

**City of Killeen, Texas**

For Purposes of Illustration Only

**Preliminary Waterworks & Sewer System Debt Service Coverage Ratio (DSCR) Analysis**

**No Growth**

| (A)         | (B)                           | (C)                           | (D)                         | (E)                                  | (F)                             | (G)                               | (H)                                      | (I)                    | (J)               |
|-------------|-------------------------------|-------------------------------|-----------------------------|--------------------------------------|---------------------------------|-----------------------------------|------------------------------------------|------------------------|-------------------|
| FYE<br>9/30 | Total<br>Operating<br>Revenue | Total<br>Operating<br>Expense | Net<br>Available<br>for D/S | Bell Co. WC&ID #1 Contract Debt      |                                 |                                   |                                          |                        | Projected<br>DSCR |
|             |                               |                               |                             | Existing<br>Waterworks<br>System D/S | Existing<br>Sewer<br>System D/S | Preliminary<br>Series 2024<br>D/S | Existing City<br>W&S Revenue<br>Bond D/S | Projected<br>Total D/S |                   |
| 2024        | \$ 46,871,902                 | \$ 23,782,181                 | \$ 23,089,721               | \$ 3,180,799                         | \$ 3,035,185                    | \$ -                              | \$ 5,649,481                             | \$ 11,865,465          | 1.95x             |
| 2025        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 3,171,549                            | 3,038,857                       | 1,368,508                         | 4,861,057                                | 12,439,971             | 1.86x             |
| 2026        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 3,175,613                            | 3,040,237                       | 1,267,475                         | 4,844,341                                | 12,327,666             | 1.87x             |
| 2027        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 3,172,660                            | 3,039,326                       | 1,267,950                         | 4,792,795                                | 12,272,730             | 1.88x             |
| 2028        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 3,176,292                            | 1,836,124                       | 1,272,300                         | 2,950,949                                | 9,235,665              | 2.50x             |
| 2029        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 3,186,178                            | -                               | 1,270,300                         | 2,947,906                                | 7,404,384              | 3.12x             |
| 2030        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,839,669                            | -                               | 1,272,175                         | 2,950,677                                | 7,062,520              | 3.27x             |
| 2031        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,829,419                            | -                               | 1,272,700                         | 2,954,473                                | 7,056,591              | 3.27x             |
| 2032        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,840,469                            | -                               | 1,271,875                         | 2,950,017                                | 7,062,360              | 3.27x             |
| 2033        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,841,619                            | -                               | 1,274,700                         | 2,946,947                                | 7,063,266              | 3.27x             |
| 2034        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,863,119                            | -                               | 1,275,950                         | 1,505,150                                | 5,644,219              | 4.09x             |
| 2035        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,866,119                            | -                               | 1,275,625                         | 1,507,150                                | 5,648,894              | 4.09x             |
| 2036        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,868,619                            | -                               | 1,278,725                         | 1,507,150                                | 5,654,494              | 4.08x             |
| 2037        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,865,369                            | -                               | 1,275,025                         | 1,508,150                                | 5,648,544              | 4.09x             |
| 2038        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,858,919                            | -                               | 1,279,750                         | 1,507,950                                | 5,646,619              | 4.09x             |
| 2039        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 2,855,119                            | -                               | 1,277,450                         | 1,506,550                                | 5,639,119              | 4.09x             |
| 2040        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 341,500                              | -                               | 1,278,350                         | 1,508,950                                | 3,128,800              | 7.38x             |
| 2041        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 341,750                              | -                               | 1,282,225                         | -                                        | 1,623,975              | 14.22x            |
| 2042        | 46,871,902                    | 23,782,181                    | 23,089,721                  | 341,250                              | -                               | 1,283,850                         | -                                        | 1,625,100              | 14.21x            |
| 2043        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | 1,283,225                         | -                                        | 1,283,225              | 17.99x            |
| 2044        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | 1,285,350                         | -                                        | 1,285,350              | 17.96x            |
| 2045        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | -                                 | -                                        | -                      | n/a               |
| 2046        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | -                                 | -                                        | -                      | n/a               |
| 2047        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | -                                 | -                                        | -                      | n/a               |
| 2048        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | -                                 | -                                        | -                      | n/a               |
| 2049        | 46,871,902                    | 23,782,181                    | 23,089,721                  | -                                    | -                               | -                                 | -                                        | -                      | n/a               |
| Totals      |                               |                               |                             | \$ 48,616,029                        | \$ 13,989,729                   | \$ 25,613,508                     | \$ 48,399,690                            | \$ 136,618,955         |                   |

**Assumptions:**

- (1) Total Operating Revenue and Total Operating Expense amounts represent Fiscal Year 2023 data provided by the City on March 25, 2024. The Total Operating Expense amount excludes depreciation and contract debt payments related to the City's share of Bell County WC&ID No. 1 debt.
- (2) Preliminary Bell County WC&ID No. 1 Series 2024 debt service amounts are for purposes of illustration only. Preliminary, subject to change.
- (3) All Bell Co. WC&ID No. 1 contract debt service payments are shown on a 9/30 basis to match the City's fiscal year.

Preliminary

## Bell County Water Control & Improvement District No. 1

Water System Revenue Bonds, Series 2024

Killeen Portion

*9/30 Basis (Killeen Fiscal Year)*

### Debt Service Schedule

Part 1 of 2

| Date       | Principal  | Coupon | Interest   | Total P+I    | Fiscal Total |
|------------|------------|--------|------------|--------------|--------------|
| 05/23/2024 | -          | -      | -          | -            | -            |
| 01/10/2025 | -          | -      | 470,457.50 | 470,457.50   | -            |
| 07/10/2025 | 525,000.00 | 4.500% | 373,050.00 | 898,050.00   | -            |
| 09/30/2025 | -          | -      | -          | -            | 1,368,507.50 |
| 01/10/2026 | -          | -      | 361,237.50 | 361,237.50   | -            |
| 07/10/2026 | 545,000.00 | 4.500% | 361,237.50 | 906,237.50   | -            |
| 09/30/2026 | -          | -      | -          | -            | 1,267,475.00 |
| 01/10/2027 | -          | -      | 348,975.00 | 348,975.00   | -            |
| 07/10/2027 | 570,000.00 | 4.500% | 348,975.00 | 918,975.00   | -            |
| 09/30/2027 | -          | -      | -          | -            | 1,267,950.00 |
| 01/10/2028 | -          | -      | 336,150.00 | 336,150.00   | -            |
| 07/10/2028 | 600,000.00 | 4.500% | 336,150.00 | 936,150.00   | -            |
| 09/30/2028 | -          | -      | -          | -            | 1,272,300.00 |
| 01/10/2029 | -          | -      | 322,650.00 | 322,650.00   | -            |
| 07/10/2029 | 625,000.00 | 4.500% | 322,650.00 | 947,650.00   | -            |
| 09/30/2029 | -          | -      | -          | -            | 1,270,300.00 |
| 01/10/2030 | -          | -      | 308,587.50 | 308,587.50   | -            |
| 07/10/2030 | 655,000.00 | 4.500% | 308,587.50 | 963,587.50   | -            |
| 09/30/2030 | -          | -      | -          | -            | 1,272,175.00 |
| 01/10/2031 | -          | -      | 293,850.00 | 293,850.00   | -            |
| 07/10/2031 | 685,000.00 | 4.500% | 293,850.00 | 978,850.00   | -            |
| 09/30/2031 | -          | -      | -          | -            | 1,272,700.00 |
| 01/10/2032 | -          | -      | 278,437.50 | 278,437.50   | -            |
| 07/10/2032 | 715,000.00 | 4.500% | 278,437.50 | 993,437.50   | -            |
| 09/30/2032 | -          | -      | -          | -            | 1,271,875.00 |
| 01/10/2033 | -          | -      | 262,350.00 | 262,350.00   | -            |
| 07/10/2033 | 750,000.00 | 4.500% | 262,350.00 | 1,012,350.00 | -            |
| 09/30/2033 | -          | -      | -          | -            | 1,274,700.00 |
| 01/10/2034 | -          | -      | 245,475.00 | 245,475.00   | -            |
| 07/10/2034 | 785,000.00 | 4.500% | 245,475.00 | 1,030,475.00 | -            |
| 09/30/2034 | -          | -      | -          | -            | 1,275,950.00 |
| 01/10/2035 | -          | -      | 227,812.50 | 227,812.50   | -            |
| 07/10/2035 | 820,000.00 | 4.500% | 227,812.50 | 1,047,812.50 | -            |
| 09/30/2035 | -          | -      | -          | -            | 1,275,625.00 |
| 01/10/2036 | -          | -      | 209,362.50 | 209,362.50   | -            |
| 07/10/2036 | 860,000.00 | 4.500% | 209,362.50 | 1,069,362.50 | -            |
| 09/30/2036 | -          | -      | -          | -            | 1,278,725.00 |
| 01/10/2037 | -          | -      | 190,012.50 | 190,012.50   | -            |
| 07/10/2037 | 895,000.00 | 4.500% | 190,012.50 | 1,085,012.50 | -            |
| 09/30/2037 | -          | -      | -          | -            | 1,275,025.00 |
| 01/10/2038 | -          | -      | 169,875.00 | 169,875.00   | -            |

2024 Wtr Sys Revs (3/8) | Killeen | 3/26/2024 | 3:31 PM

Preliminary

## Bell County Water Control & Improvement District No. 1

Water System Revenue Bonds, Series 2024

Killeen Portion

*9/30 Basis (Killeen Fiscal Year)*

### Debt Service Schedule

Part 2 of 2

| Date         | Principal              | Coupon   | Interest              | Total P+I              | Fiscal Total |
|--------------|------------------------|----------|-----------------------|------------------------|--------------|
| 07/10/2038   | 940,000.00             | 4.500%   | 169,875.00            | 1,109,875.00           | -            |
| 09/30/2038   | -                      | -        | -                     | -                      | 1,279,750.00 |
| 01/10/2039   | -                      | -        | 148,725.00            | 148,725.00             | -            |
| 07/10/2039   | 980,000.00             | 4.500%   | 148,725.00            | 1,128,725.00           | -            |
| 09/30/2039   | -                      | -        | -                     | -                      | 1,277,450.00 |
| 01/10/2040   | -                      | -        | 126,675.00            | 126,675.00             | -            |
| 07/10/2040   | 1,025,000.00           | 4.500%   | 126,675.00            | 1,151,675.00           | -            |
| 09/30/2040   | -                      | -        | -                     | -                      | 1,278,350.00 |
| 01/10/2041   | -                      | -        | 103,612.50            | 103,612.50             | -            |
| 07/10/2041   | 1,075,000.00           | 4.500%   | 103,612.50            | 1,178,612.50           | -            |
| 09/30/2041   | -                      | -        | -                     | -                      | 1,282,225.00 |
| 01/10/2042   | -                      | -        | 79,425.00             | 79,425.00              | -            |
| 07/10/2042   | 1,125,000.00           | 4.500%   | 79,425.00             | 1,204,425.00           | -            |
| 09/30/2042   | -                      | -        | -                     | -                      | 1,283,850.00 |
| 01/10/2043   | -                      | -        | 54,112.50             | 54,112.50              | -            |
| 07/10/2043   | 1,175,000.00           | 4.500%   | 54,112.50             | 1,229,112.50           | -            |
| 09/30/2043   | -                      | -        | -                     | -                      | 1,283,225.00 |
| 01/10/2044   | -                      | -        | 27,675.00             | 27,675.00              | -            |
| 07/10/2044   | 1,230,000.00           | 4.500%   | 27,675.00             | 1,257,675.00           | -            |
| 09/30/2044   | -                      | -        | -                     | -                      | 1,285,350.00 |
| <b>Total</b> | <b>\$16,580,000.00</b> | <b>-</b> | <b>\$9,033,507.50</b> | <b>\$25,613,507.50</b> | <b>-</b>     |

#### Yield Statistics

|                   |              |
|-------------------|--------------|
| Bond Year Dollars | \$200,744.61 |
| Average Life      | 12.108 Years |
| Average Coupon    | 4.5000000%   |
| DV01              | 0.88         |

|                                   |            |
|-----------------------------------|------------|
| Net Interest Cost (NIC)           | 4.5578148% |
| True Interest Cost (TIC)          | 4.5787298% |
| Bond Yield for Arbitrage Purposes | 5.1988076% |
| All Inclusive Cost (AIC)          | 4.8463748% |

#### IRS Form 8038

|                           |              |
|---------------------------|--------------|
| Net Interest Cost         | 4.5000000%   |
| Weighted Average Maturity | 12.108 Years |

2024 Wtr Sys Revs (3/8) | Killeen | 3/26/2024 | 3:31 PM