

Issue Amount	Issue Description	Date of Final Official Statement	CUSIP No. of the Bonds	Captions Being Updated	Page No.
\$ 179,185,000	City of Phoenix Civic Improvement Corporation Transportation Excise Tax Revenue Bonds Series 2025	11/18/25	71885KAA4 71885KAG1 71885KAB2 71885KAH9 71885KAC0 71885KAJ5 71885KAD8 71885KAK2 71885KAE6 71885KAL0 71885KAF3 71885KAM8	Security and Source of Payment - Parity Obligations Subordinate Obligations Transaction Excise Taxes and Coverage - Actual Transportation Excise Tax Receipts for the Fiscal Years Ended June 30 Appendix B - City of Phoenix - Financial Data - Other Long-Term Obligations	6 6 11 B-16

## **OUTSTANDING PARITY OBLIGATIONS**

The Transportation Excise Tax Revenue Bonds, Series 2025, are the only Parity Obligations outstanding. The City reserves the right to incur obligations payable from the Pledged Revenues in the future on a parity with its obligation to make Loan Payments under the Loan Agreement, or to incur other obligations payable from Pledged Revenues on a parity with the payments due under the Loan Agreement, but only if the Pledged Revenues received by the City during the completed fiscal year immediately preceding the incurring of the proposed Parity Obligation are at least three times the highest combined total of the interest and principal requirements for the Bonds and Parity Obligations then outstanding and all proposed Parity Obligations to be secured by a pledge of Pledged Revenues for any succeeding 12-month period.

## **SUBORDINATE OBLIGATIONS**

There are currently no obligations outstanding that are payable on a basis subordinate to the City's obligations under the Loan Agreement. The City reserves the right to issue or enter into obligations payable from Pledged Revenues, which are subordinate to the City's obligations under the Loan Agreement.

**Actual Transportation Excise Tax Receipts  
For the Fiscal Years Ended June 30**

<u>Fiscal Year</u>	<u>Actual Amounts Budgetary Basis</u>
2015-16 <sup>(1)</sup>	\$ 98,593,000
2016-17	202,842,000
2017-18	215,806,000
2018-19	239,179,000
2019-20	247,593,000
2020-21	279,348,000
2021-22	335,609,000
2022-23	362,473,000
2023-24	376,179,000
2024-25	365,494,000

(1) Effective January 1, 2016, the Transportation Excise Tax increased from 0.4% to 0.7%. The amounts collected in fiscal year 2015-16 reflect only the 0.7% collection as of January 1, 2016.

## OTHER LONG-TERM OBLIGATIONS

The City executed purchase and lease agreements with the City of Phoenix Civic Improvement Corporation (the “*Corporation*”) for the construction of a municipal building, a Phoenix municipal courthouse building, a city parking garage, and to finance the acquisition of certain municipal facilities, consisting of real property and equipment.

Under the terms of these agreements, the City has agreed to make lease and purchase payments in amounts sufficient to pay principal and interest on bonds issued by the Corporation to finance the facilities, and has pledged its excise tax collections for these payments. The City’s excise tax collections in 2020-21 totaled \$1,112.3 million, in 2021-22 totaled \$1,252.2 million, in 2022-23 totaled \$1,432.5 million, in 2023-24 totaled \$1,595.7 million and in 2024-25 totaled \$1,513.3 million.

On October 5, 1993, voters approved a 0.1% increase in the City’s transaction privilege tax rate. The revenues produced by the increase must be used to add police officers and firefighters and to expand neighborhood programs designed to deter crime.

On September 7, 1999, voters approved a 0.1% increase in the City’s transaction privilege tax rate to be levied for a 10-year period. The revenues produced by the increase will be used for the acquisition of desert preserve open space and the development and improvement of regional and neighborhood parks located within the City. On May 20, 2008, City of Phoenix voters approved a 30-year extension of the 0.1% tax for the acquisition of desert preserve open space and the development and improvement of regional and neighborhood parks in Phoenix. This extension will also expand the possible uses of these funds to include operational expenses such as salaries for park rangers and maintenance workers. Forty percent of the revenues produced by the extension will be used to acquire land for Phoenix’s Sonoran Preserve. The remaining sixty percent will be used to finance improvements to parks throughout the City.

On March 14, 2000, City of Phoenix residents approved a 0.4% increase in the City’s transaction privilege (sales) tax rate to be levied for a 20-year period dedicated to transit improvements (the “*Transit Sales Tax*”). Transit improvements included expanded local bus and Dial-A-Ride service, bus rapid transit service, neighborhood circulators, and the construction and operation of a light rail system. In addition, the tax provided funding for 500 bus pull-outs, 100 miles of bike lanes and left-turn arrows at all major intersections.

On August 25, 2015, voters approved a new comprehensive transportation plan and funding tax proposal that increased the existing Transit Sales Tax dedicated for transportation. The dedicated Transit Sales Tax rate was increased from the previous 0.4% sales tax rate to 0.7% and became effective January 1, 2016, with a sunset date of December 31, 2050. The increased Transit Sales Tax will continue to fund expanded local bus and Dial-A-Ride service, bus rapid transit service, neighborhood circulators and the operation of the light rail system. The increased Transit Sales Tax will also provide for expanded bus and light rail service hours and routes, high capacity transit corridors, and infrastructure improvements to bus stops, maintenance facilities and transit centers. In addition, the increased Transit Sales Tax will provide for street improvements including pavement maintenance, new bicycle lanes, sidewalk installation and traffic signal enhancements.

On September 11, 2007, voters approved a 0.2% increase in the City’s transaction privilege tax rate. Eighty percent of the revenues produced by the increase will be used by the Phoenix Police Department to recruit, hire, train and equip at least 500 police officers and police personnel; hire crime scene investigation forensic teams; and to make service calls more efficient. Twenty percent of the revenues produced by the increase will be used by the Phoenix Fire Department to recruit, hire, train and equip at least 100 firefighters and fire personnel to improve fire protection services.

To partially offset the impact to City revenues from SB 1131 and SB 1828, on March 18, 2025, the City Council approved an increase of 0.5% to the TPT and use tax rates, increasing the current rates from 2.3% to 2.8% with an effective date of July 1, 2025.

The City also entered into leases with the Corporation to finance the acquisition of certain municipal facilities, consisting of real property and equipment. The Corporation issued bonds for payment of the acquisition costs, and the City pledged its excise tax collections to make lease payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on all outstanding senior lien and junior lien excise tax obligations, although there are currently no junior lien excise tax obligations outstanding.

The City entered into lease and leaseback agreements with the Corporation for the purpose of acquiring and constructing a downtown multipurpose arena. The Corporation issued bonds for the payment of the City's portion of land acquisition and construction costs and the City pledged its excise tax collections to make lease payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on senior lien and junior lien excise tax obligations.

The City entered into a leaseback agreement with the Phoenix Civic Plaza Building Corporation for the purpose of acquiring the site for and constructing and equipping a multi-level parking structure to serve the downtown area of the City. The Corporation issued bonds for the payment of acquisition and construction costs and the City pledged its excise tax collections to make lease payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on all outstanding senior lien and junior lien excise tax obligations. These bonds have been refunded through the Corporation.

The City entered into a leaseback agreement with the Corporation for the purpose of financing the acquisition of certain real property as well as the construction of certain improvements to the City's solid waste system. The Corporation issued bonds for the payment of acquisition and construction costs and the City pledged its excise tax collections to make lease payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on all outstanding senior lien and junior lien excise tax obligations. In keeping with the City's policy of maintaining the City's solid waste system as a self-supporting enterprise, solid waste revenues are used to pay the debt service on bonds issued by the Corporation for solid waste improvements.

The City entered into a loan agreement with the Corporation to finance a portion of the costs to construct, expand, modify and improve the Phoenix Convention Center. The Corporation issued bonds to fund a portion of the costs of the Phoenix Convention Center expansion project and the City pledged its excise tax collections to make loan payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on all outstanding senior lien and junior lien excise tax obligations.

The City entered into a loan agreement with the Corporation for the purpose of financing the renovation of the 100 West Washington building, which after completion, will serve as the new Police Department Headquarters. The Corporation issued bonds to fund significant infrastructure upgrades and other build-out costs including the 911 call and dispatch center, which will be operating 24/7/365. The City pledged its excise tax collections to make loan payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on all outstanding senior lien and junior lien excise tax obligations.

The City entered into a loan agreement with the Corporation to finance or reimburse for costs of acquiring, constructing, expanding and improving real and personal property for technology upgrades, solid waste facilities and equipment, public safety property, systems and equipment and other municipal facilities for the City plus related financing costs. The City pledged its excise tax collections to make loan payments sufficient to pay principal and interest on the bonds. This pledge is on a parity with all other outstanding subordinated excise tax obligations and is subordinate to the pledge on all outstanding senior lien and junior lien excise tax obligations.

The City entered into a loan agreement with the Corporation to fund the costs of maintenance, expansion, and improvement of the City's streets and roadways, including major roadway improvements and substantial asphalt overlay citywide. The City pledged its excise tax collections received from a 0.7% incremental dedicated transaction privilege and use tax that was approved by voters at a special election held August 25, 2015. Unless extended, the Transportation Excise tax is set to expire on December 31, 2050. This pledge is secured by a senior lien obligations.

**As of January 1, 2026 there are no Senior Excise Tax Obligations or Junior Excise Tax Obligations outstanding, but the senior lien priority and junior lien priority remain available for future use if necessary.**

**City of Phoenix Civic Improvement Corporation  
Subordinated Junior Lien Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
05-12-15	\$ 60,895,000	Municipal Facilities Refunding (Taxable)	7-1-16/35	3.34%	\$ 24,970,000
06-01-17	116,835,000	Municipal Facilities	7-1-18/32	4.39	34,135,000
06-01-17	101,895,000	Municipal Facilities Refunding	7-1-19/29	4.64	27,935,000
08-25-20	131,595,000	Municipal Facilities(1)	7-1-21/45	4.68	112,130,000
08-25-20	150,000,000	Municipal Facilities-Arena (Taxable)	7-1-21/45	2.36	125,330,000
08-25-20	116,685,000	Municipal Facilities Refunding (Taxable)	7-1-23/36	1.50	74,415,000
08-03-22	131,650,000	Municipal Facilities	7-1-25/47	5.00	128,470,000
07-17-24	180,000,000	Municipal Facilities	7-1-25/44	5.00	174,780,000
07-16-25	138,950,000	Municipal Facilities	7-1-28/45	5.00	138,950,000
07-16-25	26,000,000	Municipal Facilities (Taxable)	7-1-28/45	5.30	26,000,000
07-16-25	219,115,000	Municipal Facilities Refunding(2)	7-1-26/41	5.00	219,115,000
Total City of Phoenix Civic Improvement Corporation Subordinated Junior Lien Bonded Debt					<u>\$1,086,230,000</u>

- (1) Debt service requirements on \$25,175,000 of these obligations are supported by solid waste revenues.
- (2) Debt service requirements on \$6,170,000 of these obligations are supported by solid waste revenues.

**City of Phoenix Civic Improvement Corporation**  
**Schedule of Total Annual Excise Tax Debt Service Requirements**  
**Subordinated Junior Lien Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 51,125,000	\$ 46,490,131	\$ 97,615,131
2026-27	58,775,000	45,454,546	104,229,546
2027-28	65,200,000	43,253,887	108,453,887
2028-29	62,270,000	40,808,877	103,078,877
2029-30	53,670,000	38,419,316	92,089,316
2030-31	55,915,000	36,186,117	92,101,117
2031-32	57,645,000	33,824,108	91,469,108
2032-33	55,755,000	31,351,485	87,106,485
2033-34	55,610,000	28,884,940	84,494,940
2034-35	58,145,000	26,348,266	84,493,266
2035-36	57,735,000	23,686,143	81,421,143
2036-37	49,855,000	21,011,006	70,866,006
2037-38	52,175,000	18,695,398	70,870,398
2038-39	54,590,000	16,268,710	70,858,710
2039-40	57,140,000	13,726,191	70,866,191
2040-41	59,805,000	11,060,474	70,865,474
2041-42	41,375,000	8,256,023	49,631,023
2042-43	43,250,000	6,377,517	49,627,517
2043-44	45,220,000	4,408,746	49,628,746
2044-45	32,825,000	2,345,942	35,170,942
2045-46	8,855,000	907,500	9,762,500
2046-47	9,295,000	464,750	9,759,750
	<u>\$1,086,230,000</u>	<u>\$498,230,073</u>	<u>\$1,584,460,073</u>

**City of Phoenix Civic Improvement Corporation  
Transportation Excise Tax Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
12/10/2025	\$179,185,000	Streets Improvements	7-1-26/37	5.00%	\$179,185,000

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
Transportation Excise Tax Revenue Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 12,900,000	\$ 5,002,248	\$ 17,902,248
2026-27	11,705,000	8,314,250	20,019,250
2027-28	12,290,000	7,729,000	20,019,000
2028-29	12,905,000	7,114,500	20,019,500
2029-30	13,550,000	6,469,250	20,019,250
2030-31	14,225,000	5,791,750	20,016,750
2031-32	14,940,000	5,080,500	20,020,500
2032-33	15,685,000	4,333,500	20,018,500
2033-34	16,470,000	3,549,250	20,019,250
2034-35	17,295,000	2,725,750	20,020,750
2035-36	18,155,000	1,861,000	20,016,000
2036-37	19,065,000	953,250	20,018,250
	<u>\$179,185,000</u>	<u>\$58,924,248</u>	<u>\$238,109,248</u>

The City entered into a loan agreement with the Corporation to finance a portion of the costs to construct, expand, modify and improve the Phoenix Convention Center to create additional rentable convention space (the “*Convention Center Project*”). The Corporation issued bonds (the “*State Distribution Bonds*”) to fund a portion of the costs of the Convention Center Project. The source of revenue for the City’s payment under the loan agreement is State distributions the City receives pursuant to legislation passed in 2003 authorizing up to fifty percent State funding for certain convention center developments in the State (the “*2003 Legislation*”). On April 6, 2011, the Governor of the State of Arizona signed into law Senate Bill 1616 revising the annual amount of State monies distributed to the City of Phoenix to pay debt service on the State Distribution Bonds. The revised schedule of State distributions will be sufficient to make loan payments when due and the City has agreed to make the loan payments required to pay debt service on the bonds when due from the State distributions. The first State distribution was received on August 1, 2009 and payments continue to be made on time.

The 2003 Legislation also requires the State Auditor General to conduct or contract for an economic and fiscal impact analysis of the Phoenix Convention Center expansion on State revenues beginning in its fifth year of operation after completion in January 2009. Under an amendment to the 2003 Legislation, beginning in 2014 and each year thereafter, if the Auditor General determines that the State has paid more in cumulative distributions than has been received in incremental revenue to the State general fund as a result of the Convention Center Project, the State can withhold State-Shared Sales Taxes from the next regularly scheduled distribution in an amount necessary to remedy the cumulative deficiency. For the calendar year ended December 31, 2023, the Arizona Auditor General report released on June 26, 2025, concluded that events held at the Phoenix Convention Center generated \$42.3 million in tax revenues for the State, which is more than the \$25.5 million the State contributed toward the Convention Center expansion. As a result, the City of Phoenix owes no monies back to the State for fiscal year 2025. Assuming moderate levels of event demand and inflationary growth of visitor spending, the report projects the Phoenix Convention Center would continue to have a net positive impact on the State general fund, but the City is unable to predict at this time whether the State may pay more in cumulative distributions than it receives in incremental revenue as a result of the Convention Center Project or to what extent State-Shared Revenues may be withheld or what defenses the City may have to such action. A debt service schedule for the State Distribution Bonds is set forth on the following page.

**City of Phoenix Civic Improvement Corporation  
State of Arizona Distribution Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
10-06-05	\$275,362,351.75	Convention Center Expansion	7-1-12/44	4.72%	\$234,791,699.60
Total State of Arizona Distribution Revenue Bonded Debt					\$234,791,699.60

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
State of Arizona Distribution Revenue Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Compounded Interest</u>	<u>Total Debt Service</u>
2025-26	\$ 5,639,202.30	\$ 18,492,375.00	\$ 2,365,797.70	\$ 26,497,375.00
2026-27	6,287,082.70	18,052,100.00	2,657,917.30	26,997,100.00
2027-28	6,972,383.00	17,560,125.00	2,962,617.00	27,495,125.00
2028-29	7,697,628.90	17,013,700.00	3,287,371.10	27,998,700.00
2029-30	8,465,538.90	16,409,525.00	3,624,461.10	28,499,525.00
2030-31	9,274,258.40	15,744,575.00	3,980,741.60	28,999,575.00
2031-32	10,123,692.00	15,015,550.00	4,356,308.00	29,495,550.00
2032-33	11,032,587.00	14,219,150.00	4,747,413.00	29,999,150.00
2033-34	11,637,351.75	13,351,250.00	5,007,648.25	29,996,250.00
2034-35	12,267,767.20	12,435,775.00	5,292,232.80	29,995,775.00
2035-36	12,935,793.00	11,469,975.00	5,594,207.00	29,999,975.00
2036-37	13,634,005.65	10,450,825.00	5,910,994.35	29,995,825.00
2037-38	14,372,964.80	9,375,850.00	6,247,035.20	29,995,850.00
2038-39	15,164,105.20	8,241,750.00	6,590,894.80	29,996,750.00
2039-40	15,997,068.00	7,045,225.00	6,952,932.00	29,995,225.00
2040-41	16,878,823.60	5,782,975.00	7,336,176.40	29,997,975.00
2041-42	17,805,886.80	4,451,150.00	7,739,113.20	29,996,150.00
2042-43	18,785,228.00	3,046,175.00	8,164,772.00	29,996,175.00
2043-44	19,820,332.40	1,563,925.00	8,614,667.60	29,998,925.00
	<u>\$234,791,699.60</u>	<u>\$219,721,975.00</u>	<u>\$101,433,300.40</u>	<u>\$555,946,975.00</u>

The City entered into city purchase agreements with the Corporation for the purchase of certain improvements and expansion projects at the City's airports. The City of Phoenix Civic Improvement Corporation issued bonds for the improvements and expansion projects, and the City made a senior lien pledge of net airport revenues to make payments sufficient to pay principal of and interest on the bonds. Amounts due on the bonds and pursuant to the city purchase agreements are as follows:

**City of Phoenix Civic Improvement Corporation  
Senior Lien Airport Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
11-21-17	\$190,930,000	Airport Improvements	7-1-18/47	5.00%	\$164,420,000
11-21-17	173,440,000	Airport Improvements Refunding	7-1-21/38	5.00	140,710,000
11-28-18	226,180,000	Airport Improvements	7-1-19/48	4.87	201,085,000
06-07-23	96,540,000	Airport Improvements Refunding	7-1-24/32	5.00	78,840,000
Total Senior Lien Airport Revenue Bonded Debt					\$585,055,000

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
Senior Lien Airport Revenue Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 26,460,000	\$ 29,052,750	\$ 55,512,750
2026-27	27,780,000	27,729,750	55,509,750
2027-28	29,170,000	26,340,750	55,510,750
2028-29	30,625,000	24,882,250	55,507,250
2029-30	32,160,000	23,351,000	55,511,000
2030-31	33,765,000	21,743,000	55,508,000
2031-32	35,455,000	20,054,750	55,509,750
2032-33	23,600,000	18,282,000	41,882,000
2033-34	24,785,000	17,102,000	41,887,000
2034-35	26,025,000	15,862,750	41,887,750
2035-36	27,325,000	14,561,500	41,886,500
2036-37	28,685,000	13,195,250	41,880,250
2037-38	30,120,000	11,761,000	41,881,000
2038-39	16,650,000	10,255,000	26,905,000
2039-40	17,480,000	9,422,500	26,902,500
2040-41	18,355,000	8,548,500	26,903,500
2041-42	19,275,000	7,630,750	26,905,750
2042-43	20,240,000	6,667,000	26,907,000
2043-44	21,250,000	5,655,000	26,905,000
2044-45	22,280,000	4,622,500	26,902,500
2045-46	23,365,000	3,538,500	26,903,500
2046-47	24,505,000	2,400,250	26,905,250
2047-48	25,700,000	1,205,000	26,905,000
	\$585,055,000	\$323,863,750	\$908,918,750

The City entered into a city purchase agreement with the Corporation for the purchase of certain improvements and expansion projects at the City's airports. The City of Phoenix Civic Improvement Corporation issued bonds for the improvements and expansion projects, and the City made a junior lien pledge of net airport revenues to make payments sufficient to pay principal of and interest on the bonds. Amounts due on the bonds and pursuant to the city purchase agreement are as follows:

**City of Phoenix Civic Improvement Corporation  
Junior Lien Airport Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
09-01-10	\$ 21,345,000	Airport Improvements	7-1-40	6.60%	\$ 21,345,000(1)(2)
12-21-17	474,725,000	Airport Refunding	7-1-21/40	4.67	388,110,000(1)
12-11-19	341,095,000	Airport Improvements	7-1-41/49	4.48	341,095,000(3)
12-11-19	392,005,000	Airport Improvements	7-1-20/49	4.63	365,945,000
06-11-25	84,635,000	Airport Refunding	7-1-26/45	5.00	84,635,000
Total Junior Lien Airport Revenue Bonded Debt					\$1,201,130,000

- (1) 100% of debt service due on or before July 1, 2026 on these bonds is also secured by an irrevocable commitment of net proceeds of a passenger facility charge imposed by the City and collected on behalf of the City by non-exempt passenger air carriers at Phoenix Sky Harbor International Airport. The passenger facility charge is currently imposed at the rate of \$4.50 per qualifying enplaned passenger, and is required to be remitted to the City less any accrued interest and an \$0.11 per passenger facility charge airline collection fee.
- (2) Represents bonds issued as Recovery Zone Economic Development Bonds ("RZEDB") for purposes of the American Recovery and Reinvestment Act of 2009 and the Internal Revenue Code of 1986. Subject to the City's compliance with certain requirements of the Code, the City expects to receive semiannual cash subsidy payments rebating a portion of the interest on these bonds from the United States Treasury in an amount equal to 45% of the interest payable each respective interest payment date. Effective October 1, 2013, the federal government implemented certain automatic budget cuts known as the sequester, which resulted in a reduction of the federal subsidy payments over the past several years. The reduction is 5.7% for the federal government's fiscal year ending September 30, 2025 (the "Sequester Reductions"). The City does not expect the Sequester Reductions to have a material adverse effect on its ability to make payments of interest on this issue.
- (3) 93% of debt service due on or before July 1, 2026 on these bonds is also secured by an irrevocable commitment of net proceeds of a passenger facility charge imposed by the City and collected on behalf of the City by non-exempt passenger air carriers at Phoenix Sky Harbor International Airport.

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
Junior Lien Airport Revenue Bonded Debt Outstanding(1)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 30,215,000	\$ 56,591,223	\$ 86,806,223
2026-27	31,955,000	54,845,376	86,800,376
2027-28	33,560,000	53,247,626	86,807,626
2028-29	35,230,000	51,569,627	86,799,627
2029-30	36,995,000	49,808,126	86,803,126
2030-31	38,835,000	47,958,376	86,793,376
2031-32	40,795,000	46,016,627	86,811,627
2032-33	42,830,000	43,976,876	86,806,876
2033-34	43,625,000	41,835,376	85,460,376
2034-35	47,045,000	39,833,470	86,878,470
2035-36	49,395,000	37,481,220	86,876,220
2036-37	51,865,000	35,011,470	86,876,470
2037-38	54,310,000	32,562,320	86,872,320
2038-39	56,525,000	30,354,020	86,879,020
2039-40	58,820,000	28,055,270	86,875,270
2040-41	51,970,000	24,981,950	76,951,950
2041-42	54,375,000	22,583,850	76,958,850
2042-43	56,875,000	20,075,500	76,950,500
2043-44	59,500,000	17,452,700	76,952,700
2044-45	62,240,000	14,709,750	76,949,750
2045-46	61,750,000	11,885,375	73,635,375
2046-47	64,525,000	9,107,925	73,632,925
2047-48	67,430,000	6,205,200	73,635,200
2048-49	70,465,000	3,171,138	73,636,138
	<u>\$1,201,130,000</u>	<u>\$779,320,391</u>	<u>\$1,980,450,391</u>

(1) Includes debt service on \$21,345,000 par amount of RZEDB. Debt service has not been reduced by the expected RZEDB subsidy payments.

The City entered into a city purchase agreement with the Corporation to design, acquire, construct, and equip certain facilities, infrastructure, site development, and equipment necessary for the operation of a consolidated rental car center at Phoenix Sky Harbor International Airport. The City of Phoenix Civic Improvement Corporation issued bonds to fund a portion of the costs of the rental car center and the City has made a first priority pledge of pledged revenues to be derived primarily from daily usage fees to be collected by rental car companies at the Airport.

**City of Phoenix Civic Improvement Corporation  
Rental Car Facility Charge Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
12-05-19	\$244,245,000	Rental Car Facility	7-1-28/45	4.71%	\$244,245,000
12-05-19	60,485,000	Rental Car Facility Refunding	7-1-20/28	2.49	18,915,000
Total Rental Car Facility Charge Bonded Debt					<u>\$263,160,000</u>

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
Rental Car Facility Charge Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 8,385,000	\$ 12,156,577	\$ 20,541,577
2026-27	8,605,000	11,938,735	20,543,735
2027-28	8,835,000	11,705,023	20,540,023
2028-29	9,235,000	11,305,700	20,540,700
2029-30	9,700,000	10,843,950	20,543,950
2030-31	10,185,000	10,358,950	20,543,950
2031-32	10,695,000	9,849,700	20,544,700
2032-33	11,230,000	9,314,950	20,544,950
2033-34	11,790,000	8,753,450	20,543,450
2034-35	12,380,000	8,163,950	20,543,950
2035-36	12,995,000	7,544,950	20,539,950
2036-37	13,645,000	6,895,200	20,540,200
2037-38	14,330,000	6,212,950	20,542,950
2038-39	15,045,000	5,496,450	20,541,450
2039-40	15,800,000	4,744,200	20,544,200
2040-41	16,515,000	4,028,950	20,543,950
2041-42	17,255,000	3,285,000	20,540,000
2042-43	18,030,000	2,511,450	20,541,450
2043-44	18,835,000	1,706,900	20,541,900
2044-45	19,670,000	870,150	20,540,150
	<u>\$263,160,000</u>	<u>\$147,687,185</u>	<u>\$410,847,185</u>

The City entered into city purchase agreements with the Corporation for certain modifications and expansions at various water treatment plants throughout the City. The City of Phoenix Civic Improvement Corporation issued bonds for the water treatment plant modifications and expansions, and the City made a junior lien pledge of net operating revenues of the water system for the payment of principal and interest on the bonds. Amounts due on the bonds and pursuant to the city purchase agreements are as follows:

**City of Phoenix Civic Improvement Corporation  
Junior Lien Water System Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
12-17-14	\$ 445,085,000	Water System Refunding	7-1-16/29	4.67%	\$ 181,030,000
01-10-17	375,780,000	Water System Refunding	7-1-17/39	4.99	315,625,000
04-09-20	165,115,000	Water System Improvements	7-1-30/44	5.00	165,115,000
04-09-20	228,015,000	Water System Improvements	7-1-30/44	5.00	228,015,000
06-09-21	250,000,000	Water System Improvements	7-1-26/45	4.77	250,000,000
06-09-21	67,345,000	Water System Refunding	7-1-22/26	5.00	17,025,000
06-09-21	151,280,000	Water System Refunding	7-1-26/44	2.60	151,280,000
Total Junior Lien Water System Revenue Bonded Debt					<u><u>\$1,308,090,000</u></u>

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
Junior Lien Water System Revenue Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 85,840,000	\$ 60,000,824	\$ 145,840,824
2026-27	75,980,000	55,904,560	131,884,560
2027-28	79,530,000	52,353,393	131,883,393
2028-29	82,725,000	49,078,352	131,803,352
2029-30	46,075,000	45,655,560	91,730,560
2030-31	48,165,000	43,571,743	91,736,743
2031-32	50,350,000	41,380,386	91,730,386
2032-33	52,660,000	39,075,856	91,735,856
2033-34	55,080,000	36,652,895	91,732,895
2034-35	57,630,000	34,105,805	91,735,805
2035-36	60,300,000	31,428,130	91,728,130
2036-37	63,120,000	28,613,622	91,733,622
2037-38	66,070,000	25,656,130	91,726,130
2038-39	69,175,000	22,552,037	91,727,037
2039-40	72,435,000	19,293,715	91,728,715
2040-41	75,705,000	16,024,188	91,729,188
2041-42	79,135,000	12,598,085	91,733,085
2042-43	82,730,000	8,999,132	91,729,132
2043-44	86,670,000	5,063,003	91,733,003
2044-45	18,715,000	935,750	19,650,750
	<u><u>\$1,308,090,000</u></u>	<u><u>\$628,943,165</u></u>	<u><u>\$1,937,033,165</u></u>

The City entered into loan agreements with the Water Infrastructure Finance Authority of Arizona (“WIFA”) to finance certain improvements to the water distribution system and to install automated meters in certain areas of the City. WIFA loaned the City funds derived in whole or in part from the United States Environmental Protection Agency pursuant to the federal American Recovery and Reinvestment Act of 2009 and pursuant to the Infrastructure and Investment Jobs Act. The City made a junior lien pledge of the net operating revenues of the water system for the payment of principal and interest on the loan. Amounts due on the loan pursuant to the loan agreements are as follows:

**City of Phoenix  
Junior Lien Water System Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Amount Outstanding As of 1-1-26</u>
09-14-11	\$ 1,496,737	Water System Improvements	7-1-24/29	2.97%	\$ 1,188,132
03-13-24	9,325,000 <sup>(1)</sup>	Water System Improvements	7-1-26/47	3.28	9,325,000
03-13-24	30,575,418 <sup>(2)</sup>	Water System Improvements	7-1-26/47	3.28	30,575,418
Total Junior Lien Water System Revenue Bonded Debt					\$41,088,550

- (1) Amount does not include \$1,532,000 loaned to the City but not required to be repaid pursuant to the American Recovery and Reinvestment Act and Bipartisan Infrastructure Law (the “*Forgivable Principal*”). Failure by the City to comply with all requirements of the loan agreement may result in a default under the loan agreement and cause the *Forgivable Principal* to be owed by the City. As of January 1, 2026 the City has not drawn any funds.
- (2) Amount does not include \$10,000,000 loaned to the City “as *Forgivable Principal*.” Failure by the City to comply with all requirements of the loan agreement may result in a default under the loan agreement and cause the *Forgivable Principal* to be owed by the City. As of January 1, 2026 the City has not drawn any funds.

**City of Phoenix  
Schedule of Annual Debt Service Requirements  
Junior Lien Water System Revenue Bonded Debt Outstanding\***

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 1,552,192	\$ 1,343,000	\$ 2,895,192
2026-27	1,602,179	1,293,012	2,895,191
2027-28	1,653,778	1,241,413	2,895,191
2028-29	1,698,536	1,188,150	2,886,686
2029-30	1,440,342	1,133,421	2,573,763
2030-31	1,487,549	1,086,213	2,573,762
2031-32	1,536,303	1,037,459	2,573,762
2032-33	1,586,656	987,106	2,573,762
2033-34	1,638,658	935,104	2,573,762
2034-35	1,692,365	881,397	2,573,762
2035-36	1,747,833	825,930	2,573,763
2036-37	1,805,118	768,645	2,573,763
2037-38	1,864,281	709,482	2,573,763
2038-39	1,925,382	648,380	2,573,762
2039-40	1,988,487	585,276	2,573,763
2040-41	2,053,659	520,103	2,573,762
2041-42	2,120,968	452,794	2,573,762
2042-43	2,190,483	383,280	2,573,763
2043-44	2,262,276	311,486	2,573,762
2044-45	2,336,422	237,340	2,573,762
2045-46	2,412,998	160,764	2,573,762
2046-47	2,492,085	81,678	2,573,763
	\$41,088,550	\$16,811,433	\$57,899,983

\* Subject to change per WIFA Loan Agreement.

The City entered into a Revolving Credit Agreement dated April 28, 2022 (the “*Water Revolving Credit Agreement*”) with JPMorgan Chase Bank, National Association (the “*Water Credit Agreement Provider*”) for a three-year loan period ending on April 25, 2025; during which time the City may borrow, repay and re-borrow amounts, but not exceeding \$200,000,000 outstanding in the aggregate at any one time (each a “*Loan*”). Loans made under the Water Revolving Credit Agreement (such loans, together with any obligations on a parity therewith, the “*Junior Subordinate Lien Obligations*”) are payable from Water System Designated Revenues pledged to the City of Phoenix Civic Improvement Corporation Junior Lien Water System Revenue Bonds (“*Junior Lien Obligations*”) but are junior and subordinate to the Junior Lien Obligations.

The City entered into a first amendment with the Water Credit Agreement Provider, dated March 27, 2025 and effective April 25, 2025. The City and the Water Credit Agreement Provider agree to amend that certain Water Revolving Credit Agreement dated as of April 28, 2022, pursuant to the original agreement. The commitment termination date was extended to April 23, 2027.

**City of Phoenix  
Junior Subordinate Lien  
Water Revolving Loan Outstanding**

<u>Issue Date</u>	<u>Loan Amount</u>	<u>Purpose</u>	<u>As of 1-1-26</u>
04-29-2022	\$200,000,000	Water System Improvements	\$200,000,000(1)

Upon an event of default under the Water Revolving Credit Agreement, JPMorgan Chase Bank, National Association may declare all amounts due (collectively, “*Payment Obligations*”) immediately due and payable. Events of default include, but are not limited to, failure to pay amounts to the Water Credit Agreement Provider by the applicable grace period, failure to perform certain covenants such as issuance of obligations in violation of additional bonds test, sale of the City Water System property in violation of applicable covenants, acceleration of other obligations payable from Water System revenues on any lien in an amount of at least \$5,000,000, certain litigation, bankruptcy and insolvency events related to the Water System and certain downgrades of Junior Lien Obligations. If Payment Obligations were to be accelerated, Water System Revenues would continue to be transferred to the extent available from the Revenue Fund to the Junior Lien Bond Fund on a monthly basis prior to payment of Payment Obligations.

(1) Represents the Revolving Loan which is fully drawn.

The City entered into city purchase agreements with the Corporation for improvements to the City’s wastewater system. The City of Phoenix Civic Improvement Corporation issued bonds for odor control facilities, process improvements and capacity expansions of the 91st Avenue Wastewater Treatment Plant (“WWTP”) laboratory building improvements at the 23rd Avenue WWTP, purchase of land and construction of water reclamation facilities in the northern service area, new sewers and lift stations in growth areas and rehabilitation and replacement of sewers throughout the wastewater system. The City made a junior lien pledge of net operating revenues of the wastewater system for the payment of principal of and interest on the bonds. Amounts due on the bonds and pursuant to the city purchase agreements are as follows:

**City of Phoenix Civic Improvement Corporation  
Junior Lien Wastewater System Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Bonds Outstanding As of 1-1-26</u>
04-15-14	\$ 127,810,000	Wastewater System Refunding	7-1-15/29	4.84%	\$ 44,830,000
11-16-16	225,325,000	Wastewater System Refunding	7-1-17/35	5.00	147,600,000
06-19-18	133,270,000	Wastewater System Revenue	7-1-25/43	4.64	128,880,000
11-15-23	381,620,000	Wastewater System Revenue	7-1-28/47	5.10	381,620,000
Total Junior Lien Wastewater System Revenue Bonded Debt					\$702,930,000

**City of Phoenix Civic Improvement Corporation  
Schedule of Annual Debt Service Requirements  
Junior Lien Wastewater System Revenue Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 26,470,000	\$ 35,051,375	\$ 61,521,375
2026-27	27,850,000	33,727,875	61,577,875
2027-28	40,840,000	32,335,375	73,175,375
2028-29	42,940,000	30,293,375	73,233,375
2029-30	32,515,000	28,146,375	60,661,375
2030-31	34,210,000	26,520,625	60,730,625
2031-32	35,995,000	24,810,125	60,805,125
2032-33	37,875,000	23,010,375	60,885,375
2033-34	39,855,000	21,116,625	60,971,625
2034-35	41,935,000	19,123,875	61,058,875
2035-36	24,540,000	17,027,125	41,567,125
2036-37	25,770,000	15,800,125	41,570,125
2037-38	27,055,000	14,511,625	41,566,625
2038-39	28,410,000	13,158,875	41,568,875
2039-40	29,745,000	11,825,275	41,570,275
2040-41	31,105,000	10,463,625	41,568,625
2041-42	32,660,000	8,908,375	41,568,375
2042-43	34,290,000	7,275,375	41,565,375
2043-44	25,165,000	5,715,675	30,880,675
2044-45	26,485,000	4,394,513	30,879,513
2045-46	27,880,000	3,004,050	30,884,050
2046-47	29,340,000	1,540,350	30,880,350
	\$702,930,000	\$387,760,988	\$1,090,690,988

The City entered into loan agreements with WIFA to finance the replacement of the Broadway Road Interceptor, rehabilitate approximately 41,000 linear feet of small diameter sewer, construct relief sewers in the southwest portion of the City and finance sewer line replacements. WIFA loaned funds derived in whole or in part from the United States Environmental Protection Agency pursuant to the federal American Recovery and Reinvestment Act of 2009 and pursuant to the Infrastructure and Investment Jobs Act. The City made a junior lien pledge of the net operating revenues of the wastewater system for the payment of principal and interest on the loans. Amounts due on the loans pursuant to the loan agreements are as follows:

**City of Phoenix  
Junior Lien Wastewater System Revenue Bonded Debt Outstanding**

<u>Issue Date</u>	<u>Original Issuance</u>	<u>Purpose</u>	<u>Maturity Dates</u>	<u>Average Interest Rate</u>	<u>Amount Outstanding As of 1-1-26</u>
08-03-10	\$ 6,286,996	Wastewater System Improvements	7-1-18/26	2.97%	\$ 88,114
06-01-11	3,909,270	Wastewater System Improvements	7-1-26/29	2.97	3,909,270
03-13-24	9,170,000 <sup>(1)</sup>	Wastewater System Improvements	7-1-26/47	3.28	9,170,000
Total Junior Lien Wastewater System Revenue Bonded Debt					<u>\$13,167,384</u>

- (1) Amount does not include \$1,000,000 loaned to the City but not required to be repaid as Forgivable Principal. Failure by the City to comply with all requirements of the loan agreement may result in a default under the loan agreement and cause the Forgivable Principal to be owed by the City. As of January 1, 2026 the City has not drawn any funds.

**City of Phoenix  
Schedule of Annual Debt Service Requirements  
Junior Lien Wastewater System Revenue Bonded Debt Outstanding\***

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-26	\$ 1,259,750	\$ 419,189	\$ 1,678,939
2026-27	1,298,040	380,899	1,678,939
2027-28	1,337,496	341,444	1,678,940
2028-29	1,324,419	300,786	1,625,205
2029-30	331,022	260,485	591,507
2030-31	341,872	249,636	591,508
2031-32	353,077	238,431	591,508
2032-33	364,649	226,859	591,508
2033-34	376,600	214,908	591,508
2034-35	388,943	202,565	591,508
2035-36	401,691	189,817	591,508
2036-37	414,856	176,652	591,508
2037-38	428,453	163,055	591,508
2038-39	442,496	149,012	591,508
2039-40	456,998	134,509	591,507
2040-41	471,976	119,531	591,507
2041-42	487,445	104,062	591,507
2042-43	503,421	88,086	591,507
2043-44	519,921	71,586	591,507
2044-45	536,962	54,546	591,508
2045-46	554,560	36,947	591,507
2046-47	572,737	18,771	591,508
	<u>\$13,167,384</u>	<u>\$4,141,776</u>	<u>\$17,309,160</u>

\* Subject to change per WIFA Loan Agreement.