

SOURCES AND USES OF FUNDS

Galveston County MUD 39
 Unlimited Tax Refunding Bonds, Series 2019
 Preliminary For Discussion Purposes Only
 Scale as of 5.2.19
 BQ, Insured
 'BBB' Underlying

Dated Date 07/01/2019
 Delivery Date 07/09/2019

Sources:

<hr/>	
Bond Proceeds:	
Par Amount	5,220,000.00
Accrued Interest	3,113.06
Net Original Issue Discount	<u>(141,800.35)</u>
	5,081,312.71
Other Sources of Funds:	
Transfer from Debt Service Funds	75,000.00
	<hr/>
	5,156,312.71
	<hr/>

Uses:

<hr/>	
Refunding Escrow Deposits:	
Cash Deposit	1,300,551.62
SLGS Purchases	<u>3,612,034.00</u>
	4,912,585.62
Other Fund Deposits:	
Accrued Interest	3,113.06
Delivery Date Expenses:	
Cost of Issuance	35,520.00
Underwriter's Discount	52,200.00
Financial Advisor	49,150.00
Bond Counsel	52,200.00
Bond Insurance (75.0 bps)	<u>49,675.95</u>
	238,745.95
Other Uses of Funds:	
Additional Proceeds	1,868.08
	<hr/>
	5,156,312.71
	<hr/>

SUMMARY OF REFUNDING RESULTS

Galveston County MUD 39
Unlimited Tax Refunding Bonds, Series 2019
Preliminary For Discussion Purposes Only
Scale as of 5.2.19
BQ, Insured
'BBB' Underlying

Dated Date	07/01/2019
Delivery Date	07/09/2019
Arbitrage yield	3.186498%
Escrow yield	2.482761%
Value of Negative Arbitrage	3,618.54
Bond Par Amount	5,220,000.00
True Interest Cost	3.437473%
Net Interest Cost	3.129821%
All-In TIC	3.648377%
Average Coupon	2.749727%
Average Life	9.756
Par amount of refunded bonds	4,810,000.00
Average coupon of refunded bonds	5.155671%
Average life of refunded bonds	10.151
PV of prior debt to 07/09/2019 @ 3.648377%	5,494,042.69
Net PV Savings	579,588.99
Percentage savings of refunded bonds	12.049667%

SAVINGS

Galveston County MUD 39
 Unlimited Tax Refunding Bonds, Series 2019
 Preliminary For Discussion Purposes Only
 Scale as of 5.2.19
 BQ, Insured
 'BBB' Underlying

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Annual Savings	Present Value to 07/09/2019 @ 3.6483774%
07/09/2019		75,000.00	(75,000.00)		3,113.06	(3,113.06)	(71,886.94)		(71,886.94)
09/01/2019	122,131.25		122,131.25				122,131.25	50,244.31	121,495.10
03/01/2020	122,131.25		122,131.25	93,391.67		93,391.67	28,739.58		28,077.69
09/01/2020	222,131.25		222,131.25	200,043.75		200,043.75	22,087.50	50,827.08	21,192.23
03/01/2021	119,818.75		119,818.75	68,093.75		68,093.75	51,725.00		48,739.33
09/01/2021	224,818.75		224,818.75	223,093.75		223,093.75	1,725.00	53,450.00	1,596.31
03/01/2022	117,412.50		117,412.50	65,768.75		65,768.75	51,643.75		46,934.79
09/01/2022	222,412.50		222,412.50	220,768.75		220,768.75	1,643.75	53,287.50	1,467.11
03/01/2023	114,834.38		114,834.38	63,443.75		63,443.75	51,390.63		45,046.31
09/01/2023	224,834.38		224,834.38	223,443.75		223,443.75	1,390.63	52,781.26	1,197.11
03/01/2024	112,121.88		112,121.88	61,843.75		61,843.75	50,278.13		42,506.22
09/01/2024	227,121.88		227,121.88	226,843.75		226,843.75	278.13	50,556.26	230.92
03/01/2025	109,300.00		109,300.00	60,193.75		60,193.75	49,106.25		40,041.30
09/01/2025	224,300.00		224,300.00	220,193.75		220,193.75	4,106.25	53,212.50	3,288.26
03/01/2026	106,478.13		106,478.13	58,593.75		58,593.75	47,884.38		37,658.53
09/01/2026	226,478.13		226,478.13	223,593.75		223,593.75	2,884.38	50,768.76	2,227.77
03/01/2027	103,459.38		103,459.38	56,943.75		56,943.75	46,515.63		35,283.08
09/01/2027	458,459.38		458,459.38	451,943.75		451,943.75	6,515.63	53,031.26	4,853.70
03/01/2028	95,437.50		95,437.50	52,993.75		52,993.75	42,443.75		31,051.27
09/01/2028	465,437.50		465,437.50	457,993.75		457,993.75	7,443.75	49,887.50	5,348.19
03/01/2029	87,087.50		87,087.50	48,437.50		48,437.50	38,650.00		27,271.76
09/01/2029	667,087.50		667,087.50	653,437.50		653,437.50	13,650.00	52,300.00	9,459.00
03/01/2030	72,743.75		72,743.75	40,875.00		40,875.00	31,868.75		21,688.37
09/01/2030	792,743.75		792,743.75	775,875.00		775,875.00	16,868.75	48,737.50	11,274.41
03/01/2031	54,956.25		54,956.25	29,850.00		29,850.00	25,106.25		16,479.41
09/01/2031	1,179,956.25		1,179,956.25	1,154,850.00		1,154,850.00	25,106.25	50,212.50	16,184.18
03/01/2032	25,200.00		25,200.00	12,975.00		12,975.00	12,225.00		7,739.39
09/01/2032	915,200.00		915,200.00	877,975.00		877,975.00	37,225.00	49,450.00	23,144.18
	7,414,093.79	75,000.00	7,339,093.79	6,623,460.42	3,113.06	6,620,347.36	718,746.43	718,746.43	579,588.99

SAVINGS

Galveston County MUD 39
Unlimited Tax Refunding Bonds, Series 2019
Preliminary For Discussion Purposes Only
Scale as of 5.2.19
BQ, Insured
'BBB' Underlying

Savings Summary

PV of savings from cash flow	579,588.99
Net PV Savings	<u>579,588.99</u>

BOND PRICING

Galveston County MUD 39
 Unlimited Tax Refunding Bonds, Series 2019
 Preliminary For Discussion Purposes Only
 Scale as of 5.2.19
 BQ, Insured
 'BBB' Underlying

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Bond Component:						
	09/01/2020	130,000	3.000%	2.100%	101.010	1,313.00
	09/01/2021	155,000	3.000%	2.170%	101.728	2,678.40
	09/01/2022	155,000	3.000%	2.240%	102.293	3,554.15
	09/01/2023	160,000	2.000%	2.310%	98.780	(1,952.00)
	09/01/2024	165,000	2.000%	2.380%	98.169	(3,021.15)
	09/01/2025	160,000	2.000%	2.460%	97.390	(4,176.00)
	09/01/2026	165,000	2.000%	2.540%	96.490	(5,791.50)
	09/01/2027	395,000	2.000%	2.680%	95.052	(19,544.60)
	09/01/2028	405,000	2.250%	2.830%	95.354	(18,816.30)
	09/01/2029	605,000	2.500%	3.000%	95.652	(26,305.40)
	09/01/2030	735,000	3.000%	3.180%	98.319	(12,355.35)
	09/01/2031	1,125,000	3.000%	3.250%	97.505	(28,068.75)
	09/01/2032	865,000	3.000%	3.320%	96.611	(29,314.85)
		5,220,000				(141,800.35)

Dated Date	07/01/2019	
Delivery Date	07/09/2019	
First Coupon	03/01/2020	
Par Amount	5,220,000.00	
Original Issue Discount	(141,800.35)	
Production	5,078,199.65	97.283518%
Underwriter's Discount	(52,200.00)	(1.000000%)
Purchase Price	5,025,999.65	96.283518%
Accrued Interest	3,113.06	
Net Proceeds	5,029,112.71	

SUMMARY OF BONDS REFUNDED

Galveston County MUD 39
 Unlimited Tax Refunding Bonds, Series 2019
 Preliminary For Discussion Purposes Only
 Scale as of 5.2.19
 BQ, Insured
 'BBB' Underlying

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Unlimited Tax Bonds, Series 2006A, 2006A:					
SERIAL	09/01/2027	4.250%	230,000.00	07/17/2019	100.000
	09/01/2028	4.250%	240,000.00	07/17/2019	100.000
	09/01/2029	4.250%	255,000.00	07/17/2019	100.000
	09/01/2030	4.250%	270,000.00	07/17/2019	100.000
	09/01/2031	4.250%	285,000.00	07/17/2019	100.000
			1,280,000.00		
Unlimited Tax Bonds, Series 2009, 2009:					
SERIAL	09/01/2020	5.500%	50,000.00	09/01/2019	100.000
	09/01/2021	5.500%	50,000.00	09/01/2019	100.000
	09/01/2022	5.500%	50,000.00	09/01/2019	100.000
	09/01/2023	5.600%	50,000.00	09/01/2019	100.000
	09/01/2024	5.600%	50,000.00	09/01/2019	100.000
	09/01/2025	5.600%	50,000.00	09/01/2019	100.000
	09/01/2026	5.600%	50,000.00	09/01/2019	100.000
	09/01/2027	5.600%	50,000.00	09/01/2019	100.000
	09/01/2028	5.600%	50,000.00	09/01/2019	100.000
	09/01/2029	5.800%	200,000.00	09/01/2019	100.000
	09/01/2030	5.800%	200,000.00	09/01/2019	100.000
	09/01/2031	6.000%	540,000.00	09/01/2019	100.000
	09/01/2032	6.000%	590,000.00	09/01/2019	100.000
			1,980,000.00		
Unlimited Tax Bonds, Series 2011, 2011:					
SERIAL	09/01/2020	3.750%	50,000.00	09/01/2019	100.000
	09/01/2021	3.750%	55,000.00	09/01/2019	100.000
	09/01/2022	4.375%	55,000.00	09/01/2019	100.000
	09/01/2023	4.375%	60,000.00	09/01/2019	100.000
	09/01/2024	4.375%	65,000.00	09/01/2019	100.000
	09/01/2025	4.375%	65,000.00	09/01/2019	100.000
	09/01/2026	4.625%	70,000.00	09/01/2019	100.000
	09/01/2027	4.625%	75,000.00	09/01/2019	100.000
	09/01/2028	4.625%	80,000.00	09/01/2019	100.000
	09/01/2029	5.000%	125,000.00	09/01/2019	100.000
	09/01/2030	5.000%	250,000.00	09/01/2019	100.000
	09/01/2031	5.000%	300,000.00	09/01/2019	100.000
	09/01/2032	5.000%	300,000.00	09/01/2019	100.000
			1,550,000.00		
			4,810,000.00		

COST OF ISSUANCE

Galveston County MUD 39
Unlimited Tax Refunding Bonds, Series 2019
Preliminary For Discussion Purposes Only
Scale as of 5.2.19
BQ, Insured
'BBB' Underlying

Cost of Issuance	\$/1000	Amount
Rating Fee	2.58621	13,500.00
Printing	0.57471	3,000.00
LookBack	0.20115	1,050.00
PAR	0.14368	750.00
Escrow	0.19157	1,000.00
Redemption Notice	0.28736	1,500.00
Verification Agent	0.67050	3,500.00
Consultants	0.57471	3,000.00
Miscellaneous	0.57471	3,000.00
Attorney General Fee	1.00000	5,220.00
	6.80460	35,520.00