CITY OF JOSEPHINE, TEXAS

ANALYSIS OF OUTSTANDING DEBT

AS OF:

SEPTEMBER 30, 2022

PREPARED BY:

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CITY OF JOSEPHINE, TEXAS

The City of Josephine TEXAS

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HilltopSecurities
Investment Banking Solutions

City of Josephine, Texas

TAB A: Summary of General Obligation Debt

Summary of General Obligation Debt

HilltopSecurities
Investment Banking Solutions

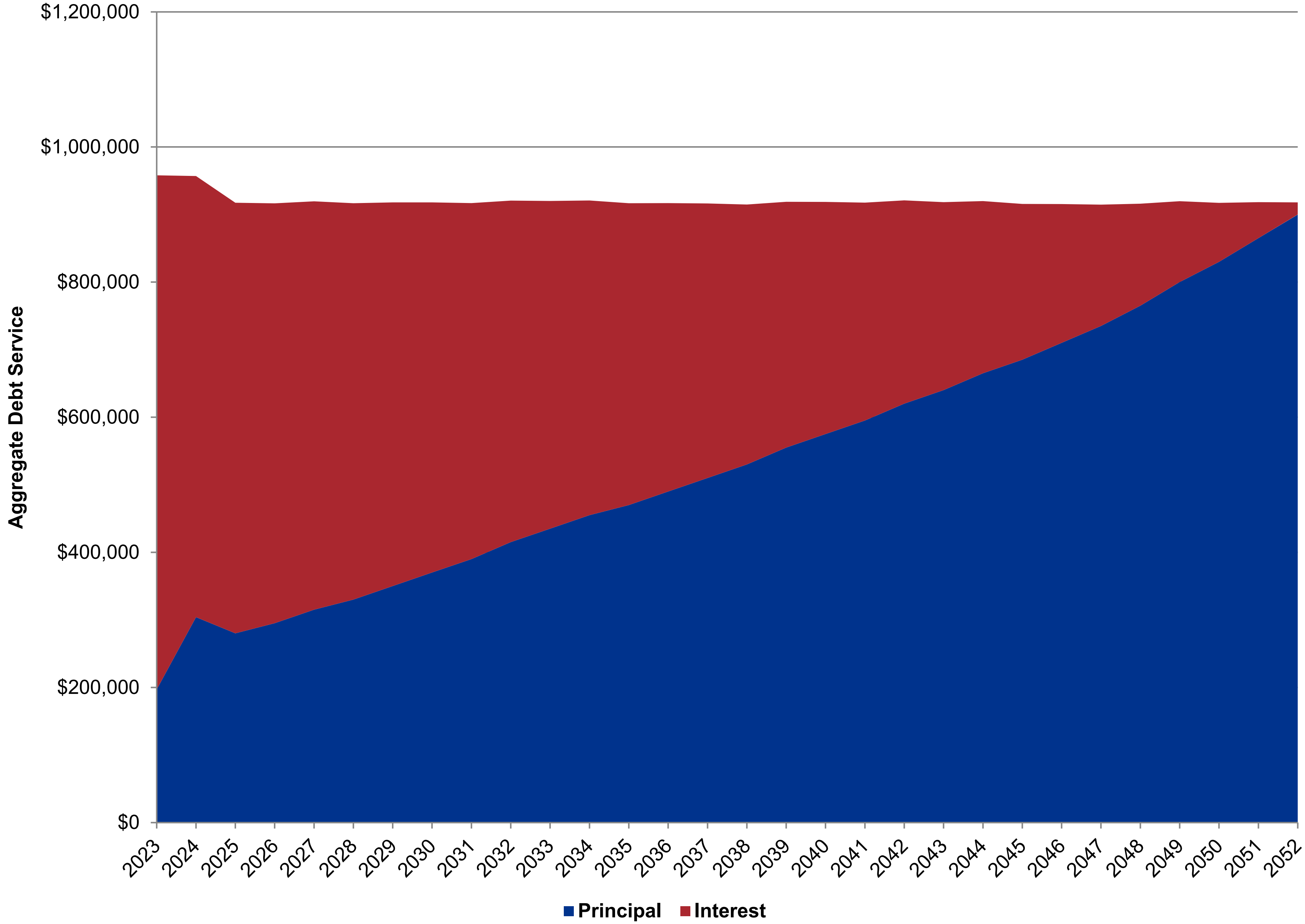
City of Josephine, Texas
All Outstanding General Obligation Debt
As of September 30, 2022
(000's)

Year Ending September 30	$10,845,000 Combination Tax and Revenue Certificates of Obligation Series 2022A		$5,065,000 Combination Tax and Revenue Certificates of Obligation Series 2022		$550,000 Tax Note Series 2017	
	Principal	Coupon	Principal	Coupon	Principal	Coupon
2023	85	6.000%	30	5.000%	82	2.250%
2024	95	6.000%	125	5.000%	84	2.250%
2025	150	6.000%	130	5.000%		
2026	155	6.000%	140	5.000%		
2027	170	6.000%	145	5.000%		
2028	175	6.000%	155	5.000%		
2029	190	6.000%	160	5.000%		
2030	200	6.000%	170	5.000%		
2031	210	6.000%	180	5.000%		
2032	230	6.000%	185	4.000%		
2033	240	5.000%	195	4.000%		
2034	255	5.000%	200	3.000%		
2035	260	5.000%	210	3.000%		
2036	275	5.000%	215	3.000%		
2037	290	5.000%	220	3.000%		
2038	305	5.000%	225	3.000%		
2039	320	4.000%	235	3.000%		
2040	335	4.000%	240	3.000%		
2041	345	4.000%	250	3.000%		
2042	365	4.000%	255	3.000%		
2043	375	4.000%	265	3.000%		
2044	395	4.000%	270	3.000%		
2045	405	4.000%	280	3.000%		
2046	420	4.000%	290	3.000%		
2047	440	4.000%	295	3.000%		
2048	765	4.000%				
2049	800	4.000%				
2050	830	4.000%				
2051	865	4.000%				
2052	900	4.000%				
TOTALS	10,845		5,065		166	
Delivery Date	August 10, 2022		February 15, 2022		October 31, 2017	
Next Call	2/15/2032 @ Par		2/15/2032 @ Par		Currently Callable @ Par	
Coupon Dates	February 15	August 15	February 15	August 15	September 1	March 1
Maturity Dates	February 15		February 15		September 1	
Paying Agent	Wilmington Trust		Wilmington Trust		BB&T Company	
Purpose	New Money		New Money		New Money	

Color Legend

Non-Callable | Callable

City of Josephine, Texas
All Outstanding General Obligation Debt
As of September 30, 2022



BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding General Obligation Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service
09/30/2023	197,000	761,071.81	958,071.81
09/30/2024	304,000	653,015.00	957,015.00
09/30/2025	280,000	637,400.00	917,400.00
09/30/2026	295,000	621,500.00	916,500.00
09/30/2027	315,000	604,625.00	919,625.00
09/30/2028	330,000	586,775.00	916,775.00
09/30/2029	350,000	567,950.00	917,950.00
09/30/2030	370,000	548,000.00	918,000.00
09/30/2031	390,000	526,950.00	916,950.00
09/30/2032	415,000	505,550.00	920,550.00
09/30/2033	435,000	485,050.00	920,050.00
09/30/2034	455,000	465,775.00	920,775.00
09/30/2035	470,000	446,750.00	916,750.00
09/30/2036	490,000	427,000.00	917,000.00
09/30/2037	510,000	406,350.00	916,350.00
09/30/2038	530,000	384,800.00	914,800.00
09/30/2039	555,000	363,875.00	918,875.00
09/30/2040	575,000	343,650.00	918,650.00
09/30/2041	595,000	322,700.00	917,700.00
09/30/2042	620,000	300,925.00	920,925.00
09/30/2043	640,000	278,325.00	918,325.00
09/30/2044	665,000	254,900.00	919,900.00
09/30/2045	685,000	230,650.00	915,650.00
09/30/2046	710,000	205,600.00	915,600.00
09/30/2047	735,000	179,625.00	914,625.00
09/30/2048	765,000	151,100.00	916,100.00
09/30/2049	800,000	119,800.00	919,800.00
09/30/2050	830,000	87,200.00	917,200.00
09/30/2051	865,000	53,300.00	918,300.00
09/30/2052	900,000	18,000.00	918,000.00
	16,076,000	11,538,211.81	27,614,211.81

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding General Obligation Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2023	115,000	428,786.81	543,786.81	
03/01/2023		1,867.50	1,867.50	
08/15/2023		328,550.00	328,550.00	
09/01/2023	82,000	1,867.50	83,867.50	
09/30/2023				958,071.81
02/15/2024	220,000	328,550.00	548,550.00	
03/01/2024		945.00	945.00	
08/15/2024		322,575.00	322,575.00	
09/01/2024	84,000	945.00	84,945.00	
09/30/2024				957,015.00
02/15/2025	280,000	322,575.00	602,575.00	
08/15/2025		314,825.00	314,825.00	
09/30/2025				917,400.00
02/15/2026	295,000	314,825.00	609,825.00	
08/15/2026		306,675.00	306,675.00	
09/30/2026				916,500.00
02/15/2027	315,000	306,675.00	621,675.00	
08/15/2027		297,950.00	297,950.00	
09/30/2027				919,625.00
02/15/2028	330,000	297,950.00	627,950.00	
08/15/2028		288,825.00	288,825.00	
09/30/2028				916,775.00
02/15/2029	350,000	288,825.00	638,825.00	
08/15/2029		279,125.00	279,125.00	
09/30/2029				917,950.00
02/15/2030	370,000	279,125.00	649,125.00	
08/15/2030		268,875.00	268,875.00	
09/30/2030				918,000.00
02/15/2031	390,000	268,875.00	658,875.00	
08/15/2031		258,075.00	258,075.00	
09/30/2031				916,950.00
02/15/2032	415,000	258,075.00	673,075.00	
08/15/2032		247,475.00	247,475.00	
09/30/2032				920,550.00
02/15/2033	435,000	247,475.00	682,475.00	
08/15/2033		237,575.00	237,575.00	
09/30/2033				920,050.00
02/15/2034	455,000	237,575.00	692,575.00	
08/15/2034		228,200.00	228,200.00	
09/30/2034				920,775.00
02/15/2035	470,000	228,200.00	698,200.00	
08/15/2035		218,550.00	218,550.00	
09/30/2035				916,750.00
02/15/2036	490,000	218,550.00	708,550.00	
08/15/2036		208,450.00	208,450.00	
09/30/2036				917,000.00
02/15/2037	510,000	208,450.00	718,450.00	
08/15/2037		197,900.00	197,900.00	
09/30/2037				916,350.00
02/15/2038	530,000	197,900.00	727,900.00	
08/15/2038		186,900.00	186,900.00	
09/30/2038				914,800.00
02/15/2039	555,000	186,900.00	741,900.00	
08/15/2039		176,975.00	176,975.00	

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding General Obligation Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
09/30/2039				918,875.00
02/15/2040	575,000	176,975.00	751,975.00	
08/15/2040		166,675.00	166,675.00	
09/30/2040				918,650.00
02/15/2041	595,000	166,675.00	761,675.00	
08/15/2041		156,025.00	156,025.00	
09/30/2041				917,700.00
02/15/2042	620,000	156,025.00	776,025.00	
08/15/2042		144,900.00	144,900.00	
09/30/2042				920,925.00
02/15/2043	640,000	144,900.00	784,900.00	
08/15/2043		133,425.00	133,425.00	
09/30/2043				918,325.00
02/15/2044	665,000	133,425.00	798,425.00	
08/15/2044		121,475.00	121,475.00	
09/30/2044				919,900.00
02/15/2045	685,000	121,475.00	806,475.00	
08/15/2045		109,175.00	109,175.00	
09/30/2045				915,650.00
02/15/2046	710,000	109,175.00	819,175.00	
08/15/2046		96,425.00	96,425.00	
09/30/2046				915,600.00
02/15/2047	735,000	96,425.00	831,425.00	
08/15/2047		83,200.00	83,200.00	
09/30/2047				914,625.00
02/15/2048	765,000	83,200.00	848,200.00	
08/15/2048		67,900.00	67,900.00	
09/30/2048				916,100.00
02/15/2049	800,000	67,900.00	867,900.00	
08/15/2049		51,900.00	51,900.00	
09/30/2049				919,800.00
02/15/2050	830,000	51,900.00	881,900.00	
08/15/2050		35,300.00	35,300.00	
09/30/2050				917,200.00
02/15/2051	865,000	35,300.00	900,300.00	
08/15/2051		18,000.00	18,000.00	
09/30/2051				918,300.00
02/15/2052	900,000	18,000.00	918,000.00	
09/30/2052				918,000.00
	16,076,000	11,538,211.81	27,614,211.81	27,614,211.81

City of Josephine, Texas

TAB B: Details of I&S Tax Supported Debt

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding I&S Tax Supported Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service
09/30/2023	82,000	139,444.03	221,444.03
09/30/2024	84,000	135,740.00	219,740.00
09/30/2025	50,000	132,350.00	182,350.00
09/30/2026	50,000	129,350.00	179,350.00
09/30/2027	55,000	126,200.00	181,200.00
09/30/2028	60,000	122,750.00	182,750.00
09/30/2029	60,000	119,150.00	179,150.00
09/30/2030	65,000	115,400.00	180,400.00
09/30/2031	70,000	111,350.00	181,350.00
09/30/2032	75,000	107,000.00	182,000.00
09/30/2033	80,000	102,750.00	182,750.00
09/30/2034	85,000	98,625.00	183,625.00
09/30/2035	85,000	94,375.00	179,375.00
09/30/2036	90,000	90,000.00	180,000.00
09/30/2037	95,000	85,375.00	180,375.00
09/30/2038	100,000	80,500.00	180,500.00
09/30/2039	105,000	75,900.00	180,900.00
09/30/2040	110,000	71,600.00	181,600.00
09/30/2041	115,000	67,100.00	182,100.00
09/30/2042	120,000	62,400.00	182,400.00
09/30/2043	125,000	57,500.00	182,500.00
09/30/2044	130,000	52,400.00	182,400.00
09/30/2045	135,000	47,100.00	182,100.00
09/30/2046	140,000	41,600.00	181,600.00
09/30/2047	145,000	35,900.00	180,900.00
09/30/2048	150,000	30,000.00	180,000.00
09/30/2049	160,000	23,800.00	183,800.00
09/30/2050	165,000	17,300.00	182,300.00
09/30/2051	170,000	10,600.00	180,600.00
09/30/2052	180,000	3,600.00	183,600.00
	3,136,000	2,387,159.03	5,523,159.03

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding I&S Tax Supported Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2023		68,784.03	68,784.03	
03/01/2023		1,867.50	1,867.50	
08/15/2023		66,925.00	66,925.00	
09/01/2023	82,000	1,867.50	83,867.50	
09/30/2023				221,444.03
02/15/2024		66,925.00	66,925.00	
03/01/2024		945.00	945.00	
08/15/2024		66,925.00	66,925.00	
09/01/2024	84,000	945.00	84,945.00	
09/30/2024				219,740.00
02/15/2025	50,000	66,925.00	116,925.00	
08/15/2025		65,425.00	65,425.00	
09/30/2025				182,350.00
02/15/2026	50,000	65,425.00	115,425.00	
08/15/2026		63,925.00	63,925.00	
09/30/2026				179,350.00
02/15/2027	55,000	63,925.00	118,925.00	
08/15/2027		62,275.00	62,275.00	
09/30/2027				181,200.00
02/15/2028	60,000	62,275.00	122,275.00	
08/15/2028		60,475.00	60,475.00	
09/30/2028				182,750.00
02/15/2029	60,000	60,475.00	120,475.00	
08/15/2029		58,675.00	58,675.00	
09/30/2029				179,150.00
02/15/2030	65,000	58,675.00	123,675.00	
08/15/2030		56,725.00	56,725.00	
09/30/2030				180,400.00
02/15/2031	70,000	56,725.00	126,725.00	
08/15/2031		54,625.00	54,625.00	
09/30/2031				181,350.00
02/15/2032	75,000	54,625.00	129,625.00	
08/15/2032		52,375.00	52,375.00	
09/30/2032				182,000.00
02/15/2033	80,000	52,375.00	132,375.00	
08/15/2033		50,375.00	50,375.00	
09/30/2033				182,750.00
02/15/2034	85,000	50,375.00	135,375.00	
08/15/2034		48,250.00	48,250.00	
09/30/2034				183,625.00
02/15/2035	85,000	48,250.00	133,250.00	
08/15/2035		46,125.00	46,125.00	
09/30/2035				179,375.00
02/15/2036	90,000	46,125.00	136,125.00	
08/15/2036		43,875.00	43,875.00	
09/30/2036				180,000.00
02/15/2037	95,000	43,875.00	138,875.00	
08/15/2037		41,500.00	41,500.00	
09/30/2037				180,375.00
02/15/2038	100,000	41,500.00	141,500.00	
08/15/2038		39,000.00	39,000.00	
09/30/2038				180,500.00
02/15/2039	105,000	39,000.00	144,000.00	
08/15/2039		36,900.00	36,900.00	

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding I&S Tax Supported Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
09/30/2039				180,900.00
02/15/2040	110,000	36,900.00	146,900.00	
08/15/2040		34,700.00	34,700.00	
09/30/2040				181,600.00
02/15/2041	115,000	34,700.00	149,700.00	
08/15/2041		32,400.00	32,400.00	
09/30/2041				182,100.00
02/15/2042	120,000	32,400.00	152,400.00	
08/15/2042		30,000.00	30,000.00	
09/30/2042				182,400.00
02/15/2043	125,000	30,000.00	155,000.00	
08/15/2043		27,500.00	27,500.00	
09/30/2043				182,500.00
02/15/2044	130,000	27,500.00	157,500.00	
08/15/2044		24,900.00	24,900.00	
09/30/2044				182,400.00
02/15/2045	135,000	24,900.00	159,900.00	
08/15/2045		22,200.00	22,200.00	
09/30/2045				182,100.00
02/15/2046	140,000	22,200.00	162,200.00	
08/15/2046		19,400.00	19,400.00	
09/30/2046				181,600.00
02/15/2047	145,000	19,400.00	164,400.00	
08/15/2047		16,500.00	16,500.00	
09/30/2047				180,900.00
02/15/2048	150,000	16,500.00	166,500.00	
08/15/2048		13,500.00	13,500.00	
09/30/2048				180,000.00
02/15/2049	160,000	13,500.00	173,500.00	
08/15/2049		10,300.00	10,300.00	
09/30/2049				183,800.00
02/15/2050	165,000	10,300.00	175,300.00	
08/15/2050		7,000.00	7,000.00	
09/30/2050				182,300.00
02/15/2051	170,000	7,000.00	177,000.00	
08/15/2051		3,600.00	3,600.00	
09/30/2051				180,600.00
02/15/2052	180,000	3,600.00	183,600.00	
09/30/2052				183,600.00
	3,136,000	2,387,159.03	5,523,159.03	5,523,159.03

BOND DEBT SERVICE

City of Josephine, Texas
Combination Tax and Revenue Certificates of Obligation, Series 2022A
I&S Tax Supported Debt Portion
Callable on 2/15/2032 at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2023		68,784.03	68,784.03	
08/15/2023		66,925.00	66,925.00	
09/30/2023				135,709.03
02/15/2024		66,925.00	66,925.00	
08/15/2024		66,925.00	66,925.00	
09/30/2024				133,850.00
02/15/2025	50,000	66,925.00	116,925.00	
08/15/2025		65,425.00	65,425.00	
09/30/2025				182,350.00
02/15/2026	50,000	65,425.00	115,425.00	
08/15/2026		63,925.00	63,925.00	
09/30/2026				179,350.00
02/15/2027	55,000	63,925.00	118,925.00	
08/15/2027		62,275.00	62,275.00	
09/30/2027				181,200.00
02/15/2028	60,000	62,275.00	122,275.00	
08/15/2028		60,475.00	60,475.00	
09/30/2028				182,750.00
02/15/2029	60,000	60,475.00	120,475.00	
08/15/2029		58,675.00	58,675.00	
09/30/2029				179,150.00
02/15/2030	65,000	58,675.00	123,675.00	
08/15/2030		56,725.00	56,725.00	
09/30/2030				180,400.00
02/15/2031	70,000	56,725.00	126,725.00	
08/15/2031		54,625.00	54,625.00	
09/30/2031				181,350.00
02/15/2032	75,000	54,625.00	129,625.00	
08/15/2032		52,375.00	52,375.00	
09/30/2032				182,000.00
02/15/2033	80,000	52,375.00	132,375.00	
08/15/2033		50,375.00	50,375.00	
09/30/2033				182,750.00
02/15/2034	85,000	50,375.00	135,375.00	
08/15/2034		48,250.00	48,250.00	
09/30/2034				183,625.00
02/15/2035	85,000	48,250.00	133,250.00	
08/15/2035		46,125.00	46,125.00	
09/30/2035				179,375.00
02/15/2036	90,000	46,125.00	136,125.00	
08/15/2036		43,875.00	43,875.00	
09/30/2036				180,000.00
02/15/2037	95,000	43,875.00	138,875.00	
08/15/2037		41,500.00	41,500.00	
09/30/2037				180,375.00
02/15/2038	100,000	41,500.00	141,500.00	
08/15/2038		39,000.00	39,000.00	
09/30/2038				180,500.00
02/15/2039	105,000	39,000.00	144,000.00	
08/15/2039		36,900.00	36,900.00	
09/30/2039				180,900.00
02/15/2040	110,000	36,900.00	146,900.00	
08/15/2040		34,700.00	34,700.00	

BOND DEBT SERVICE

City of Josephine, Texas
Combination Tax and Revenue Certificates of Obligation, Series 2022A
I&S Tax Supported Debt Portion
Callable on 2/15/2032 at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
09/30/2040				181,600.00
02/15/2041	115,000	34,700.00	149,700.00	
08/15/2041		32,400.00	32,400.00	
09/30/2041				182,100.00
02/15/2042	120,000	32,400.00	152,400.00	
08/15/2042		30,000.00	30,000.00	
09/30/2042				182,400.00
02/15/2043	125,000	30,000.00	155,000.00	
08/15/2043		27,500.00	27,500.00	
09/30/2043				182,500.00
02/15/2044	130,000	27,500.00	157,500.00	
08/15/2044		24,900.00	24,900.00	
09/30/2044				182,400.00
02/15/2045	135,000	24,900.00	159,900.00	
08/15/2045		22,200.00	22,200.00	
09/30/2045				182,100.00
02/15/2046	140,000	22,200.00	162,200.00	
08/15/2046		19,400.00	19,400.00	
09/30/2046				181,600.00
02/15/2047	145,000	19,400.00	164,400.00	
08/15/2047		16,500.00	16,500.00	
09/30/2047				180,900.00
02/15/2048	150,000	16,500.00	166,500.00	
08/15/2048		13,500.00	13,500.00	
09/30/2048				180,000.00
02/15/2049	160,000	13,500.00	173,500.00	
08/15/2049		10,300.00	10,300.00	
09/30/2049				183,800.00
02/15/2050	165,000	10,300.00	175,300.00	
08/15/2050		7,000.00	7,000.00	
09/30/2050				182,300.00
02/15/2051	170,000	7,000.00	177,000.00	
08/15/2051		3,600.00	3,600.00	
09/30/2051				180,600.00
02/15/2052	180,000	3,600.00	183,600.00	
09/30/2052				183,600.00
	2,970,000	2,381,534.03	5,351,534.03	5,351,534.03

BOND DEBT SERVICE

City of Josephine, Texas
Tax Note, Series 2017
I&S Tax Supported Debt Portion
Currently Callable at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
03/01/2023		1,867.50	1,867.50	
09/01/2023	82,000	1,867.50	83,867.50	
09/30/2023				85,735
03/01/2024		945.00	945.00	
09/01/2024	84,000	945.00	84,945.00	
09/30/2024				85,890
	166,000	5,625.00	171,625.00	171,625

City of Josephine, Texas

TAB C: Details of Water & Sewer Supported Debt

HilltopSecurities
Investment Banking Solutions

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding Water & Sewer Supported Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service
09/30/2023	115,000	621,627.78	736,627.78
09/30/2024	220,000	517,275.00	737,275.00
09/30/2025	230,000	505,050.00	735,050.00
09/30/2026	245,000	492,150.00	737,150.00
09/30/2027	260,000	478,425.00	738,425.00
09/30/2028	270,000	464,025.00	734,025.00
09/30/2029	290,000	448,800.00	738,800.00
09/30/2030	305,000	432,600.00	737,600.00
09/30/2031	320,000	415,600.00	735,600.00
09/30/2032	340,000	398,550.00	738,550.00
09/30/2033	355,000	382,300.00	737,300.00
09/30/2034	370,000	367,150.00	737,150.00
09/30/2035	385,000	352,375.00	737,375.00
09/30/2036	400,000	337,000.00	737,000.00
09/30/2037	415,000	320,975.00	735,975.00
09/30/2038	430,000	304,300.00	734,300.00
09/30/2039	450,000	287,975.00	737,975.00
09/30/2040	465,000	272,050.00	737,050.00
09/30/2041	480,000	255,600.00	735,600.00
09/30/2042	500,000	238,525.00	738,525.00
09/30/2043	515,000	220,825.00	735,825.00
09/30/2044	535,000	202,500.00	737,500.00
09/30/2045	550,000	183,550.00	733,550.00
09/30/2046	570,000	164,000.00	734,000.00
09/30/2047	590,000	143,725.00	733,725.00
09/30/2048	615,000	121,100.00	736,100.00
09/30/2049	640,000	96,000.00	736,000.00
09/30/2050	665,000	69,900.00	734,900.00
09/30/2051	695,000	42,700.00	737,700.00
09/30/2052	720,000	14,400.00	734,400.00
	12,940,000	9,151,052.78	22,091,052.78

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding Water & Sewer Supported Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2023	115,000	360,002.78	475,002.78	
08/15/2023		261,625.00	261,625.00	
09/30/2023				736,627.78
02/15/2024	220,000	261,625.00	481,625.00	
08/15/2024		255,650.00	255,650.00	
09/30/2024				737,275.00
02/15/2025	230,000	255,650.00	485,650.00	
08/15/2025		249,400.00	249,400.00	
09/30/2025				735,050.00
02/15/2026	245,000	249,400.00	494,400.00	
08/15/2026		242,750.00	242,750.00	
09/30/2026				737,150.00
02/15/2027	260,000	242,750.00	502,750.00	
08/15/2027		235,675.00	235,675.00	
09/30/2027				738,425.00
02/15/2028	270,000	235,675.00	505,675.00	
08/15/2028		228,350.00	228,350.00	
09/30/2028				734,025.00
02/15/2029	290,000	228,350.00	518,350.00	
08/15/2029		220,450.00	220,450.00	
09/30/2029				738,800.00
02/15/2030	305,000	220,450.00	525,450.00	
08/15/2030		212,150.00	212,150.00	
09/30/2030				737,600.00
02/15/2031	320,000	212,150.00	532,150.00	
08/15/2031		203,450.00	203,450.00	
09/30/2031				735,600.00
02/15/2032	340,000	203,450.00	543,450.00	
08/15/2032		195,100.00	195,100.00	
09/30/2032				738,550.00
02/15/2033	355,000	195,100.00	550,100.00	
08/15/2033		187,200.00	187,200.00	
09/30/2033				737,300.00
02/15/2034	370,000	187,200.00	557,200.00	
08/15/2034		179,950.00	179,950.00	
09/30/2034				737,150.00
02/15/2035	385,000	179,950.00	564,950.00	
08/15/2035		172,425.00	172,425.00	
09/30/2035				737,375.00
02/15/2036	400,000	172,425.00	572,425.00	
08/15/2036		164,575.00	164,575.00	
09/30/2036				737,000.00
02/15/2037	415,000	164,575.00	579,575.00	
08/15/2037		156,400.00	156,400.00	
09/30/2037				735,975.00
02/15/2038	430,000	156,400.00	586,400.00	
08/15/2038		147,900.00	147,900.00	
09/30/2038				734,300.00
02/15/2039	450,000	147,900.00	597,900.00	
08/15/2039		140,075.00	140,075.00	
09/30/2039				737,975.00
02/15/2040	465,000	140,075.00	605,075.00	
08/15/2040		131,975.00	131,975.00	
09/30/2040				737,050.00

BOND DEBT SERVICE

City of Josephine, Texas
All Outstanding Water & Sewer Supported Debt
As of September 30, 2022

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2041	480,000	131,975.00	611,975.00	
08/15/2041		123,625.00	123,625.00	
09/30/2041				735,600.00
02/15/2042	500,000	123,625.00	623,625.00	
08/15/2042		114,900.00	114,900.00	
09/30/2042				738,525.00
02/15/2043	515,000	114,900.00	629,900.00	
08/15/2043		105,925.00	105,925.00	
09/30/2043				735,825.00
02/15/2044	535,000	105,925.00	640,925.00	
08/15/2044		96,575.00	96,575.00	
09/30/2044				737,500.00
02/15/2045	550,000	96,575.00	646,575.00	
08/15/2045		86,975.00	86,975.00	
09/30/2045				733,550.00
02/15/2046	570,000	86,975.00	656,975.00	
08/15/2046		77,025.00	77,025.00	
09/30/2046				734,000.00
02/15/2047	590,000	77,025.00	667,025.00	
08/15/2047		66,700.00	66,700.00	
09/30/2047				733,725.00
02/15/2048	615,000	66,700.00	681,700.00	
08/15/2048		54,400.00	54,400.00	
09/30/2048				736,100.00
02/15/2049	640,000	54,400.00	694,400.00	
08/15/2049		41,600.00	41,600.00	
09/30/2049				736,000.00
02/15/2050	665,000	41,600.00	706,600.00	
08/15/2050		28,300.00	28,300.00	
09/30/2050				734,900.00
02/15/2051	695,000	28,300.00	723,300.00	
08/15/2051		14,400.00	14,400.00	
09/30/2051				737,700.00
02/15/2052	720,000	14,400.00	734,400.00	
09/30/2052				734,400.00
	12,940,000	9,151,052.78	22,091,052.78	22,091,052.78

BOND DEBT SERVICE

City of Josephine, Texas
Combination Tax and Revenue Certificates of Obligation, Series 2022A
Water & Sewer Supported Debt Portion
Callable on 2/15/2032 at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2023	85,000	179,552.78	264,552.78	
08/15/2023		172,150.00	172,150.00	
09/30/2023				436,702.78
02/15/2024	95,000	172,150.00	267,150.00	
08/15/2024		169,300.00	169,300.00	
09/30/2024				436,450.00
02/15/2025	100,000	169,300.00	269,300.00	
08/15/2025		166,300.00	166,300.00	
09/30/2025				435,600.00
02/15/2026	105,000	166,300.00	271,300.00	
08/15/2026		163,150.00	163,150.00	
09/30/2026				434,450.00
02/15/2027	115,000	163,150.00	278,150.00	
08/15/2027		159,700.00	159,700.00	
09/30/2027				437,850.00
02/15/2028	115,000	159,700.00	274,700.00	
08/15/2028		156,250.00	156,250.00	
09/30/2028				430,950.00
02/15/2029	130,000	156,250.00	286,250.00	
08/15/2029		152,350.00	152,350.00	
09/30/2029				438,600.00
02/15/2030	135,000	152,350.00	287,350.00	
08/15/2030		148,300.00	148,300.00	
09/30/2030				435,650.00
02/15/2031	140,000	148,300.00	288,300.00	
08/15/2031		144,100.00	144,100.00	
09/30/2031				432,400.00
02/15/2032	155,000	144,100.00	299,100.00	
08/15/2032		139,450.00	139,450.00	
09/30/2032				438,550.00
02/15/2033	160,000	139,450.00	299,450.00	
08/15/2033		135,450.00	135,450.00	
09/30/2033				434,900.00
02/15/2034	170,000	135,450.00	305,450.00	
08/15/2034		131,200.00	131,200.00	
09/30/2034				436,650.00
02/15/2035	175,000	131,200.00	306,200.00	
08/15/2035		126,825.00	126,825.00	
09/30/2035				433,025.00
02/15/2036	185,000	126,825.00	311,825.00	
08/15/2036		122,200.00	122,200.00	
09/30/2036				434,025.00
02/15/2037	195,000	122,200.00	317,200.00	
08/15/2037		117,325.00	117,325.00	
09/30/2037				434,525.00
02/15/2038	205,000	117,325.00	322,325.00	
08/15/2038		112,200.00	112,200.00	
09/30/2038				434,525.00
02/15/2039	215,000	112,200.00	327,200.00	
08/15/2039		107,900.00	107,900.00	
09/30/2039				435,100.00
02/15/2040	225,000	107,900.00	332,900.00	
08/15/2040		103,400.00	103,400.00	

BOND DEBT SERVICE

City of Josephine, Texas
Combination Tax and Revenue Certificates of Obligation, Series 2022A
Water & Sewer Supported Debt Portion
Callable on 2/15/2032 at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
09/30/2040				436,300.00
02/15/2041	230,000	103,400.00	333,400.00	
08/15/2041		98,800.00	98,800.00	
09/30/2041				432,200.00
02/15/2042	245,000	98,800.00	343,800.00	
08/15/2042		93,900.00	93,900.00	
09/30/2042				437,700.00
02/15/2043	250,000	93,900.00	343,900.00	
08/15/2043		88,900.00	88,900.00	
09/30/2043				432,800.00
02/15/2044	265,000	88,900.00	353,900.00	
08/15/2044		83,600.00	83,600.00	
09/30/2044				437,500.00
02/15/2045	270,000	83,600.00	353,600.00	
08/15/2045		78,200.00	78,200.00	
09/30/2045				431,800.00
02/15/2046	280,000	78,200.00	358,200.00	
08/15/2046		72,600.00	72,600.00	
09/30/2046				430,800.00
02/15/2047	295,000	72,600.00	367,600.00	
08/15/2047		66,700.00	66,700.00	
09/30/2047				434,300.00
02/15/2048	615,000	66,700.00	681,700.00	
08/15/2048		54,400.00	54,400.00	
09/30/2048				736,100.00
02/15/2049	640,000	54,400.00	694,400.00	
08/15/2049		41,600.00	41,600.00	
09/30/2049				736,000.00
02/15/2050	665,000	41,600.00	706,600.00	
08/15/2050		28,300.00	28,300.00	
09/30/2050				734,900.00
02/15/2051	695,000	28,300.00	723,300.00	
08/15/2051		14,400.00	14,400.00	
09/30/2051				737,700.00
02/15/2052	720,000	14,400.00	734,400.00	
09/30/2052				734,400.00
	7,875,000	6,677,452.78	14,552,452.78	14,552,452.78

BOND DEBT SERVICE

City of Josephine, Texas
Combination Tax and Revenue Certificates of Obligation, Series 2022
Water & Sewer Supported Debt Portion
Callable on 2/15/2032 at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2023	30,000	180,450	210,450	
08/15/2023		89,475	89,475	
09/30/2023				299,925
02/15/2024	125,000	89,475	214,475	
08/15/2024		86,350	86,350	
09/30/2024				300,825
02/15/2025	130,000	86,350	216,350	
08/15/2025		83,100	83,100	
09/30/2025				299,450
02/15/2026	140,000	83,100	223,100	
08/15/2026		79,600	79,600	
09/30/2026				302,700
02/15/2027	145,000	79,600	224,600	
08/15/2027		75,975	75,975	
09/30/2027				300,575
02/15/2028	155,000	75,975	230,975	
08/15/2028		72,100	72,100	
09/30/2028				303,075
02/15/2029	160,000	72,100	232,100	
08/15/2029		68,100	68,100	
09/30/2029				300,200
02/15/2030	170,000	68,100	238,100	
08/15/2030		63,850	63,850	
09/30/2030				301,950
02/15/2031	180,000	63,850	243,850	
08/15/2031		59,350	59,350	
09/30/2031				303,200
02/15/2032	185,000	59,350	244,350	
08/15/2032		55,650	55,650	
09/30/2032				300,000
02/15/2033	195,000	55,650	250,650	
08/15/2033		51,750	51,750	
09/30/2033				302,400
02/15/2034	200,000	51,750	251,750	
08/15/2034		48,750	48,750	
09/30/2034				300,500
02/15/2035	210,000	48,750	258,750	
08/15/2035		45,600	45,600	
09/30/2035				304,350
02/15/2036	215,000	45,600	260,600	
08/15/2036		42,375	42,375	
09/30/2036				302,975
02/15/2037	220,000	42,375	262,375	
08/15/2037		39,075	39,075	
09/30/2037				301,450
02/15/2038	225,000	39,075	264,075	
08/15/2038		35,700	35,700	
09/30/2038				299,775
02/15/2039	235,000	35,700	270,700	
08/15/2039		32,175	32,175	
09/30/2039				302,875
02/15/2040	240,000	32,175	272,175	

BOND DEBT SERVICE

City of Josephine, Texas
Combination Tax and Revenue Certificates of Obligation, Series 2022
Water & Sewer Supported Debt Portion
Callable on 2/15/2032 at Par

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
08/15/2040		28,575	28,575	
09/30/2040				300,750
02/15/2041	250,000	28,575	278,575	
08/15/2041		24,825	24,825	
09/30/2041				303,400
02/15/2042	255,000	24,825	279,825	
08/15/2042		21,000	21,000	
09/30/2042				300,825
02/15/2043	265,000	21,000	286,000	
08/15/2043		17,025	17,025	
09/30/2043				303,025
02/15/2044	270,000	17,025	287,025	
08/15/2044		12,975	12,975	
09/30/2044				300,000
02/15/2045	280,000	12,975	292,975	
08/15/2045		8,775	8,775	
09/30/2045				301,750
02/15/2046	290,000	8,775	298,775	
08/15/2046		4,425	4,425	
09/30/2046				303,200
02/15/2047	295,000	4,425	299,425	
09/30/2047				299,425
	5,065,000	2,473,600	7,538,600	7,538,600

City of Josephine, Texas

TAB D: Miscellaneous

Miscellaneous

City of Josephine, Texas

TAB D1: Rating Report

Rating Report

Hilltop Securities
Investment Banking Solutions

S&P Global Ratings

RatingsDirect®

Summary:

Josephine, Texas; General Obligation

Primary Credit Analyst:
Misty L Newland, Seattle + 1 (415) 371 5073; misty.newland@spglobal.com

Secondary Contact:
Stephen Doyle, New York + 1 (214) 765 5886; stephen.doyle@spglobal.com

Table Of Contents

Rating Action

Stable Outlook

Credit Opinion

Related Research

Summary:

Josephine, Texas; General Obligation

Credit Profile		
US$11.17 mil combination tax and rev certs of oblig ser 2022A dtd 07/01/2022 due 02/15/2052		
Long Term Rating	A+/Stable	New
City of Josephine GO (AGM)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.

Rating Action

S&P Global Ratings assigned its 'A+' long-term rating to the City of Josephine, Texas' anticipated $11.2 million series 2022A combination tax and revenue certificates of obligation (COs). At the same time, S&P Global Ratings affirmed its 'A+' underlying rating (SPUR) on the city's existing COs. The outlook is stable.

The certificates are payable from the proceeds of a continuing, direct annual ad valorem tax, within the limits prescribed by law, on all taxable property within the city's borders. The certificates are additionally secured by a pledge of the surplus net revenues of the city's waterworks and sewer system. We rate to the strength of the general obligation (GO) pledge on these certificates due to the lack of legal covenants in place to assess the strength of the utility pledge.

The maximum allowable ad valorem tax rate in Texas is $2.50 per $100 of assessed value (AV) for all purposes, with the portion dedicated to debt service limited to $1.50. The city's total tax rate is well below the maximum, at 51.67 cents, 5.4 cents of which is dedicated to debt service. We view the limited-tax GO debt pledge on par with the city's general creditworthiness because the ad valorem taxes are not levied on a narrower or distinctly different tax base, and there are no limitations on the fungibility of resources available for the payment of debt service.

Proceeds from the certificates will be used for a new public safety building and wastewater treatment plant to accommodate growth.

Credit overview

The city of Josephine is located less than an hour northeast of downtown Dallas. The city has begun to experience rapid population growth and residential development, given its location and room for residential and commercial development. With the arrival of new housing developments and some new retail, the city's operating revenues have grown considerably, allowing for improved reserve levels. No additional debt is planned at this time; however, we expect additional debt financing will be needed to support the city's rapid growth.

The rating further reflects our view of Josephine's:

- Strong, growing local economy that is expected to see rapid residential growth in the coming years, given its proximity to the Dallas-Fort Worth metropolitan statistical area;

- Adequate management, with standard financial policies and practices under our Financial Management Assessment methodology and a strong institutional framework;
- Adequate budgetary performance and very strong budgetary flexibility; and
- Very weak debt and contingent liability profile, although pension costs are manageable.

Environmental, social, and governance

The rating incorporates our view of the city's environmental, social, and governance (ESG) risks relative to the city's economy, management, financial measures, and debt and liability profile, which we view as neutral to our credit analysis. We note that recent population increases provide opportunity for economic growth, but also create the need for additional infrastructure and, potentially, additional debt.

Stable Outlook

Upside scenario

Assuming all other rating factors remain stable or improve, we could raise the rating if economic metrics continue to improve, debt metrics do not materially weaken, and we think the city will sustain reserves above a level we consider nominally low ($500,000).

Downside scenario

We could lower the rating if budgetary performance weakens, leading to a decline in general fund reserves and liquidity.

Credit Opinion

Growing tax base with access to Dallas

Josephine is located 40 miles northeast of downtown Dallas. The city's relatively small tax base is experiencing sizable annual growth due to ongoing residential development, given this location. With three of the top 10 taxpayers being home-building companies, additional residential development is expected to continue as long as population growth and housing demand is sustained.

Over the past three years, AV growth has averaged approximately 17%, and officials expect a similar, if not higher, growth rate over the next few years. Currently, residential property represents over 86% of total AV, while commercial property is less than 2%. The city reported issuing 454 residential building permits this year. Officials indicate that commercial development is likely to follow in the path of the ongoing residential development. Recently, a gas station and small retail outlet were completed, which should begin a trend of increased sales tax collections.

Standard management practices with an informal reserve target and enhanced practices being developed

The city's management practices include the following:

- Revenues and expenditures are developed using historical information alongside projections for tax base growth.
- City officials provide semiannual budget-to-actual reports to council and amendments are made as needed;

however, in the future, the city council will receive monthly budget-to-actual reports.

- The city currently has no investments. However, it plans to begin investing and will provide quarterly reports on investment holdings and earnings to the city council and has a formal investment policy.
- The city has an informal reserve target of 50% of operating expenditures. The city adopted this informal reserve target so that reserves could fund unforeseen expenditures or one-time capital expenditures, if necessary, and for a liquidity cushion.
- The city does not have a formal long-term financial plan, a formal capital improvement plan, or a formalized debt management policy. However, the city is in the process of developing a capital plan.

The city manages cyber security risk via tools and processes required by its insurance provider and with regular employee training.

Increasing operating revenues and projected reserve growth

The city's small budget has led to historical operating performance volatility; however, revenue growth has resulted in recent large operating surpluses. With the onset of sizable residential development over the past year or two, the city's budget and general fund reserves are both expected to increase quite rapidly in the coming years. As of fiscal 2020, property tax revenues represent 28% of general fund revenue, excluding capital grants and contributions. Sales tax (6%), garbage fees (17%), and permits (13%) represent the other major general fund revenue.

For fiscal 2021, reserves are expected to increase by approximately $1.3 million, due to continued growth in operating revenues, bringing unassigned general fund balance to $1.7 million. However, we have adjusted the available fund balance downward by $950,000, which the city plans to use for the new public safety building.

For fiscal year-end Sept. 30, 2022, another surplus is expected. As of actuals through June 30, the city expects an increase to the fund balance of roughly $850,000, which is a result of conservative revenue projections for building permits and public safety revenues, among other things. The city is discussing using additional fund balance for operating software upgrades.

A private placement purchased by BB&T Governmental Finance was issued in 2017; it has $246,000 outstanding and is a general obligation of the city. The agreement is structured similarly to a public market bond, and there are no events of default or remedies such as acceleration that would pressure the city's liquidity position.

Very weak debt burden, though currently no additional debt plans

The city will have about $16.5 million of direct debt outstanding after the issuance of the series 2022A COs. We understand that the city currently has no additional debt plans.

Retiree benefits are manageable

Josephine's combined required pension contributions represent a manageable portion of total governmental fund expenditures.

The only other postemployment benefit offered is the supplemental death benefit, which is the annual salary for current employees and is fixed at $7,500 for retirees.

As of Dec. 31, 2020 (latest measurement date), the city participates in the Texas Municipal Retirement System pension plan, which is 99.7% funded. Contributions are actuarially determined, and the city has historically fully funded its annual required costs. Contributions exceeded our minimum funding progress (MFP) metric, which assesses whether the most recent employer and employee contributions cover total service cost, plus unfunded interest cost, plus one-30th of the principal. When MFP is achieved, it indicates that an issuer has a strong funding discipline that aims to ensure timely progress on reducing its plans' liabilities. Given that this is an agent plan, assets are jointly managed. The plan uses certain assumptions that could increase contribution volatility, including a 6.75% discount rate, though there are offsetting factors. For more information, see "Pension Spotlight: Texas," published Feb. 25, 2020, on RatingsDirect.

Strong institutional framework

The institutional framework score for Texas municipalities is strong.

Josephine, Texas--Key Credit Metrics

	Most recent	Historical information		
		2021	2020	2019
Strong economy				
Projected per capita EBI % of U.S.	95			
Market value per capita ($)	88,599			
Population			1,814	1,724
County unemployment rate(%)		4.4		
Market value ($000)	160,718	135,721	124,115	
Ten largest taxpayers % of taxable value	7.5			
Adequate budgetary performance				
Operating fund result % of expenditures		51.5	19.7	(9.8)
Total governmental fund result % of expenditures		58.3	24.5	(8.7)
Very strong budgetary flexibility				
Available reserves % of operating expenditures		29.0	24.9	6.3
Total available reserves ($000)		764	437	109
Very strong liquidity				
Total government cash % of governmental fund expenditures		233	199	112
Total government cash % of governmental fund debt service		4434	1579	815
Adequate management				
Financial Management Assessment	Standard			
Very weak debt & long-term liabilities				
Debt service % of governmental fund expenditures		5.3	12.6	13.8
Net direct debt % of governmental fund revenue	374			
Overall net debt % of market value	19.1			
Direct debt 10-year amortization (%)	20			
Required pension contribution % of governmental fund expenditures		2.7		
OPEB actual contribution % of governmental fund expenditures		0.0		
Strong institutional framework				

EBI--Effective buying income. OPEB--Other postemployment benefits. Data points and ratios may reflect analytical adjustments.

Related Research

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022
- 2021 Update Of Institutional Framework For U.S. Local Governments

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

City of Josephine, Texas

TAB D2: Texas Municipal Report

Texas Municipal Report

Hilltop Securities
Investment Banking Solutions

FINANCIAL STATEMENT

FINANCIAL STATEMENT (As of December 01, 2021)

Net Taxable Assessed Valuation ("A.V."), 2021	$160,718,230
New Debt	$5,065,000
Outstanding Debt	246,000
Total General Obligation Debt	$5,311,000
Less: Self-Supporting (a)	
Water & Sewer	5,065,000
GO Debt payable from Ad Valorem Taxes	$246,000
Less: I&S Fund	441,180
Net Debt	$0

(a) The January 10, 2022 Official Statement reports the following General Obligation Debt being paid from revenues other than ad valorem taxes; thus considered self-supporting.

Net Debt Per Net Taxable Assessed Valuation - 0.00%
Net Debt Per Sq mile - $0.00
Net Debt Per Capita - $0.00

Net Taxable Assessed Valuation Per Capita - $95,155.85

Bureau of Census Pop: 2000 - 594
Bureau of Census Pop: 2010 - 812
2022 Estimated Population - 1,689
Area: 1.63 Sq mile

PAYMENT RECORD

Never defaulted.

TAX DATA

Tax Year	A.V.	Tax Rate	Adjusted Levy	% Collections Total	Year Ended
2015	$51,517,105	$0.6000	$302,263	97.50	09/30/2016
2016	63,577,112	0.6000	355,947	99.16	09/30/2017
2017	91,095,631	0.5400	479,154	99.82	09/30/2018
2018	106,125,444	0.5800	604,666	98.69	09/30/2019
2019	123,624,553	0.5750	666,245	98.71	09/30/2020
2020	136,133,189	0.5591	761,080	100.99	09/30/2021*
2021	160,718,230	0.5167	830,431	(In process of collection)	

* Unaudited.

Tax Rate Distribution	2021	2020	2019	2018
Maintenance and Operations	$0.4624	$0.4948	$0.4873	$0.4913
Interest and Sinking	0.0543	0.0643	0.0877	0.0887
Totals	0.5167	0.5591	0.5750	0.5800

TAX RATE LIMITATION

Tax Rate Limitation: Article XI, Section 4 of Texas Constitution, applicable to cities of 5,000 or less: $1.50 per $100 assessed valuation for all city purposes.

SALES TAX

Municipal Sales Tax: The City has adopted the provisions of Municipal Sales and Use Tax Act V.T.C.A, Tax Code, Chapter 321, which grants the City power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the bonds in this report. Voters approved an additional sales and use tax of 1/2 of 1% for the Josephine Community Development Corporation (Type B), effective April of 2014. Net allocations on calendar year basis are as follows:

Calendar Year	Rate	Total Collected	% of Ad Val Tax Levy	Equiv of Ad Val Tax Rate
2018	1.500%	$100,272	16.58%	$0.10
2019	1.500	120,450	18.07	0.10
2020	1.500	206,397	27.11	0.15
2021	1.500	224,668	27.05	0.14

DETAILS OF OUTSTANDING DEBT

Details of Limited Tax Debt (Outstanding 12/1/2021)

Tax Notes Ser 2017

Tax Treatment:	Bank Qualified
Original Issue Amount	$550,000.00
Dated Date:	10/15/2017
Sale Date:	10/10/2017
Delivery Date:	10/31/2017
Sale Type:	Private Placement
TIC:	2.2384%
Record Date:	MSRB
Bond Form:	FR
Denomination	$550,000
Interest pays	Semi-Annually: 03/01, 09/01
1st Coupon Date:	09/01/2018

Paying Agent: Truist, Charlotte, NC
Bond Counsel: McCall, Parkhurst & Horton L.L.P., Dallas, TX
Financial Advisor: Lawrence Financial Consulting LLC, Austin, TX
Purchaser: BB&T Governmental Finance

Use of Proceeds: City Hall.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
09/01/2022	80,000.00	2.2500%	N/A
09/01/2023	82,000.00	2.2500%	N/A
09/01/2024	84,000.00	2.2500%	N/A
	$246,000.00		

Call Option: Bonds maturing on 09/01/2021 to 09/01/2024 callable in whole on any date beginning 03/01/2021 @ par.

Comb Tax & Rev C/O Ser 2022

Tax Treatment:	Tax Exempt
Original Issue Amount	$5,065,000.00
Dated Date:	01/15/2022
Sale Date:	01/10/2022
Delivery Date:	02/15/2022
Sale Type:	Competitive
TIC:	2.3987%
Record Date:	MSRB
Bond Form:	BE
Denomination	$5,000
Interest pays	Semi-Annually: 08/15, 02/15
1st Coupon Date:	02/15/2023

Paying Agent: Wilmington Trust Company, Dallas, TX
Bond Counsel: McCall, Parkhurst & Horton L.L.P., Dallas, TX
Financial Advisor: Hilltop Securities Inc., Dallas, TX
Lead Manager: SAMCO Capital Markets, Inc.

Co-Manager: Estrada Hinojosa & Company, Inc.
Co-Manager: FHN Financial
Disclosure Counsel: McCall, Parkhurst & Horton L.L.P., Dallas, TX

Insurance: Assured Guaranty Municipal Corp.(AGM-Formerly FSA)

Security : Limited Tax and a subordinate lien on the surplus revenues of the Waterworks & Sewer system.

Water & Sewer 100.00%

Use of Proceeds: Water & Sewer.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2023	30,000.00	5.0000%	0.400%
02/15/2024	125,000.00	5.0000%	0.550%
02/15/2025	130,000.00	5.0000%	0.700%
02/15/2026	140,000.00	5.0000%	0.850%
02/15/2027	145,000.00	5.0000%	1.000%
02/15/2028	155,000.00	5.0000%	1.200%
02/15/2029	160,000.00	5.0000%	1.300%
02/15/2030	170,000.00	5.0000%	1.400%
02/15/2031	180,000.00	5.0000%	1.450%
02/15/2033T	380,000.00	4.0000%	1.550%
02/15/2035T	410,000.00	3.0000%	1.800%
02/15/2037T	435,000.00	3.0000%	1.960%
02/15/2039T	460,000.00	3.0000%	2.020%
02/15/2041T	490,000.00	3.0000%	2.080%
02/15/2043T	520,000.00	3.0000%	2.140%
02/15/2045T	550,000.00	3.0000%	2.200%
02/15/2047T	585,000.00	3.0000%	2.230%

--$5,065,000.00

Call Option: Term bonds maturing on 02/15/2033 and 02/15/2035 and 02/15/2037 and 02/15/2039 and 02/15/2041 and 02/15/2043 and 02/15/2045 and 02/15/2047 callable in whole or in part on any date beginning 02/15/2032 @ par.

Term Call: Term bonds maturing on 02/15/2033 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2032	$185,000
02/15/2033	$195,000

	$380,000

Term bonds maturing on 02/15/2035 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2034	$200,000
02/15/2035	$210,000

	$410,000

Term bonds maturing on 02/15/2037 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2036	$215,000
02/15/2037	$220,000

	$435,000

Term bonds maturing on 02/15/2039 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2038	$225,000
02/15/2039	$235,000

	$460,000

Term bonds maturing on 02/15/2041 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2040	$240,000
02/15/2041	$250,000

	$490,000

Term bonds maturing on 02/15/2043 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2042	$255,000
02/15/2043	$265,000

	$520,000

Term bonds maturing on 02/15/2045 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2044	$270,000
02/15/2045	$280,000

	$550,000

Term bonds maturing on 02/15/2047 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2046	$290,000
02/15/2047	$295,000

	$585,000

Grand Total ===============> $5,311,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/22	80,000.00	5,535.00	85,535.00
09/30/23	112,000.00	273,660.00	385,660.00
09/30/24	209,000.00	177,715.00	386,715.00
09/30/25	130,000.00	169,450.00	299,450.00
09/30/26	140,000.00	162,700.00	302,700.00
09/30/27	145,000.00	155,575.00	300,575.00
09/30/28	155,000.00	148,075.00	303,075.00
09/30/29	160,000.00	140,200.00	300,200.00
09/30/30	170,000.00	131,950.00	301,950.00
09/30/31	180,000.00	123,200.00	303,200.00
09/30/32	185,000.00	115,000.00	300,000.00
09/30/33	195,000.00	107,400.00	302,400.00
09/30/34	200,000.00	100,500.00	300,500.00
09/30/35	210,000.00	94,350.00	304,350.00
09/30/36	215,000.00	87,975.00	302,975.00
09/30/37	220,000.00	81,450.00	301,450.00
09/30/38	225,000.00	74,775.00	299,775.00
09/30/39	235,000.00	67,875.00	302,875.00
09/30/40	240,000.00	60,750.00	300,750.00
09/30/41	250,000.00	53,400.00	303,400.00
09/30/42	255,000.00	45,825.00	300,825.00
09/30/43	265,000.00	38,025.00	303,025.00
09/30/44	270,000.00	30,000.00	300,000.00
09/30/45	280,000.00	21,750.00	301,750.00
09/30/46	290,000.00	13,200.00	303,200.00
09/30/47	295,000.00	4,425.00	299,425.00
	5,311,000.00	2,484,760.00	7,795,760.00

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired

09/30/2022	80,000.00	01.51%
09/30/2023	112,000.00	03.62%
09/30/2024	209,000.00	07.55%
09/30/2025	130,000.00	10.00%
09/30/2026	140,000.00	12.63%
09/30/2027	145,000.00	15.36%
09/30/2028	155,000.00	18.28%
09/30/2029	160,000.00	21.30%
09/30/2030	170,000.00	24.50%
09/30/2031	180,000.00	27.89%
09/30/2032	185,000.00	31.37%
09/30/2033	195,000.00	35.04%
09/30/2034	200,000.00	38.81%
09/30/2035	210,000.00	42.76%
09/30/2036	215,000.00	46.81%
09/30/2037	220,000.00	50.95%
09/30/2038	225,000.00	55.19%
09/30/2039	235,000.00	59.61%
09/30/2040	240,000.00	64.13%
09/30/2041	250,000.00	68.84%
09/30/2042	255,000.00	73.64%
09/30/2043	265,000.00	78.63%
09/30/2044	270,000.00	83.71%
09/30/2045	280,000.00	88.99%
09/30/2046	290,000.00	94.45%
09/30/2047	295,000.00	100.00%

DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 09/30/2022		$85,535
I&S Fds all G.O. issues 09/30/2021	$366,820*	
2021 I&S Fund Tax Levy @ 90%	78,543	

Total	445,363	

* Unaudited.

OPERATING STATEMENT

WATERWORKS & SEWER SYSTEM OPERATING EXPERIENCE The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditure identified as capital.

	Fiscal Year Ended			
	09-30-2020	09-30-2019	09-30-2018	09-30-2017
Revenues:				
W&S Service	$1,872,666	$1,347,789	$942,499	$867,058
Tap	413,147	256,205	378,364	262,426
Other	5,627	80,794	4,014	423
	--------	--------	--------	--------
Total Revenues	$2,291,440	$1,684,788	$1,324,877	$1,129,907
Expenses:				
Water Purchase	$240,966	$207,045	$177,778	$160,061
Other	680,496	634,807	444,995	356,819
	--------	--------	--------	--------
Total Expenses	$921,462	$841,852	$622,773	$516,880
Available For Debt Service	$1,369,978	$842,936	$702,104	$613,027

SYSTEM DESCRIPTION AND PERTINENT CONTRACTS

WATER SUPPLY The City has a 30 year contract with North Texas Municipal Water District to purchase water. The contract extends until December 31, 2025.

RATES AND FEES

Water Rates

Old Rates (Effective as of October 1, 2017)

	Gallons	Inside City Limits	Outside City Limits
First	3,000	$37.60(Min)	$59.86(Min)
Next	7,000	6.43/M	6.43/M
Over	10,000	8.42/M	8.42/M

New Rates (Effective as of January 10, 2022)

	Gallons	Inside City Limits	Outside City Limits
First	3,000	$40.66(Min)	$44.73(Min)
Next	7,000	6.95/M	7.80/M
Over	10,000	9.11/M	10.22/M

Sewer/Wastewater Rates

Old Rates (Effective as of October 1, 2017)

	Gallons	
First	1,000	$21.58(Min)
Next	4,000	2.29/M
Next	7,000	2.56/M
Maximum		$43.27

Outside City - surcharge of $14.28

New Rates (Effective as of January 10, 2022)

	Gallons	Inside City Limits	Outside City Limits
First	1,000	$23.34(Min)	$26.96(Min)
Next	4,000	2.47/M	2.85/M
Next	5,000	2.77/M	3.20/M
Maximum		$46.79	$51.48

AUTHORIZED BUT UNISSUED

GENERAL OBLIGATION BONDS AUTHORIZED BUT UNISSUED None.

PENSION FUND LIABILITY

All qualified employees of the City are members of the Texas Municipal Retirement System. The City employees also participate in the U.S. Social Security program.

The City participates as one of 872 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.TMRS.com.

Required Contribution Rates (Percentage of gross covered salary)

	2022	2021
Employee:	6.00%	6.00%
City:	8.63%	5.97%

Actuarial Valuation as of	12/31/2020	12/31/2019
Assets	$695,500	$492,272
Accrued Liabilities	$717,078	$487,160
	--------------	--------------
(Unfunded)/Overfunded Liab.	($21,578)	$5,112

Funded Ratio	96.99%	101.05%
Annual Covered Payroll	$748,323	$539,584
(Unfunded)/Overfunded Liability as a % of Covered Payroll	(2.88)%	0.95%
Pension Liability - Beginning	$487,160	$403,967
Pension Liability - Ending (a)	$717,078	$487,160
Contributions Employer	$127,213	$34,264
Contributions Employee	$44,899	$32,375
Plan Fiduciary Net Position Beg	$505,066	$383,858
Plan Fiduciary Net Position End (b)	$715,326	$505,066
Net Pension Liability (a) - (b) (Pension Liab - Fiduciary Position)	$1,752	($17,906)
Plan Fiduciary Net Position as a % of Total Pension Liability	99.76%	103.68%
Covered Employee Payroll	748,323	539,584
Net Pension Liability as a % of Covered Payroll	0.23%	(3.32)%
Membership Data		
Inactive employees or beneficiaries currently receiving benefits	0	0
Inactive employees entitled to but not yet receiving benefits	7	4
Active employees	15	12
Total	22	16

Source: Texas Municipal Retirement System

PENSION FUND OPEB LIABILITY

OPEB Benefits - Supplemental Death Benefits Fund
Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit ("OPEB") and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated). The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

	12/31/2020	12/31/2019
Covered Payroll	$748,323	$539,584
Changes in the Total OPEB Liability		
Total OPEB Liability - BOY	$7,995	$5,993
Changes for the year		
Service Cost	$1,721	$1,025
Interest on Total OPEB Liability	$244	$241
Changes of benefit terms including TMRS plan participation	$0	$0
Differences between expected and actual experience	$923	($1,024)
Changes in assumptions or other inputs	$2,344	$1,760
Benefit payments	$0	$0
Net changes	$5,232	$2,002
Total OPEB Liability - EOY	$13,227	$7,995
Total OPEB Liability as a Percentage of Covered Payroll	1.7700%	1.4800%
OPEB Expense (Benefit)	2,190	1,216
Number of		
Inactive employees currently receiving benefits	0	0
Inactive employees entitled to but not yet receiving benefits	2	1
Active employees	15	12
Total	17	13

Source: Texas Municipal Retirement System

NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of September 30, 2020)

The City reports additional debt in the principal amount of $229,438 under Govt Activities and $14,408 under W&S Fund as follows:

	Amount Outstanding	Int Rate	Next Year's Requirements	Reported Under
Compensated Absences	$36,907	N/A	N/A	Govt Activities
OPEB*	$4,878	N/A	N/A	Govt Activities
Interlocal Commitment	$168,137	2.8%	$58,498	Govt Activities
Capital Leases	$19,516	4.44/4.61%	$22,149	Govt Activities
Compensated Absences	$11,290	N/A	N/A	W&S Fund
OPEB*	$3,118	N/A	N/A	W&S Fund

* See PENSION FUND LIABILITY section for details of this obligation.

OVERLAPPING DEBT

ESTIMATED OVERLAPPING DEBT STATEMENT

Taxing Body	Debt Amount	As Of	%Ovlpg	Ovlpg Amt
Collin Co	$474,476,708	04/30/20	0.05	$237,238
Collin Co CCD	504,697,667	12/31/20	0.05	252,349
Community ISD	113,208,817	06/30/21	11.60	13,132,223
Hunt Co	11,790,855	12/31/20	0.03	3,537
Hunt Mem Hosp Dist	38,114,207	01/31/21	0.03	11,434
Total Overlapping Debt:				$13,636,781
Josephine, City of		12/01/21		$0
Total Direct and Overlapping Debt:				$13,636,781
Total Direct and Overlapping Debt % of A.V.:				8.48%
Total Direct and Overlapping Debt per Capita:				$8,074

ECONOMIC BACKGROUND

The City of Josephine in located in southeastern Collin County. It is located 35 miles northeast of Dallas. It is close in proximity to the Dallas metroplex making for an short commute to downtown Dallas, Garland, Richardson, Mesquite and Plano. The City is located eight miles north of Interstate 30 between Greenville and Rockwall. The 2010 population was 812, an increase of 36.7% since 2000.

COUNTY CHARACTERISTICS

Collin County was created in 1846 from Fannin County. Many residents commute to jobs in Dallas, Garland, and Richardson. Popular recreational attractions include water sports on Lake Lavon, the McKinney Historical District, and the South Fork Ranch of the "Dallas" television series.

COUNTY SEAT: McKinney

2020 census: 1,064,465 increasing 36.1% since 2010
2010 census: 782,341 increasing 59.1% since 2000
2000 census: 491,675

ECONOMIC BASE
Mineral: Insignificant.

Industry: wholesale center, retail/service, manufacturing plants and government.

Agricultural: wheat, nurseries, hay, grain sorghum, corn and cattle.

RETAIL SALES & EFFECTIVE BUYING INCOME (The Nielsen Company)

Year	2018	2017	2016
Retail Sales	$23.1B	$16.0B	$16.8B
Effective Buying Income (EBI)	$35.4B	$34.5B	$30.0B
County Median Household Income	$75,841	$75,904	$70,703
State Median Household Income	$61,175	$57,227	$55,352
% of Households with EBI below $25K	10.5%	10.9%	5.9%
% of Households with EBI above $25K	71.7%	70.6%	70.3%

EMPLOYMENT DATA (Texas Workforce Commission)

	2021		2020		2019	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	441,975	$8.7B	442,795	$8.4B	422,086	$7.6B
2nd Q:	455,073	$8.3B	402,661	$7.1B	429,605	$7.0B
3rd Q:	N/A	N/A	420,656	$7.4B	430,605	$7.2B
4th Q:	N/A	N/A	434,028	$8.4B	441,054	$7.7B

MAJOR COLLEGES AND UNIVERSITIES: Collin County Community College

COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
2020	1	35,537
2019	1	35,191
2018	1	33,742
2017	1	31,696
2016	1	29,153
2015	1	27,656
2014	1	27,525
2013	1	27,636
2012	1	27,205
2011	1	27,322
2010	1	26,705
2009	1	24,583
2008	1	20,732

TOP TAXPAYERS

Principal Taxpayers	2021 A.V.	% of A.V.
1. Shepherd Place Homes Inc. Residential - Home Builder	$4,180,187	2.60%
2. 1333-2016 Revocable Trust Commercial - Retail Store	1,392,724	0.87%
3. Oncor Electric Delivery Company Utility - Electric Utility/Power Plant	1,121,400	0.70%
4. Jhony Martinez Residential - Individual Residence	963,190	0.60%
5. Heritage Land Development LLC Commercial - Commercial Land	878,520	0.55%
6. Tallant Rentals LLC Residential - Residential Land	776,267	0.48%
7. AB Petroleum Inc. Mineral - Oil & Gas	728,317	0.45%
8. Route 61 Corporation Commercial - Convenience Store	716,715	0.45%
9. Otra Vez Investments Incorporated Residential - Home Builder	646,430	0.40%
10. Auxiliadora Martinez Residential - Individual Residence	592,524	0.37%
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Total:	$11,996,274	7.47%

FINANCE CONNECTED OFFICIALS

Mayor
Jason Turney
201 S. Main St.
Josephine, TX 75173
Phone: 972-843-8282
Fax: 972-843-8377
jturney@cityofjosephinetx.com

City Administrator
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Fax: 972-843-8377
lpalomba@cityofjosephinetx.com

City Secretary
Patti Brooks
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Josephine, TX 75173
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pbrooks@cityofjosephinetx.com

Finance Director
Melissa Stillwell
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Public Works Director
Kirk Peters
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Josephine, TX 75173
Phone: 972-843-8282
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water@cityofjosephinetx.com

Tax Assessor/Collector
Kenneth L. Maun
Collin County Tax Office
2300 Bloomdale Rd.
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McKinney, TX 75071
Phone: 972-547-5020
Fax: 972-547-5053
taxassessor@collincountytx.gov

Chief Appraiser

Bo Daffin
Collin County Appraisal District
250 Eldorado Pkwy
McKinney, TX 75069
Phone: 469-742-9200
Fax: 469-742-9209
bo.daffin@cadcollin.org

Chief Appraiser
Brent South
Hunt County Appraisal District
4801 King St
Greenville, TX 75401
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brentsouth@hunt-cad.org

XV

TAB D3: Financial Advisory Team Contact Information

City of Josephine, Texas

Financial Advisory Team Contact Information

Hilltop Securities Inc.
717 N. Harwood Street, Suite 3400
Dallas, Texas 75201

	Telephone	**Fax**	**Email**
Jim Sabonis *Managing Director*	214.953.4195	214.953.4050	jim.sabonis@hilltopsecurities.com
Andre Ayala *Managing Director*	214.953.4184	214.953.4050	andre.ayala@hilltopsecurities.com
Jorge Delgado *Vice President*	214.859.1714	214.953.4050	jorge.delgado@hilltopsecurities.com
Bernard Aguilar *Analyst*	214.953.4049	214.953.4050	bernard.aguilar@hilltopsecurities.com

HilltopSecurities
Investment Banking Solutions

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