

| City of Midland  |   |   |                              |  |   |                            |   |                       |                         |
|--|---|---|------------------------------|--|---|----------------------------|---|-----------------------|-------------------------|
| Debt Transparency Report as of September 30, 2017  |   |   |                              |  |   |                            |   |                       |                         |
| <b>Type of Entity</b>  | City                                      |   | <b>County</b>                | Midland  |   |                            |   |                       |                         |
| <b>Address</b>   | 300 N Loraine                             |   | <b>Telephone</b>             | 432-685-7210   |   |                            |   |                       |                         |
| <b>City</b>  | Midland                                   |   | <b>Contact</b>               | Pam Simecka  |   |                            |   |                       |                         |
| <b>Zip</b>   | 79702                                     |   | <b>Title</b>                 | Finance Director   |   |                            |   |                       |                         |
| <b>Issuer Credit Ratings</b>   |   |   | <b>Email</b>                 | <a href="mailto:psimecka@midlandtexas.gov">psimecka@midlandtexas.gov</a> |   |                            |   |                       |                         |
| <b>S&amp;P</b>   | AA+                                       | <b>Fitch</b>  | AAA                          | <b>Moody's</b>   | Aa2   |                            |   |                       |                         |
| <b>Outstanding Debt Obligations</b>  |   |   |                              |  |   |                            |   |                       |                         |
| <b>Title</b>   | <b>Secured by Ad Valorem Tax (Yes/No)</b> | <b>Original Par Amount</b>                                    | <b>Principal Outstanding</b> | <b>Interest To Maturity</b>  | <b>Total Principal &amp; Interest to Maturity</b> | <b>Final Maturity Date</b> | <b>New Project Proceeds Received from Issue</b> | <b>Proceeds Spent</b> | <b>Proceeds Unspent</b> |
| 2014 Tax & Limited Pledge Revenue Certificate of Obligation  | Yes                                       | 26,180,000  | 24,175,000                   | 11,015,225   | 35,190,225  | 03/01/2034                 | 30,735,000                                      | 25,782,365            | 4,952,635               |
| <b>Purpose:</b> Governmental for public safety radios, park improvement, fire station 10, streets & drainage, IT Equipment Water & Sewer share was for water plant upgrades, MBR system, rehab of water towers   |   |   |                              |  |   |                            |   |                       |                         |
| 2014 General Obligation Refunding Bonds  | Yes                                       | 3,800,000   | 1,560,000                    | 76,800   | 1,636,800   | 03/01/2020                 | -   | -                     | -                       |
| <b>Purpose:</b> Refinancing the principal amount of 2014 to save money on interest costs   |   |   |                              |  |   |                            |   |                       |                         |
| 2012 Tax & Limited Pledge Revenue Certificate of Obligation  | Yes                                       | 29,445,000  | 24,380,000                   | 7,125,025  | 31,505,025  | 03/01/2032                 | 30,735,000                                      | 29,981,567            | 753,433                 |
| <b>Purpose:</b> Public safety radios, fire station 10, park improvements (Russell pool, new playground equipment, hike and bike trail), street & drainage, IT infrastructure & equipment   |   |   |                              |  |   |                            |   |                       |                         |
| 2009 Tax & Limited Pledge Revenue Certificate of Obligation  | Yes                                       | 9,855,000   | 6,815,000                    | 1,758,859  | 8,573,859   | 03/01/2029                 | 9,800,000                                       | 9,744,342             | 55,658                  |
| <b>Purpose:</b> Park improvements (MLK Center upgrade, Senior Citizen Center), streets & drainage and facility improvements  |   |   |                              |  |   |                            |   |                       |                         |
| 2007 Tax & Limited Pledge Revenue Certificate of Obligation  | Yes                                       | 55,505,000  | 44,045,000                   | 23,610,349   | 67,655,349  | 03/01/2037                 | 56,200,000                                      | 55,895,149            | 304,851                 |
| <b>Purpose:</b> Governmental portion for facilities improvements, parks improvements, street & drainage, traffic signals, Water & Sewer portion was for water & sewer plant upgrades, line replacements, developer contributions, lab improvements       |   |   |                              |  |   |                            |   |                       |                         |
| 2016 Tax & Limited Pledge Revenue Certificate of Obligation  | Yes                                       | \$ 27,245,000   | \$ 27,245,000                | \$ 17,613,400  | \$ 44,858,400                                     | 03/01/2042                 | \$ 30,840,000                                   | \$ 222,977            | \$ 30,617,023           |
| <b>Purpose:</b> Is the building of a new Convention Center downtown.   |   |   |                              |  |   |                            |   |                       |                         |
| <b>Total - All Debt Issues</b>   |   | <b>\$ 152,030,000</b>   | <b>\$ 128,220,000</b>        | <b>\$ 61,199,658</b>   | <b>\$ 189,419,658</b>                             |                            | <b>\$ 158,310,000</b>                           | <b>\$ 121,626,399</b> | <b>\$ 36,683,601</b>    |
| <b>Breakdown: Secured by Ad Valorem Tax</b>  |   |   |                              |  |   |                            |   |                       |                         |
| <b>Repayment Sources:</b>  |   |   | <b>Principal Outstanding</b> | <b>Interest To Maturity</b>  | <b>Total Principal &amp; Interest to Maturity</b> |                            |   |                       |                         |
| Ad Valorem Tax *   |   |   | \$ 46,462,759                | \$ 16,468,997  | \$ 62,931,756                                     |                            |   |                       |                         |
| Water & Sewer System   |   |   | 52,845,000                   | 26,357,588   | 79,202,588  |                            |   |                       |                         |
| Golf Course  |   |   | 1,667,241                    | 759,673  | 2,426,914   |                            |   |                       |                         |
| Midland Center (Hotel/Motel Tax)   |   |   | 27,245,000                   | 17,613,400   | 44,858,400  |                            |   |                       |                         |
|  |   |   | <b>\$ 128,220,000</b>        | <b>\$ 61,199,658</b>   | <b>\$ 189,419,658</b>                             |                            |   |                       |                         |
| <b>Per Capita Debt Payments</b>  |   |   |                              |  |   |                            |   |                       |                         |
| <b>Population:</b>   | <b>132,950</b>                            | Population number is from Municipal Advisory Council of Texas |                              |  |   |                            |   |                       |                         |
| <b>Title</b>   | <b>Per Capita</b>                         | <b>Principal Outstanding</b>                                  | <b>Interest To Maturity</b>  | <b>Total Principal &amp; Interest to Maturity</b>                        |   |                            |   |                       |                         |
| 2016 Tax & Limited Pledge Revenue Certificate of Obligation  | \$ 337.41                                 | \$ 27,245,000   | \$ 17,613,400                | \$ 44,858,400  |   |                            |   |                       |                         |
| 2014 Tax & Limited Pledge Revenue Certificate of Obligation  | \$ 264.69                                 | \$ 24,175,000   | \$ 11,015,225                | \$ 35,190,225  |   |                            |   |                       |                         |
| 2014 General Obligation Refunding Bonds  | \$ 12.31                                  | \$ 1,560,000  | \$ 76,800                    | \$ 1,636,800   |   |                            |   |                       |                         |
| 2012 Tax & Limited Pledge Revenue Certificate of Obligation  | \$ 236.97                                 | \$ 24,380,000   | \$ 7,125,025                 | \$ 31,505,025  |   |                            |   |                       |                         |
| 2009 Tax & Limited Pledge Revenue Certificate of Obligation  | \$ 64.49                                  | \$ 6,815,000  | \$ 1,758,859                 | \$ 8,573,859   |   |                            |   |                       |                         |
| 2007 Tax & Limited Pledge Revenue Certificate of Obligation  | \$ 508.88                                 | \$ 44,045,000   | \$ 23,610,349                | \$ 67,655,349  |   |                            |   |                       |                         |
|  | <b>\$ 1,424.74</b>                        | <b>\$ 128,220,000</b>   | <b>\$ 61,199,658</b>         | <b>\$ 189,419,658</b>  |   |                            |   |                       |                         |
|  | <b>Per Capita All Debt</b>                | <b>964.42</b>   | <b>460.32</b>                | <b>1,424.74</b>  |   |                            |   |                       |                         |
|  | <b>Per Capita Ad Valorem Debt</b>         | <b>349.48</b>   | <b>123.87</b>                | <b>473.35</b>  |   |                            |   |                       |                         |
| <b>Notes:</b> City of Midland has recently only issued Certificate of Obligations for all functions such as Governmental, Water & Sewer, Midland Center and Sports Complex. However only governmental functions debt is paid off by property tax levies. |   |   |                              |  |   |                            |   |                       |                         |