

Excerpt from Bond Buyback Presentation

What to do with an Extra Dollar of Short-Term Invested Cash?

- As rates have increased since the time of the City's pricing of the PROs in February 2021, prices have decreased
- This means that the City's PROs are currently trading at lower dollar prices than they were originally sold
- The City may now be able to buy its bonds back at a lower price than they were originally sold
- For example, *the City may be able to buy the 2038 maturity for 81¢ on the dollar (plus a tender premium) in the current market*

Potential Use of Short-Term Invested Cash: Summary

Use	Description	Impact
Taxable Series 2021 PRO Bond Buy-Back (also called a "tender")	<ul style="list-style-type: none"> • City has \$10 million of short-term invested cash • Potentially buy-back up to \$11.81 million of the City's Taxable Series 2021 PROs 	Up to \$1.47 million (14.71% of bond proceeds) in expected NPV savings

Price Comparison: Taxable Series 2021 PROs¹

Maturity	Par Amount	Coupon	Initial			Current					
			Offering Price	Market Price	Market Yield	Offering Price	Market Price	Market Yield			
7/15/2025	\$8,680,000	0.98%	\$100.000	\$96.705	4.78%	7/15/2030	\$9,405,000	2.10%	\$100.000	\$88.126	4.41%
7/15/2026	\$8,775,000	1.27%	\$100.000	\$94.416	4.37%	7/15/2031	\$9,610,000	2.20%	\$100.000	\$86.622	4.48%
7/15/2027	\$8,900,000	1.55%	\$100.000	\$92.687	4.26%	7/15/2032	\$9,830,000	2.31%	\$100.000	\$85.317	4.55%
7/15/2028	\$9,050,000	1.75%	\$100.000	\$90.992	4.28%	7/15/2033	\$10,065,000	2.41%	\$100.000	\$84.076	4.61%
7/15/2029	\$9,220,000	1.95%	\$100.000	\$89.567	4.34%	7/15/2038	\$46,590,000	2.63%	\$100.000	\$80.938	4.49%

Page 3

1. BVAL as of August 23, 2024.

Cash Buy-Back of Taxable Series 2021 Revenue Bonds (1 of 2)¹

- In the table below, we illustrate two versions of a buy-back of the Taxable Series 2021 PROs using \$10 million of short-term invested capital
- While one case is structured to achieve cash flow savings over an extended period, the other is structured to achieve more immediate savings²
- **Assumption:** City has \$10 million of short-term invested cash it could use for a bond buyback ("tender")
- **Cash Buy-Back:** \$10 million of cash could buy back up to \$11.81 million of the City's Taxable Series 2021 PROs³

Date	Long Term Savings Case		Accelerated Savings Case	
	Cash Flow Savings	NPV @ 3.00% ⁴	Cash Flow Savings	NPV @ 3.00% ⁴
Today	-\$10,000,000	-\$10,000,000	-\$10,000,000	-\$10,000,000
6/30/2025	\$155,354	\$153,970	\$102,373	\$101,461
6/30/2026	\$310,708	\$301,196	\$1,030,683	\$1,005,105
6/30/2027	\$310,708	\$292,423	\$2,183,930	\$2,069,408
6/30/2028	\$310,708	\$283,906	\$2,155,750	\$1,983,404
6/30/2029	\$310,708	\$275,637	\$2,122,770	\$1,896,391
6/30/2030	\$310,708	\$267,609	\$105,280	\$90,676
6/30/2031	\$310,708	\$259,814	\$105,280	\$88,035
6/30/2032	\$310,708	\$252,247	\$105,280	\$85,471
6/30/2033	\$310,708	\$244,900	\$105,280	\$82,982
6/30/2034	\$310,708	\$237,767	\$105,280	\$80,565
6/30/2035	\$2,901,163	\$2,170,032	\$978,633	\$732,003
6/30/2036	\$2,886,349	\$2,096,439	\$980,011	\$711,811
6/30/2037	\$2,894,758	\$2,041,687	\$980,731	\$691,714
6/30/2038	\$2,886,260	\$1,976,773	\$980,793	\$671,736
6/30/2039	\$927,041	\$616,467	\$314,080	\$208,858
Total	\$5,447,293	\$1,470,865 / 14.71%	\$2,356,154	\$499,619 / 5.00%

Page 4

1. Market conditions as of August 6, 2024. Stifel does not guarantee to underwrite at these levels.
 2. Savings pattern will ultimately be influenced by investor participation. Stifel can not guarantee investor participation in the proposed tender.
 3. Tender bid offer is estimated based off of Bloomberg's BVAL plus a \$2 tender premium. Stifel is not providing investment advice.
 4. Values are discounted at 3.00%, based on the median long-run Federal Funds rate projection published by the Federal Reserve in its Summary of Economic Projections dated June 12, 2024.

Considerations Associated with a Tender

1) Investor Participation:

- When an issuer initiates a tender offer, the issuer *invites* holders of the bonds to *offer* them for purchase by the issuer
- Bondholders are not required to offer their bonds for purchase by the issuer
- Similarly, the issuer is not required to purchase all or any bonds offered by any bondholder
- Depending on the current bondholders and conditions of the tender, the issuer may or may not generate its desired level of participation in the tender, and no assurance of participation can be provided prior to initiating the tender process

2) Market Conditions:

- The potential benefit to an issuer for pursuing a tender may change as market conditions change
- If an issuer begins a tender process, the issuer can discontinue the tender process at any time prior to announcing that it will purchase bonds
- When the issuer announces that it will purchase bonds (this announcement is the last step before completing the purchase), it is committing to complete the purchase on the settlement date chosen by the issuer
- As Dealer Manager, Stifel will provide regular updates to the City regarding the benefit of the tender

3) Costs Incurred to Initiate Tender:

- To begin the tender process, the City would incur a \$5,000 non-refundable cost for a 'Tender and Information Agent' which would aggregate holder information and perform various logistical steps required to complete a tender
- Any Dealer Manager fee payable to Stifel, as well as all other standard professional fees (legal) for other services rendered for the tender, would be payable only in the instance that the City completes a tender

Page 6

Buy-Back of Taxable Series 2021 Revenue Bonds: Holders and Steps

Bond Buy-Back Steps

1. Identify holders of 2021 bonds to determine prevalent holder type and concentration.

2. Determine current market price of outstanding bonds, then determine an acceptable 'premium' to the market price to incentivize holder participation in the buy-back.

3. Post buy-back (tender) invitation. For approximately 2 weeks, Stifel communicates with holders regarding their participation in the buy-back.

4. When buy-back period ends, issuer decides what if any tender offers to accept. A few days later, the issuer completes the purchase.

Page 7