

Strategic Planning Workshop

Today's agenda | 25 April, 2023

12:00pm Lunch & Intro
12:30pm Financial Outlook - Robbie Sorrell
1:00pm Break
1:10pm Tax Rate - Anna
2:10pm Break
2:20pm Bond 25-26 Revenue Bond - Bob Henderson
3:20pm Break
3:30pm City/County Relations- Judge Garza
3:50pm Break
4:00pm Housing, what do we want - Carey Dietrich
4:30pm Break
4:40pm Economic Development Policy - Jeff Sjostrom

Your notes:

Finance/Human Resources

Overhead Projections



Finance-General Fund

Presented by: Robbie Sorrell
Finance Director





Financial Priorities

- Need 2023 Audit completed for beginning Fund Balances
- Reserves recommended at 180 days – per 2022 Audit, 111 days, 2023 Audit will probably be even less
- Need Cost of Living Adjustment to attract and retain quality employees – turnover has been challenging with loss of knowledge base and experience
- Need to restart Vehicle & Equipment Sinking Fund (Capital Replacement) and fund it differently out of the General Fund – needs to land on I&S side of Tax Rate

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Financial Realities

- Move the V&E replacement program to the I&S side

AND

- Move forward with Council support of additional funding at the Voter Approved rate and support of Utility Rates & Fees per Full Rate Study

Not doing either needs to result in 15-20 positions cut immediately resulting in service cuts to citizens – not doing both should be closer to 30 positions

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Financial Realities

- Feeding out of Fund Balance for years gets us where we are today
- Continuing this unsustainable path will impact Rockport's ability to support the myriad of Festivals it currently enjoys and supports

Revenue Funding Stool

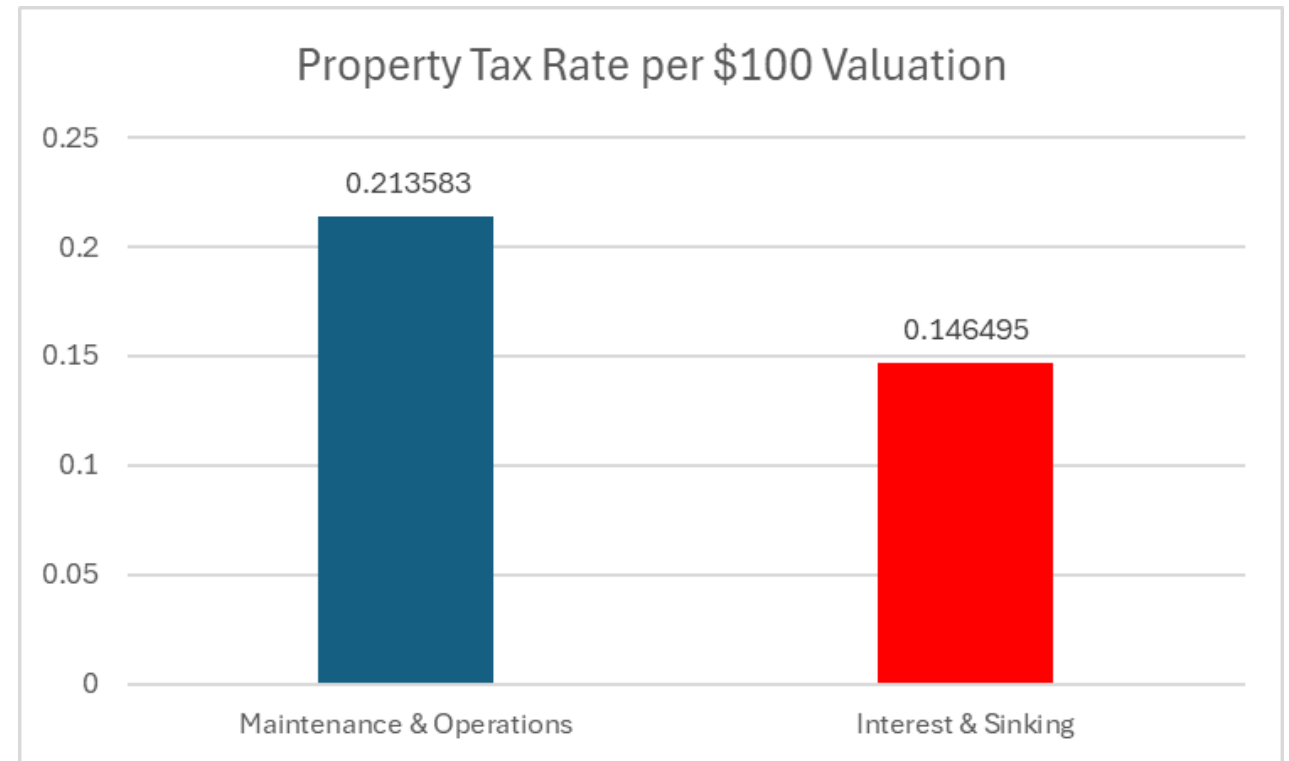


Largest Revenue Source ~ 40%

PROPERTY TAX

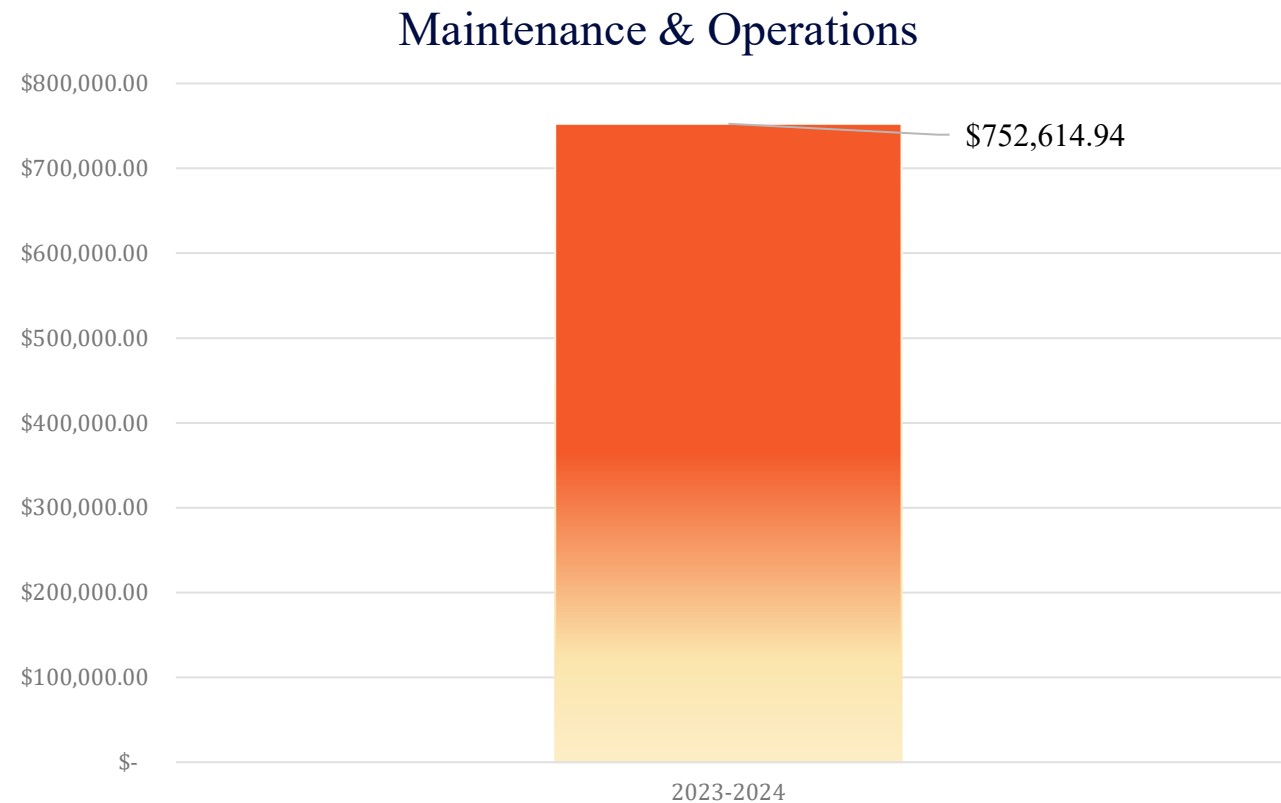
*M&O side capped at Voter Approved 3.5% - does not even cover inflation

*I&S not capped – needs to support V&E sinking fund (capital replacement) and projects



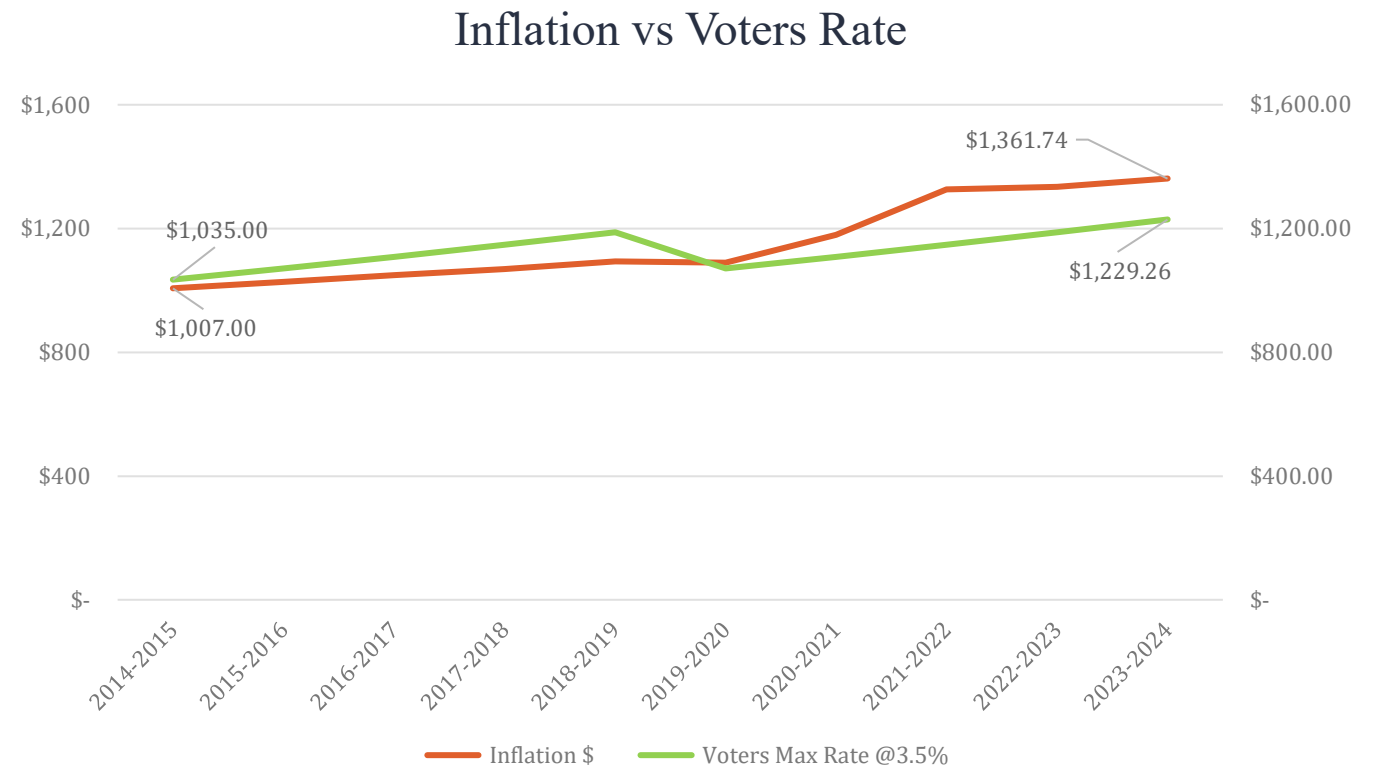
Maintenance & Operations

- Voter Approved limited to 3.5%
- Roughly what a COLA could fund next year exclusive of V&E replacement
- Last year Voter Approved Amounted to \$750k
- Provides stability and security for City



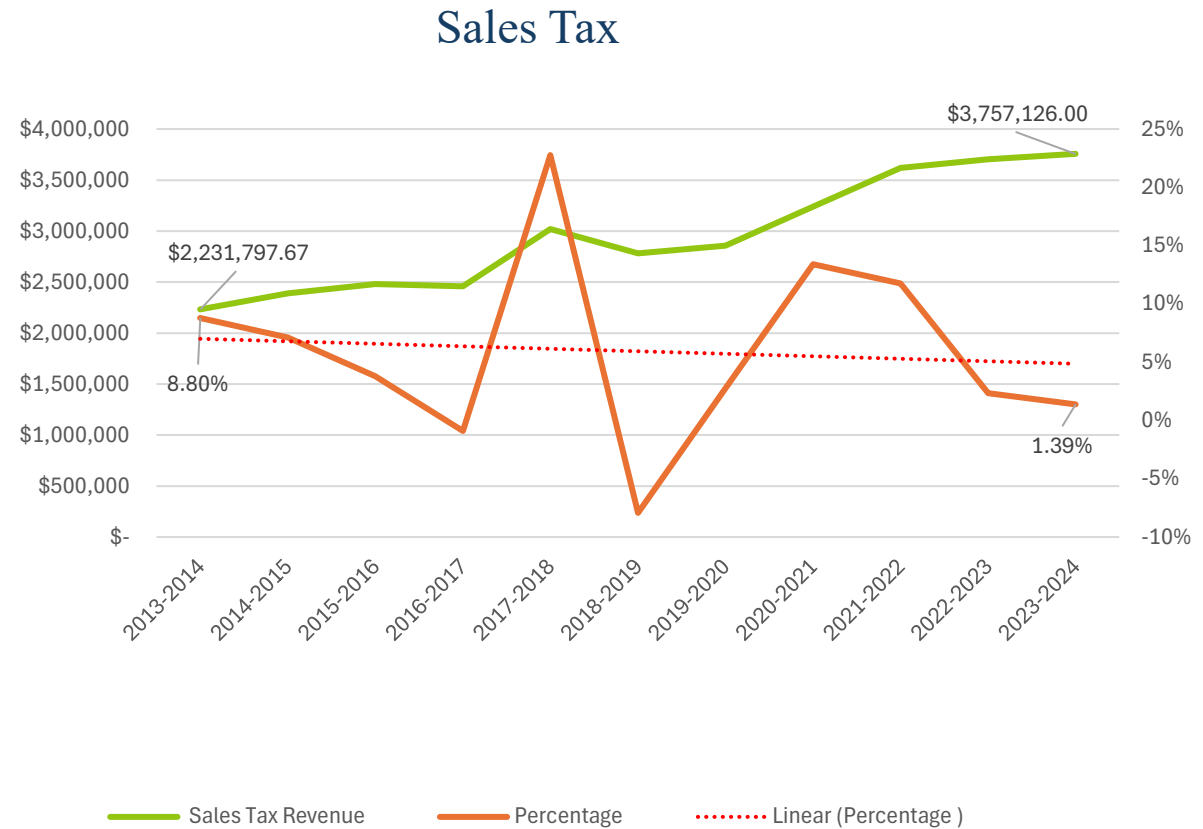
Inflation vs Voters Rate

- Assuming everything stays the same, the graph shows that the municipal cost index is exceeding the 3.5% voter approved cap
- City has been, and is still losing ground
- No mechanism to ever catch up without triggering rollback election



Sales Tax – Second Largest Source of Revenue ~27%

- Slowing to now declining YoY
- Volatile source compared to property tax



Operating Transfers In – Third Largest Source of Revenue ~ 9%

- Paid by Utility Funds to reimburse General Fund for Administrative time spent on Utilities (e.g. City Manager, Mayor & Council, City Secretary, Finance, HR, etc.)
- Needs to be based on Department Budget, not just salaries as Budget supports position



A decorative vertical bar on the left side of the slide, featuring a gold color and a pattern of various currency symbols (dollar, euro, yen, pound, etc.) in a 3D, embossed style.

General Fund

Human Resources

The Purple Promise™

In any year that our Brinson Analysts are unable to achieve at least one viable medical plan strategy that finishes in the "single digits" (9.9% or lower) Brinson will reduce its annual fee by 20% during the next 12 consecutive months beginning on the renewal date of the medical plan.



Tax Rate Handout

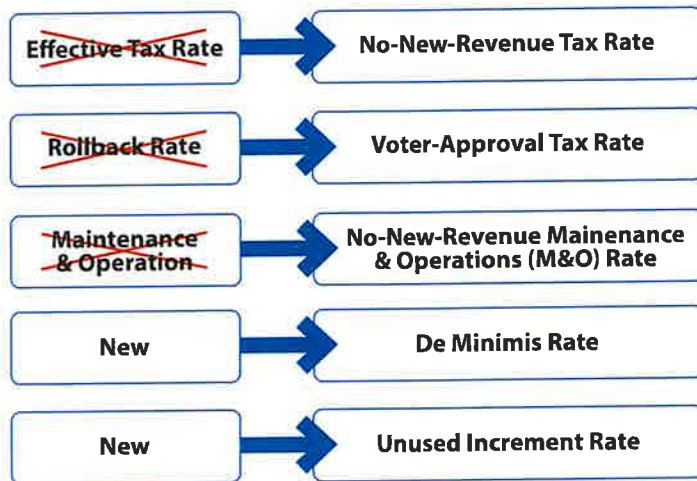
Truth-In-Taxation (TNT) Basics

(For Taxing Units Other Than School Districts)

Terminology and Calculations for Taxing Units

Senate Bill 2, 86th Legislative Session made several significant changes to the truth-in-taxation process.

Below is new terminology and calculations from this legislation.



The calculations are:

(1) "No-New-Revenue Tax Rate"

means a rate expressed in dollars per \$100 of taxable value calculated to the following formula:

$$\text{NO-NEW-REVENUE} = \frac{(\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY})}{(\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})}$$

(2) "Voter-Approval Tax Rate"

means a rate expressed in dollars per \$100 of taxable value calculated to one of the following applicable formulas:

(A) For a special taxing unit:

$$\text{VOTER-APPROVAL TAX RATE} = (\text{NO-NEW-REVENUE M\&O RATE} \times 1.08) + \text{CURRENT DEBT}$$

(B) For a taxing unit other than a special taxing unit:

$$\text{VOTER-APPROVAL TAX RATE} = (\text{NO-NEW-REVENUE M\&O RATE} \times 1.035) + \text{CURRENT DEBT RATE} + \text{UNUSED INCREMENT RATE}$$

What adopted tax rates trigger an election or petition

ADOPTED TAX RATE IS:

BELOW voter-approval tax rate	No election required
ABOVE voter-approval tax rate but BELOW de minimis rate	Voters may petition for an election*
ABOVE voter-approval tax rate; Taxing unit does not calculate a de minimis rate	Election required**
ABOVE voter-approval tax rate and ABOVE the de minimis rate	Election required

* The election trigger in a municipality with a population of less than 30,000 that does not meet the definition of a special taxing unit may differ. See Tax Code Secs. 26.063 and 26.075 for details on when voters may petition for an election.

** See Water Code Secs. 49.23601, 49.23602, and 49.23603 for details on election requirements for water districts.

Revenue Threshold in Voter-Approval Tax Rate

(or threshold over which voters must approve tax increases)

Taxing Unit	Voter-Approval Tax Rate
Cities / Counties	3.5%
Special Taxing Units*	8%

* Hospitals, Junior Colleges and Special Districts with M&O tax rate of 2.5 cents or less

Bonds

Overhead Projections

An introduction to RBC Capital Markets

Financial (Municipal) Advisor to the City of Rockport

RBC Capital Markets ("RBC CM") has been the Financial Advisor (renamed "Municipal" Advisor by the Dodd-Frank Wall Street Reform Act of 2010) since 1992. Prior to 1992, Robert "Bob" Henderson, the senior officer of RBC CM supervising the account, had served as the City's Financial Advisor representing another firm for several years. At the time of the transition, and, we believe, twice since 1992, the City requested and received "Requests for Qualifications" ("RFQs") for financial advisory services from a variety of firms in the industry. Each time, the City selected or re-selected RBC CM based on the qualifications and experience of the firm and the senior bankers assigned to the account, Bob Henderson and Dusty Traylor. Mr. Henderson has owned property in Rockport since 1984 and is proud to consider himself a long-standing member of the community. A statement of qualifications and experience of RBC CM and the personal resumes of Mr. Henderson and Mr. Traylor are attached.

The role of the Financial Advisor is to assist the City in evaluating and implementing alternatives available to the City for financing capital outlay. This capital outlay can be related to both real or personal property and, in the past, has included items such as acquisition of property for public buildings, parks, green space, rights of way for improvements to city infrastructure. It has also included construction projects for the City Hall, the emergency services building, parks, streets, drainage, utility system improvements. Some of this work included arranging for matching funds for a variety of grants and government programs. RBC CM has also been involved in financing personal property items such as public works and police vehicles and equipment. Finally, RBC CM has assisted the City in evaluating and implementing (in some cases) a variety of economic development projects such as the Rockport Beach project in cooperation with the County and Navigation District, proposed development of the old HEB site and RYSCO property and other similar proposed projects. A full scope of services can be provided upon request.

Intricate to providing these services is not only a thorough knowledge of the financing vehicles authorized under State Law and the City Charter, and the markets in which these instruments are sold, but also a thorough understanding of the City and its financial situation. Regarding the latter, our role as Financial Advisor often entails working with the City Council and Senior Administration on budgeting matters, long-term Capital Improvement Planning ("CIP") and general financial management policies. Note that while we can and do communicate with Finance officials of the City on general financial conditions in the markets, under both the Dodd-Frank Reform Act and various regulatory entities such as the Securities and Exchange Commission ("SEC") and the Municipal Securities Regulatory Board ("MSRB"), we are not investment advisors and are not involved with the investment of the City's available fund balances. In the period since RBC CM has worked with the City, its Municipal

Bond ratings have increased from Baa1 (Moody's) to AA- (Standard and Poor's), even after a temporary decline related to the financial impact of Hurricane Harvey.

The actual provision of services occurs in two ways. The first is scheduled and routine; there are three times annually in which RBC CM is routinely involved with the City. These include during the budget period (as it pertains to debt management, Capital Improvement items and financial policies), in March relating the City's requirement to file annual financial disclosure information to EMMA, a Municipal Information repository as required by SEC rule 15c2-12 and again in August/September with respect to calculating and setting the Interest and Sinking Fund Tax rate. The second category of contact is simply being available, "On-Call", anytime any City Councilmember or Senior Administrator has a question or concern or anytime a potential financing or a potential project needs evaluation. As financial advisors, we encourage the City of Rockport to consider us an extension of their Finance Department and to call on us anytime they identify any issue in which we can be a resource for identifying solutions.

Finally, it is important to note two things: First, that under both the Dodd-Frank Reform Act and SEC and MSRB rules, RBC CM has a fiduciary obligation to advise and act in the best interests of the City above any other participant in a financing, including RBC CM's best interests. Second, RBC CM serves on a contingency compensation basis. This means that there are no annual retainer fees or even routine re-imbursement of out-of-pocket expenses. We are paid if and when, and only if and when, a financing is successfully completed on behalf of the City and funds are deposited to the City's accounts.

We are happy to discuss our role with the City or any issues related to the City at your convenience.

City of Rockport, TX

City Council Workshop

PUBLIC FINANCE FUNDAMENTALS

April 25, 2024



Capital
Markets

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Robert V. Henderson **Managing Director, Public Finance** **RBC Capital Markets**

Mr. Henderson joined RBC Capital Markets on January 15, 1992 as the Managing Director for the San Antonio Public Finance group. He is a graduate of the University of Texas at Austin having earned a B.B.A. in Finance with additional academic concentrations in management and economics. Mr. Henderson began his career in public finance as a Financial Analyst with the Municipal Advisory Council of Texas and in that capacity authored over 450 credit analysis reports known as "Texas Municipal Reports" including reports on the political/governmental subdivisions of over 80 counties.

Prior to joining the firm, Mr. Henderson was the Branch Manager for First Southwest Company's San Antonio office. In his 37 plus year career, he has served as Senior Banker to over 730 separate governmental issuers, in over 3,500 separate transactions, totaling over \$41.0 billion in volume. He has extensive experience in providing financial advisory and underwriting services to counties, cities, school districts, hospitals, airports, navigation districts, river authorities, water districts and a variety of other special districts. Mr. Henderson is a registered representative with the National Association of Securities Dealers and carries Securities and Exchange Licenses - Series 7, Series 8, Series 50, Series 63, and Series 79.

As an outgrowth of his public finance career, Mr. Henderson is a frequent speaker/lecturer on the subject of Public Finance and Capital Improvements Program structuring and funding. He has spoken at seminars and conventions hosted by the Government Finance Officers Association of Texas, Texas Municipal League, Texas Association of School Boards, Texas City Managers Association, Texas County Treasurer's Association, Texas County Auditors Association, Texas County Judges and Commissioners Association, the Lyndon Baines Johnson School of Public Affairs, the Southwest School of Governmental Finance, the former Texas State Treasury and is an adjunct professor/regular participating lecturer for the William P. Hobby Public Service Academy of the Texas State University in connection with its Certified Public Managers Program.

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Participants in the Debt Issuance Process

SECTION 1



Capital
Markets

Participants in the Debt Issuance Process



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Issuer's Team

- Issuer Administration
- Financial Advisor
- Bond Counsel

The "Other Side"

- Underwriter/Purchaser
- Underwriters Counsel

Other Players

- Rating Agencies
- Bond Insurance Companies
- Attorney General

Issuer Administration

- Chief Administrative Officer (City Manager)
- Chief Financial Officer (Director of Finance)
- Represents the Citizens and Taxpayers of the Entity
- Ultimately responsible for the Financings and Related Documents
 - Represents the Issuer in presentations to the Rating Agencies and, where applicable, insurance companies
 - Can be held responsible for any misstatements or omissions in financing documents

Financial Advisor / Municipal Advisor

- Overall strategist to the Issuer on debt program
- Develops long-term plan of finance
- Coordinates implementation of plan of finance
 - Works to coordinate the full team associated with the sale of the bonds
 - Works to structure transaction within the constraints set by the Issuer
 - Helps prepare preliminary official statement
 - Coordinates bond rating meetings
 - Coordinates sale and delivery of debt instruments
- Maintains long-term relationship with Issuer
- **Has a fiduciary obligation to the Issuer**

Bond Counsel

- The Issuer's lawyer in the transaction that prepares the financing documents
- Must know State law, Federal tax law and Securities law
- Provides "Bond Opinion" that the obligations were properly issued under State law
- Provides the "Tax Opinion" as to Status under Federal Tax Law
- Assist Issuers with disclosure requirements under securities law
- Works with the Issuer to help obtain Texas Attorney General Approval
- **An Attorney-Client/Fiduciary relationship exists between the Issuer and its bond counsel**

The “Other Side”

Underwriter/Purchaser

- The investment bank/financial institution engaged to purchase the Issuer's debt
- Can purchase either for resale (acting as an underwriter) or for own account (acting as a purchaser)
- If acting as an underwriter, assumes interest rate risk until debt is sold.
- Transaction based relationship with issuer
- **Does not have a fiduciary obligation to the issuer**
 - Emphasis on controlling their risk or maximizing their return

Underwriter's Counsel

- Responsible to underwriters for review of the accuracy and adequacy of disclosure in the official statement, financing risks related to the transaction, and assisting the underwriter in meeting the underwriter's due diligence obligation.
- **An Attorney-Client/Fiduciary relationship DOES NOT exist between the issuer and underwriter's counsel**

Rating Agencies

- Provides independent* analysis of credit strength of issuer and/or project
- Ratings relied upon by investors to assist in determining proper interest rates
- Ratings also influence pricing of municipal bond insurance

* Although the issuer actually pays for the ratings.

Municipal Bond Insurance Companies

- “Lends” credit rating of insurance company to lower borrowing costs to Issuer. Value is highly dependent on issuer’s underlying credit
- Insurance protects bond investors; not Issuer
- Other credit enhancement providers may use letters of credit or credit facility agreements to enhance bond ratings or provide liquidity.

Attorney General

- Provides final approval related to issue’s compliance with state law and procedures.
- Makes debt issuance incontestable from a procedural perspective

Types of Debt Available to Texas Municipalities

SECTION 2



**Capital
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Intermediate/Long Term Planning & Financing Alternatives



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Within the tax-supported group there are General Obligation Bonds, Certificates of Obligation, Contractual Obligations, Tax Notes, Time Warrants, and others. Each of these alternatives can be sold competitively or on a negotiated basis. Some can be sold on either a fixed-rate or variable-rate basis.

Within the revenue-supported group there are Revenue Bonds, Certificates of Participation, Contract Revenue Bonds, Revenue Notes and others. All of these can also be sold on a competitive or negotiated basis. Some can be sold on either a fixed-rate or variable-rate basis.

Which alternative to select for your specific needs depends on 1) the nature of your project, 2) financial condition of your City, and 3) the political concerns of your elected officials.

In most cases, municipalities are trying to select the most flexible, cost-effective vehicle that is politically acceptable. In order to assist you in evaluating your alternatives, we have provided matrices which outline the most commonly utilized alternatives or those most often discussed.

Available Financing Alternatives



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	<i>General Obligation Bonds</i>	<i>Certificates of Obligation</i>	<i>Tax Notes</i>	<i>Contractual Obligations</i>	<i>Lease Purchase/ Certificates of Participation</i>	<i>Revenue Bonds</i>
Security	Ad Valorem Property Tax	Ad Valorem Property Tax & Enterprise Fund Revenue	Ad Valorem Property Tax & Enterprise Fund Revenue	Ad Valorem Property Tax	Budgetary Pledge Enterprise Fund Revenues	Enterprise Fund Revenues
Public Referendum	Yes	If Petition Filed	No	No	No	No
Allow able Uses	Real & Personal Property	Real & Personal Property	Real & Personal Property	Personal Property	Real & Personal Property	Real & Personal Property
Typical Maturities ⁽¹⁾	1-25 Years	1-25 Years	Not Greater than 7 Years	1-10 Years	1-25 Years	1-25 Years
A.G. Approval	Yes	Yes	Yes	Yes	Yes ⁽²⁾	Yes
Is it an I&S Tax Debt?	Yes	Yes	Yes, for truth in taxation purposes	Yes, for truth in taxation purposes	No	N/A
Rollback Protected	Yes	Yes	Yes	Yes	No	N/A
"QTEO" Designation Cap	Yes	Yes	Yes	Yes	Yes	Yes
Subject to Arbitrage Requirements	Yes	Yes	Yes	Yes	Yes	Yes
Methods of Sale	Competitive or Negotiated	Competitive or Negotiated	Competitive or Negotiated	Competitive or Negotiated	Competitive or Negotiated	Competitive or Negotiated
Interest Rates (Typically)	Best	Best	Best	Best	Best plus 50-60 Basis Points ⁽³⁾	Best plus 10 Basis Points ⁽³⁾
Costs of Issuance (Typically)	Low	Low er	Low est	Low est	Highest for Large Real Property Low est for Small Personal Prop.	Higher

⁽¹⁾ Depends upon useful Life of the Project.

⁽²⁾ Depends on financing structure or whether the certificates of participation will be issued in certificated manner.

⁽³⁾ Approximation; depends on underlying credit and market conditions.

Source: RBC Capital Markets

Alternate Funding Vehicles

In addition to the variety of financing alternatives available within the General and Enterprise Funds of a municipality, a variety of funding of public purposes can be met through conduit financing entities. Most often used are Economic Development Corporations and Public Facility Corporations.

- A. Economic Development Corporations can issue Sales Tax Revenue Bonds to finance industrial parks, spec buildings, road and utility infrastructure under some conditions and even airport projects if the airport is near your Industrial Park.
- B. Public Facility Corporations can issue Certificates of Participation or Lease Revenue Bonds which would lease a variety of public projects back to the municipality.

Venue Tax Financings

Increasingly popular, provisions in State Law permit elections to increase a variety of “destination” or tourist orientated taxes such as Hotel/Motel taxes, car rental fees and airport facility charges for the purposes of generating revenues which, in turn can be pledged to the repayment of debt issued to finance “Venue” projects. Such projects are generally described as projects designed to aid or increase tourism. They can include convention center facilities, sports facilities and other projects which may increase room occupancy rates.

Bond Planning/Implementation Process

SECTION 3



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Developing a Plan of Finance

A comprehensive Capital Improvement Plan (CIP) is often formulated, usually covering at least a 3-5 year period, then a plan of finance may be developed. This task involves separating the capital requirements by category to determine which are most appropriately financed from which source, i.e. General Fund or Enterprise Fund or other available sources.

It is important to consider specific financing alternatives that can achieve the lowest overall costs consistent with the municipality's requirements for flexibility and its parameters for maintaining competitive tax rates and user/utility rates.

Key concerns to keep in mind include:

1. Median levels of debt-to-assessed-valuation ratios for municipalities of your size.
2. Debt repayment which will typically retire 50% or more of the principal during the next ten years.
3. Structuring of overall debt service requirements to accommodate future borrowing needs.
4. Reasonable call features to accommodate potential refundings for economic or cash flow purposes.
5. Structuring that takes advantage of market vacuums to lower overall costs.

As stated previously, this is not intended to be an in-depth discussion but only a general guide to help you understand key issues which should be fully explored as you proceed with your financings.

Intermediate/Long Term Planning

A thorough examination of the entity's likely future capital finance requirements is an important consideration before the development or implementation of any Plan of Finance. This examination should typically encompass the next 3-5 years in detail and 7-10 years in broader terms. The examination should also include any impact of the capital projects on the operations and maintenance budget and an evaluation of all possible funding sources.

In developing a plan of finance which evaluates the financing alternatives available and the specific structure of the financing, flexibility and cost effectiveness should be kept in mind. Focusing primarily on cost effectiveness may result in a very short structure with onerous call features, which minimizes the net effective interest rate and total interest cost but involves a higher tax rate, therefore reducing the ability to refund and precluding additional financings for needed improvements in the short term. Too great a focus on flexibility may lead to longer than prudent final maturities and aggressive call features which increases interest rates and total interest costs.

This forum precludes an in-depth discussion on the issues as they pertain to particular projects but can address broader guidelines.

There are two primary groups of financing alternatives available in terms of security: those supported by ad valorem property taxes and those supported by the revenue streams generated by an enterprise fund operation.

Long-Term Debt Planning – XYZ Issuer



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A Fiscal Year Ending 9-30	B Net Taxable Assessed Valuation	C GO Ref Series 2004A	D County Jail COs Series 2008	E GO Ref Bonds Series 2009	F Total Outstanding Debt Service	G Less Other Available Revenue	H Net Tax Paid Debt Service	I		J Less: Estimated Sales Tax Contribution	K Net Tax Debt Service	L Estimated I&S Tax Rate
								10,000,000	Project			
								Debt Service	Debt Service			
2018	\$ 1,289,000,000	\$ 111,980	\$ 416,400	\$ 223,525	\$ 751,905	\$ (120,000)	\$ 631,905				\$ 631,905	\$ 0.0505
2019	1,289,000,000	-	406,275	232,150	638,425	(265,150)	373,275	\$ 650,730		\$ (75,000)	949,005	0.0759
2020	1,289,000,000	-	396,150	240,325	636,475	(275,325)	361,150	650,826		(75,000)	936,976	0.0749
2021	1,289,000,000	-	386,025	60,900	446,925	(185,000)	261,925	760,000		(75,000)	946,925	0.0757
2022	1,289,000,000	-	425,900	-	425,900	(185,000)	240,900	760,000		(75,000)	925,900	0.0741
2023	1,289,000,000	-	413,525	-	413,525	(185,000)	228,525	760,000		(75,000)	913,525	0.0731
2024	1,289,000,000	-	402,525	-	402,525	(185,000)	217,525	760,000		(75,000)	902,525	0.0722
2025	1,289,000,000	-	416,525	-	416,525	(185,000)	231,525	760,000		(75,000)	916,525	0.0733
2026	1,289,000,000	-	404,525	-	404,525	(185,000)	219,525	760,000		(75,000)	904,525	0.0723
2027	1,289,000,000	-	392,150	-	392,150	(185,000)	207,150	760,000		(75,000)	892,150	0.0714
2028	1,289,000,000	-	429,775	-	429,775	(185,000)	244,775	760,000		(75,000)	929,775	0.0744
2029	1,289,000,000	-	414,900	-	414,900	(185,000)	229,900	760,000		(75,000)	914,900	0.0732
2030	1,289,000,000	-	425,025	-	425,025	(185,000)	240,025	760,000		(75,000)	925,025	0.0740
2031	1,289,000,000	-	408,713	-	408,713	(185,000)	223,713	760,000		(75,000)	908,713	0.0727
2032	1,289,000,000	-	417,400	-	417,400	(185,000)	232,400	760,000		(75,000)	917,400	0.0734
2033	1,289,000,000	-	-	-	-	(185,000)	(185,000)	760,000		(75,000)	500,000	0.0400
2034	1,289,000,000	-	-	-	-	(185,000)	(185,000)	760,000		(75,000)	500,000	0.0400
2035	1,289,000,000	-	-	-	-	(185,000)	(185,000)	760,000		(75,000)	500,000	0.0400
2036	1,289,000,000	-	-	-	-	(185,000)	(185,000)	760,000		(75,000)	500,000	0.0400
2037	1,289,000,000	-	-	-	-	(185,000)	(185,000)	760,000		(75,000)	500,000	0.0400
2038	1,289,000,000	-	-	-	-	(185,000)	(185,000)	760,000		(75,000)	500,000	0.0400
Total		\$ 111,980	\$6,155,813	\$ 756,900	\$7,024,693	\$(3,990,475)	\$3,034,218	\$ 14,981,556		\$ (1,500,000)	\$15,883,869	

Overview

- Approximately four weeks prior to the sale of bonds, an application will be submitted to one or more of the rating agencies to assign an independent rating to the Issuer's debt obligations. The rating is a reflection of the District's creditworthiness and is relied upon by investors that purchase the District's debt obligations. The major rating agencies are:
 - Moody's Investors Service;
 - Standard & Poor's; and
 - Fitch Ratings
- In examining the Issuer's financial stability, the rating agencies will consider such things as:
 - The local economy and tax base;
 - Administrative factors;
 - debt policies; and
 - The Issuer's overall financial condition
- After considering all factors, the rating agencies will assign a rating to the debt obligations. In general, the higher the Issuer's rating, the lower the interest rate demanded by investors. This is due to the lower degree of risk associated with a higher rated debt obligation.

Credit Ratings (continued)



Capital
Markets

	Moody's		Standard & Poor's		Fitch
Highest Quality (Lowest default risk)	Aaa		AAA		AAA
	Aa1		AA+		AA+
High Grade / High Quality	Aa2		AA		AA
	Aa3		AA-		AA-
	A1		A+		A+
Upper Medium Grade	A2		A		A
	A3		A-		A-
	Baa1		BBB+		BBB+
Minimum Investment Grade	Baa2		BBB		BBB
	Baa3		BBB-		BBB-
	Ba1		BB+		BB+
	Ba2		BB		BB
Speculative Grade	Ba3		BB-		BB-
	B1		B+		B+
	B2		B		B
	B3		B-		B-
Highly Speculative Grade	Caa (1,2 or 3) or Ca		CCC (+,-), CC or C		CCC (+,-), CC or C
Imminent default or in default	C		SD or D		SD or D

- **Managing Your Project**
 - Construction Contracts
 - Managing Investments During Construction Period
 - Arbitrage Rebate Calculations and Reporting
- **Pay Back Time!**
 - Setting Your Tax/User Rates
 - Segregating Your Collections
 - Transfers to Paying Agent
- **Continuing Disclosure**
 - Timeliness of Completion of Audits
 - Annual Disclosure Filings

Conclusion

We hope this brief outline and discussion of Public Finance Issues is helpful to you and your entity in a way that meets the expectations of your elected officials and constituents.

As stated previously, you should not rely entirely on this outline as your sole source of information as unique facts particular to your transaction can have definitive financial and legal impacts.

You are encouraged to work closely with your Financial Advisor and Bond Counsel as you consider your alternatives. If you have any questions on the material presented, please do not hesitate to call Robert “Bob” Henderson at (210) 240-4614 or R. Dustin “Dusty” Traylor at (210) 805-1117.

Investment Banking / Public Finance Group

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FINANCIAL STATEMENT

FOR OPERATING INFORMATION OF THE CITY, SEE SEPARATE TEXAS MUNICIPAL REPORT.

FINANCIAL STATEMENT (As of September 30, 2021)

Net Taxable Assessed Valuation ("A.V."), 2021	\$2,027,604,019(a)
New Debt	\$19,565,000
Outstanding Debt	24,020,000

Total General Obligation Debt	\$43,585,000
Less: Self-Supporting (b)	
Water & Sewer	9,535,916

GO Debt payable from Ad Valorem Taxes	\$34,049,085
Less: I&S Fund	1,043,742

Net Debt	\$33,005,343
	=====

(a) Includes \$119,093,643 under review.

(b) The February 22, 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 - 1.63%

Net Debt Per Sq mile - \$1,564,975.94

Net Debt Per Capita - \$3,034.42

Net Taxable Assessed Valuation Per Capita - \$186,412.06

Bureau of Census Pop: 2010 - 9,391

Bureau of Census Pop: 2020 - 10,070

2021 Estimated Population - 10,877

Area: 21.09 Sq mile

PAYMENT RECORD

The City has never defaulted on Revenue Bonds and has not defaulted on General Obligation Bonds since 1947 when all Seawall and Breakwater Bonds were refunded at par with no reduction in interest rate.

In 1949 these Seawall and Breakwater Bonds were assumed by Aransas County.

TAX DATA

Tax Year	A.V.	Tax Rate	Adjusted Levy	% Collected within FY	Total % Collected as of 09/30/2021**
2016	\$1,513,644,681	0.3893	\$5,510,593	98.89	99.80
2017	1,625,379,614	0.3856	5,885,041	98.90	99.75
2018	1,460,752,654	0.4520	6,034,776	99.08	99.71
2019	1,665,942,278	0.4201	6,559,985	98.45	99.14
2020	1,810,222,322	0.4213	7,120,566	98.79	98.79
2021	2,027,604,019*	0.3927	7,962,401	(In process of collection)	

* Includes \$119,093,643 for 2021 under review.

** Delinquent tax collections are allocated to the respective years in which the taxes are levied.

Tax Rate Distribution	2021	2020	2019	2018
M&O	\$0.2084	\$0.2417	\$0.2482	\$0.2482
I&S	0.1843	0.1796	0.1719	0.2038
	-----	-----	-----	-----
Totals	0.3927	0.4213	0.4201	0.4520

TAX RATE LIMITATION

Article XI, Section 5 of Texas Constitution, applicable to cities of more than 5,000 population: \$2.50 per \$100 assessed valuation. City operates under a Home Rule Charter which adopts constitutional provisions.

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. 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	1.000%	\$2,826,009	46.82%	\$0.21
2019	1.000	2,775,938	42.31	0.18
2020	1.000	2,864,158	37.55	0.16
2021	1.000	3,243,897	40.74	0.16

DETAILS OF OUTSTANDING DEBT

Details of Limited Tax Debt (Outstanding 9/30/2021)

GO Ref Bds Ser 2012

Tax Treatment:	Bank Qualified
Original Issue Amount	\$6,880,000.00
Dated Date:	10/15/2012
Sale Date:	10/11/2012
Delivery Date:	10/31/2012
Sale Type:	Negotiated
Record Date:	MSRB
Bond Form:	BE
Denomination	\$5,000
Interest pays	Semi-Annually: 08/15, 02/15
1st Coupon Date:	02/15/2013

Paying Agent: U.S. Bank Trust Company, National Association, Houston, TX

Bond Counsel: McCall Parkhurst & Horton L.L.P.

Financial Advisor: RBC Capital Markets, San Antonio, TX

Lead Manager: Southwest Securities

Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP

Water & Sewer 42.24%

Use of Proceeds: Refunding.

Refunding Notes: This issue defeased mty(s) 2/15/2016-2/15/2026 of Comb Tax & Rev C/O Ser 2005 @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	615,000.00	3.0000%	1.620%
02/15/2023	630,000.00	3.0000%	1.730%
02/15/2024	655,000.00	3.0000%	1.800%
02/15/2025	675,000.00	3.0000%	1.950%
02/15/2026	700,000.00	3.0000%	2.030%
-----\$3,275,000.00			

Call Option: Bonds maturing on 02/15/2023 to 02/15/2026 callable in whole or in part on any date beginning 02/15/2022 @ par.

**Comb Tax & Rev C/O Ser 2014**

Tax Treatment: Bank Qualified
 Original Issue Amount \$3,610,000.00
 Dated Date: 06/15/2014
 Sale Date: 06/24/2014
 Delivery Date: 07/24/2014
 Sale Type: Negotiated
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/15, 02/15
 1st Coupon Date: 02/15/2015

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall Parkhurst & Horton L.L.P.
 Financial Advisor: RBC Capital Markets, San Antonio, TX
 Lead Manager: Southwest Securities
 Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP

Security : Limited Tax and a Subordinate lien on the Surplus revenues of the Water & Sewer system.

Water & Sewer 50.95%

Use of Proceeds: Public Improvements.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	155,000.00	3.0000%	2.000%
02/15/2024T	330,000.00	4.0000%	2.350%
02/15/2026T	360,000.00	4.2500%	2.700%
02/15/2028T	390,000.00	4.2500%	2.950%
02/15/2030T	430,000.00	4.2500%	3.200%
02/15/2032T	460,000.00	4.2500%	3.350%
02/15/2034T	500,000.00	4.2500%	3.500%
-----\$2,625,000.00			

Call Option: Term bonds maturing on 02/15/2026 and 02/15/2028 and 02/15/2030 and 02/15/2032 and 02/15/2034 callable in whole or in part on any date beginning 02/15/2024 @ par.

Term Call: Term bonds maturing on 02/15/2024:

Mandatory Redemption Date	Principal Amount
02/15/2023	\$160,000
02/15/2024	\$170,000

Term bonds maturing on 02/15/2026:

Mandatory Redemption Date	Principal Amount
02/15/2025	\$175,000
02/15/2026	\$185,000

Term bonds maturing on 02/15/2028:

Mandatory Redemption Date	Principal Amount
02/15/2027	\$190,000
02/15/2028	\$200,000

Term bonds maturing on 02/15/2030:

Mandatory Redemption Date	Principal Amount
02/15/2029	\$210,000
02/15/2030	\$220,000

Term bonds maturing on 02/15/2032:

Mandatory Redemption Date	Principal Amount
02/15/2031	\$225,000
02/15/2032	\$235,000

Term bonds maturing on 02/15/2034:

Mandatory Redemption Date	Principal Amount
02/15/2033	\$245,000
02/15/2034	\$255,000

GO Ref Bds Ser 2014

Tax Treatment: Bank Qualified
 Original Issue Amount \$5,430,000.00
 Dated Date: 06/15/2014
 Sale Date: 06/24/2014
 Delivery Date: 07/24/2014
 Sale Type: Negotiated
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 02/15, 08/15
 1st Coupon Date: 08/15/2014

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall Parkhurst & Horton L.L.P.
 Financial Advisor: RBC Capital Markets, San Antonio, TX
 Lead Manager: Southwest Securities
 Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP

Water & Sewer 21.32%

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:

Comb Tax & Rev C/O Ser 2007	Refunded Amount	Mat Date	Coupon	Price	Sched Call
	5,255,000.00*	02/15/2027	5.250	Par	02/15/2017

* Partial Maturity

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2024	1,335,000.00	4.0000%	2.350%
02/15/2025	1,385,000.00	4.0000%	2.500%
02/15/2026	1,445,000.00	4.2500%	2.700%
02/15/2027	1,150,000.00	4.2500%	2.900%
-----\$5,315,000.00			

Call Option: Bonds maturing on 02/15/2025 to 02/15/2027 callable in whole or in part on any date beginning 02/15/2024 @ par.

Comb Tax & Rev C/O Ser 2015

Tax Treatment: Bank Qualified
 Original Issue Amount \$1,950,000.00
 Dated Date: 01/15/2015
 Sale Date: 01/13/2015
 Delivery Date: 02/10/2015
 Sale Type: Negotiated
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 02/15, 08/15
 1st Coupon Date: 08/15/2015

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall Parkhurst & Horton L.L.P.
 Financial Advisor: RBC Capital Markets, San Antonio, TX
 Lead Manager: Southwest Securities
 Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP

Security : Limited Tax and a Subordinate lien on the Surplus revenues of the Water & Sewer system.

Use of Proceeds: Parks & Recreation.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
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02/15/2022T	85,000.00	2.0000%	1.700%
02/15/2025T	275,000.00	3.2500%	2.100%
02/15/2028T	305,000.00	3.2500%	2.450%
02/15/2030T	225,000.00	3.7500%	2.620%
02/15/2032T	235,000.00	3.7500%	2.800%
02/15/2035T	390,000.00	4.0000%	3.100%
-----\$1,515,000.00			

Call Option: Term bonds maturing on 02/15/2025 and 02/15/2028 and 02/15/2030 and 02/15/2032 and 02/15/2035 callable in whole or in part on any date beginning 02/15/2024 @ par.

Term Call: Term bonds maturing on 02/15/2022:
Mandatory Redemption Date Principal Amount
02/15/2021 \$85,000
02/15/2022 \$85,000

Term bonds maturing on 02/15/2025:
Mandatory Redemption Date Principal Amount
02/15/2023 \$90,000
02/15/2024 \$90,000
02/15/2025 \$95,000

Term bonds maturing on 02/15/2028:
Mandatory Redemption Date Principal Amount
02/15/2026 \$100,000
02/15/2027 \$100,000
02/15/2028 \$105,000

Term bonds maturing on 02/15/2030:
Mandatory Redemption Date Principal Amount
02/15/2029 \$110,000
02/15/2030 \$115,000

Term bonds maturing on 02/15/2032:
Mandatory Redemption Date Principal Amount
02/15/2031 \$115,000
02/15/2032 \$120,000

Term bonds maturing on 02/15/2035:
Mandatory Redemption Date Principal Amount
02/15/2033 \$125,000
02/15/2034 \$130,000
02/15/2035 \$135,000

GO Ref Bds Ser 2015

Tax Treatment: Bank Qualified
Original Issue Amount \$7,125,000.00
Dated Date: 01/15/2015
Sale Date: 01/13/2015
Delivery Date: 02/10/2015
Sale Type: Negotiated
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 02/15, 08/15
1st Coupon Date: 08/15/2015

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
Bond Counsel: McCall Parkhurst & Horton L.L.P.
Financial Advisor: RBC Capital Markets, San Antonio, TX
Lead Manager: Southwest Securities
Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP

Water & Sewer 21.32%

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:

Comb Tax & Rev C/O Ser 2007

Refunded Amount	Mat Date	Coupon	Price	Sched Call
960,000.00	02/15/2018	4.400	Par	02/15/2017
1,005,000.00	02/15/2019	4.600	Par	02/15/2017
1,055,000.00	02/15/2020	4.700	Par	02/15/2017
3,500,000.00	02/15/2023	5.250	Par	02/15/2017
360,000.00**	02/15/2027	5.250	Par	02/15/2017

** Remainder

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	1,195,000.00	3.5000%	1.700%
02/15/2023	1,245,000.00	3.7500%	1.900%
02/15/2027	360,000.00	3.2500%	2.300%
-----\$2,800,000.00			

Call Option: Bonds maturing on 02/15/2027 callable in whole or in part on any date beginning 02/15/2024 @ par.

Comb Tax & Rev C/O Ser 2016

Tax Treatment: Bank Qualified
Original Issue Amount \$3,275,000.00
Dated Date: 01/01/2016
Sale Date: 01/12/2016
Delivery Date: 01/21/2016
Sale Type: Competitive
TIC: 2.5997%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 08/15, 02/15
1st Coupon Date: 02/15/2017

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
Financial Advisor: RBC Capital Markets, San Antonio, TX
Lead Manager: George K. Baum & Company

Security : Limited Tax and a Subordinate lien on the Surplus revenues of the Water & Sewer system.

Use of Proceeds: Parks & Recreation.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	145,000.00	4.0000%	1.450%
02/15/2023	150,000.00	4.0000%	1.600%
02/15/2024	155,000.00	4.0000%	1.700%
02/15/2025	160,000.00	4.0000%	1.800%
02/15/2026	165,000.00	3.0000%	1.900%
02/15/2027	170,000.00	3.0000%	2.000%
02/15/2028	180,000.00	3.0000%	2.150%
02/15/2029	185,000.00	3.0000%	2.300%
02/15/2030	190,000.00	3.0000%	2.400%
02/15/2031	195,000.00	3.0000%	2.530%
02/15/2032	200,000.00	3.0000%	2.650%
02/15/2033	205,000.00	3.0000%	2.780%
02/15/2034	215,000.00	3.0000%	2.900%
02/15/2035	220,000.00	3.0000%	100.00%
02/15/2036	225,000.00	3.0000%	3.100%
-----\$2,760,000.00			

Call Option: Bonds maturing on 02/15/2026 to 02/15/2036 callable in whole or in part on any date beginning 02/15/2025 @ par.

GO Ref Bds Ser 2017

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Tax Treatment: Bank Qualified
 Original Issue Amount \$5,710,000.00
 Dated Date: 12/01/2017
 Sale Date: 12/13/2017
 Delivery Date: 12/27/2017
 Sale Type: Negotiated
 NIC: 2.5697%
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/15, 02/15
 1st Coupon Date: 02/15/2018

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
 Financial Advisor: RBC Capital Markets, San Antonio, TX
 Lead Manager: Frost Bank
 Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP, Austin, TX

Insurance: Build America Mutual

Water & Sewer 100.00%

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
 Comb Tax & Rev C/O Ser 2009

Refunded Amount	Mat Date	Coupon	Price	Sched Call
550,000.00	02/15/2021	4.000	Par	02/15/2019
570,000.00	02/15/2022	4.000	Par	02/15/2019
595,000.00	02/15/2023	4.000	Par	02/15/2019
620,000.00	02/15/2024	4.000	Par	02/15/2019
645,000.00	02/15/2025	4.000	Par	02/15/2019
670,000.00	02/15/2026	4.200	Par	02/15/2019
700,000.00	02/15/2027	4.300	Par	02/15/2019
730,000.00	02/15/2028	4.375	Par	02/15/2019
765,000.00	02/15/2029	4.500	Par	02/15/2019

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	550,000.00	4.0000%	1.970%
02/15/2023	575,000.00	4.0000%	2.090%
02/15/2024	595,000.00	4.0000%	2.200%
02/15/2025	620,000.00	4.0000%	2.290%
02/15/2026	645,000.00	4.0000%	2.350%
02/15/2027	670,000.00	4.0000%	2.450%
02/15/2028	700,000.00	4.0000%	2.510%
02/15/2029	730,000.00	4.0000%	2.570%
-----\$5,085,000.00			

Call Option: Bonds maturing on 02/15/2028 to 02/15/2029 callable in whole or in part on any date beginning 02/15/2027 @ par.

Tax Notes Ser 2020

Tax Treatment: Tax Exempt
 Original Issue Amount \$14,505,000.00
 Dated Date: 08/15/2020
 Sale Date: 08/31/2020
 Delivery Date: 09/24/2020
 Sale Type: Negotiated
 NIC: 2.5442%
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/15, 02/15
 1st Coupon Date: 02/15/2021

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX

Financial Advisor: RBC Capital Markets, San Antonio, TX
 Lead Manager: Raymond James
 Co-Manager: BOK Financial Securities, Inc.
 Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP, Austin, TX

Use of Proceeds: Public Improvements.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2022	645,000.00	3.0000%	0.390%
-----\$645,000.00			

Call Option: Non-callable

Refunded Notes: Maturities refunded by GO Ref Bds Ser 2022

Refunded Amount	Mat Date	Coupon	Price	Sched Call
725,000.00	02/15/2023	3.000	Par	03/29/2022
755,000.00	02/15/2024	3.000	Par	03/29/2022
950,000.00	02/15/2025	3.000	Par	03/29/2022
1,045,000.00	02/15/2026	3.000	Par	03/29/2022
1,490,000.00	02/15/2027	3.000	Par	03/29/2022
2,715,000.00	02/15/2028	3.000	Par	03/29/2022
2,800,000.00	02/15/2029	3.000	Par	03/29/2022
2,880,000.00	02/15/2030	3.000	Par	03/29/2022

GO Ref Bds Ser 2022

Tax Treatment: Tax Exempt
 Original Issue Amount \$11,925,000.00
 Dated Date: 02/15/2022
 Sale Date: 02/22/2022
 Delivery Date: 03/23/2022
 Sale Type: Negotiated
 NIC: 2.9069%
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 02/15, 08/15
 1st Coupon Date: 08/15/2022

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
 Financial Advisor: RBC Capital Markets, San Antonio, TX
 Lead Manager: Raymond James
 Co-Manager: BOK Financial Securities, Inc.
 Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP, Austin, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:

Tax Notes Ser 2020

Refunded Amount	Mat Date	Coupon	Price	Sched Call
725,000.00	02/15/2023	3.000	Par	03/29/2022
755,000.00	02/15/2024	3.000	Par	03/29/2022
950,000.00	02/15/2025	3.000	Par	03/29/2022
1,045,000.00	02/15/2026	3.000	Par	03/29/2022
1,490,000.00	02/15/2027	3.000	Par	03/29/2022
2,715,000.00	02/15/2028	3.000	Par	03/29/2022
2,800,000.00	02/15/2029	3.000	Par	03/29/2022
2,880,000.00	02/15/2030	3.000	Par	03/29/2022
13,360,000.00				

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2023	310,000.00	4.0000%	1.000%
02/15/2024	305,000.00	4.0000%	1.350%
02/15/2025	335,000.00	4.0000%	1.530%
02/15/2026	380,000.00	4.0000%	1.670%



Rockport, City of

(General Obligation Debt)

Aransas County

Texas Municipal Reports

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Last Revised: 3/4/2024

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02/15/2027	405,000.00	4.0000%	1.740%
02/15/2028	420,000.00	4.0000%	1.830%
02/15/2029	435,000.00	4.0000%	1.900%
02/15/2030	675,000.00	5.0000%	1.950%
02/15/2031	710,000.00	5.0000%	2.000%
02/15/2032	745,000.00	5.0000%	2.060%
02/15/2033	780,000.00	4.0000%	2.190%
02/15/2034	810,000.00	4.0000%	2.260%
02/15/2035	845,000.00	4.0000%	2.320%
02/15/2036	880,000.00	4.0000%	2.370%
02/15/2037	915,000.00	4.0000%	2.380%
02/15/2038	955,000.00	4.0000%	2.400%
02/15/2039	995,000.00	4.0000%	2.420%
02/15/2040	1,025,000.00	4.0000%	2.440%
-----			\$11,925,000.00

Call Option: Bonds maturing on 02/15/2032 to 02/15/2040 callable in whole or in part on any date beginning 02/15/2031 @ par.

Tax Notes Ser 2022

Tax Treatment: Tax Exempt
Original Issue Amount \$7,640,000.00
Dated Date: 02/15/2022
Sale Date: 02/22/2022
Delivery Date: 03/23/2022
Sale Type: Negotiated
NIC: 2.5214%
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: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
Financial Advisor: RBC Capital Markets, San Antonio, TX
Lead Manager: Raymond James
Co-Manager: BOK Financial Securities, Inc.
Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP, Austin, TX

Use of Proceeds: Public Improvements.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2023	150,000.00	4.0000%	1.000%
02/15/2024	360,000.00	4.0000%	1.350%
02/15/2025	570,000.00	4.0000%	1.530%
02/15/2026	655,000.00	4.0000%	1.670%
02/15/2027	1,090,000.00	4.0000%	1.730%
02/15/2028	2,360,000.00	4.0000%	1.780%
02/15/2029	2,455,000.00	4.0000%	1.810%
-----			\$7,640,000.00

Call Option: Bonds maturing on 02/15/2027 to 02/15/2029 callable in whole or in part on any date beginning 02/15/2026 @ par.

Grand Total =====> \$43,585,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/22	3,390,000.00	1,231,464.18	4,621,464.18
09/30/23	3,310,000.00	1,640,910.97	4,950,910.97
09/30/24	3,665,000.00	1,389,525.00	5,054,525.00
09/30/25	4,015,000.00	1,243,050.00	5,258,050.00

09/30/26	4,275,000.00	1,083,425.00	5,358,425.00
09/30/27	4,135,000.00	918,787.50	5,053,787.50
09/30/28	3,965,000.00	758,731.25	4,723,731.25
09/30/29	4,125,000.00	598,775.00	4,723,775.00
09/30/30	1,200,000.00	490,518.75	1,690,518.75
09/30/31	1,245,000.00	436,350.00	1,681,350.00
09/30/32	1,300,000.00	379,868.75	1,679,868.75
09/30/33	1,355,000.00	324,618.75	1,679,618.75
09/30/34	1,410,000.00	270,793.75	1,680,793.75
09/30/35	1,200,000.00	220,450.00	1,420,450.00
09/30/36	1,105,000.00	176,575.00	1,281,575.00
09/30/37	915,000.00	137,300.00	1,052,300.00
09/30/38	955,000.00	99,900.00	1,054,900.00
09/30/39	995,000.00	60,900.00	1,055,900.00
09/30/40	1,025,000.00	20,500.00	1,045,500.00

43,585,000.00 11,482,443.90 55,067,443.90

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
09/30/2022	3,390,000.00	07.78%
09/30/2023	3,310,000.00	15.37%
09/30/2024	3,665,000.00	23.78%
09/30/2025	4,015,000.00	32.99%
09/30/2026	4,275,000.00	42.80%
09/30/2027	4,135,000.00	52.29%
09/30/2028	3,965,000.00	61.39%
09/30/2029	4,125,000.00	70.85%
09/30/2030	1,200,000.00	73.60%
09/30/2031	1,245,000.00	76.46%
09/30/2032	1,300,000.00	79.44%
09/30/2033	1,355,000.00	82.55%
09/30/2034	1,410,000.00	85.79%
09/30/2035	1,200,000.00	88.54%
09/30/2036	1,105,000.00	91.07%
09/30/2037	915,000.00	93.17%
09/30/2038	955,000.00	95.37%
09/30/2039	995,000.00	97.65%
09/30/2040	1,025,000.00	100.00%

DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 09/30/2022	\$4,621,464
I&S Fds all G.O. issues 09/30/2021	\$1,043,742
2021 I&S Fund Tax Levy @ 90%	3,363,187
Water & Sewer	1,491,392
Total	5,898,321

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 890 plans in the nontraditional, joint

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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:	7.00%	7.00%
City:	16.98%	17.65%
Actuarial Valuation as of	12/31/2020	12/31/2019
Assets	\$31,337,129	\$29,301,846
Accrued Liabilities	\$36,719,225	\$35,431,305
(Unfunded)/Overfunded Liab.	(\$5,382,096)	(\$6,129,459)
Funded Ratio	85.34%	82.70%
Annual Covered Payroll	\$6,708,966	\$6,355,418
(Unfunded)/Overfunded Liability as a % of Covered Payroll	(80.22)%	(96.44)%

Pension Liability - Beginning	\$35,431,305	\$33,859,613
Pension Liability - Ending (a)	\$36,719,225	\$35,431,305
Contributions Employer	\$1,198,891	\$1,108,588
Contributions Employee	\$469,628	\$444,879
Plan Fiduciary Net Position Beg	\$30,116,594	\$26,134,727
Plan Fiduciary Net Position End (b)	\$32,366,554	\$30,116,594

Net Pension Liability (a) - (b) (Pension Liab - Fiduciary Position)	\$4,352,671	\$5,314,711
--	-------------	-------------

Plan Fiduciary Net Position as a % of Total Pension Liability	88.15%	85.00%
---	--------	--------

Covered Employee Payroll	6,708,966	6,355,418
--------------------------	-----------	-----------

Net Pension Liability as a % of Covered Payroll	64.88%	83.62%
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Membership Data

Inactive employees or beneficiaries currently receiving benefits	80	75
Inactive employees entitled to but not yet receiving benefits	72	68
Active employees	116	114
Total	268	257

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	\$6,708,966	\$6,355,418
Changes in the Total OPEB Liability		
Total OPEB Liability - BOY	\$436,445	\$358,579
Changes for the year		
Service Cost	\$24,152	\$17,160
Interest on Total OPEB Liability	\$12,279	\$13,574
Changes of benefit terms including TMRS plan participation	\$0	\$0
Differences between expected and actual experience	(\$8,742)	(\$13,755)
Changes in assumptions or other inputs	\$63,296	\$63,429
Benefit payments	(\$4,025)	(\$2,542)
Net changes	\$86,960	\$77,866
Total OPEB Liability - EOY	\$523,405	\$436,445
Total OPEB Liability as a Percentage of Covered Payroll	7.8016%	6.8673%
OPEB Expense (Benefit)	55,022	35,666
Number of		
Inactive employees currently receiving benefits	65	62
Inactive employees entitled to but not yet receiving benefits	11	10
Active employees	116	114
Total	192	186

Source: City of Rockport ACFR dated September 30, 2021

NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of September 30, 2021)

The City reports additional debt in the principal amount of \$16,654,811 under Govt Activities as follows:

	Amount Outstanding	Int Rate	Next Year's Requirements	Reported Under
Capital Leases(b)	\$313,649	N/A	\$107,787	Govt Activities
Compensated Absences	\$632,034	N/A	N/A	Govt Activities
Pension Liability(a)	\$3,125,351	N/A	N/A	Govt Activities
OPEB(a)	\$3,980,941	N/A	N/A	Govt Activities
Lease(c)	\$8,241,299	4%	\$743,782	Govt/Bus Activities
Compensated Absences	\$28,708	N/A	N/A	Internal Serv Fleet
Pension Liability(a)	\$116,192	N/A	N/A	Internal Serv Fleet
OPEB(a)	\$216,637	N/A	N/A	Internal Serv Fleet

(a) See PENSION FUND LIABILITY section for details of this obligation.

(b) The City has entered into a lease purchase agreement for the Public Safety Center with the County of Aransas, Texas. The City and County jointly paid for



the facility to house the law enforcement entities. This lease agreement qualifies as capital leases for accounting purposes, and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception. At September 30, 2021, the Center is carried at the cost of \$1,607,000 net of accumulated depreciation of \$682,975. The City acquired four vehicles under a lease purchase agreement that are carried at a cost of \$44,914 net of accumulated depreciation of \$39,671 as of September 30, 2021.

(c) See the table below for information regarding the Lease/Purchase Agreement. The rental payments constitute a current expense of the Lessee (the City) and are solely payable from funds that are legally available, including, but not limited to the general fund. The lease shall not in any way be construed to be a bond, note, or other debt of the Lessee, nor shall the pledge constitute the full faith and credit, general tax revenues, funds or moneys of the Lessee. The lease is secured by a first lien on the leased equipment, moneys and investments held from time to time in the Escrow Account, and any and all proceeds of any of the foregoing. The Lessee shall have the option to purchase all, but not less than all, of the Equipment upon the Purchase Option Commencement Date, in the event of substantial damage to or destruction or condemnation of substantially all of the Equipment, or upon expiration of the Lease Term. After payment of the applicable Purchase Price and accrued interest and all other amounts owed, the Lessor's security interest in and to such Equipment will be terminated and the Lessee will own the Equipment free and clear of the Lessor's security interest.

Equipment Lease/Purchase Agreement (Direct Pay Qualified Energy Conservation Bds) Ser 2017

Tax Treatment: Qualified Energy Conservation Bonds-Taxable
Original Issue Amount \$9,319,539.00
Dated Date: 08/08/2017
Sale Date: 07/31/2017
Delivery Date: 08/08/2017
Sale Type: Private Placement
Record Date: N/A
Bond Form: N/A
Denomination \$0
Interest pays Semi-Annually: 12/01, 06/01
1st Coupon Date: 06/01/2018

Bond Counsel: McCall, Parkhurst & Horton L.L.P., San Antonio, TX
Purchaser: Banc of America Leasing & Capital, LLC

Use of Proceeds: Equipment.

Maturity	Amount	Coupon	Orig Reoffering
			Price/Yield
12/01/2021	198,628.06	4.2400%	100.00%
06/01/2022	199,933.04	4.2400%	100.00%
12/01/2022	171,373.60	4.2400%	100.00%
06/01/2023	172,499.53	4.2400%	100.00%
12/01/2023	219,168.35	4.2400%	100.00%
06/01/2024	220,608.29	4.2400%	100.00%
12/01/2024	230,238.68	4.2400%	100.00%
06/01/2025	231,751.35	4.2400%	100.00%
12/01/2025	241,697.46	4.2400%	100.00%
06/01/2026	243,285.41	4.2400%	100.00%
12/01/2026	253,556.80	4.2400%	100.00%
06/01/2027	255,222.66	4.2400%	100.00%
12/01/2027	179,511.24	4.2400%	100.00%
06/01/2028	180,690.63	4.2400%	100.00%
12/01/2028	277,390.00	4.2400%	100.00%
06/01/2029	279,212.46	4.2400%	100.00%
12/01/2029	290,513.88	4.2400%	100.00%
06/01/2030	292,422.56	4.2400%	100.00%
12/01/2030	304,089.77	4.2400%	100.00%
06/01/2031	306,087.64	4.2400%	100.00%
12/01/2031	318,134.14	4.2400%	100.00%
06/01/2032	320,224.28	4.2400%	100.00%
12/01/2032	332,660.65	4.2400%	100.00%
06/01/2033	334,846.23	4.2400%	100.00%

12/01/2033	347,684.67	4.2400%	100.00%
06/01/2034	349,968.96	4.2400%	100.00%
12/01/2034	363,221.76	4.2400%	100.00%
06/01/2035	365,608.13	4.2400%	100.00%
12/01/2035	379,288.67	4.2400%	100.00%
06/01/2036	381,780.60	4.2400%	100.00%
-----\$8,241,299.50			

Call Option: The Agreement (a) is not subject to optional redemption within five years of the date hereof, (b) is not issued at an issue price that exceeds the par amount thereof by more than one fourth of one percent (.25%) multiplied by the product of the par amount and the number of complete years to the first optional redemption date of the bond, or (c) does not bear interest at increasing interest rates (i.e., a stepped coupon bond). The Agreement is not subject to expected contingent early redemption.

Period Ending	Principal	Interest	Debt Service
09/30/22	398,561.10	345,220.19	743,781.29
09/30/23	343,873.13	328,898.98	672,772.11
09/30/24	439,776.64	313,305.52	753,082.16
09/30/25	461,990.03	294,424.30	756,414.33
09/30/26	484,982.87	274,592.99	759,575.86
09/30/27	508,779.46	253,778.30	762,557.76
09/30/28	360,201.87	233,775.82	593,977.69
09/30/29	556,602.46	216,428.23	773,030.69
09/30/30	582,936.44	192,550.06	775,486.50
09/30/31	610,177.41	167,545.74	777,723.15
09/30/32	638,358.42	141,376.48	779,734.90
09/30/33	667,506.88	114,002.13	781,509.01
09/30/34	697,653.63	85,381.32	783,034.95
09/30/35	728,829.89	55,471.42	784,301.31
09/30/36	761,069.27	24,228.42	785,297.69

	8,241,299.50	2,664,034.30	10,546,142.28
=====			

OVERLAPPING DEBT

Taxing Body	Debt Amount	As Of	%Ovlp	Ovlp Amt
Aransas Co	\$19,690,105	12/31/21	49.02	\$9,652,089
Aransas Co ISD	23,833,000 *	08/31/22	51.01	12,157,213
Aransas Nav Dist #1	2,160,000 *	08/31/22	49.02	1,058,832
Aransas Pass ISD	14,228,695	08/31/21	0.95	135,173
Total Overlapping Debt:				\$23,003,307

Rockport, City of (General Obligation Debt)				
		09/30/21		\$33,005,343
Total Direct and Overlapping Debt:				\$56,008,650

Total Direct and Overlapping Debt % of A.V.:				2.76%
Total Direct and Overlapping Debt per Sq Mi.:				\$2,655,697

* Gross Debt

MATERIAL EVENTS AND OTHER FILINGS

This section contains excerpt(s) from or a summary of filings made by or on behalf of the issuer. The information below is an extract or summary only. The complete filing should be viewed on the Texas MAC website (www.mactexas.com) or the Electronic Municipal Market Access (EMMA) System of the Municipal Securities Rulemaking Board (<https://emma.msrb.org/>). See TMR disclaimer at the bottom of this page.

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02/15/2022 - Standard & Poor's Underlying: Upgrade on 02/15/2022

"On February 15, 2022, S&P Global Ratings upgraded the underlying credit rating of the Issuer from "A+" to "AA-."

12/08/2017 - Standard & Poor's Underlying: Downgrade on 12/06/2017

"S&P Global Ratings lowered its long-term rating on the City of Rockport's General Obligation debt to 'A+' from 'AA'."

ECONOMIC BACKGROUND

The City of Rockport is the county seat of Aransas County, located on State Highway 35, approximately 31 miles northeast of the City of Corpus Christi, 180 miles southeast of the City of Austin, 182 miles southwest of the City of Houston and 161 miles southeast of the City of San Antonio. The City is surrounded on three sides by the waters of Aransas, Copano and Port bays. There are a variety of outdoor activities which attract tourists. The City's 2020 population was 10,070 increasing 7.23% since 2010. Commercial fishing and shrimping, tourism, and oil production and refining contribute significantly to the City's economy.

COUNTY CHARACTERISTICS

Aransas County, located on the southeastern coast near the Gulf of Mexico, was created and organized in 1871 from Refugio County. The Aransas National Wildlife Refuge is a nationally known wildlife sanctuary.

COUNTY SEAT: Rockport

2020 census: 23,830 increasing 2.9% since 2010
2010 census: 23,158 increasing 2.9% since 2000
2000 census: 22,497

ECONOMIC BASE

Mineral: sand, oyster shell, oil and gas.

Industry: tourism, hunting, Fishing and commercial shrimping.

Agricultural: hunting, hay, fishing, cow-calf operations and cotton.

OIL AND GAS - 2023

The county ranks 184 out of all the counties in Texas for oil production. The gas production for this county accounts for 0.02% of the total state production. The county ranks 110 out of all the counties in Texas for gas production.

OIL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2020	Oil	17,758 BBL	-12.80
2021	Oil	20,968 BBL	18.08
2022	Oil	21,804 BBL	3.99
2023	Oil	12,565 BBL	-42.37

CASINGHEAD (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2020	Casinghead	153,487 MCF	11.04
2021	Casinghead	140,850 MCF	-8.23
2022	Casinghead	166,021 MCF	17.87
2023	Casinghead	89,852 MCF	-45.88

GAS WELL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2020	GW Gas	3,048,731 MCF	4.45
2021	GW Gas	2,273,010 MCF	-25.44
2022	GW Gas	1,727,895 MCF	-23.98
2023	GW Gas	1,346,350 MCF	-22.08

CONDENSATE (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2020	Condensate	100,840 BBL	25.42

2021	Condensate	77,569 BBL	-23.08
2022	Condensate	52,251 BBL	-32.64
2023	Condensate	42,847 BBL	-18.00

PARKS (Texas Parks & Wildlife)

Year	Description	Volume
2023	152,941 Visitors	
2024	Goose Island State Park	N/A
2025	Goose Island State Park	N/A
2020	Goose Island State Park	61,328 Visitors

EMPLOYMENT DATA (Texas Workforce Commission)

	2023		2022		2021	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	6,232	\$70.4M	6,058	\$68.9M	5,689	\$58.9M
2nd Q:	6,370	\$72.2M	6,248	\$69.7M	5,917	\$61.7M
3rd Q:	6,450	\$72.5M	6,416	\$73.1M	5,899	\$63.8M
4th Q:	N/A	N/A	6,288	\$73.6M	6,052	\$68.6M

Starting Q4 2021 includes Federal Data

TOP EMPLOYERS

Major Employers	# Employees
Aransas County ISD Education	466
Aransas County Government	220
Wal-Mart Retail	209
HEB Retail	203
City of Rockport Government	127
State of Texas Government	100
Gulf Point Plaza Commercial	80
Paradise Keys Resturant	76
Rockport Nursing & Rehabilitation Center Health Care	72
Builders First Source Department Store	60

Source: City of Rockport ACFR dated September 30, 2021.

TOP TAXPAYERS

Principal Taxpayers	2021 A.V.	% of A.V.
1. Rockport Harvey Housing LLC Residential - Apartments	\$12,824,590	0.63%
2. Oaks at Bentwater Owner LLC Residential - Apartments	11,697,880	0.58%
3. C H Marina and Drystack LP Commercial - Marina/Shipyard	9,334,950	0.46%
4. AEP Texas Inc. Utility - Electric Utility/Power Plant	9,179,870	0.45%
5. Wal-Mart Real Estate Business Trust Commercial - Retail Store	7,278,700	0.36%
6. Rockport Harborfront LP Commercial - Commercial Building	7,125,780	0.35%
7. H.E. Butt Grocery Commercial - Grocery Store	6,835,310	0.34%
8. J&S Lagoons RV LLC Residential - Mobile Homes/Parks	5,529,310	0.27%
9. TFP Properties III LLC	4,875,480	0.24%

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Commercial - Strip Mall/Plaza		
10. Wal-Mart Stores East Inc. #440	4,648,890	0.23%
Commercial - Retail Store		
	-----	-----
Total:	\$79,330,760	3.91%

FINANCE CONNECTED OFFICIALS

Mayor
Tim Jayroe
2751 SH 35 Bypass
Rockport, TX 78382
Phone: 361-729-2213 Ext: 222
mayor@cityofrockport.com

City Manager
Vanessa Shrauner
2751 SH 35 Bypass
Rockport, TX 78382
Phone: 361-729-2213 Ext: 253
vshrauner@cityofrockport.com

Interim City Secretary
Kimberly Henry
2751 SH 35 Bypass
Rockport, TX 78382
Phone: 361-729-2213 Ext: 225
citysecretary@rockporttx.gov

Finance Director
Robbie Sorrell
2751 SH 35 Bypass
Rockport, TX 78382
Phone: 361-729-2213
finance@cityofrockport.com

Tax Assessor/Collector
Anna Marshall
Aransas County Tax Office
319 N. Church St
Rockport, TX 78382
Phone: 361-790-0160
taxac@aransascounty.org

Chief Appraiser
Mike Soto
Aransas County Appraisal District
11 Hwy 35 N
Rockport, TX 78382
Phone: 361-729-9733
mikes@aranscad.org

MF

Payment Date	Principal	Interest	Total P + I	Fiscal Year Ending 9/30 Debt Service
2/15/2023	\$ 310,000	\$ 249,150	\$ 559,150	
8/15/2023	-	242,950	242,950	\$ 802,100
2/15/2024	305,000	242,950	547,950	
8/15/2024	-	236,850	236,850	784,800
2/15/2025	335,000	236,850	571,850	
8/15/2025	-	230,150	230,150	802,000
2/15/2026	380,000	230,150	610,150	
8/15/2026	-	222,550	222,550	832,700
2/15/2027	405,000	222,550	627,550	
8/15/2027	-	214,450	214,450	842,000
2/15/2028	420,000	214,450	634,450	
8/15/2028	-	206,050	206,050	840,500
2/15/2029	435,000	206,050	641,050	
8/15/2029	-	197,350	197,350	838,400
2/15/2030	675,000	197,350	872,350	
8/15/2030	-	180,475	180,475	1,052,825
2/15/2031	710,000	180,475	890,475	
8/15/2031	-	162,725	162,725	1,053,200
2/15/2032	745,000	162,725	907,725	
8/15/2032	-	144,100	144,100	1,051,825
2/15/2033	780,000	144,100	924,100	
8/15/2033	-	128,500	128,500	1,052,600
2/15/2034	810,000	128,500	938,500	
8/15/2034	-	112,300	112,300	1,050,800
2/15/2035	845,000	112,300	957,300	
8/15/2035	-	95,400	95,400	1,052,700
2/15/2036	880,000	95,400	975,400	
8/15/2036	-	77,800	77,800	1,053,200
2/15/2037	915,000	77,800	992,800	
8/15/2037	-	59,500	59,500	1,052,300
2/15/2038	955,000	59,500	1,014,500	
8/15/2038	-	40,400	40,400	1,054,900
2/15/2039	\$ 995,000	\$ 40,400	1,035,400	
8/15/2039	-	20,500	20,500	\$ 1,055,900
2/15/2040	1,025,000	20,500	1,045,500	1,045,500
Total	\$ 11,925,000	\$ 5,393,250	\$ 17,318,250	\$ 17,318,250

City of Rockport, Texas

General Obligation Debt Capacity Analysis

Assumes a constant I&S Tax Rate of 15.65 cents - (An in

A	B	C	D	E	F	H
Fiscal Year Ending	Net TAV Adjusted for	Tax Supported	Available Allocation of	Net Outstanding	I&S Tax Rate	Fiscal Year Ending
<u>9-30</u>	<u>Over 65 Freeze</u>	<u>Debt Service</u>	<u>& Applied Funds</u>	<u>Service</u>	<u>Outstanding</u>	<u>9-30</u>
2024	\$ 2,268,163,280	\$ 3,657,864	\$ (402,000)	\$ 3,255,864	\$ 0.1465	2024
2025	2,381,571,444	3,756,781	(520,000)	3,236,781	0.1387	2025
2026	2,476,834,302	3,854,070	(520,000)	3,334,070	0.1374	2026
2027	2,575,907,674	3,851,507	(520,000)	3,331,507	0.1320	2027
2028	2,653,184,904	3,846,367	(520,000)	3,326,367	0.1279	2028
2029	2,732,780,451	3,844,355	(520,000)	3,324,355	0.1241	2029
2030	2,787,436,060	1,555,259	(520,000)	1,035,259	0.0379	2030
2031	2,787,436,060	1,548,361	(520,000)	1,028,361	0.0376	2031
2032	2,787,436,060	1,546,765	(520,000)	1,026,765	0.0376	2032
2033	2,787,436,060	1,546,617	(520,000)	1,026,617	0.0376	2033
2034	2,787,436,060	1,548,110	(520,000)	1,028,110	0.0376	2034
2035	2,787,436,060	1,420,450	(520,000)	900,450	0.0330	2035
2036	2,787,436,060	1,281,575	(520,000)	761,575	0.0279	2036
2037	2,787,436,060	1,052,300	(520,000)	532,300	0.0195	2037
2038	2,787,436,060	1,054,900	(520,000)	534,900	0.0196	2038
2039	2,787,436,060	1,055,900	(520,000)	535,900	0.0196	2039
2040	2,787,436,060	1,045,500	(520,000)	525,500	0.0192	2040
		\$ 37,466,682	\$ (8,722,000)	\$ 28,744,682		

Notes:

1. Growth in the Net Taxable Value is assumed to be 5% in FY25; 4% in FY26&27; 3% in FY28&29; 2%
2. The current tax rate collection ratio is assumed to be 98%
3. The "Available Allocation of Frozen Taxes" figure is based on calculations provided by the Tax Assess
4. The "Applied Funds" column is a combination of Delinquent Taxes (\$20,000) and estimated penalties ;
5. Debt Capacity calculations assume 20 year structures at 4.5%.

Last Revised:

4/25/2024

City/County Relations
Handout from Animal Control

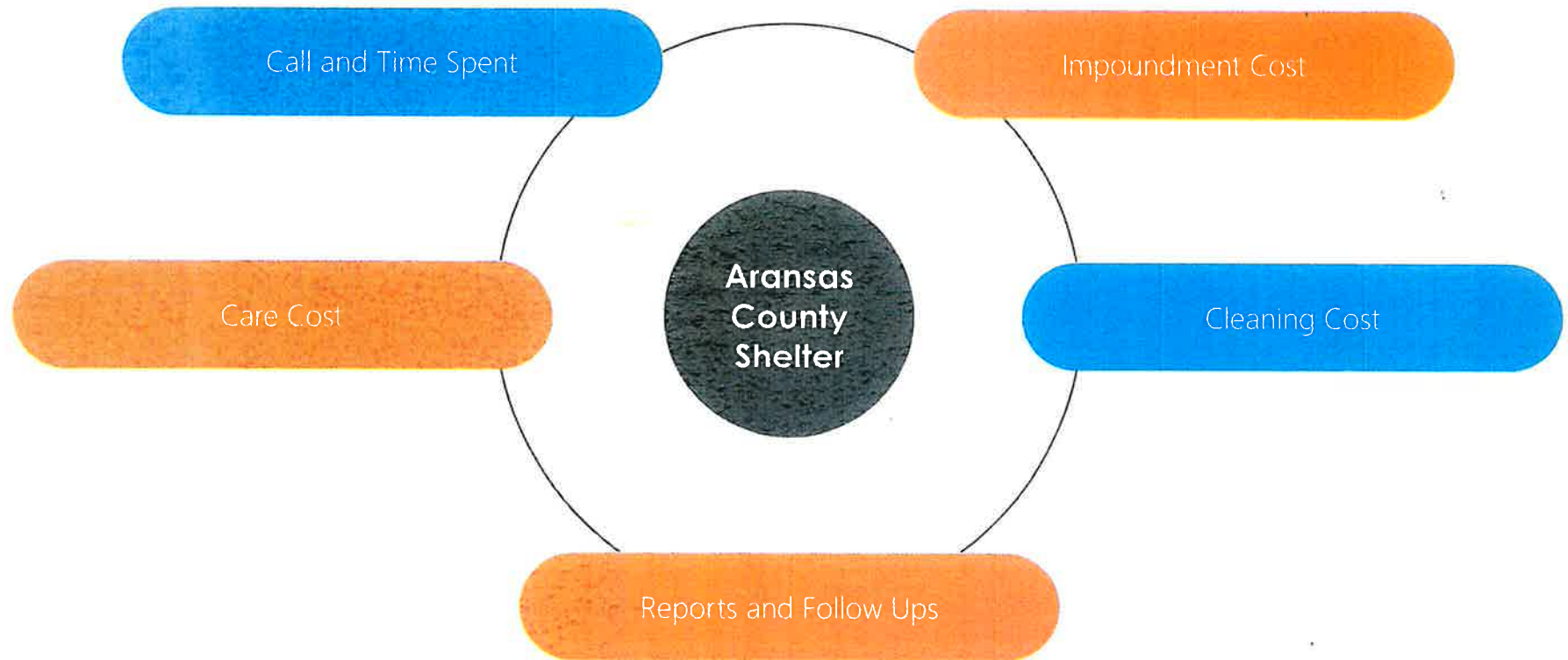


Aransas County Animal Care Services

Calls and Intakes by Jurisdictions

By: Director Caitlan Frazier

Intake Cost



City Of Rockport

2020

Dispatched calls
1,228

Intake
240

2021

Dispatched calls
1,115

Intake
343

2022

Dispatched calls
1,137

Intake
277

2023

Dispatched calls
1,267

Intake
143

*Stopped taking
owner surrender*

Town Of Fulton

Dispatched Calls
257

Intake
27

Dispatched Calls
257

Intake
103

Dispatched Calls
244

Intake
86

Dispatched Calls
220

Intake
27

Aransas County

Dispatched calls
2,371

Intake
544

Dispatched calls
2,526

Intake
752

Dispatched calls
2,465

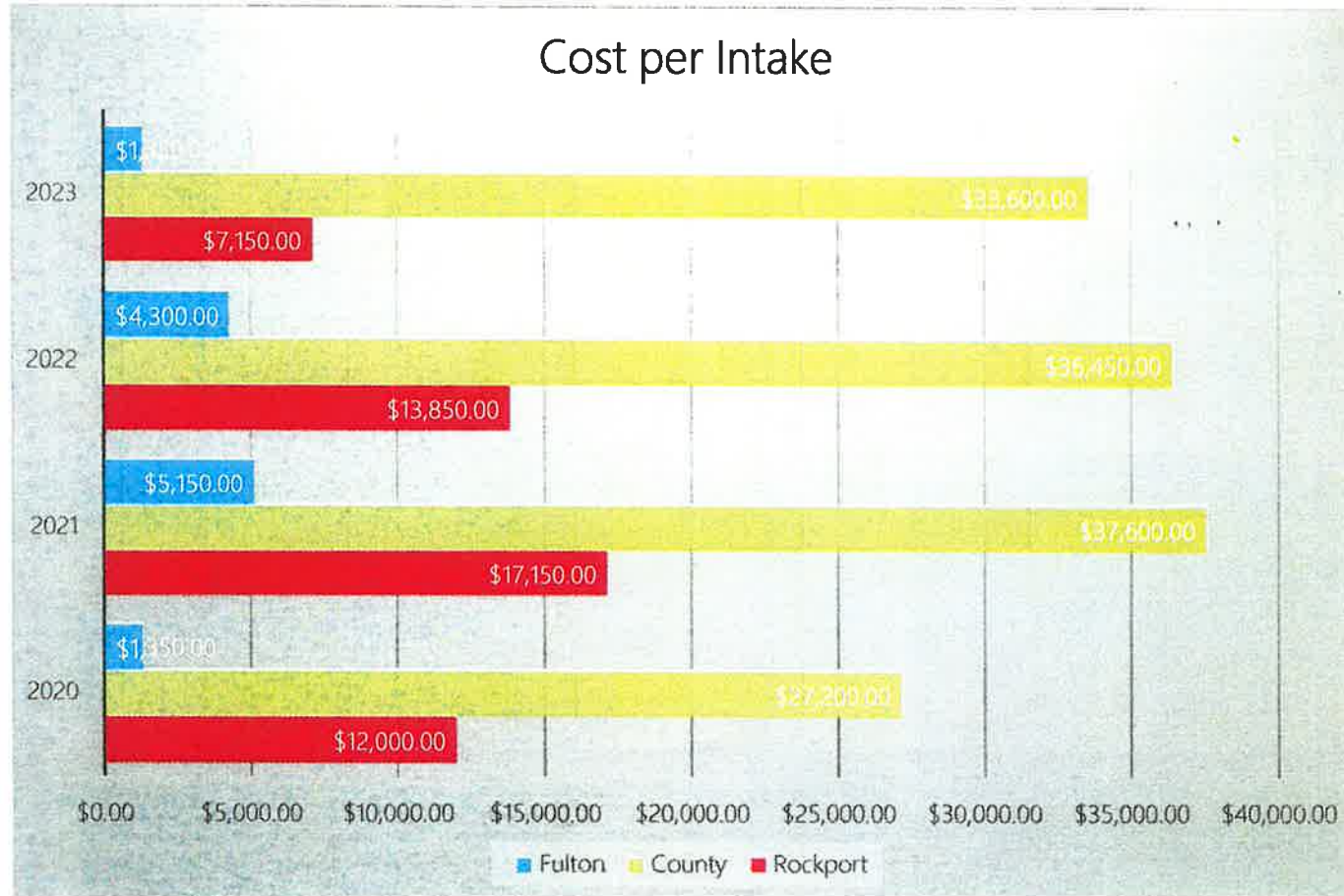
Intake
729

Dispatched calls
2,644

Intake
672

Cost

Animal Intake Cost: \$50



• Cost Per Average Stay • For 2023

Species	Average Days On Shelter
Dog	50
Cat	12



Dogs

City of Rockport 69 Intakes for 50 days- \$37,260
 Aransas County 335 Intakes for 50 days- \$180,900
 Town of Fulton 8 Intakes for 50 days- \$4,320

Cats

City of Rockport 19 Intakes for 12 days- ~~\$8,400~~ ^{2,280} ?
 Aransas County 237 Intakes for 12 days- \$119,000
 Town of Fulton 19 Intakes for 12 days- \$2,280

Totals

City of Rockport Intakes - ~~\$45,660~~ ^{\$39,540}
 Aransas County Intakes - \$299,900
 Town of Fulton Intakes - \$6,600

Cost Per County Employee

Employee Type	Annual Rate		Total
Director	Salary \$ 49,741.50	Divide by 3 Jurisdictions	\$16,580.50
Adoption Coordinator	Annual \$ 46,189.60	Divide by 3 jurisdictions	\$15,396.50
Animal Control Officer	\$16.51 per hour	Times by the amount of calls for 2023 for hour	\$20,905.50
Kennel Tech	\$16.11	6 hours, 7 days a week	\$34,410.96 (divided by 3 jurisdictions) Total: \$11,470.42

Employee Type	Overtime Hourly rate	Total Calls after hours and weekends	Total at just 1 hr per call
Animal Control Officer	\$24.75	112	\$2,772

Total for all County Employees	59,095.46
--------------------------------	-----------

Additional Animal Cost

Dogs

Rabies shot- \$22

Dapp x3- \$12

Bordetella- \$15

Flea and Tick- \$32

Wormer- \$.30

Heartgard- \$10

Spay and Neuter- \$180

Total for 1- \$271.30

Total for 69 Intakes- \$18,719.71

Cats

Rabies shot- \$22

Fvrcp- \$6.50

FIV/FLV test- \$25

Flea and Tick- \$3.50

Wormer- \$.30

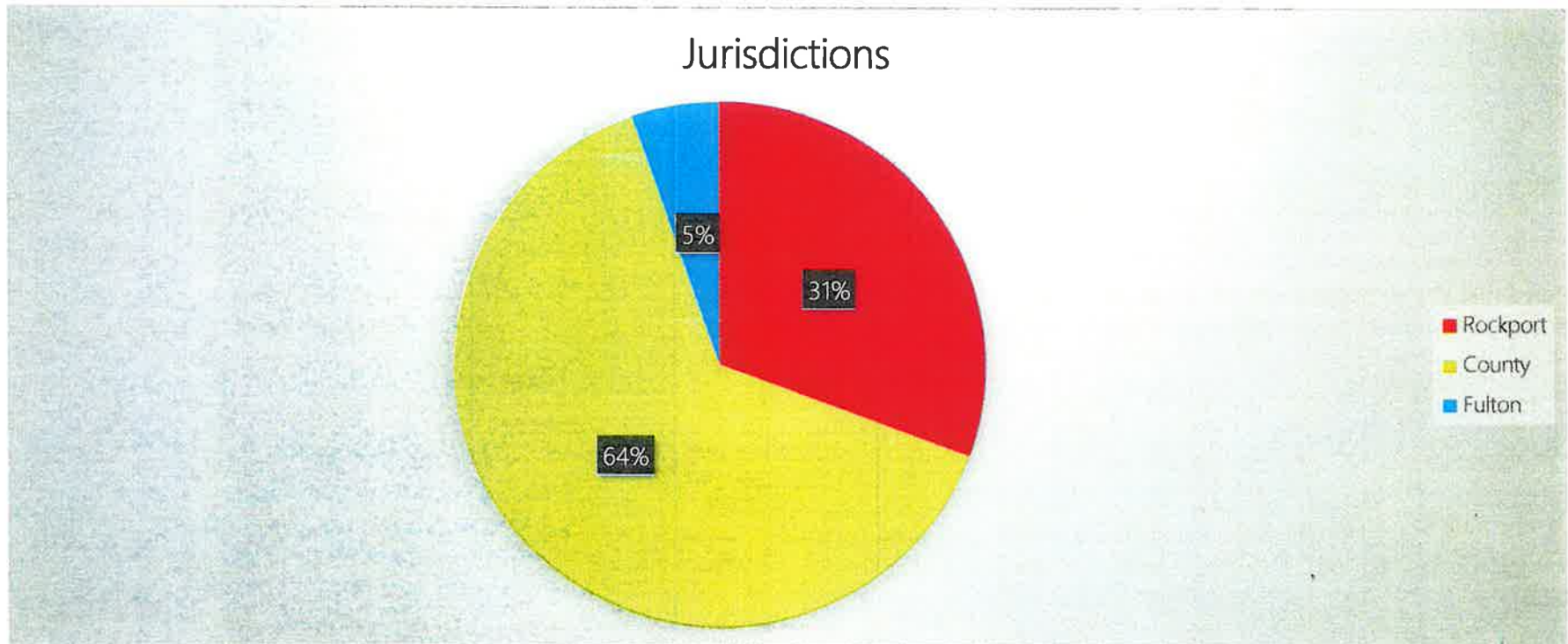
Spay and Neuter- \$120

Total for 1- \$177.30

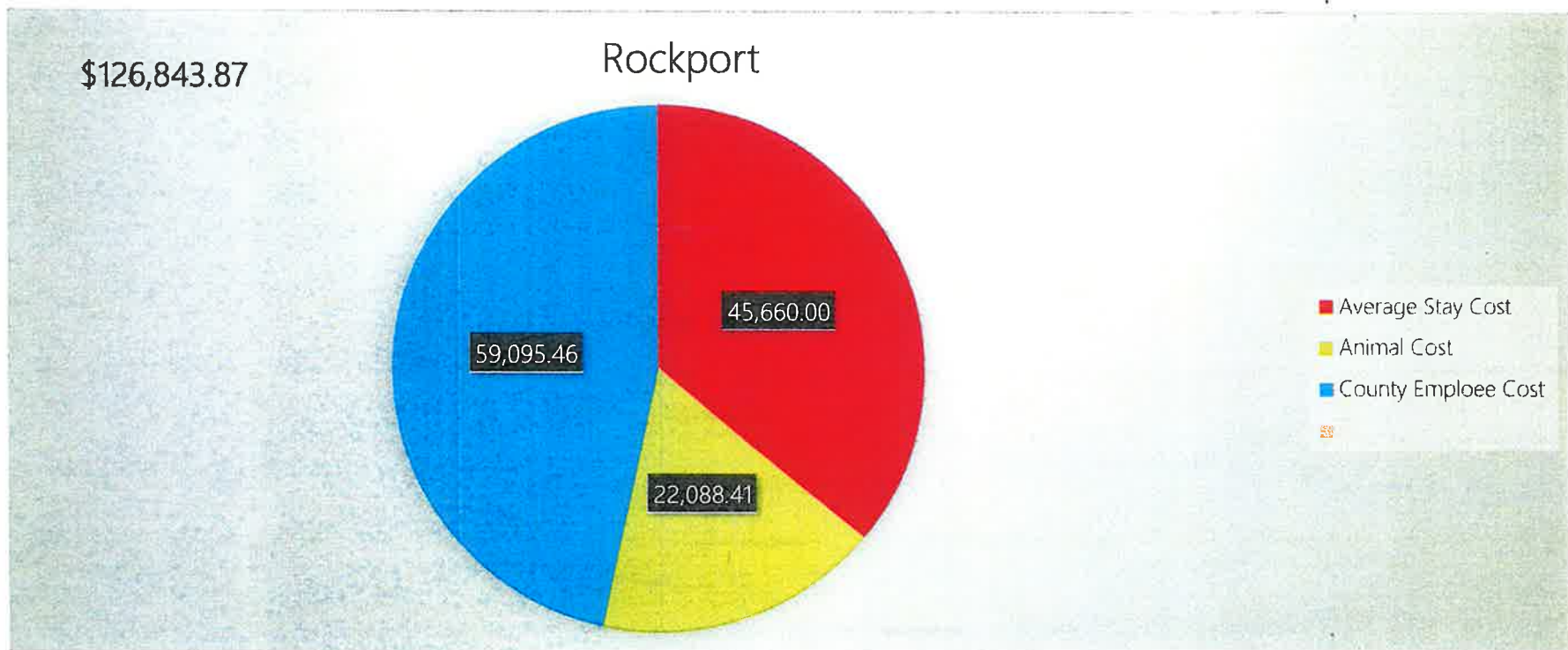
Total for 19 Intakes- \$3,368.70

Total from 2023 Intakes - \$22,088.41

Percentage of calls for 2023



Total Cost for 2023 City of Rockport





Thank You

24Slides

Housing

Overhead Projections

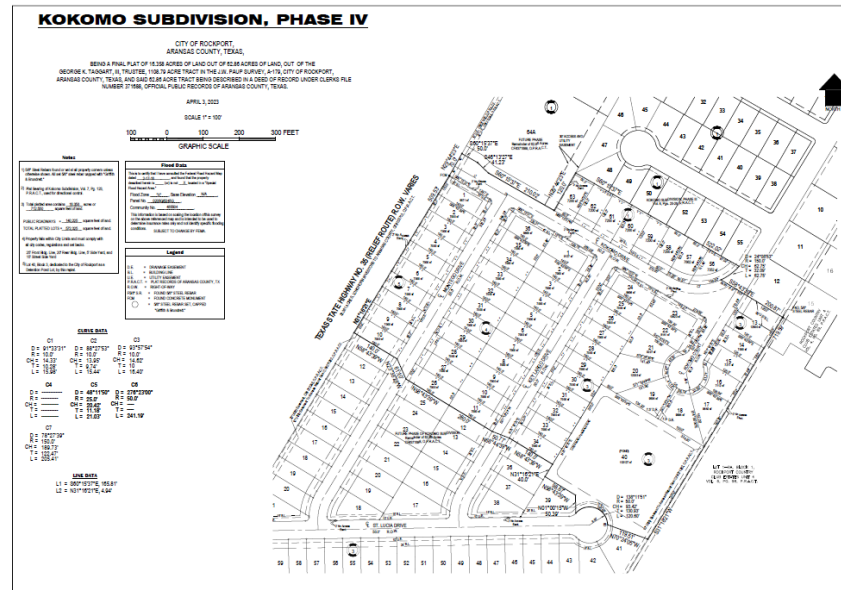
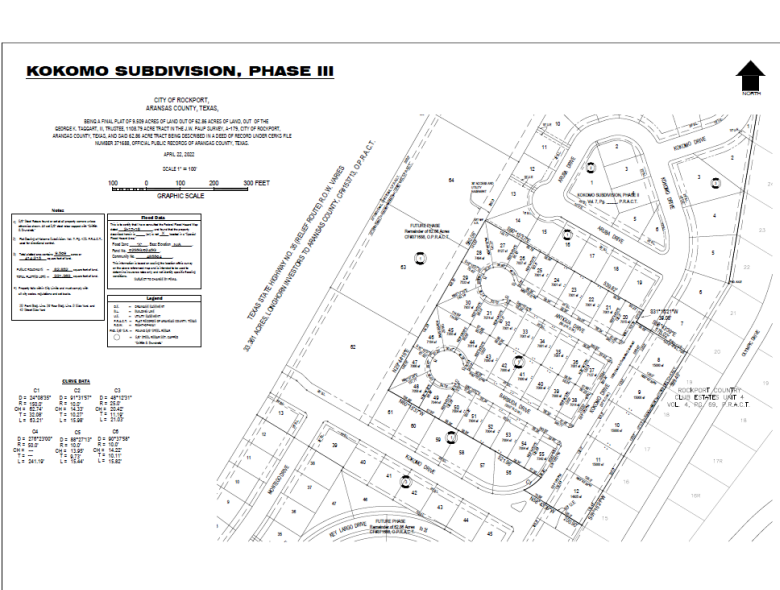
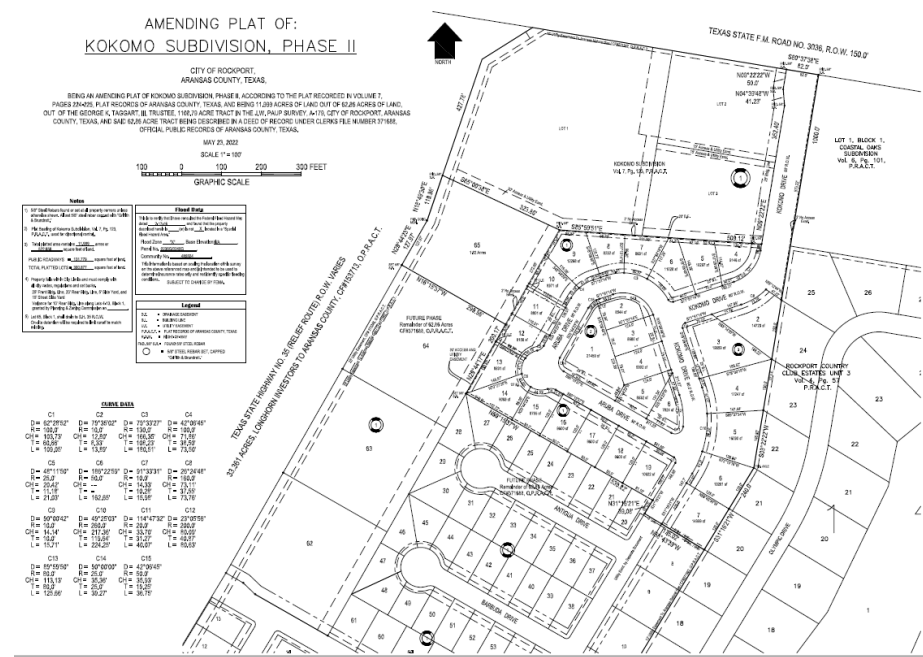
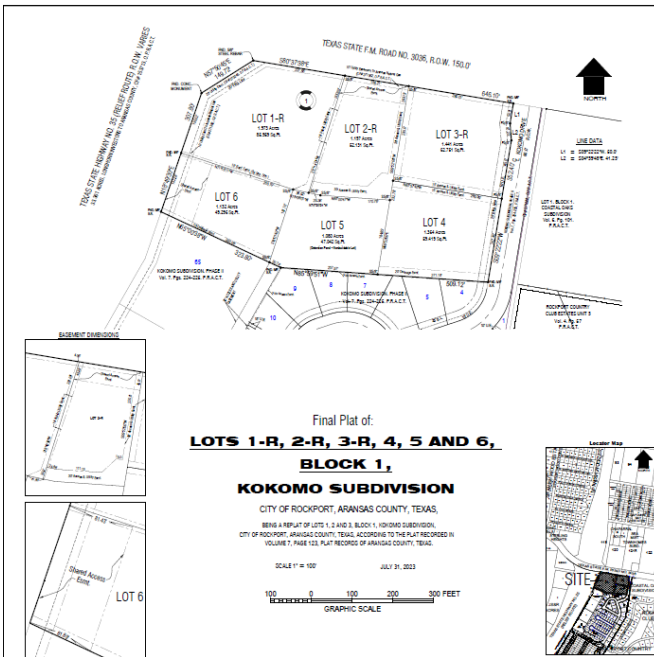
City of Rockport Growth and Development

CUMULATIVE NUMBER OF NEW PERMITS ISSUED

January	Thru December	Thru December	Thru December	Thru December	Thru March
Type	No. in 2020	No. in 2021	No. in 2022	No. in 2023	No. in 2024
SFD	129	163	136	169	36
Comm. Bldgs	30	27	55	31	11
Duplex	0	2	0	0	0
Multi-Family	1	1	0	0	0
TOTAL	160	193	191	200	47

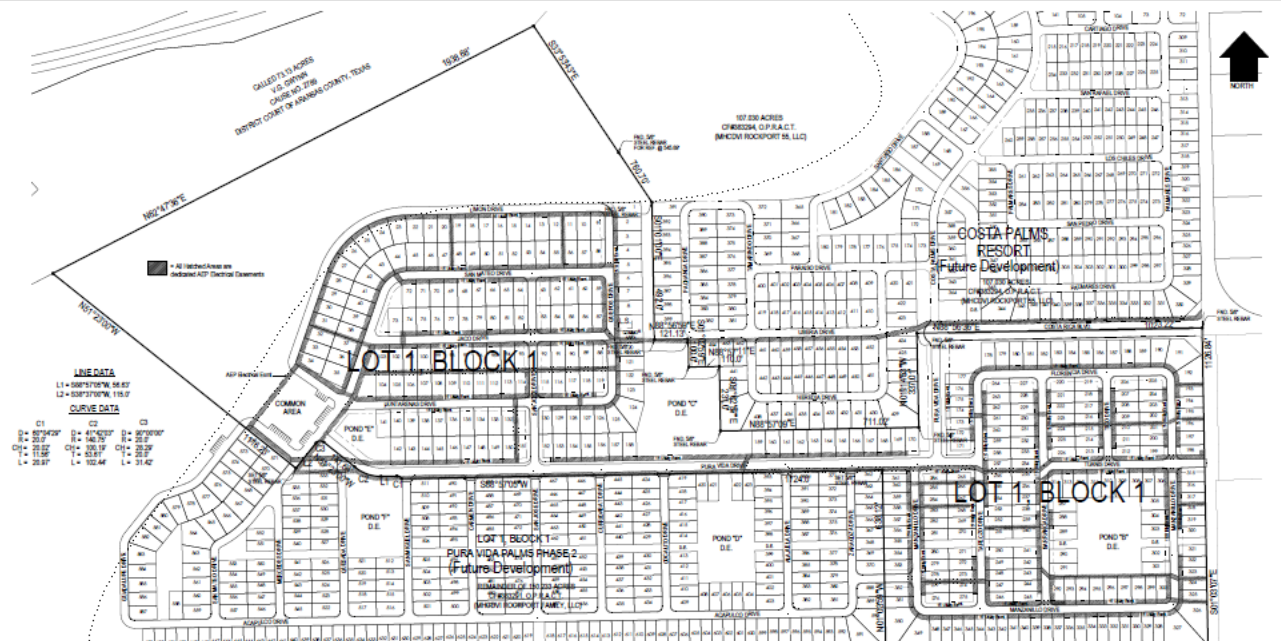
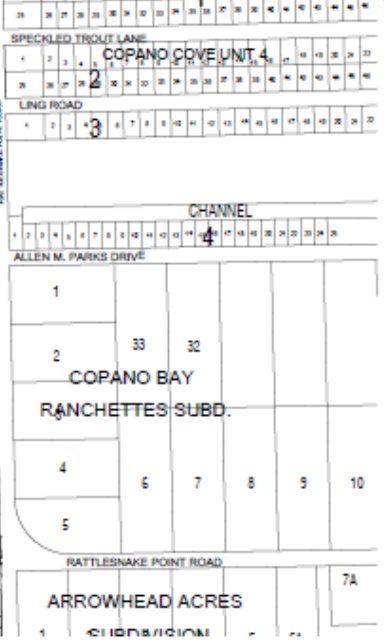
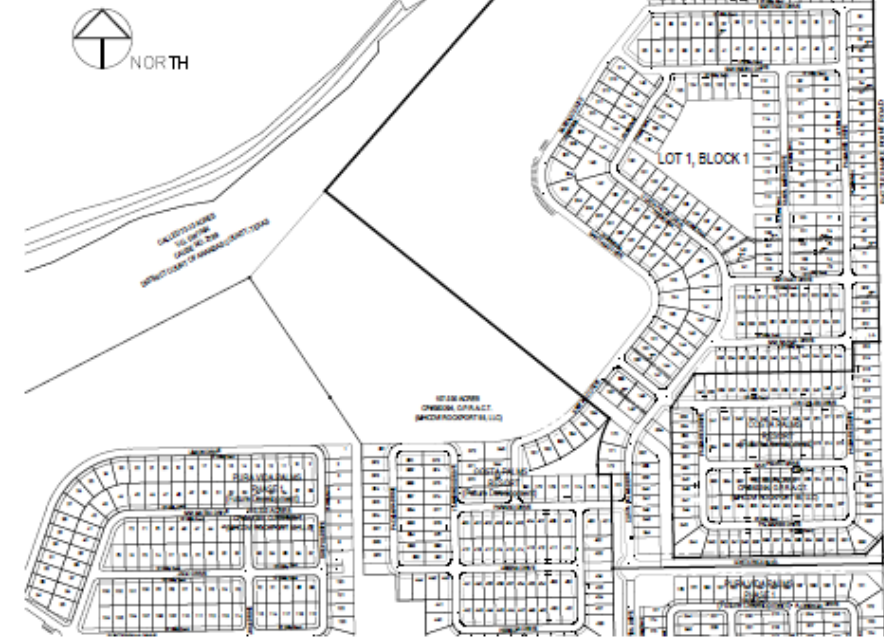
Cumulative Number of New Permits Issued					
January	Thru March	Thru March	Thru March	Thru March	Thru March
Type	No. in 2020	No. in 2021	No. in 2022	No. in 2023	No. in 2024
SFD	36	34	51	39	36
Comm. Bldgs	5	3	20	4	11
Duplex	0	0	0	0	0
Multi-Family	0	0	1	0	0
TOTAL	41	37	72	43	47





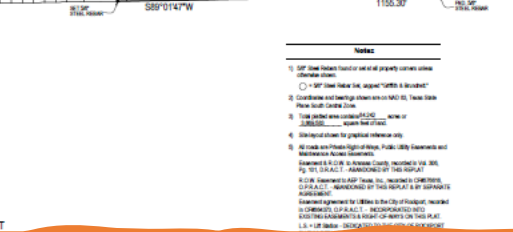
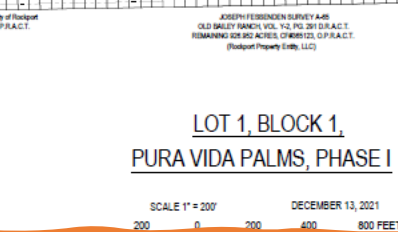
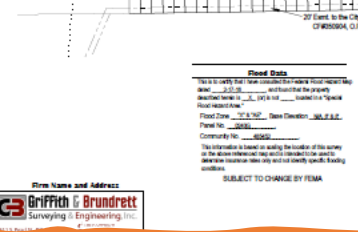
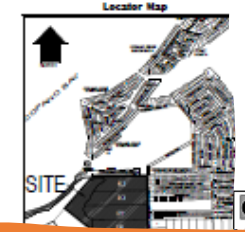
- **Kokomo Subdivision, 2202 FM 3036 :**
- **Phase 1 consisting of 5 Commercial Lots:** Seven Eleven store plans approved and permitted for construction on Lot 1R, corner of FM 3036 and SH 35 Bypass.
- **Phase 2 consisting of 28 residential lots /** in process of build out with 16 SFD completed
- **Phase 3 consisting of 41 residential lots /** Infrastructure accepted March 23, 2023 / in process of build out with 11 SFD completed
- **Phase 4 consisting of 114 residential lots /** Infrastructure accepted, Final Plat Filed 4/22/2024

-



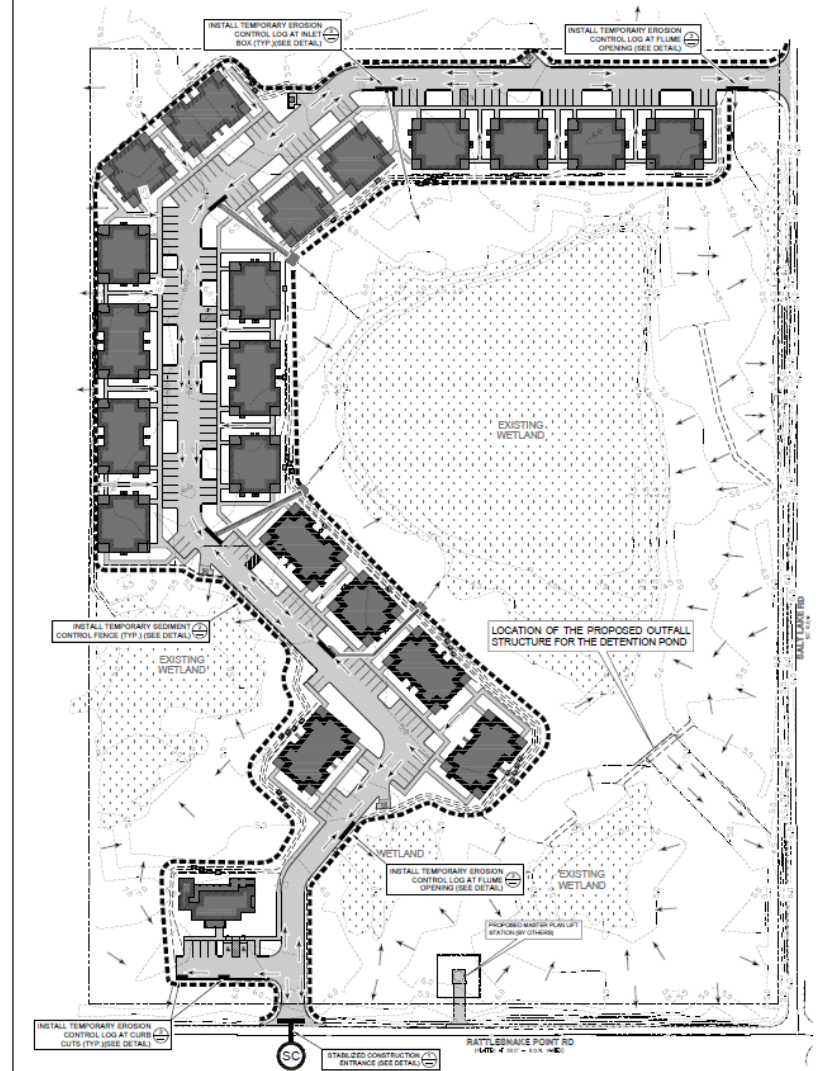
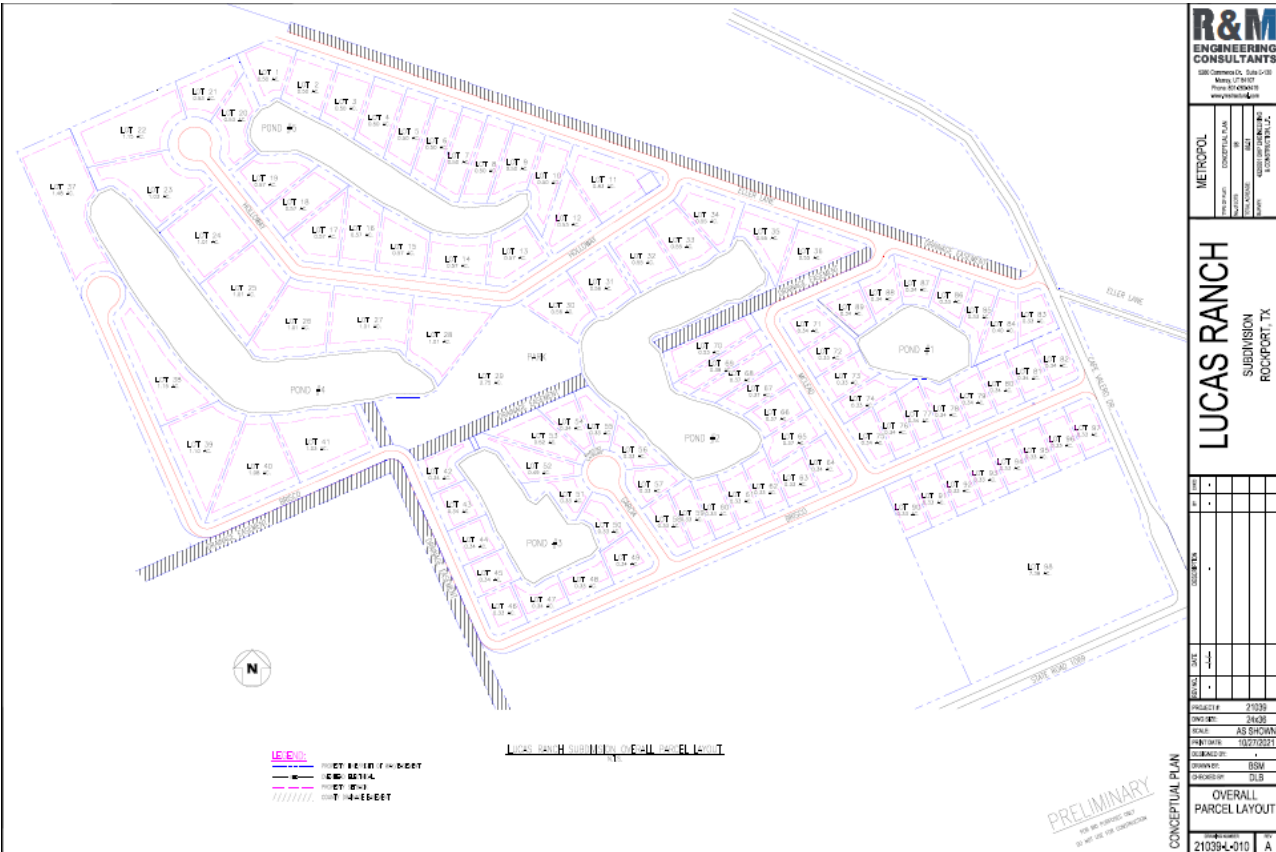
- Notes:**
- 1) SPT (State Plat) based on or set of all property corners unless otherwise shown.
 - 2) Coordinates and bearings shown are on NAD 83, Texas State Plane South Central Zone.
 - 3) True meridian shown is 88.245° from or 270.755° from magnetic north.
 - 4) Surveyed shown for graphical reference only.
 - 5) All roads are Private Rights of Way, Public Utility Easements and Maintenance Access Easements.
 - 6) Easement & ROW in Aransas County, recorded in Vol. 306, Pg. 101, D.R.A.C.T. - ABANDONED BY THIS PLAT.
 - 7) ROW in Aransas County, recorded in Vol. 306, Pg. 101, D.R.A.C.T. - ABANDONED BY THIS PLAT.
 - 8) ROW in Aransas County, recorded in Vol. 306, Pg. 101, D.R.A.C.T. - ABANDONED BY THIS PLAT.
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 - 32) ROW in Aransas County, recorded in Vol. 306, Pg. 101, D.R.A.C.T. - ABANDONED BY THIS PLAT.

Final Plat of:
LOT 1, BLOCK 1,
COSTA PALMS RESORT, PHASE I



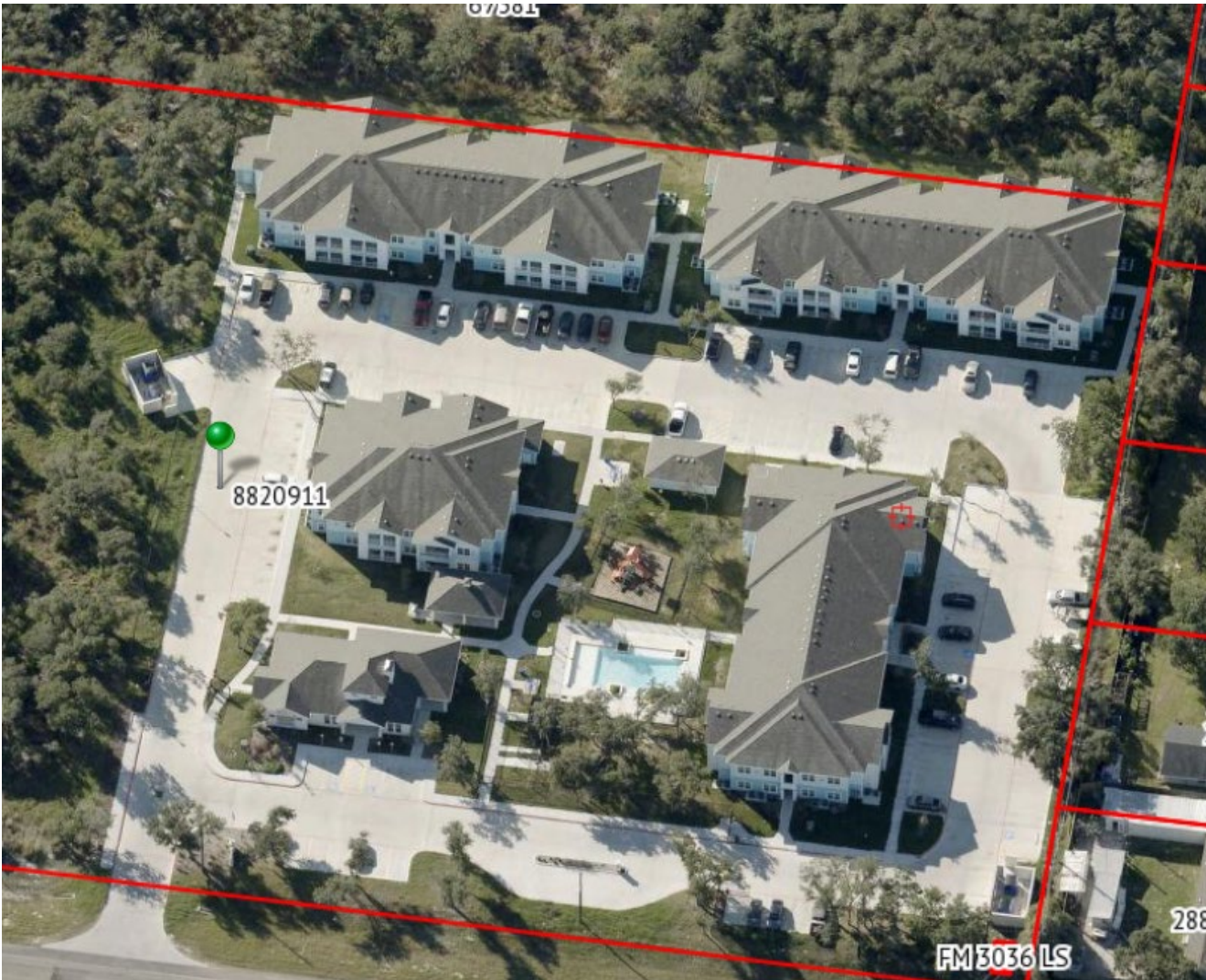
• Development Outside City Limits Utilizing City Utilities

Lucas Ranch, S Hwy 1069 – 98 Lot SFD Subdivision (ETJ)



Silverleaf, 362 Rattlesnake Pt – 20 Duplexes/40 Units (ETJ):

Multi Family Dwelling Development



Gulf Shores Villas
1400 FM 3036
4 Two Story Buildings with 56 Units



Pearl Point Apartments

2400 FM 2165

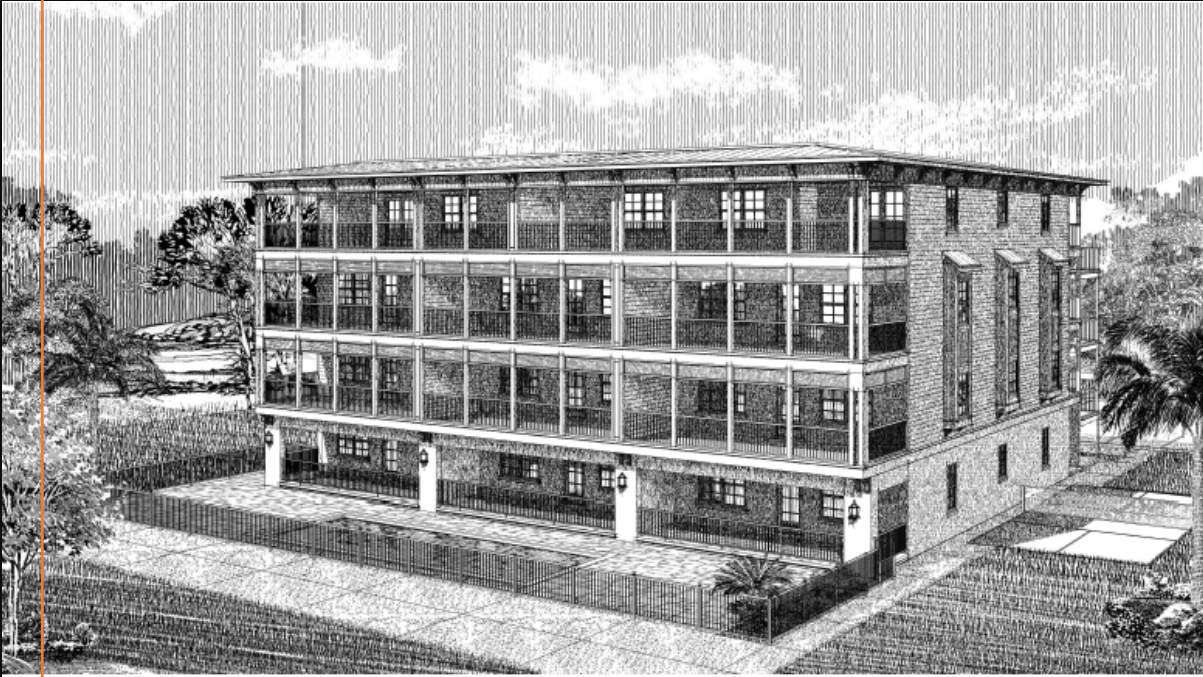
Nine 3 story buildings with 216 Units

Tide on 35 Apartments

3337 SH 35 Bypass

**Twelve 3 story buildings with 240
Units**

Proposed Condominium Complex At
Water Street in Rockport, Texas
For Cupic Custom Homes, LLC



- This project is currently under review for eleven (11) condominiums with the top two (2) being luxury penthouse condominiums with amenities to include a swimming pool and pickle ball court.
- The first three floors will have three units each with 3 bedrooms and 3 baths.
- The price range of these condominiums will be in the range of \$500,000 to \$1.5 million.

Economic Development Policy Handout

City of Rockport - Economic Development Initiatives - April 25, 2024

Overview

Entitlement (Tax Abatement) versus Performance Driven (380, TIRZ, PID, Neighborhood Zone)

What is a 380 Development Agreement (glorified development agreement, Ch. 380 of Local Gov't Code, authority to grant or give in the name of economic development, financial and non-financial)

Public – Private Partnership (P3) – Equitable Partnership concept – ultimately are we getting more than the bare minimum through the creation of a P3 (if bare minimum than is incentive necessary)

Communication is KEY. i.e. what are the conditions at time of project consideration (economic climate, value of subject property, need for project and why, expected outcomes as a result of the project) Communicate regularly on project status, project deliverables, outcomes, etc...

Project Review

Due Diligence – “venture vs. adventure”; eligibility; project scope, size and impact (both for project and community)

Process (predictability, timeliness, expectations, decision making process – spelled out)

Procedures (filing application, conformance with guidelines, steps for ultimate Council consideration - approve/disapprove)

Follow-Up – tracking and reporting back on progress.

Goals of City Council

What does the City want ? What are you willing to pay for it ? Are there components that you want to prioritize (i.e. sales tax growth, job growth, in-city workers, infrastructure, etc)

What impacts are created by the incentives granted (project, City, community)

Utilization of the Economic Development Policy – how it is being used, could be a tool for not just articulating projects that make it through the process, but also those that don't make it and why.

Issues for consideration:

Term of incentive programs (currently 8 years) – why, TIRZ, other

Establishment of Reinvestment Zone – do any exist today

Wage Rates – what is our goal (primary jobs, jobs that include benefits, full time vs part time, new vs business retention, expansion and diversification, types of industry jobs)

Project Capital Injection minimums – City policy currently has none, County has \$10M for new; \$5M for existing

Value of Tax Increments generated – ad valorem, Sales, HOT

Process – continual refinement, applied consistently across the board, front end loaded – avoid surprises.