

of the City Manager appearing hereon is his genuine signature and by his signature hereon, the City Manager certifies that the signature of the Mayor appearing hereon is his genuine signature.

9. Capitalized terms not defined in this certificate shall have the meanings ascribed to them in the Resolution passed and adopted by the Schertz/Seguin Local Government Corporation on the 16th day of December, 2021 (the *Resolution*).

10. As Authorized Representatives (authorized to act in the City Manager's absence) pursuant to the terms of the Contract, the Resolution and the Sale and Offering Documents (as defined in the Contract) comply with the Contract.

11. This certificate is made for the benefit of the persons involved in this transaction and the Attorney General of The State of Texas in connection with his examination into and the approval of the Bonds.

12. None of the obligations being refunded by the Bonds has ever been held in or purchased for the account of the special Funds created and maintained for the payment and security of such obligations being refunded and, none of the obligations being refunded by the Bonds is currently owned nor has any of the same ever been purchased or held for any account or fund of the City.

Authorization of Attorney General to Date Certificate

13. This certificate is submitted pursuant to 1 TAC §53.247. Upon the approval of the Bonds and the Contract by the Attorney General of the State of Texas, he is authorized to date this certificate as of the date of such approval. If any litigation should develop, or if any other event should occur which should make this certificate inaccurate before the Attorney General's approval of the Bonds and the Contract, we will notify the Attorney General at once by both telephone and facsimile transmission. With this assurance, the Attorney General is entitled to rely on the accuracy of this certificate at the time of approval of the Bonds and the Contract unless we advise him otherwise.

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WITNESS OUR HANDS AND THE SEAL OF THE CITY OF SCHERTZ, TEXAS, this

CITY OF SCHERTZ, TEXAS

Mayor

City Manager

(CITY SEAL)

EXHIBIT A

**CURRENTLY OUTSTANDING INDEBTEDNESS
PAYABLE FROM UTILITY SYSTEM REVENUES**

<u>Description</u>	<u>Amount</u>
None	

Additionally, the City has covenanted in the Contract to establish, assess, and collect rates sufficient to make the Annual Payments (as defined in the Contract), including an amount sufficient to pay the principal and interest payments on the Bonds and the currently outstanding Priority Bonds and the currently outstanding New Series Bonds designated as (i) Schertz/Schertz Local Government Corporation Contract Revenue Bonds, Series 2001”, dated February 1, 2001, issued in the aggregate original principal amount of \$41,040,000, (ii) Schertz/Seguin Local Government Corporation Contract Revenue Refunding Bonds, New Series 2014, dated September 1, 2014, issued in the aggregate original principal amount of \$6,275,000, (iii) Schertz/Seguin Local Government Corporation Contract Revenue Improvement and Refunding Bonds, New Series 2015, dated October 1, 2014, issued in the aggregate original principal amount of \$41,025,000, (iv) Schertz/Seguin Local Government Corporation Contract Revenue Bonds, New Series 2016 (Texas Water Development Board SWIRFT Project Financing), dated August 1, 2016, issued in the aggregate original principal amount of \$43,670,000, and (v) Schertz/Seguin Local Government Corporation Contract Revenue Refunding Bonds, New Series 2018, dated November 15, 2018, issued in the aggregate principal amount of \$19,045,000.

EXHIBIT B
UTILITY RATES

Electric Rates (Effective October 1, 2020)

Residential Electric - RES: *Applicable to individually metered residential dwellings.*

Applicable to individually metered residential dwellings.

Customer Charge, per meter:	\$14.50
Energy Charge per kWh:	\$.03757
PCRF Charge per kWh:	\$.05506

Small Commercial - SCS: *Applicable to non-residential customers or multiple dwelling unit residential customers billed through one meter and whose peak demand does not exceed 25 KW.*

Customer Charge, per meter:	\$30.00
Energy Charge per kWh:	\$.03379
PCRF Charge per kWh:	\$.05506

Large Power Commercial - LPS: *Applicable to non-residential customers whose peak KW is between 25 and 500.*

Customer Charge, per meter:	\$125.00
SECONDARY Customer Energy Charge per kWh:	\$.03035
SECONDARY Customer Demand Charge per KW:	\$2.50
PCRF Charge per kWh both SECONDARY & PRIMARY:	\$.05506
PRIMARY Customer Energy Charge per kWh:	\$.02944
PRIMARY Customer Demand Charge per kWh:	\$2.50

Large Power Industrial - IND: *Applicable to non-residential customers whose peak KW is greater than 500.*

Customer Charge, per meter:	\$350.00
SECONDARY Customer Energy Charge per kWh:	\$.014984
SECONDARY Customer Demand Charge per KW:	\$3.50
PCRF Charge per kWh both SECONDARY & PRIMARY:	\$.05506
PRIMARY Customer Energy Charge per kWh:	\$.01453
PRIMARY Customer Demand Charge per KW:	\$3.50

SECURITY LIGHTS

100 watt lamp per month:	\$ 7.00
150 watt lamp per month:	\$10.64
1500 watt lamp per month:	\$52.00

LED SECURITY LIGHTS

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50 watt lamp per month:	\$ 5.94
80 watt lamp per month:	\$ 9.20
Setup fee for 100 or 150 watt lamps:	
Existing Pole	\$100.00
Wood Pole installation	\$250.00
Steel or Composite Pole	Actual Cost
Setup fee for 1500 watt lamps:	
Existing Pole	\$430.00
Wood Pole installation	\$480.00
Steel or Composite Pole	Actual Cost

Water Rates (Effective October 1, 2020)

Residential:

Capacity Charge	\$23.67
1 - 10,000 gallons used	\$ 4.12 (per 1,000 gal)
10,001 - 35,000 gallons used	\$ 4.70 (per 1,000 gal)
35,000 and above gallons used	\$ 5.30 (per 1,000 gal)

Commercial, Industrial, Governmental, and Multi-Family:

Capacity Charge per meter	\$51.07
First 12,000,000 gallons used (per 1,000 gal)	\$ 4.67
All additional gallons used (per 1,000 gal))	\$ 3.98

INDUSTRIAL SURFACE WATER (Effective October 1, 2020)

Capacity Charge per meter	\$51.07
All gallons used	\$ 3.51 (per 1,000 gal)
If ground water has to be used	\$ 3.98 (per 1,000 gal)

SEWER RATES: (effective October 1, 2020)

Residential:

Up to the first 2,000 Gallons of water used	\$33.16
The next 6,000 gallons used	\$ 4.97 (per 1,000 gal)
Max charge for 8,000 gallons of water used	\$62.98
Fixed sewer fee for wastewater service only and no metered water	\$41.45

Residential Outside:

Up to the first 2,000 Gallons of water used	\$41.45
The next 6,000 gallons used	\$ 6.21 (per 1,000 gal)

Commercial and Industrial:

Capacity Charge	\$54.69
First 8,000,000 gallons of water used	\$ 5.11 (per 1,000 gal)
All additional gallons used	\$ 4.01 (per 1,000 gal)
Fixed sewer for wastewater service only and no metered water	\$54.69

Industrial User Charge and Fee:

Permit Fee for all Commercial & Industrial users	\$4.00/month
Permit Fee for all discharge to the POTW (per 1,000)	\$.06
Based on water usage monthly above 200,000 gallons of water per month or document of metered discharge	

Industrial User Metered Sewer:

Capacity Charge	\$54.69
First 8,000,000 gallons of water used	\$ 4.97 (per 1,000 gal)
All additional gallons used	\$ 3.78 (per 1,000 gal)

Solid Water Services: Garbage Effective December 1, 2019
Recycling Effective December 1, 2019

Each residential account has one garbage container	\$14.47
Each additional container	\$ 6.20
Each residential account has one recycle container	\$ 3.23

EXHIBIT C

OPERATING SCHEDULE

Fiscal Year Ending	<u>9-30-2020</u>	<u>9-30-2019</u>	<u>9-30-2018</u>	<u>9-30-2017</u>	<u>9-30-2016</u>
Income:	\$56,181,996	\$54,671,288	\$53,025,594	\$50,369,518	\$46,694,348
Expenses:					
Power Purchased	17,695,999	16,830,729	16,970,475	18,351,972	16,367,503
Other	<u>26,539,157</u>	<u>28,629,186</u>	<u>24,142,389</u>	<u>23,355,181</u>	<u>21,986,954</u>
Total Expenses	\$44,235,156	\$45,459,915	\$41,112,864	\$41,707,153	\$38,354,457
Net Revenue Available for Debt Service	\$11,946,840	\$ 9,211,373	\$11,912,730	\$ 8,662,365	\$ 8,339,891
Annual Requirement Prior Lien Debt	\$ 2,503,299	\$ 2,609,069	\$ 2,260,175	\$ 1,761,445	\$ 1,881,744
Coverage of Outstanding Annual Requirement for Prior Lien Debt	4.77x	3.53x	5.27x	4.92x	4.43%

Source: City's audited financial statements and City Officials.

EXHIBIT D

AVERAGE ANNUAL DEBT SERVICE REQUIREMENTS