

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION
OF THE CITY OF BROWNWOOD, TEXAS

NOTICE IS HEREBY GIVEN that the City Council of the City of Brownwood, Texas (the "City"), at its meeting to commence at 9:00 a.m. on July 8, 2025, in the Council Chambers, City Hall, 501 Center Avenue, Brownwood, Texas, tentatively proposes to adopt one or more ordinances authorizing the issuance of interest-bearing certificates of obligation, in one or more series, in an amount not to exceed \$18,000,000, for the purpose of paying all or a portion of the City's contractual obligations incurred in connection with (i) constructing and improving streets, roads and parking facilities, including related drainage, signalization, landscaping, sidewalks, lighting, screening walls, utility relocation and replacement, bridges, signage and streetscape improvements; (ii) designing, constructing, improving and equipping municipal parks and recreation facilities that are generally accessible to the public and are part of the City park system; and (iii) paying legal, fiscal and engineering fees in connection with such projects. The City proposes to provide for the payment of such certificates of obligation from the levy and collection of ad valorem taxes in the City as provided by law and from a limited pledge of the surplus revenues of the City's Waterworks and Sewer System (the "System") that remain after payment of all operation and maintenance expenses thereof, and after all debt service, reserve and other requirements in connection with all revenue bonds or other obligations (now or hereafter outstanding) of the City have been met, to the extent that such obligations are payable from all or any part of the net revenues of the System. The certificates of obligation are to be issued, and this notice is given, under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271.

The following information is provided to comply with Tex. H.B. 477, 86 Leg., R.S. (2019). The current principal of all outstanding debt obligations of the City is \$20,710,000. The current combined principal and interest required to pay all outstanding debt obligations of the City on time and in full is \$27,085,564. The maximum principal amount of the certificates to be authorized is \$18,000,000 and the estimated combined principal and interest required to pay the certificates to be authorized on time and in full is \$29,476,000. The maximum interest rate for the certificates may not exceed the maximum legal interest rate. The maximum maturity date of the certificates to be authorized is March 15, 2046. The above information does not exclude any outstanding debt obligations the City has designated as self-supporting and which the City reasonably expects to pay from revenue sources other than ad valorem taxes.

CITY OF BROWNWOOD, TEXAS