Upcoming Financial Transactions

March 3\(^{rd}\) 2015

Presented By:
Jennifer Olenick, CFA - Assistant Director
• Pricing Update - Convention & Entertainment Facilities Series 2015
• Combined Utility System First Lien Revenue Refunding Bonds, Series 2015C
• Combined Utility System First Lien Revenue and Refunding Bonds, Series 2012A

* This presentation constitutes the written recommendation of the Finance Working Group.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>System:</td>
<td>Convention &amp; Entertainment Facilities</td>
</tr>
<tr>
<td>Par Amount:</td>
<td>$71 Million*</td>
</tr>
<tr>
<td>Use:</td>
<td>Capital Improvement Program</td>
</tr>
<tr>
<td>Average Life (Years):</td>
<td>10.77</td>
</tr>
<tr>
<td>Present Value Savings:</td>
<td>$9,242,788</td>
</tr>
<tr>
<td>Percentage Savings:</td>
<td>13.07%</td>
</tr>
<tr>
<td>All-In True Interest Cost (%):</td>
<td>3.32%</td>
</tr>
<tr>
<td>Anticipated Closing:</td>
<td>March 19, 2015</td>
</tr>
<tr>
<td>Council Agenda Date:</td>
<td>January 28, 2015</td>
</tr>
</tbody>
</table>

* Par amount of refunded bonds, total deal size was $132,590,000
## Annual Financing Plan

<table>
<thead>
<tr>
<th>Department</th>
<th>Series</th>
<th>Size ($ millions)</th>
<th>Anticipated Closing</th>
<th>PV Savings ($ millions)</th>
<th>True Interest Cost (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GO</td>
<td>TRANS 2014</td>
<td>200</td>
<td>July 2, 2014</td>
<td>N/A</td>
<td>0.10</td>
</tr>
<tr>
<td>CUS</td>
<td>2014D</td>
<td>548</td>
<td>July 9, 2014</td>
<td>24.37</td>
<td>3.21</td>
</tr>
<tr>
<td>GO</td>
<td>PIB 2014</td>
<td>257</td>
<td>August 19, 2014</td>
<td>5.94</td>
<td>2.84</td>
</tr>
<tr>
<td>CEF</td>
<td>2014</td>
<td>74</td>
<td>August 20, 2014</td>
<td>4.58</td>
<td>4.04</td>
</tr>
<tr>
<td>HAS</td>
<td>2014 CONRAC</td>
<td>38</td>
<td>September 4, 2014</td>
<td>5.08</td>
<td>3.12</td>
</tr>
<tr>
<td>CUS</td>
<td>TWDB(1) 2015AB</td>
<td>103</td>
<td>January 29, 2015</td>
<td>N/A</td>
<td>1.46</td>
</tr>
<tr>
<td>CEF</td>
<td>2015</td>
<td>133</td>
<td>March 19, 2015</td>
<td>9.24</td>
<td>3.31</td>
</tr>
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</table>

Subtotal: $1,353 $49.21 2.60

<table>
<thead>
<tr>
<th>Department</th>
<th>Series</th>
<th>Size ($ millions)</th>
<th>Anticipated Closing</th>
<th>PV Savings ($ millions)</th>
<th>True Interest Cost (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUS</td>
<td>2015C</td>
<td>200</td>
<td>April /May 2015</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>GO</td>
<td>TRANS 2015</td>
<td>TBD</td>
<td>July 2015</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>GO</td>
<td>PIB 2015</td>
<td>TBD</td>
<td>August 2015</td>
<td>---</td>
<td>---</td>
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</table>

Subtotal: $1,553 $---

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th></th>
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<tbody>
<tr>
<td>FY2014</td>
<td>Total</td>
<td>$2,390</td>
<td>$209.23</td>
<td></td>
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<tr>
<td>FY2013</td>
<td>Total</td>
<td>$1,143</td>
<td>$22.31</td>
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1. Texas Water Development Board
Since 1993, the City has used the issuance of commercial paper to provide an expedient, cost–effective method of accessing cash and providing interim financing. The commercial paper notes are later refinanced to fixed rate bonds that match the useful life of the projects and/or equipment being financed.

This transaction represents the normal refunding of these commercial paper notes held by the Combined Utility System. The anticipated size of the Series 2015C Bonds will be approximately $200 million.

As standard course of business, in conjunction with this transaction, the FWG will review possibilities to refinance existing debt if prudent opportunities to achieve present value savings exists.

An RCA is expected to be brought before Council in April / May.
## CUS Variable Rate Exposure Summary

<table>
<thead>
<tr>
<th>Liquidity Type</th>
<th>Series</th>
<th>Size ($ millions)</th>
<th>Bank / Dealer</th>
<th>Expiration</th>
<th>Requires Bank Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial Paper</strong></td>
<td>B-1</td>
<td>100.00</td>
<td>JPMorgan Chase</td>
<td>12/16/2015</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>B-2</td>
<td>75.00</td>
<td>Wells Fargo</td>
<td>3/16/2015</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>B-3</td>
<td>75.00</td>
<td>Bank of Tokyo-Mitsubishi</td>
<td>1/16/2018</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>B-4</td>
<td>100.00</td>
<td>State Street</td>
<td>7/15/2016</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>B-5</td>
<td>250.00</td>
<td>RBC(1)</td>
<td>10/30/2018</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>B-6</td>
<td>100.00</td>
<td>US Bank</td>
<td>7/15/2016</td>
<td>Y</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>700.00</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Variable Rate Demand Bonds</strong></td>
<td>2004B-2</td>
<td>100.00</td>
<td>Bank of New York Mellon</td>
<td>4/4/2016</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>2004B-3</td>
<td>75.00</td>
<td>Sumitomo</td>
<td>4/3/2015</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>2004B-4</td>
<td>75.00</td>
<td>Bank of Tokyo</td>
<td>4/6/2016</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td>2004B-5</td>
<td>100.00</td>
<td>Wells Fargo</td>
<td>4/6/2016</td>
<td>Y</td>
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<tr>
<td></td>
<td>2004B-6</td>
<td>78.33</td>
<td>Sumitomo</td>
<td>4/3/2015</td>
<td>Y</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>428.33</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,128.33</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>SIFMA Index Floater</strong></td>
<td>2012A</td>
<td>125.00</td>
<td>Loop Capital Markets</td>
<td>6/1/2015</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>2012B</td>
<td>100.00</td>
<td>Wells Fargo Securities</td>
<td>6/1/2017</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>2012C</td>
<td>249.08</td>
<td>RBC(1)</td>
<td>8/1/2016</td>
<td>N</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>474.08</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,602.41</strong></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

(1) The RBC facility is a Forward Purchase Agreement.
The City has identified approximately $125 million of the Combined Utility System First Lien Revenue and Refunding Bonds, Series 2012A (SIFMA Index Floating Rate Bonds) that have a mandatory tender date of June 1, 2015.

The Series 2012A Bonds will need to be remarketed or refunded by June 1, 2015.

In anticipation, the City has issued a request for proposal to renew /remarket at the current structure.

The Finance Working Group recommends the issuance of these bonds as they come due.

An RCA will be presented to City Council in April / May.

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Finance Department

Questions?