

Voter Information Document – City of Alamo Heights, Texas Bond Election - Proposition A

Ballot Information: At the Election, the following language will appear on the ballot:

CITY OF ALAMO HEIGHTS PROPOSITION A

- ☐ FOR THE ISSUANCE OF \$13,250,000 OF BONDS FOR THE PURPOSE OF FINANCING THE CITY'S PORTION OF COSTS RELATING TO THE AUSTIN HIGHWAY/LOWER BROADWAY IMPROVEMENT PROJECT, INCLUDING CONSTRUCTING DRAINAGE IMPROVEMENTS AND REPAIRING, RESTORING, RELOCATING, IMPROVING, REPLACING, ACQUIRING AND CONSTRUCTING OTHER UTILITY FACILITIES AND SURFACE LEVEL IMPROVEMENTS (SUCH AS SIDEWALK WIDENING, BIKE LANES, STREET LIGHTING AND LANDSCAPE IMPROVEMENTS) LOCATED ALONG THE AUSTIN HIGHWAY/LOWER BROADWAY IMPROVEMENT PROJECT, AND LEVYING A TAX SUFFICIENT TO PAY THE PRINCIPAL AND
- ☐ AGAINST INTEREST THEREON

Estimated Debt Service Information:

The following table sets forth the estimated principal amount of, and interest due to maturity on, the bonds to be issued if Proposition A passes, and all existing outstanding obligations of the City secured by and payable from ad valorem taxes.

Principal Amount of Bonds to be authorized under Proposition A	Estimated interest for Bonds to be authorized under Proposition A ⁽¹⁾	Estimated combined principal and interest required to pay on time and in full the Bonds to be authorized under Proposition A ⁽¹⁾	Principal of City's Existing Outstanding Debt (as of 8/10/2020) ⁽²⁾	Remaining interest on City's Existing Outstanding Debt (as of 8/10/2020) ⁽²⁾	Combined Principal and Interest to timely pay City's Existing Outstanding Debt (as of 8/10/2020) ⁽²⁾
\$13,250,000	\$5,673,499	\$18,923,499	\$5,615,000	\$820,572	\$6,435,572

- (1) If Proposition A is approved by the voters, the principal amount of bonds actually issued by the City cannot exceed the authorized principal amount of \$13,250,000 but could be less than such authorized amount. The interest on the proposed bonds under Proposition A is an estimate and assumes the maximum principal amount would be issued at a true interest cost rate of 3.13% per annum based on market conditions as of 8/10/2020; therefore, the interest payable on such proposed bonds may be less than, or more than, the amounts set forth above based on market conditions at the time of sale of the proposed bonds to be authorized under Proposition A.
- (2) The figure stated below was calculated to exclude \$1,120,000 in principal amount of outstanding debt obligations which the City has designated as "self-supporting" and which the City normally pays from revenues of its Water and Sewer Utility Fund.

Based on the information and assumptions provided in the table above, the estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the City with a taxable appraised value of \$100,000 to repay the proposed bonds to be authorized under Proposition A, is \$1,793,437,955. This estimate assumes annual growth of the City's taxable assessed valuation at a rate of 1.50% through tax year 2025, and thereafter a growth rate of 1.00%, and assumes that the proposed bonds will be issued in an amortization that will produce relatively consistent levels of debt service, when combined with the City's currently outstanding debt obligations, in each year through 2032, and declining beginning in 2033 until final maturity, with an assumed maximum annual debt service payment for the proposed bonds and all currently outstanding debt obligations of approximately \$1,413,018 coming due in fiscal year 2031/2032.

The information provided in this Document is to comply with Section 1251.052(b) – (d) of the Texas Government Code, which requires a voter information document for each proposition to be posted in the same manner as required pursuant to Section 4.003(f) of the Election Code and on the City's internet website.