest cost.
 - However, the subsidy is subject to sequestration reduction, i.e. the FY 2019 sequestration rate of 6.2% reduces the effective BAB interest rate subsidy to 32.830%.
- The City can execute a tax-exempt advance refunding of its outstanding BABs to generate savings and eliminate exposure to federal sequestration.
 - While the Tax Cut and Jobs Act eliminates the advance refunding of outstanding tax-exempt bonds, it does not eliminate the ability to advance refund a taxable bond (when the original purpose of the bonds would qualify for tax-exempt financing).

Refunding Options

- 1) Future Current Tax-Exempt Refunding:** Issuers can wait until the call date to refund the BABs.
 - This is the baseline scenario to use in the evaluation of alternative scenarios.
- 2) Advance Refunding Today:** Assuming the preliminary conclusion on advance refunding BABs, issuers could execute a tax-exempt advance refunding.
 - The BAB subsidy payments *are not expected* to remain in effect once the BABs are legally defeased.

Build America Bonds Refunding Analysis

Tax-Exempt Advance Refunding of Outstanding BABs

Summary of Assumptions

Advance refunding of the District's Unlimited Tax School Building Bonds, Taxable Series 2010 (Direct Subsidy Build America Bonds) debt on a tax-exempt basis to create level debt service savings in years 2020 – 2037. The refunding assumes current PSF rates with the District's underlying "A+ / A+" ratings. The refunding bonds have substantially the same structure, maturity, and debt service schedule as the refunded bonds with a delivery date of December 13, 2018.

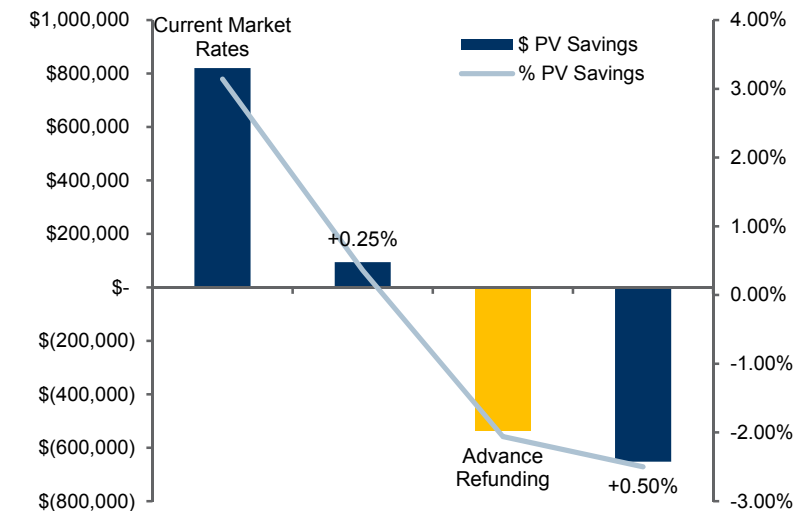
Refunding Candidates

Series	Maturities to be Refunded	Refunded Par Amount	Coupon Range	Call Date	Call Price
U/L Tax Sch Bldg Taxable Ser 2010 (BABs)	2024 - 2027; 2035 - 2037	\$26,095,000	4.607% - 5.740%	08/15/2020	100.00%
Total		\$26,095,000			

Refunding Results – Net of Current Federal Subsidy (32.83%)

	Current Refunding			Advance Refunding
	Current Rates	Plus 25 bps	Plus 50 bps	Current Rates
Refunded Par Amount	\$26,095,000	\$26,095,000	\$26,095,000	\$26,095,000
Avg Coupon of Refunded Bonds	5.73%	5.73%	5.73%	5.73%
All-In TIC	3.49%	3.72%	3.97%	3.58%
Arbitrage Yield	3.40%	3.63%	3.87%	3.49%
Escrow Yield	0.00%	0.00%	0.00%	2.74%
Net Debt Service Savings	\$1,084,579	\$111,354	(\$914,565)	(\$769,593)
Present Value Savings	\$820,375	\$94,303	(\$652,401)	(\$538,256)
PV Savings as % of Refunded Par	3.14%	0.36%	-2.50%	-2.06%
Negative Arbitrage	\$0	\$0	\$0	\$325,912
Neg Arb as % of PV Savings	0.00%	0.00%	0.00%	-60.55%

Sensitivity Analysis



Build America Bonds Refunding Analysis

Tax-Exempt Advance Refunding Cash Flow Savings

Advance Refunding Cash Flow Savings

Date (8/31)	Prior Debt Service	Less: Federal Subsidy	Refunding Debt Service	Net Savings	Present Value Savings
2019	\$1,517,800	(\$488,544)	\$1,029,256	\$0	\$6,676
2020	1,488,103	(488,544)	1,042,588	(43,028)	(40,428)
2021	1,488,103	(488,544)	1,044,338	(44,778)	(40,623)
2022	1,488,103	(488,544)	1,040,838	(41,278)	(36,132)
2023	1,488,103	(488,544)	1,042,338	(42,778)	(36,153)
2024	1,768,103	(488,544)	1,323,588	(44,028)	(35,924)
2025	1,765,204	(484,309)	1,325,588	(44,693)	(35,165)
2026	1,761,264	(479,733)	1,326,588	(45,057)	(34,183)
2027	1,751,543	(474,900)	1,321,588	(44,945)	(32,872)
2028	1,430,408	(469,603)	1,000,838	(40,032)	(28,177)
2029	1,430,408	(469,603)	1,005,088	(44,282)	(30,122)
2030	1,430,408	(469,603)	1,001,338	(40,532)	(26,572)
2031	1,430,408	(469,603)	1,002,431	(41,626)	(26,351)
2032	1,430,408	(469,603)	1,003,206	(42,401)	(25,915)
2033	1,430,408	(469,603)	1,003,819	(43,014)	(25,379)
2034	1,430,408	(469,603)	1,004,094	(43,289)	(24,652)
2035	7,635,408	(469,603)	7,209,019	(43,214)	(23,746)
2036	12,034,241	(352,673)	11,722,481	(40,914)	(21,846)
2037	8,200,137	(146,138)	8,093,700	(39,701)	(20,691)
Total	\$52,398,969	(\$8,625,843)	\$44,542,719	(\$769,593)	(\$538,256)

Tax Rate Impact Analysis

SECTION 3



RBC Capital Markets

Tax Rate Impact Analysis

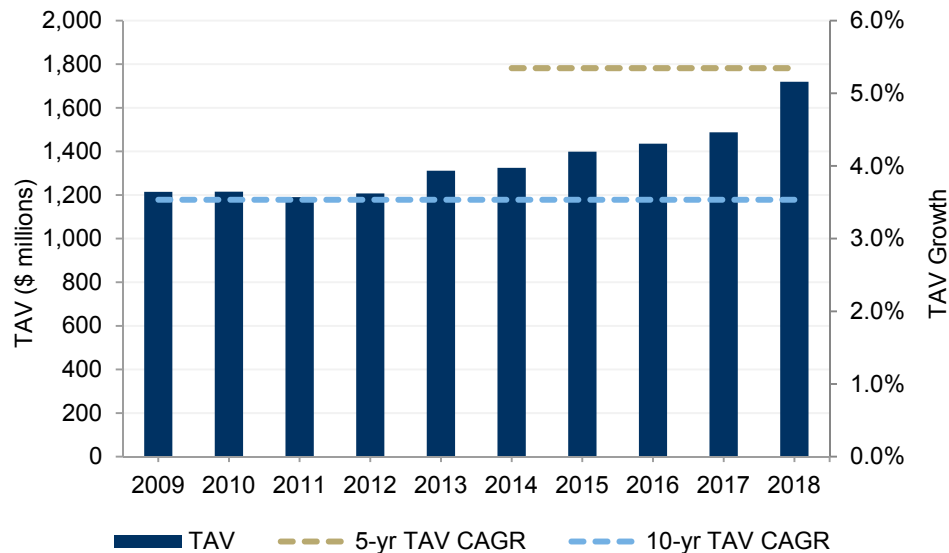
South San Antonio ISD Historical TAV and Tax Rates

Historical TAV and Tax Rate Data

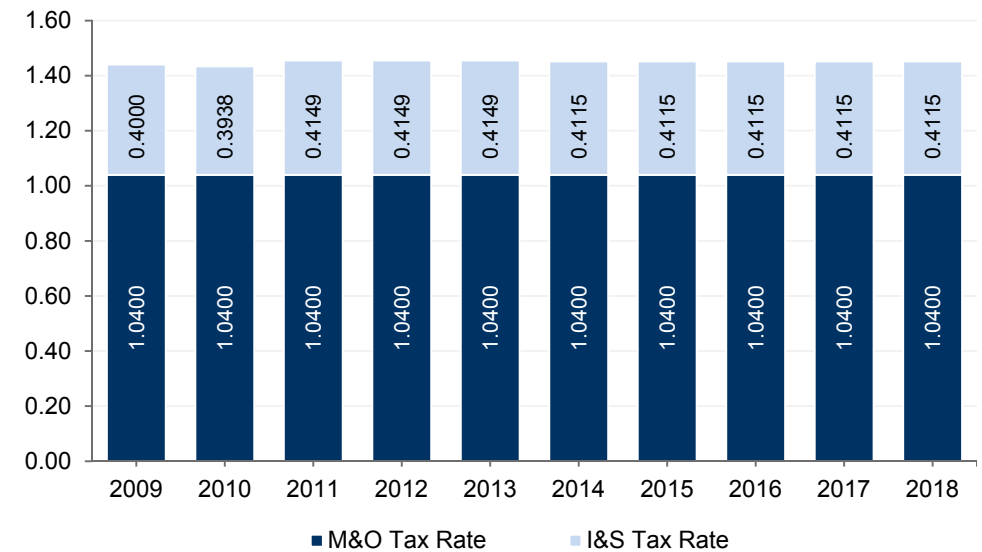
FYE (8/31)	TAV	TAV Growth	State Funding %	ADA	ADA Growth	M&O Tax Rate	I&S Tax Rate	Total Tax Rate
2009	\$1,214,462,708	9.53%	63.38%	8,560	-4.19%	\$1.0400	\$0.4000	\$1.4400
2010	1,215,559,183	0.09%	61.00%	8,890	3.85%	1.0400	0.3938	1.4338
2011	1,190,427,314	-2.07%	61.73%	8,988	1.10%	1.0400	0.4149	1.4549
2012	1,207,596,467	1.44%	61.17%	8,854	-1.49%	1.0400	0.4149	1.4549
2013	1,311,710,609	8.62%	62.36%	9,047	2.18%	1.0400	0.4149	1.4549
2014	1,324,973,751	1.01%	58.38%	9,123	0.84%	1.0400	0.4115	1.4515
2015	1,398,872,137	5.58%	57.95%	9,086	-0.41%	1.0400	0.4115	1.4515
2016	1,435,618,939	2.63%	59.23%	8,989	-1.07%	1.0400	0.4115	1.4515
2017	1,487,464,313	3.61%	54.59%	8,758	-2.57%	1.0400	0.4115	1.4515
2018	1,719,142,919	15.58%	49.89%	8,197	-6.40%	1.0400	0.4115	1.4515
5-yr CAGR*		5.35%			-2.12%			
10-yr CAGR*		3.54%			-0.43%			

* Compound Annual Growth Rate

Historical TAV Trends



Historical Tax Rate Trends



Source: The District's audited financial statements

Tax Rate Impact Analysis

Current I&S Tax Rate Model

- **Average Daily Attendance and growth in ADA** – used as a basis for State Aid to determine the wealth per student.
- **Taxable Assessed Values (“TAV”) and growth in TAV** – Local Certified Property Values used to set tax rate.
- **The Comptroller's Property Tax Division (“CPTD”) Assessed Values and growth in CPTD** – used to determine the wealth per student/per penny of taxing ability.
- **Interest Rates** – Interest rates are low from a historical perspective, while both taxable and tax-exempt rates spiked somewhat in 2013, the 30 year MMD and 30 year treasury rate are well below historical averages.
- Changes in the above variables can affect bonding capacity and tax rate forecasted.

South San Antonio Independent School District I&S Tax Rate Impact Analysis

State Aid								Existing Gross Debt Service				Existing Net Debt Service		
FYE (8/31)	TAV	TAV Growth	ADA	Change in ADA	CPTD Taxable Value	Growth in CPTD Value	Estimated State Funding	Existing Debt Service	Less: Fund Balance Usage	Total Gross Debt Service	Estimated I&S Tax Rate	Less: Federal Subsidy ⁽¹⁾	Total Net Debt Service	Estimated I&S Tax Rate
2019	\$1,761,446,084	7.81%	8,006	-2.23%	\$1,633,894,380	5.87%	43.31%	\$13,246,625	(\$912,185)	\$12,334,440	\$0.4115	(\$960,785)	\$12,285,840	\$0.4099
2020	1,814,289,467	3.00%	7,768	-2.97%	1,761,446,084	7.81%	37.02%	13,303,237		13,303,237	0.4787	(960,785)	12,342,452	0.4442
2021	1,868,718,151	3.00%	7,768	0.00%	1,814,289,467	3.00%	35.13%	13,372,462		13,372,462	0.4812	(960,785)	12,411,677	0.4467
2022	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	3.00%	33.18%	13,519,012		13,519,012	0.5011	(960,785)	12,558,227	0.4655
2023	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,587,412		13,587,412	0.5036	(960,785)	12,626,627	0.4680
2024	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,651,037		13,651,037	0.5060	(960,785)	12,690,252	0.4704
2025	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,717,750		13,717,750	0.5085	(1,024,163)	12,693,587	0.4705
2026	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,780,810		13,780,810	0.5108	(1,019,284)	12,761,526	0.4730
2027	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,934,357		13,934,357	0.5165	(1,014,131)	12,920,225	0.4789
2028	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,529,656		13,529,656	0.5015	(500,643)	13,029,013	0.4829
2029	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,608,921		13,608,921	0.5044	(500,643)	13,108,278	0.4859
2030	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,871,746		13,871,746	0.5142	(500,643)	13,371,103	0.4956
2031	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,845,096		13,845,096	0.5132	(500,643)	13,344,453	0.4946
2032	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	13,914,433		13,914,433	0.5158	(500,643)	13,413,790	0.4972
2033	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	14,063,708		14,063,708	0.5213	(500,643)	13,563,065	0.5027
2034	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	14,136,058		14,136,058	0.5240	(500,643)	13,635,415	0.5054
2035	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	14,204,458		14,204,458	0.5265	(500,643)	13,703,815	0.5079
2036	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	14,332,441		14,332,441	0.5312	(375,984)	13,956,457	0.5173
2037	1,868,718,151	0.00%	7,768	0.00%	1,868,718,151	0.00%	33.18%	10,493,337		10,493,337	0.3889	(155,798)	10,337,539	0.3832
Total								\$258,112,556	(\$912,185)	\$257,200,371		(\$13,359,212)	\$244,753,343	

Preliminary; subject to change

(1) The Federal Subsidy is being used in the Maintenance & Operations (“M&O”) budget

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