



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 3/12/2026

File ID: 2026-233

Department: Finance

Subject:

Type of Action: Unanimous Consent

Introduction of an Ordinance authorizing issuance of the City's General Obligation Warrants, Series 2026-A, General Obligation Refunding Warrants, Series 2026-B, General Obligation School Warrants, Series 2026-C, and General Obligation School Refunding Warrants, Series 2026-D.

Ordinance No.

Finance Information:

Account Number: TBD

City Cost Amount: NA

Total Cost: NA

Special Circumstances:

Grant Funded: NA

Grant Title - CFDA or granting Agency: NA

Resolution #: NA

Location: (list below)

Address:

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

ORDINANCE NO. 26-201

**AN ORDINANCE TO PROVIDE FOR THE
ISSUANCE BY THE CITY OF HUNTSVILLE OF ITS
\$69,595,000 GENERAL OBLIGATION WARRANTS, SERIES 2026-A
\$19,290,000 GENERAL OBLIGATION REFUNDING WARRANTS, SERIES 2026-B
\$67,335,000 GENERAL OBLIGATION SCHOOL WARRANTS, SERIES 2026-C AND
\$35,930,000 GENERAL OBLIGATION SCHOOL REFUNDING WARRANTS, SERIES
2026-D**

BE IT ORDAINED by the City Council of the City of Huntsville in the State of Alabama as follows:

Section 1. Definitions and Use of Phrases.

(a) **Definitions.** The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations as used herein:

"Authorized Denominations" means the sum of \$5,000 or any integral multiple thereof.

"Bank" means Regions Bank, Birmingham, Alabama, in its capacity as registrar, transfer agent and paying agent with respect to the Warrants, and includes any successor Bank appointed pursuant to Section 20 hereof.

"BOE" means the Huntsville City Board of Education, an instrumentality of the State of Alabama.

"Callable Warrants" means those of the Warrants having stated maturities on September 1, 2036, and thereafter.

"Called 2016-A Warrants" means those of the 2016-A Warrants having stated maturities after May 1, 2026.

"Called 2016-B Warrants" means those of the 2016-B Warrants having stated maturities after May 1, 2026.

"City" means the municipal corporation of Huntsville in the State of Alabama and includes its successors and assigns and any municipal corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"City Clerk" means the city clerk of the City.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor Code thereto.

"Council" means the governing body of the City as from time to time constituted.

"Eligible Investments" means (a) United States Securities, (b) Eligible Securities, and (c) any money market fund invested solely in United States Securities.

"Eligible Securities" means an interest-bearing certificate of deposit issued by the Bank or any bank, savings and loan association or trust company organized under the laws of the United States of America or any state thereof that is (to the extent not insured by the Federal Deposit Insurance Corporation) collaterally secured by a pledge of United States Securities (a) having at any date of calculation a market value (taking account of any accrued interest thereon) not less than the principal of and the accrued interest on the certificates of deposit secured thereby, (b) deposited and pledged with any Federal Reserve Bank or with any bank or trust company organized under the laws of the United States or any state thereof, and having combined capital and surplus and undivided profits of not less than \$100,000,000, and (c) for which a receipt signed by the bank or trust company having custody of such collateral securities and containing a sufficient description thereof has been furnished to the Bank.

"Herein," "hereby," "hereunder," "hereof," and other equivalent words refer to this Ordinance as an entirety and not solely to the particular portion hereof in which any such word is used.

"Holder" means the person in whose name a Warrant is registered on the registry books of the Bank pertaining to the Warrants.

"Interest Payment Date" means each September 1 and March 1, commencing September 1, 2026.

"Mayor" means the Mayor of the City.

"Overdue Interest" means interest due but not paid on the interest payment date on which such interest is required to be paid.

"Overdue Interest Payment Date" means the date fixed by the Bank, pursuant to the provisions of Section 15 hereof, for the payment of Overdue Interest on the Warrants.

"Record Date" means the fifteenth (15th) calendar day of the month next preceding any September 1 or March 1.

"Redemption Date" means the date fixed for redemption of any of the Callable Warrants pursuant to the provisions of Section 4 hereof.

"Redemption Price" means the price at which the Callable Warrants may be redeemed.

"Resolution" and **"Ordinance"** mean, respectively, a resolution or ordinance adopted by the Council.

"Series 2026-A Warrant Fund" means the special fund of the City created in Section 6(a) hereof.

"Series 2026-B Warrant Fund" means the special fund of the City created in Section 6(b) hereof.

"Series 2026-C Warrant Fund" means the special fund of the City created in Section 6(c) hereof.

"Series 2026-D Warrant Fund" means the special fund of the City created in Section 6(d) hereof.

"Series 2026-A Warrants" means the City's \$69,595,000 General Obligation Warrants, Series 2026-A, dated the date of delivery.

"Series 2026-B Warrants" means the City's \$19,290,000 General Obligation Refunding Warrants, Series 2026-B, dated the date of delivery.

"Series 2026-C Warrants" means the City's \$67,335,000 General Obligation School Warrants, Series 2026-C, dated the date of delivery.

"Series 2026-D Warrants" means the City's \$35,930,000 General Obligation School Refunding Warrants, Series 2026-D, dated the date of delivery.

"United States Securities" means any securities that are direct obligations of the United States of America.

"Warrant Funds" means the Series 2026-A Warrant Fund, the Series 2026-B Warrant Fund, the Series 2026-C Warrant Fund, and the Series 2026-D Warrant Fund.

"Warrants" without other qualifying words, means the Series 2026-A Warrants, the Series 2026-B Warrants, the Series 2026-C Warrants, and the Series 2026-D Warrants.

"Winning Bidder" shall mean Wells Fargo Bank, National Association, as underwriter for the Warrants (including each series of the Warrants).

"2014-C Warrants" shall mean the \$27,045,000 initial principal amount General Obligation School Refunding and Capital Improvement Warrants, Series 2014-C, heretofore issued by the City under the 2014-C Ordinance.

"2014-C Ordinance" shall mean the ordinance of the City adopted on August 28, 2014, under which the 2014-C Warrants were authorized and issued.

"**2016-A Warrants**" shall mean the \$35,725,000 initial principal amount General Obligation Warrants, Series 2016-A, heretofore issued by the City under the 2016-A Ordinance.

"**2016-A Ordinance**" shall mean the ordinance of the City adopted on June 14, 2016, under which the 2016-A Warrants were authorized and issued.

"**2016-B Warrants**" shall mean the \$29,890,000 initial principal amount General Obligation School Warrants, Series 2016-B, heretofore issued by the City under the 2014-C Ordinance.

"**2016-B Ordinance**" shall mean the ordinance of the City adopted on June 14, 2016, under which the 2016-B Warrants were authorized and issued.

"**2026-A Improvements**" means various public capital improvements in the City consisting of improvements to various public facilities for the City including, without limitation, Huntsville Ice Sports Center and JHP Veterans Military Museum, (ii) public capital improvements and assets for Big Spring Park East, and (iii) various other types of improvements, equipment, and assets for the City.

"**2026-C Improvements**" means various public school capital improvements in the City consisting of, among other things, (i) public capital improvements, equipment, and for a new elementary school (including a STEM annex), three new middle schools (including a STEM annex), high school facility improvements, and a kindergarten through eighth grade school facility, (ii) completion of a new career center and central office building, junior high school classroom improvements, and renovations, repairs, improvements, and equipment to various public school buildings and facilities operated by the BOE throughout the school district including, among other things, gymnasium and athletic complex improvements, cafeteria and common area improvements, classroom improvements, and athletic field and recreational improvements, and (iii) various other public school capital improvements, equipment and assets.

(b) **Use of Phrases.** The definitions set forth in Section 1(a) hereof shall be deemed applicable whether the words defined are herein used in the singular or the plural.

Wherever used herein any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. Findings. The Council has ascertained and does hereby find and declare as follows:

(a) the City has determined it necessary, wise and in the public interest to design, develop, install, construct, and acquire various public capital improvements in the City more particularly defined and described herein as the 2026-A Improvements; and

(b) the BOE has identified various public capital improvements and assets to be made and acquired for the public school system owned and operated by the BOE including, without

limitation, the 2026-C Improvements, and has requested that the City finance such costs through issuance of one or more series of general obligation warrants of the City; and

(c) the City intends to finance the costs of the 2026-A Improvements and the 2026-C Improvements with proceeds of the Series 2026-A Warrants and the Series 2026-C Warrants, respectively; and

(d) the City has determined it necessary, wise and in the public interest to refinance certain obligations of the City herein defined collectively as the 2014-C Warrants, the Called 2016-A Warrants, and the Called 2016-B Warrants;

(e) the City intends to finance the costs of refinancing the Called 2016-A Warrants with proceeds of the Series 2026-B Warrants, and the City intends the finance the costs of refinancing the 2014-C Warrants and the Called 2016-B Warrants with proceeds of the Series 2026-D Warrants; and

(f) the bids for the Warrants set forth on Exhibit I was submitted to the City electronically via PARITY pursuant to the Notice of Sale for the Warrants and by the deadline therein provided; and

(g) the bid filed with the City by the Winning Bidder produces the lowest net interest cost (*i.e.*, the lowest effective borrowing cost) to the City for the Warrants.

Section 3. Authorization of the Warrants. (a) **Principal Amount, Maturities and Interest Rates.** (i) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Code of Alabama 1975, as amended (the "Alabama Code"), there are hereby authorized to be issued the Series 2026-A Warrants. The Series 2026-A Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on September 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (September 1)	Principal Amount	Interest Rate
2027	\$2,105,000	5.000%
2028	2,210,000	5.000
2029	2,320,000	5.000
2030	2,435,000	5.000
2031	2,560,000	5.000
2032	2,685,000	5.000
2033	2,820,000	5.000

2034	2,960,000	5.000
2035	3,110,000	5.000
2036	3,265,000	5.000
2037	3,430,000	5.000
2038	3,600,000	5.000
2039	3,780,000	5.000
2040	3,970,000	5.000
2041	4,165,000	5.000
2042	4,375,000	5.000
2043	4,595,000	5.000
2044	4,825,000	5.000
2045	5,065,000	5.000
2046	5,320,000	5.000

The Series 2026-A Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 28 hereof, be designated by the purchasers thereof from the City.

(ii) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Alabama Code, there are hereby authorized to be issued the Series 2026-B Warrants. The Series 2026-B Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on September 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (February 1)	Principal Amount	Interest Rate
2027	\$1,535,000	5.000%
2028	1,610,000	5.000
2029	1,695,000	5.000
2030	1,775,000	5.000
2031	1,860,000	5.000
2032	1,955,000	5.000
2033	2,055,000	5.000
2034	2,160,000	5.000
2035	2,265,000	5.000
2036	2,380,000	5.000

The Series 2026-B Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 28 hereof, be designated by the purchasers thereof from the City.

(iii) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Alabama Code, there are hereby authorized to be issued the Series 2026-C Warrants. The Series 2026-C Warrants shall be issued as fully registered warrants without coupons, shall be

dated the date of their delivery, shall mature and become payable on September 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (September 1)	Principal Amount	Interest Rate
2027	\$2,035,000	5.000%
2028	2,140,000	5.000
2029	2,245,000	5.000
2030	2,355,000	5.000
2031	2,475,000	5.000
2032	2,600,000	5.000
2033	2,730,000	5.000
2034	2,865,000	5.000
2035	3,010,000	5.000
2036	3,160,000	5.000
2037	3,315,000	5.000
2038	3,485,000	5.000
2039	3,655,000	5.000
2040	3,840,000	5.000
2041	4,030,000	5.000
2042	4,235,000	5.000
2043	4,445,000	5.000
2044	4,670,000	5.000
2045	4,900,000	5.000
2046	5,145,000	5.000

The Series 2026-C Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 28 hereof, be designated by the purchasers thereof from the City.

(iv) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Alabama Code, there are hereby authorized to be issued the Series 2026-D Warrants. The Series 2026-D Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on September 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (September 1)	Principal Amount	Interest Rate
2026	\$3,620,000	5.000%
2027	5,365,000	5.000
2028	2,080,000	5.000
2029	6,225,000	5.000
2030	2,290,000	5.000
2031	2,400,000	5.000
2032	2,525,000	5.000

2033	2,655,000	5.000
2034	2,785,000	5.000
2035	2,920,000	5.000
2036	3,065,000	5.000

The Series 2026-D Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 28 hereof, be designated by the purchasers thereof from the City.

(b) **Place and Manner of Payment.** The principal of and the premium, if any, on the Warrants shall be payable at the principal corporate trust office of the Bank in the City of Birmingham, Alabama, upon presentation and surrender of the Warrants as the same become due and payable. Except as provided in Section 15 hereof, interest on the Warrants shall be payable by check or draft mailed by the Bank to the registered Holders of the Warrants at the addresses shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the Record Date next preceding each Interest Payment Date. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such due date is not a business day, on the next business day immediately following such due date). The Bank shall cause all payments of the principal of and the interest and premium, if any, on the Warrants to be accompanied by CUSIP numbers with appropriate dollar amounts for each CUSIP number.

(c) **Computation of Interest and Interest Payment Dates.** The Warrants shall bear interest from their date until their respective maturities at the per annum rates of interest set forth in subsection (a)(i) above with respect to the Series 2026-A Warrants, subsection (a)(ii) above with respect to the Series 2026-B Warrants, subsection (a)(iii) above with respect to the Series 2026-C Warrants, and subsection (a)(iv) above with respect to the Series 2026-D Warrants (all computed on the basis of a 360-day year of twelve consecutive 30-day months). Such interest shall be payable semiannually on each Interest Payment Date. The Series 2026-A Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(i) above, the Series 2026-B Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(ii) above, the Series 2026-C Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(iii) above, and the Series 2026-D Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(iv) above.

Section 4. Redemption Provisions. (a) Optional Redemption. Those of the Warrants having stated maturities on September 1, 2036, and thereafter, will be subject to redemption and payment prior to maturity, at the option of the City, as a whole or in part, on March 1, 2036, and on any date thereafter, at and for a redemption price equal to the par or face amount of each Series 2026-A Warrant redeemed, plus accrued interest thereon to the date fixed for redemption.

(b) **Manner of Effecting Redemption.** Any redemption or prepayment of any series of Warrants (other than pursuant to mandatory redemption) shall be effected in the following manner:

(i) **Call.** The City shall by Resolution or Ordinance call for redemption on a stated date when they are by their terms subject to redemption Warrants (or principal portions thereof) and shall recite in said Resolution or Ordinance (A) that the City is not in default in the payment of the principal of or the interest or premium, if any, on any of the Warrants of the particular series to be redeemed, or (B) that all of the Warrants then outstanding of the particular series to be redeemed are to be retired on the Redemption Date; provided, however, that it shall not be necessary for the City to adopt any such Resolution or Ordinance in the case of any redemption of Warrants if the redemption is one that is required by the provisions of any mandatory redemption requirement herein contained. A certified copy of any such Resolution or Ordinance, if one shall be required, shall be furnished to the Bank not less than thirty-five (35) days prior to the Redemption Date, unless a shorter period is acceptable to the Bank.

(ii) **Notice by First Class Mail.** The Bank (on behalf of the City) shall cause to be forwarded by First Class Mail to the registered Holder of each of the Warrants the principal of which is to be redeemed, in whole or in part, at the address of such registered Holder as such address appears on the registry books of the Bank pertaining to the registration of the Warrants, a notice, dated the date such notice is mailed by the Bank, stating the following: that Warrants (identified by the complete name and date of the Warrants) in certain specified principal amounts (or portions thereof) bearing stated numbers, CUSIP numbers, interest rates and maturity dates, have been called for redemption and will become due and payable at the Redemption Price or Redemption Prices on a specified Redemption Date, and that all interest thereon will cease after the Redemption Date. Such notice shall contain the telephone number of the Bank to which inquiries can be addressed and shall be so mailed not more than sixty (60) nor less than thirty (30) days prior to the Redemption Date, but Holders of any Warrants may waive the requirements of this subsection with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrants.

(iii) **Payment of Redemption Price.** The City shall make available at the Bank, on or prior to the Redemption Date, in immediately available funds, the total Redemption Price of the Warrants (or portions thereof) that are to be prepaid and redeemed on the Redemption Date.

The City and the Bank will, to the extent deemed by them to be practicable under the circumstances and to the extent permitted by law, comply with the standards set forth in the Securities and Exchange Commission's Exchange Act Release No. 23856 dated December 3, 1986, regarding redemption notices but their failure to do so shall not invalidate the redemption of any Warrants with respect to which the other requirements of this Section 4 have been

satisfied. Upon compliance with the foregoing requirements on its part contained in this subsection, and if the City is not on the Redemption Date in default in the payment of the principal of or the interest or premium, if any, on any of the Warrants, the Warrants (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price on the Redemption Date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for redemption; provided, however, that in the event that less than all of the outstanding principal of any Warrant is to be redeemed, the registered Holder thereof shall surrender the Warrant that is to be redeemed in part to the Bank in exchange, without expense to the Holder, for a new Warrant of like tenor except in a principal amount equal to the unredeemed portion of such Warrant. All future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date. Out of the moneys so deposited with it, the Bank shall make provision for payment of the Warrants (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

Section 5. General Obligation. The indebtedness evidenced and ordered paid by the Warrants is and shall be a general obligation of the City for payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City are hereby irrevocably pledged.

Section 6. Warrant Funds (a) Series 2026-A Warrant Fund. There is hereby created a special fund to be designated the "City of Huntsville Series 2026-A Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2026-A Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2026-A Warrants have been paid in full. Payments into the Series 2026-A Warrant Fund shall be made as follows:

(i) there shall be paid into the Series 2026-A Warrant Fund, simultaneously with the issuance of the Series 2026-A Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(ii) on or before last day of each February and August, beginning with the month of August 2026, and thereafter until the principal of and interest on the Series 2026-A Warrants shall have been paid in full, the City will pay into the Series 2026-A Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2026-A Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2026-A Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2026-A Warrant Fund of any sum out of the proceeds from the sale of the Series 2026-A Warrants, pursuant to the provisions of paragraph (i) of this subsection (a), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2026-A Warrant Fund an amount equal to any such sum so paid into the Series 2026-A Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (a) to be made into the Series 2026-A Warrant Fund all earnings on investments made pursuant to the provisions of subsection (f) of this Section 6, to the end that all moneys held in the Series 2026-A Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2026-A Warrants) shall be paid out for purposes for which the Series 2026-A Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2026-A Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2026-A Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2026-A Warrants, howsoever the same may mature, there shall be in the Series 2026-A Warrant Fund moneys in excess of the amount required to retire the Series 2026-A Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2026-A Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2026-A Warrants at the time outstanding, no further payments need be made into the Series 2026-A Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2026-A Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(b) **Series 2026-B Warrant Fund.** There is hereby created a special fund to be designated the "City of Huntsville Series 2026-B Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2026-B Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2026-B Warrants have been paid in full. Payments into the Series 2026-B Warrant Fund shall be made as follows:

(iii) there shall be paid into the Series 2026-B Warrant Fund, simultaneously with the issuance of the Series 2026-B Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(iv) on or before last day of each February and August, beginning with the month of August 2026, and thereafter until the principal of and interest on the Series 2026-B Warrants shall have been paid in full, the City will pay into the Series 2026-B Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2026-B Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2026-B Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2026-B Warrant Fund

of any sum out of the proceeds from the sale of the Series 2026-B Warrants, pursuant to the provisions of paragraph (i) of this subsection (b), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2026-B Warrant Fund an amount equal to any such sum so paid into the Series 2026-B Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (b) to be made into the Series 2026-B Warrant Fund all earnings on investments made pursuant to the provisions of subsection (f) of this Section 6, to the end that all moneys held in the Series 2026-B Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2026-B Warrants) shall be paid out for purposes for which the Series 2026-B Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2026-B Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2026-B Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2026-B Warrants, howsoever the same may mature, there shall be in the Series 2026-B Warrant Fund moneys in excess of the amount required to retire the Series 2026-B Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2026-B Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2026-B Warrants at the time outstanding, no further payments need be made into the Series 2026-B Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2026-B Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(c) **Series 2026-C Warrant Fund.** There is hereby created a special fund to be designated the "City of Huntsville Series 2026-C Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2026-C Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2026-C Warrants have been paid in full. Payments into the Series 2026-C Warrant Fund shall be made as follows:

(v) there shall be paid into the Series 2026-C Warrant Fund, simultaneously with the issuance of the Series 2026-C Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(vi) on or before last day of each February and August, beginning with the month of August 2026, and thereafter until the principal of and interest on the Series 2026-C Warrants shall have been paid in full, the City will pay into the

Series 2026-C Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2026-C Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2026-C Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2026-C Warrant Fund of any sum out of the proceeds from the sale of the Series 2026-C Warrants, pursuant to the provisions of paragraph (i) of this subsection (c), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2026-C Warrant Fund an amount equal to any such sum so paid into the Series 2026-C Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (c) to be made into the Series 2026-C Warrant Fund all earnings on investments made pursuant to the provisions of subsection (f) of this Section 6, to the end that all moneys held in the Series 2026-C Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2026-C Warrants) shall be paid out for purposes for which the Series 2026-C Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2026-C Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2026-C Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2026-C Warrants, howsoever the same may mature, there shall be in the Series 2026-C Warrant Fund moneys in excess of the amount required to retire the Series 2026-C Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2026-C Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2026-C Warrants at the time outstanding, no further payments need be made into the Series 2026-C Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2026-C Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(d) **Series 2026-D Warrant Fund.** There is hereby created a special fund to be designated the "City of Huntsville Series 2026-D Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2026-D Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2026-D Warrants have been paid in full. Payments into the Series 2026-D Warrant Fund shall be made as follows:

(vii) there shall be paid into the Series 2026-D Warrant Fund, simultaneously with the issuance of the Series 2026-D Warrants and out of the

proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(viii) on or before last day of each February and August, beginning with the month of August 2026, and thereafter until the principal of and interest on the Series 2026-D Warrants shall have been paid in full, the City will pay into the Series 2026-D Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2026-D Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2026-D Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2026-D Warrant Fund of any sum out of the proceeds from the sale of the Series 2026-D Warrants, pursuant to the provisions of paragraph (i) of this subsection (d), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2026-D Warrant Fund an amount equal to any such sum so paid into the Series 2026-D Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (d) to be made into the Series 2026-D Warrant Fund all earnings on investments made pursuant to the provisions of subsection (f) of this Section 6, to the end that all moneys held in the Series 2026-D Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2026-D Warrants) shall be paid out for purposes for which the Series 2026-D Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2026-D Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2026-D Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2026-D Warrants, howsoever the same may mature, there shall be in the Series 2026-D Warrant Fund moneys in excess of the amount required to retire the Series 2026-D Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2026-D Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2026-D Warrants at the time outstanding, no further payments need be made into the Series 2026-D Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2026-D Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(e) **Trust Nature of and Security for the Warrant Funds.** (i) **Series 2026-A Warrant Fund.** The Series 2026-A Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2026-A Warrant Fund is herein created. Each depository for the Series 2026-A Warrant Fund shall at all times keep the moneys

on deposit with it in the Series 2026-A Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2026-A Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2026-A Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2026-A Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(ii) **Series 2026-B Warrant Fund.** The Series 2026-B Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2026-B Warrant Fund is herein created. Each depository for the Series 2026-B Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2026-B Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2026-B Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2026-B Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2026-B Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(iii) **Series 2026-C Warrant Fund.** The Series 2026-C Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2026-C Warrant Fund is herein created. Each depository for the Series 2026-C Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2026-C Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2026-C Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2026-C Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2026-C Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(iv) **Series 2026-D Warrant Fund.** The Series 2026-D Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2026-D Warrant Fund is herein created. Each depository for the Series 2026-D Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2026-D Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2026-D Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2026-D Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2026-D Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion

of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(f) **Investment of Moneys in the Warrant Funds.** With respect to each of the Warrant Funds, so long as the City shall not be in default hereunder it may, at any time and from time to time as it in its sole discretion shall deem advisable, cause to be invested in Eligible Investments any or all of the moneys in such Warrant Funds; provided, that, each such investment shall mature not later than the Interest Payment Date next following the date such investment is made. In the event of any such investment, the securities in which the investment is made shall become a part of such Warrant Fund and shall be held by the depository for the moneys so invested to the same extent as if they were moneys on deposit in such Warrant Fund. The City may likewise at any time and from time to time cause any securities in which any such investment shall be made to be sold or otherwise converted into cash, whereupon the net proceeds derived from any such sale or conversion, after payment of all necessary expenses incident to such sale or conversion, shall become a part of such Warrant Fund. Each depository for such Warrant Fund shall be fully protected in making investments, sales, and conversions of any such securities upon direction given to it by the City.

Section 7. Form of Warrants. (a) **Form of Series 2026-A Warrants.** The Series 2026-A Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

**GENERAL OBLIGATION WARRANT
SERIES 2026-A**

Interest Rate

Maturity Date

CUSIP Number

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2026, and semiannually on each March 1 and September 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation Warrants, Series 2026-A", and aggregating \$69,595,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on March 12, 2026.

Those of the Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for optional redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed

portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its City Clerk, and has caused this Warrant to be dated March 26, 2026.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

City Clerk

Form of Registration Certificate

Date of Registration: March 26, 2026.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this ____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

(b) **Form of Series 2026-B Warrants.** The Series 2026-B Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

**GENERAL OBLIGATION REFUNDING WARRANT
SERIES 2026-B**

Interest Rate

Maturity Date

CUSIP Number

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2026, and semiannually on each March 1 and September 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation Refunding Warrants, Series 2026-B", and aggregating \$19,290,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on March 12, 2026.

Those of the Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for optional redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date

fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its City Clerk, and has caused this Warrant to be dated March 26, 2026.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

City Clerk

Form of Registration Certificate

Date of Registration: March 26, 2026.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this _____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

(c) **Form of Series 2026-C Warrants.** The Series 2026-C Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

**GENERAL OBLIGATION SCHOOL WARRANT
SERIES 2026-C**

Interest Rate

Maturity Date

CUSIP Number

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2026, and semiannually on each March 1 and September 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation School Warrants, Series 2026-C", and aggregating \$67,335,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on March 12, 2026.

Those of the Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for optional redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its City Clerk, and has caused this Warrant to be dated March 26, 2026.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

City Clerk

Form of Registration Certificate

Date of Registration: March 26, 2026.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby

irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this ____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

(d) **Form of Series 2026-D Warrants.** The Series 2026-D Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for optional redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the

Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its City Clerk, and has caused this Warrant to be dated March 26, 2026.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

City Clerk

Form of Registration Certificate

Date of Registration: March 26, 2026.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this ____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

Section 8. Execution of Warrants by the City. The Warrants shall be executed on behalf of the City by the Mayor and attested by the City Clerk, and the seal of the City shall be impressed on each of the Warrants. Signatures on the Warrants by persons who are officers of the City at the times such signatures were written or printed shall continue to be effective although such persons cease to be such officers prior to the delivery of the Warrants, whether initially issued or exchanged for Warrants of different denominations from those initially issued.

Section 9. Registration Certificate on Warrants. A Registration Certificate by the Bank, in substantially the form hereinabove recited, duly executed by the manual signature of an authorized officer of the Bank, shall be endorsed on each of the Warrants and shall be essential to its validity.

Section 10. Registration and Transfer of Warrants. All Warrants shall be registered as to both principal and interest, and shall be transferable only on the registry books of the Bank. The Bank shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Warrants as are presented for those purposes, all in the manner and to the extent hereinafter specified.

No transfer of a Warrant shall be valid hereunder except upon presentation and surrender of such Warrant at the office of the Bank with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Bank, whereupon the City shall execute, and the Bank shall register and deliver to the transferee, a new Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name a Warrant is registered on the books of the Bank shall be the sole person to whom or on whose order payments on account of the principal thereof and of the interest and premium, if any, thereon may be made. Each Holder of any of the Warrants, by receiving or accepting such Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, the Warrants may be transferred only in accordance with the provisions of this Ordinance.

Each transferee of a Warrant takes it subject to all payments of principal and interest in fact made with respect thereto.

Section 11. Exchange of Warrants. Upon the request of the Holder of one or more Warrants, the City shall execute, and the Bank shall register and deliver, upon surrender to the Bank of such Warrant or Warrants in exchange thereof, a Warrant or Warrants in different Authorized Denominations of the same maturity and interest rate and together aggregating the same principal amount as the then unpaid principal of the Warrant or Warrants so surrendered, all as may be requested by the person surrendering such Warrant or Warrants. All Warrants surrendered for exchange pursuant to the provisions of this Section 11 shall be accompanied by a written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Bank.

Section 12. Expenses of Registration, Transfer and Exchange. Any registration, transfer or exchange of any of the Warrants shall be made without charge to the Holders thereof, except that (a) the Holder requesting any such registration, transfer or exchange shall pay all taxes and other governmental charges required to be paid in connection with such registration, transfer or exchange, and (b) the Holder shall pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant in accordance with Section 17 hereof.

Section 13. Time Limits on Registration, Transfer or Exchange. If any Warrant is called for redemption in whole or in part, the Bank shall not be required to register, transfer or exchange such Warrant during the period of forty-five (45) days next preceding the Redemption Date.

Section 14. Accrual of Interest on Warrants. All Warrants issued prior to September 1, 2026, in exchange for Warrants initially delivered, shall bear interest from the dated date of the Warrants, and all Warrants issued on or after September 1, 2026, shall bear interest from the September 1 or March 1, as the case may be, next preceding the date of its registration and delivery unless (a) such date of registration and delivery is a September 1 or March 1, in which event such Warrant shall bear interest from the date of its registration and delivery, or (b) at the time of such registration and delivery the City is in default in the payment of interest on the Warrant in lieu of which such new Warrant is issued, in which event such new Warrant shall bear interest from the last Interest Payment Date to which interest has previously been paid or made available for payment on the Warrant in lieu of which such new Warrant is issued. The preceding provision shall be construed to the end that the issuance of a Warrant shall not affect any gain or loss in interest to the Holder thereof.

Section 15. Persons to Whom Payment of Interest on Warrants Is to Be Made. (a) Interest on the Warrants shall, except as provided in paragraph (b) of this Section 15, be payable in lawful money of the United States of America by check or draft mailed by the Bank to the Holders of the Warrants at the addresses shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the Record Date next preceding the Interest Payment Date for which such payment is to be made.

(b) Any provision hereof to the contrary notwithstanding, Overdue Interest shall not be payable to a Holder of a Warrant solely by reason of such Holder having been the Holder on the Record Date next preceding the Interest Payment Date on which such interest became due and payable, but shall be payable by the Bank as follows:

(i) Not less than ten (10) days following receipt by the Bank of immediately available funds in an amount sufficient to enable the Bank to pay all Overdue Interest on the Warrants, the Bank shall fix an Overdue Interest Payment Date for payment of such Overdue Interest respecting the Warrants.

(ii) Such Overdue Interest Payment Date fixed by the Bank shall be a date not more than twenty (20) days following the expiration of the period described in the foregoing subparagraph (i).

(iii) Overdue Interest on the Warrants shall be paid by check or draft mailed by the Bank to the persons in whose names the Warrants were registered in the registry books of the Bank pertaining to the Warrants on the Overdue Interest Payment Date.

(c) Payment of Overdue Interest on the Warrants in the manner herein prescribed to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date shall fully discharge and satisfy all liability for the same.

Section 16. Persons Deemed Owners of Warrants. The City and the Bank may deem and treat the person in whose name a Warrant is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is so registered, shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 17. Replacement of Mutilated, Lost, Stolen or Destroyed Warrants. In the event any Warrant is mutilated, lost, stolen or destroyed, the City may execute and the Bank shall thereupon register and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided that (a) in the case of any such mutilated Warrant, such Warrant is first surrendered to the City and the Bank, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the City and the Bank evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Warrant.

In lieu of issuing a new Warrant to replace any mutilated, lost, stolen or destroyed Warrant which shall have already matured or been called for redemption, the Bank may pay such Warrant at or after the maturity or Redemption Date applicable thereto if the Holder of such Warrant satisfies the same terms and conditions as those provided in the preceding provisions of this Section 17 for the replacement of such Warrant. Any mutilated Warrant surrendered to the Bank pursuant to the terms of this Section 17 shall be destroyed by the Bank after a Warrant in replacement thereof has been issued.

Section 18. Retention of Moneys for Payment of Warrants. The amounts held by the Bank for the payment of the principal of and interest on any Warrants due on any date shall, pending such payment, be held in trust by the Bank for the benefit of the holders of the Warrants entitled thereto, and for the purposes of this Ordinance the principal of and interest on such Warrants shall no longer be considered to be unpaid. If any Warrant shall not be presented for payment within a period of one (1) year following the date when such Warrant becomes due, whether by maturity, redemption or otherwise, or if the check or draft providing for any payment of interest on any Warrant shall not have been negotiated within such period, the Bank shall return to the City any moneys theretofore held by it for payment of such Warrant or such interest.

Section 19. Cancellation of Warrants. The Bank shall forthwith cancel all Warrants which have been paid by it, whether by maturity, redemption or otherwise, and shall destroy such Warrants and if requested by the City deliver a certificate to that effect to the City.

Section 20. (a) Appointment of Bank and Acceptance or Duties. The Bank is hereby designated and appointed and shall act as registrar, transfer agent and paying agent with respect to the Warrants. The Bank shall signify its acceptance of the duties of the Bank under this Ordinance by filing with the City a written acceptance thereof not later than the date of the issuance of the Warrants. In such acceptance the Bank shall accept and agree to perform the duties required by this Ordinance, either expressly or by reasonable implication, subject, however, to the following conditions:

(i) The Bank shall undertake to perform such duties and only such duties as are specifically set forth in this Ordinance, and no implied covenants or obligations shall be read into this Ordinance against the Bank.

(ii) The Bank need not recognize a Holder of a Warrant as such without the satisfactory establishment of title to such Warrant as shown on the registry books of the Bank.

(iii) The Bank may be a Holder or a pledgee of any of the Warrants as if not Bank hereunder.

(iv) The Bank shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.

(v) The Bank shall not be liable to pay or allow interest on any moneys to be held by it under this Ordinance or otherwise to invest any such moneys, except as specifically required by this Ordinance or as may be required by law or other written agreement between the City and the Bank.

(vi) The Bank may make any investments permitted or required hereby through its own investment department, and any Eligible Investments issued or held by it hereunder shall be deemed investments and not deposits.

(vii) The Bank shall, upon reasonable request, inform the City of the amount at the time on deposit in any of the special funds or accounts created hereunder.

(b) **Bank to Maintain Registration Books.** The Bank will keep on file at its principal corporate trust office registration books listing the names and addresses of the holders of the Warrants and proper records of account relating to the receipt, disbursement, investment, allocation and application of moneys under this Ordinance.

(c) **Resignation by Bank.** The Bank and any successor Bank may resign and be discharged from the duties under this Ordinance by causing written notice specifying the effective date, postage prepaid, to the City and to every Holder of a Warrant. Unless the effective date of the Bank's resignation shall coincide with the appointment of a successor Bank by the Holders of the Warrants as herein provided, such date shall be at least thirty (30) days after the date on which notice to the City and the Holders of the Warrants shall have been mailed.

(d) **Removal of Bank.** The Bank may be removed at any time by an instrument or concurrent instruments in writing delivered to the Bank and to the City and signed by the Holders of a majority in aggregate principal amount of the Warrants then outstanding.

(e) **Appointment of Successor Bank; Interim Bank.** In case the Bank shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become

incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by the Holders of a majority in aggregate principal amount of Warrants then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Bank to be incapable of acting, the City, by an instrument signed by the Mayor, shall appoint an interim Bank to serve until a successor Bank shall be appointed by the Holders of a majority in aggregate principal amount of the Warrants as provided above. Whenever necessary to avoid or fill a vacancy in the office of Bank, the City will appoint an interim Bank in order that there shall at all times be a Bank hereunder. Any interim Bank so appointed by the City shall immediately and without further act be superseded by the Bank appointed by the holders of the Warrants.

The City shall cause notice of the appointment of an interim Bank, in the event that such an appointment is made, to be forwarded by First Class mail, postage prepaid, to every Holder of a Warrant. When the appointment of a successor Bank, as selected by the Holders of a majority in principal amount of the Warrants then outstanding, becomes effective, the City shall also cause notice of that fact to be given in the manner provided above for the notice required to be given upon the appointment of an interim Bank. Every interim or successor Bank appointed pursuant to this Section 20 shall be a trust company or bank which is qualified to perform all duties of the Bank under this Ordinance and which has, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$25,000,000, if there be such an institution willing, qualified and able to accept appointment as Bank upon reasonable or customary terms.

(f) **Concerning any Successor Bank.** Every successor Bank shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting its appointment as Bank hereunder, and thereupon such successor Bank, without any further act, deed or conveyance, shall become fully vested with all the rights, powers and duties of its predecessor. Such predecessor shall, nevertheless, on the written request of the City or such successor Bank, execute and deliver an instrument transferring to such successor Bank all rights, powers and interests of such predecessor hereunder; and every predecessor Bank shall deliver all securities and moneys held by it as Bank hereunder to its successor.

(g) **Merger or Consolidation of Bank.** Any corporation into which the Bank may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank, shall be the successor of the Bank hereunder, without the execution or filing of any paper or any further act on the part of the Bank or the City. In case the registration certificates with respect to any Warrants shall have been executed by the Bank then in office, any successor by merger or consolidation to such Bank may adopt the registration of such Warrants and deliver such Warrants with the same effect as if such successor Bank had itself registered such Warrants.

(h) **Compensation of Bank.** Subject to the provisions of any separate agreement with the Bank, the City shall pay to the Bank from time to time reasonable compensation for all services rendered by it under this Ordinance, including its services as

registrar and paying agent for the Warrants, and also all its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its duties hereunder.

Section 21. Sale of Warrants. (a) The Series 2026-A Warrants are hereby awarded to the Winning Bidder at and for a price equal to \$77,398,571.90, which such price represents the face amount of the Series 2026-A Warrants, less an underwriting discount of \$498,006.65, plus original issue premium of \$8,301,578.55.

(b) The Series 2026-B Warrants are hereby awarded to the Winning Bidder at and for a price equal to \$21,713,693.54, which such price represents the face amount of the Series 2026-B Warrants, less an underwriting discount of \$93,575.21, plus original issue premium of \$2,517,268.75.

(c) The Series 2026-C Warrants are hereby awarded to the Winning Bidder at and for a price equal to \$74,860,573.66, which such price represents the face amount of the Series 2026-C Warrants, less an underwriting discount of \$506,657.29, plus original issue premium of \$8,032,230.95.

(d) The Series 2026-D Warrants are hereby awarded to the Winning Bidder at and for a price equal to \$39,461,570.82, which such price represents the face amount of the Series 2026-D Warrants, less an underwriting discount of \$248,510.78, plus original issue premium of \$3,780,081.60.

Section 22. Approval of Preliminary Official Statement; Authorization of Official Statement. The actions of the City and PFM Financial Advisors, LLC, municipal advisor to the City, in circulating a Preliminary Official Statement dated March 5, 2026, with respect to the Warrants, a copy of which is presented to the meeting at which this Ordinance is adopted (which copy shall be attached as Exhibit II to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full in this Ordinance) is hereby ratified and confirmed. The actions of the City in causing the Preliminary Official Statement to be "deemed final" as of its dated date for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission are hereby accepted and confirmed. The Mayor is hereby authorized and directed to execute and deliver on behalf of the City, the Official Statement respecting the Warrants and dated the date of this Ordinance (the "Official Statement"), which such Official Statement shall be in substantially the same form as the Preliminary Official Statement with such updates and changes as shall be necessary to reflect the results of the sale of the Warrants and such other changes as shall be approved by the Mayor.

Section 23. Authorization of Continuing Disclosure Agreement. The Mayor is hereby authorized and directed to execute and deliver, on behalf of the City, a Continuing Disclosure Agreement the date of the Warrants, for the benefit of the beneficial owners of the Warrants, in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached as Exhibit III to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full in this Ordinance), with such changes thereto as shall be necessary to reflect the terms of this

Ordinance respecting the Warrants and such further changes as the said Mayor shall approve. The City Clerk is hereby authorized and directed to attest the said Continuing Disclosure Agreement.

Section 24. Authorization of Related Documents and Actions; Financial Advisor and Bond Counsel to the City. (a) The Mayor, the City Clerk, and the Finance Director of the City are hereby authorized and directed to execute, seal, attest and deliver such other documents and certificates and to take such other actions on behalf of the City as may be necessary to consummate the sale and issuance of the Warrants and carry out fully the transactions contemplated by this Ordinance including, without limiting the generality of the foregoing, the execution and delivery of a Tax Compliance Agreement and Certificate (the "Tax Compliance Agreement") establishing facts and circumstances necessary to support the conclusion that the Warrants are not "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations promulgated thereunder, and an IRS Form 8038-G.

(b) Pursuant to Section (g)(3) of the debt management policy of the City, the Council hereby ratifies and confirms the retention of PFM Financial Advisors LLC, as municipal advisor to the City, and Bradley Arant Boult Cummings LLP, as Bond Counsel to the City.

Section 25. Use of Proceeds from Sale of Warrants. (a) **Series 2026-A Warrants.** (i) The proceeds from the sale of the Series 2026-A Warrants, less the sum of \$498,006.65 representing the underwriting discount referable thereto, shall be wired by the Winning Bidder to the Bank and applied to pay the costs of issuing such series, with the balance remitted by the Bank for deposit into such account or fund, or accounts or funds, as shall be directed from time to time in writing by the Finance Director of the City (collectively, the "2026-A Construction Fund"), for payment of the 2026-A Improvements.

(ii) Amounts on deposit in the 2026-A Construction Fund, pending their withdrawal and application for the costs of the 2026-A Improvements, shall be invested as directed by the Finance Director of the City. Permitted investments for amounts in the 2026-A Construction Fund are set forth in Section 11-81-21 *et. seq.*, Code of Alabama 1975, as amended, and include such other investments as may be further permitted by Alabama law; all subject, however, to the limitations set forth in Section 30 hereof and as further provided, limited, and set forth in the Tax Compliance Agreement herein authorized.

(b) **Series 2026-B Warrants.** The proceeds from the sale of the Series 2026-B Warrants, less the sum of \$93,575.21 representing the underwriting discount referable thereto, shall be wired by the Winning Bidder to the Bank and applied to pay the costs of issuing such series, with the balance remitted by the Bank for deposit into the Escrow Fund set forth and described in the Escrow Trust Agreement for the redemption and payment of the Called 2016-A Warrants, unless otherwise directed by the Finance Director of the City.

(c) **Series 2026-C Warrants.** (i) The proceeds from the sale of the Series 2026-C Warrants, less the sum of \$506,657.29 representing the underwriting discount referable thereto, shall be wired by the Winning Bidder to the Bank and applied to pay the costs of issuing such series, with the balance remitted by the Bank for deposit into such account or fund, or

accounts or funds, as shall be directed from time to time in writing by the Finance Director of the City (collectively, the "2026-C Construction Fund"), for payment of the 2026-C Improvements.

(ii) Amounts on deposit in the 2026-C Construction Fund, pending their withdrawal and application for the costs of the 2026-C Improvements, shall be invested as directed by the Finance Director of the City or by the Chief School Finance Officer of the BOE. Permitted investments for amounts in the 2026-C Construction Fund are set forth in Section 11-81-21 *et. seq.*, Code of Alabama 1975, as amended, and include such other investments as may be further permitted by Alabama law; all subject, however, to the limitations set forth in Section 30 hereof and as further provided, limited, and set forth in the Tax Compliance Agreement herein authorized.

(d) **Series 2026-D Warrants.** The proceeds from the sale of the Series 2026-D Warrants, less the sum of \$248,510.78 representing the underwriting discount referable thereto, shall be wired by the Winning Bidder to the Bank and applied to pay the costs of issuing such series, with the balance remitted by the Bank for deposit into the Escrow Fund set forth and described in the Escrow Trust Agreement for the redemption and payment of the 2014-C Warrants and the Called 2016-B Warrants, unless otherwise set forth or directed by the Finance Director of the City.

Section 26. Call of 2014-C Warrants; Call of Called 2016-A Warrants; Call of 2016-B Warrants; Approval and Authorization of Escrow Trust Agreement. (a) Acting pursuant to the provisions of the 2014-C Ordinance, the City does hereby elect to redeem and pay, and does hereby call for redemption and payment, on April 27, 2026 (the "2014-C Warrants Redemption Date"), all of the 2014-C Warrants. Regions Bank, in its capacity as paying agent for the 2014-C Warrants, is hereby authorized and directed to give notice of and effect said redemption of the 2014-C Warrants in the manner provided in the 2014-C Ordinance, and to take all such other action as shall be necessary or desirable to carry-out the redemption and payment of the aforesaid warrants as aforesaid.

(b) Acting pursuant to the provisions of the 2016-A Ordinance, the City does hereby elect to redeem and pay, and does hereby call for redemption and payment, on May 1, 2026 (the "2016-A Warrants Redemption Date"), all of the Called 2016-A Warrants. Regions Bank, in its capacity as paying agent for the Called 2016-A Warrants, is hereby authorized and directed to give notice of and effect said redemption of the Called 2016-A Warrants in the manner provided in the 2016-A Ordinance, and to take all such other action as shall be necessary or desirable to carry-out the redemption and payment of the aforesaid warrants as aforesaid.

(c) Acting pursuant to the provisions of the 2016-B Ordinance, the City does hereby elect to redeem and pay, and does hereby call for redemption and payment, on May 1, 2026 (the "2016-B Warrants Redemption Date"), all of the Called 2016-B Warrants. Regions Bank, in its capacity as paying agent for the Called 2016-B Warrants, is hereby authorized and directed to give notice of and effect said redemption of the Called 2016-B Warrants in the manner provided in the 2016-B Ordinance, and to take all such other action as shall be necessary or desirable to carry-out the redemption and payment of the aforesaid warrants as aforesaid.

(d) **Escrow Trust Agreement.** The Mayor is hereby authorized and directed to execute and deliver, on behalf of the City, an Escrow Trust Agreement dated the date of the Warrants (the "Escrow Trust Agreement") between the City and Regions Bank, as escrow trustee, providing for the payment of the 2014-C Warrants, the Called 2016-A Warrants, and the Called 2016-B Warrants, in substantially the form presented to the meeting at which this ordinance is adopted (which form shall be attached as Exhibit D to the minutes of the meeting at which this resolution is adopted and is adopted in all respects as if set out in full herein), with such changes as the said Mayor shall approve. Without limiting the generality of the foregoing, the form of Escrow Trust Agreement presented to the meeting of the City Council at which this ordinance is approved shall be updated to comport with the content of this ordinance, to reflect the results of the sale of the Warrants, and to reflect the determinations of the Mayor and/or the Finance Director respecting the amount of proceeds from the Warrants and from other sources of funds of the City that may be available to redeem and retire the 2014-C Warrants, the Called 2016-A Warrants, and the Called 2016-B Warrants. The City Clerk is hereby authorized and directed to affix the seal of the City to the Escrow Trust Agreement and to attest the same.

(e) **Other Actions.** The Mayor, the Finance Director of the City, and the City Clerk are each hereby authorized and directed to take or cause to be taken, in the name and behalf of the City, all of the actions required by the provisions of the 2014-C Ordinance, the 2016-A Ordinance and the 2016-B Ordinance to be taken in order to cause to be effectuated and completed the redemption and payment of the 2014-C Warrants, the Called 2016-A Warrants, and the Called 2016-B Warrants at the times and on the dates set forth above in this Section 26.

Section 27. Provisions Respecting Registration of Warrants to Comply with Provisions of the Code. The City and the Bank recognize that the provisions of the Code require that the Warrants be in "registered form," and that, in general, each Warrant must be registered as to both principal and interest and any transfer of any Warrant must be effected only by the surrender of the old Warrant and by either the reissuance of the old Warrant to a new Holder or the issuance of a new Warrant to a new Holder. The provisions of this Ordinance pertaining to the registration, transfer, exchange or reissuance of the Warrants need not or shall not be followed if the Bank receives an opinion of nationally recognized bond counsel that compliance with requirements in addition to or in lieu of the requirements of this Ordinance pertaining to such registration, transfer, exchange or reissuance is required or permitted under the provisions of the Code or under other applicable laws and regulations.

Section 28. Denominations of Warrants as Initially Issued. With respect to each series of the Warrants, the warrants of each maturity shall be initially issued in Authorized Denominations as requested by the Winning Bidder and registered in the names of the persons, firms or corporations specified by the Winning Bidder. If, for any reason, the City is unable to prepare or cause to be prepared Warrants of such series in the Authorized Denominations requested by the Winning Bidder and registered in the names specified by the Winning Bidder, the City may deliver one Warrant for each maturity in the principal amount of such maturity, each registered in a name designated by the Winning Bidder.

Section 29. Provisions for Payment at Par. Each bank at which the Warrants shall at any time be payable, by acceptance of its duties as paying agent therefor, shall be

construed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal, interest and premium, if any, on the Warrants in bankable funds at par without any deduction for exchange or other costs, fees or expenses. The City agrees with the Holders of the Warrants that it will pay all charges for fees and expenses which may be made by such bank in the making of remittances in bankable funds of the principal of and interest on any of the Warrants.

Section 30. Concerning the Code. The City recognizes that the Code imposes certain conditions to the exemption from federal income taxation of the interest income on the Warrants. Accordingly, the City agrees that it will continuously comply with all requirements imposed by the Code as a condition to the exemption from federal income taxation of the interest income on the Warrants. Without limiting the generality of the foregoing:

(i) the City will not permit the gross proceeds of the Warrants to be invested or reinvested in a manner that would cause the Warrants to be considered "arbitrage bonds" within the meaning of Section 148 of the Code, and the City will make timely rebate payments to the United States of America as required by Section 148(f) of the Code; and

(ii) the City will not apply the proceeds of the Warrants in such a manner that would cause any of the Warrants to be "private activity bonds" within the meaning of the Code.

Section 31. Registration of Warrants in the Book-Entry Only System. The provisions of this Section 31 shall apply with respect to any Warrant registered to CEDE & CO. or any other nominee of DTC while the Book-Entry Only System is in effect and shall, during the period of their application, supersede any contrary provisions of this Ordinance.

The Warrants shall be issued as one fully registered warrant for each maturity in the total principal amount of such maturity. On the date of the initial authentication and delivery of the Warrants, the Warrants shall be registered in the name of CEDE & CO., as nominee of DTC as the Owner of all the Warrants. With respect to Warrants registered in the name of CEDE & CO., as nominee of DTC, the City and the Bank shall have no responsibility or obligation to any Participant (which means securities brokers and dealers, banks, trust companies, clearing corporations and various other entities, some of whom, or their representatives, own DTC) or to any Beneficial Owner (which means, when used with reference to the Book-Entry Only System, the person who is considered the beneficial owner thereof pursuant to the arrangements for book entry determination of ownership applicable to DTC) with respect to the following: (i) the accuracy of the records of DTC, CEDE & CO. or any participant with respect to any ownership interest in the Warrants, (ii) the delivery to any Participant, any Beneficial Owner or any other person, other than DTC, of any notice with respect to the Warrants, including any notice of redemption, or (iii) the payment to any Participant, or any Beneficial Owner or any other person, other than DTC, of any amount with respect to the principal or purchase price of or premium, if any, or interest on the Warrants. The Bank shall pay all principal of and premium, if any, or interest on the Warrants only to or upon the order of DTC, and all such payments shall be valid and effective fully to satisfy and discharge the City's

obligations with respect to the principal of and premium, if any, and interest on such Warrants to the extent of the sum so paid. No person other than DTC shall receive a Warrant. Upon delivery by DTC to the Bank of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Section 31 shall refer to such new nominee of DTC.

Upon receipt by the Bank of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities hereunder, the Bank shall issue, transfer and exchange Warrants as requested by DTC in Authorized Denominations, and whenever DTC requests the Bank to do so, the Bank will cooperate with DTC in taking appropriate action after reasonable notice to arrange for a substitute bond depository willing and able upon reasonable and customary terms to maintain custody of the Warrants registered in whatever name or names the Owners transferring or exchanging such Warrants shall designate, in accordance with this Section 31.

In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain Warrants registered in the name of an Owner other than DTC, the City may so notify DTC and the Bank, whereupon DTC will notify the Participants, of the availability through DTC of such Warrants. In such event, upon the return by DTC of all Warrants held by DTC in the name of Cede & Co., the Bank shall issue, transfer and exchange Warrants in Authorized Denominations as requested by DTC, and whenever DTC requests the City and the Bank to do so, the Bank and the City will cooperate with DTC in taking appropriate action after reasonable notice to make available Warrants registered in whatever name or names the Beneficial Owners transferring or exchanging Warrants shall designate, in accordance with this Section 31.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Warrant is registered in the name of CEDE & CO., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Warrant and all notices with respect to such Warrant shall be made and given, respectively, to DTC as provided in their Letter of Representations.

In the event that the Book-Entry Only System pursuant to this Section 31 is discontinued, the Beneficial Owners shall be registered on the Registry Books as the Owners of the Warrants. Subsequent to the discontinuation of the Book-Entry Only System, Warrants may be registered, transferred and exchanged in accordance with the provisions of this Ordinance (other than this Section 31).

Section 32. Defeasance and Deemed Payment of Warrants. In addition to all other circumstances under which any of the Warrants are to be deemed paid and no longer outstanding, any of the Warrants shall be considered as fully paid and no longer outstanding if there shall be filed with the City Clerk and submitted to the Bank each of the following:

- (1) a trust agreement between the City and a banking corporation or national banking association making provision for the retirement of such Warrants by creating for that purpose an irrevocable

trust fund sufficient to provide for payment and retirement of such Warrants (including payment of the interest that will mature thereon until and on the dates they are retired, as such interest becomes due and payable), either by redemption prior to their respective maturities, by payment at their respective maturities or by payment of part thereof at their respective maturities and redemption of the remainder prior to their respective maturities, which said trust fund shall consist of (i) United States Securities which are not subject to redemption prior to their respective maturities at the option of the issuer and which, if the principal thereof and the interest thereon are paid at their respective maturities, will produce funds sufficient so to provide for payment and retirement of all such Warrants, or (ii) both cash and such United States Securities which together will produce funds sufficient for such purpose, or (iii) cash sufficient for such purpose;

(2) a certified copy of a resolution adopted by the City Council calling for redemption those of such Warrants that, according to said trust agreement, are to be redeemed prior to their respective maturities; and

(3) an opinion of bond counsel to the City to the effect that the execution and effectuation of the trust agreement referred to in the preceding clause (1) will not result in interest income on such Warrants being subject to federal income taxation.

Section 33. Provisions of Ordinance Severable. The provisions of this Ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

Section 34. Creation of Contract. The provisions of this Ordinance shall constitute a contract between the City and each Holder of the Warrants.

ADOPTED this 12th day of March, 2026.

/s/ Jennie Robinson
City Council President
City of Huntsville, Alabama

APPROVED this 12th day of March, 2026.

/s/ Tommy Battle
Mayor
City of Huntsville, Alabama

Exhibit I
Schedule of Bids Received for Warrants



Parity Calendar

Deal List

09:01:29 a.m. CDST

Upcoming Calendar

Overview

Compare

Summary

Bid Results

Huntsville
\$189,860,000 General Obligation Warrants, Series 2026-A,
Refunding Warrants, Series 2026-B, School
Warrants, Series 2026-C and School Refunding
Warrants, Series 2026-D

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
 Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	Wells Fargo Bank, National Association	3.650975
<input type="checkbox"/>	Jefferies LLC	3.654620
<input type="checkbox"/>	Truist Securities, Inc.	3.656038
<input type="checkbox"/>	J.P. Morgan Securities LLC	3.656644
<input type="checkbox"/>	PNC Capital Markets LLC	3.664875
<input type="checkbox"/>	Huntington Securities, Inc.	3.687281
<input type="checkbox"/>	Mesirow Financial, Inc.	3.689810
<input type="checkbox"/>	BofA Securities	3.690341
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	3.758297

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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Exhibit II
Preliminary Official Statement

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 5, 2026

RATINGS:

S&P: AAA

Moody's: Aaa

(See "RATINGS" herein)

NEW ISSUE - Book-Entry Only

In the opinion of Bond Counsel to the City, assuming continuing compliance by the City with certain covenants set forth in the proceedings under which the Warrants are issued with respect to certain conditions imposed by Section 103 of the Internal Revenue Code of 1986, as amended, the interest income on the Warrants will be excludable from gross income of the recipients thereof for federal income tax purposes and will not be an item of tax preference for purposes of the federal alternative minimum tax on individuals and corporations; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. Bond Counsel to the City is further of the opinion that the interest income on the Warrants is, under existing statutes and regulations, exempt from Alabama income taxation.

CITY OF HUNTSVILLE, ALABAMA

\$68,745,000*
General Obligation Warrants
Series 2026-A

\$19,070,000*
General Obligation Refunding Warrants
Series 2026-B

\$66,495,000*
General Obligation School Warrants
Series 2026-C

\$35,550,000*
General Obligation School Refunding Warrants
Series 2026-D

Dated: Date of Delivery

Due: September 1,
as shown on the inside cover hereof

FOR MATURITY SCHEDULE, INTEREST RATES, AND YIELDS, SEE INSIDE COVER

The above-referenced General Obligation Warrants, Series 2026-A (the "Series 2026-A Warrants"), General Obligation Refunding Warrants, Series 2026-B Warrants (the "Series 2026-B Warrants"), General Obligation School Warrants, Series 2026-C Warrants (the "Series 2026-C Warrants"), and General Obligation School Refunding Warrants, Series 2026-D Warrants (the "Series 2026-D Warrants"), and, together with the Series 2026-A Warrants, the Series 2026-B Warrants, and the Series 2026-C Warrants, the "Warrants") are issuable as fully registered warrants and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), to which principal and interest payments on the Warrants will be made so long as Cede & Co. is the registered owner of the Warrants. Individual purchases of the Warrants will be made in Book-Entry Only form, and individual purchasers ("Beneficial Owners") of the Warrants will not receive physical delivery of warrant certificates.

The principal of the Warrants will be payable at the principal corporate trust office of Regions Bank in the City of Birmingham, Alabama (the "Bank"), at maturity or redemption. Interest on the Warrants will be payable on September 1, 2026, and semiannually thereafter on each March 1 and September 1, all by check or draft mailed to the registered owner of each Warrant. The Warrants will be direct general obligations of the City of Huntsville, Alabama (the "City"), for the payment of which the full faith and credit of the City will be irrevocably pledged. Certain of the Warrants are subject to optional and mandatory redemption by the City prior to maturity at the times, in the manner, and subject to the terms described herein.

BIDS FOR THE PURCHASE OF ALL, BUT NOT LESS THAN ALL, OF THE WARRANTS WILL BE RECEIVED ON MARCH 12, 2026, AT THE TIME DESIGNATED AS DESCRIBED HEREIN AND IN THE NOTICE OF SALE ATTACHED AS APPENDIX F HERETO.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE ISSUES. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Warrants are offered when, as, and if issued by the City and are subject to approval of the validity thereof by Bradley Arant Boult Cummings LLP, Bond Counsel to the City, and certain other conditions. PFM Financial Advisors LLC, Huntsville, Alabama, is serving as municipal advisor to the City. It is expected that the Warrants will be available for delivery on or around [_____] 2026, which such delivery shall be made through DTC.

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor any offers to buy be accepted prior to the time that the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

CITY OF HUNTSVILLE, ALABAMA

\$68,745,000*
General Obligation Warrants
Series 2026-A

Maturity (September 1)	Principal Amount	Interest Rate	Yield
2027	\$2,075,000		
2028	2,185,000		
2029	2,295,000		
2030	2,405,000		
2031	2,530,000		
2032	2,655,000		
2033	2,785,000		
2034	2,925,000		
2035	3,070,000		
2036	3,225,000		
2037	3,385,000		
2038	3,555,000		
2039	3,735,000		
2040	3,920,000		
2041	4,115,000		
2042	4,320,000		
2043	4,540,000		
2044	4,765,000		
2045	5,005,000		
2046	5,255,000		

\$19,070,000*
General Obligation Refunding Warrants
Series 2026-B

Maturity (September 1)	Principal Amount	Interest Rate	Yield
2027	\$1,515,000		
2028	1,590,000		
2029	1,675,000		
2030	1,755,000		
2031	1,840,000		
2032	1,935,000		
2033	2,035,000		
2034	2,135,000		
2035	2,240,000		
2036	2,350,000		

\$66,495,000*
General Obligation School Warrants
Series 2026-C

Maturity (September 1)	Principal Amount	Interest Rate	Yield
2027	\$2,010,000		
2028	2,110,000		
2029	2,220,000		
2030	2,330,000		
2031	2,445,000		
2032	2,565,000		
2033	2,695,000		
2034	2,830,000		
2035	2,970,000		
2036	3,120,000		
2037	3,275,000		
2038	3,440,000		
2039	3,610,000		
2040	3,795,000		
2041	3,980,000		
2042	4,180,000		
2043	4,390,000		
2044	4,610,000		
2045	4,840,000		
2046	5,080,000		

\$35,550,000*
General Obligation School Refunding Warrants
Series 2026-D

Maturity (September 1)	Principal Amount	Interest Rate	Yield
2026	\$3,610,000		
2027	5,315,000		
2028	2,050,000		
2029	6,175,000		
2030	2,260,000		
2031	2,370,000		
2032	2,490,000		
2033	2,620,000		
2034	2,750,000		
2035	2,885,000		
2036	3,025,000		

* Preliminary; subject to change.

CITY OF HUNTSVILLE, ALABAMA

Post Office Box 308
305 Fountain Circle
Huntsville, Alabama 35804-0308
(256) 427-5080

Mayor

Tommy Battle

City Council

President

Dr. Jennie Robinson

President Pro Tempore

Bill Kling, Jr.

David Little
John Meredith
Michelle Watkins

City Administrator

John Hamilton

Director of Finance/City Treasurer

Penny L. Smith, CPA

City Attorney

Trey Riley

City Clerk

Shaundrika Edwards

Municipal Advisor

PFM Financial Advisors LLC
Huntsville, Alabama

Bond Counsel

Bradley Arant Boult Cummings LLP
Birmingham, Alabama

Independent Certified Public Accountants

Mauldin & Jenkins, LLC
Chattanooga, Tennessee

Certain information contained in or incorporated by reference in this Official Statement has been obtained by the City from DTC and other sources that are deemed reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information by the City. This Official Statement is being used in connection with the sale of securities as referred to herein and may not be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein is correct as of any time subsequent to its date.

No dealer, broker, salesperson or any other person has been authorized by the City to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than those described on the inside cover page, nor shall there be any offer to sell, solicitation of an offer to buy or sale of such securities in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the registered or beneficial owners of the Warrants.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that are based on the City’s beliefs as well as assumptions made by and information currently available to the City.

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OFFICIAL STATEMENT

Pertaining to

CITY OF HUNTSVILLE, ALABAMA

\$68,745,000*	\$19,070,000*
General Obligation Warrants Series 2026-A	General Obligation Refunding Warrants Series 2026-B
\$66,495,000*	\$35,550,000*
General Obligation School Warrants Series 2026-C	General Obligation School Refunding Warrants Series 2026-D

INTRODUCTION

General

This Official Statement of the City of Huntsville, Alabama (the "City"), which includes the cover page and appendices hereto, sets forth information concerning the City and the above-referenced General Obligation Warrants, Series 2026-A (the "Series 2026-A Warrants"), General Obligation Refunding Warrants, Series 2026-B (the "Series 2026-B Warrants"), General Obligation School Warrants, Series 2026-C (the "Series 2026-C Warrants"), and General Obligation School Refunding Warrants, Series 2026-D (the "Series 2026-D Warrants", and, together with the Series 2026-A Warrants, the Series 2026-B Warrants, and the Series 2026-C Warrants, the "Warrants").

The Warrants are being issued pursuant to the provisions of an ordinance adopted by the governing body of the City (the "Ordinance"). The Series 2026-A Warrants and the Series 2026-C Warrants are being issued to pay the costs of public capital improvements in the City hereinafter defined as the 2026-A Improvements and the 2026-C Improvements, respectively. The Series 2026-B Warrants and the Series 2026-D Warrants are being issued to refinance certain indebtedness of the City hereinafter defined as the "Refunded Warrants". See "PLAN OF FINANCE" herein.

The Warrants will constitute general obligations of the City payable from and secured by a pledge of the full faith and credit of the City.

Neither the delivery of this Official Statement nor any sale made hereunder implies that there has not been any change in the affairs of the City at any time subsequent to the date hereof.

Reference is hereby made to the Appendices of this Official Statement setting forth certain information about the City and the City's audited financial statements for the fiscal year of the City ended September 30, 2024, prepared by Mauldin & Jenkins, LLC, Certified Public Accountants, Huntsville, Alabama, the proposed form of approving opinion of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the City, and the summary of the Continuing Disclosure Agreement.

The City was incorporated in 1811 and is one of the oldest incorporated municipalities in the State of Alabama. The mailing address of the City is Post Office Box 308, Huntsville, Alabama 35804, and its telephone number is (256) 427-5080.

* Preliminary; subject to change.

Bid Process

Bids for the purchase of all, but not less than all, of the Warrants will be received as described in the Notice of Sale attached hereto as Appendix F at 9:00 o'clock A.M., Central Time, on March 12, 2026. For the avoidance of doubt, no bid will be considered that does not offer to purchase all of the Warrants.

CONTINUING DISCLOSURE

General

Upon issuance of the Warrants, the City will have entered into a Continuing Disclosure Agreement for the benefit of the holders of the Warrants wherein the City will agree to provide, annually, certain financial information and operating data relating to the City (the "Annual Report"), and notices of certain events through the Electronic Municipal Market Access ("EMMA") system established by the Municipal Securities Rulemaking Board (the "MSRB"), or such other system as may be subsequently authorized by the MSRB.

The specific nature of the information to be contained in the Annual Report or the notices of material events and the other provisions of the Continuing Disclosure Agreement are summarized in APPENDIX E hereto. A failure by the City to comply with the Continuing Disclosure Agreement must be reported in accordance with Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission of the United States of America, and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Warrants in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Warrants and their market price.

Prior Compliance

The City has entered continuing disclosure agreements for various series of obligations of the City and other obligations for which the City is an obligated person for purposes of the Rule 15c2-12 (collectively, the "Prior Undertakings"). In these Prior Undertakings, the City agreed to provide, annually, its audited financial statements and certain financial and operating data relating to the City, and to provide notices of the occurrence of certain events specified therein. During the preceding five years, the City did not comply with certain provisions of the Prior Undertakings, as follows:

During the last five years, the City did not file its audited financial statements for each of the fiscal years ended September 30, 2019, September 30, 2021, September 30, 2022, September 30, 2023, and September 30, 2024, on or before the due dates therefor as provided in the Prior Undertakings, and also did not timely post certain financial information and operating data for each of the fiscal years ended September 30, 2019, September 30, 2021, September 30, 2012, September 30, 2023, and September 30, 2024, on or before the due dates therefor as provided in the Prior Undertakings. In addition, the City did not file certain fiscal year 2019 and fiscal year 2020 financial information and operating data tables as required in the Prior Undertakings.

The City did not file certain financial and operational information with respect to its sewer system for the fiscal year ended September 30, 2020 (the obligations for which such filing is required to be made are no longer outstanding), and with respect to certain ad valorem tax information for its fiscal year ended September 30, 2021, until February 22, 2023.

The City did not timely file notice of the issuance of (i) a financial obligation in the form of an up to \$2.0 million Taxable Limited Obligation TIF Warrant, TIF5 – Series 2020-A, dated April 17, 2020, a (ii) financial obligation in the form of an up to \$6.0 million Taxable Limited Obligation TIF Revenue Warrant, TIF-5 – Series 2021-A, dated June 3, 2021, and (iii) a financial obligation in the form of an \$11,000,000 General Obligation Warrant, Series 2023-E, dated August 16, 2023.

Other than audited financial information and financial and operating information not timely filed for the fiscal years ended September 30, 2022, and September 30, 2023, during the last five years the City did not timely file a notice of its failure to file the items described in the preceding paragraphs as required under its Prior Undertakings.

THE WARRANTS

Purpose

Series 2026-A Warrants and Series 2026-C Warrants. The Series 2026-A Warrants and the Series 2026-C Warrants are being issued to pay the costs of various public improvements in the City hereinafter defined as the 2026-A Improvements and the 2026-C Improvements, respectively. See "PLAN OF FINANCE" herein for a description of the public capital improvements to be financed by the Series 2026-A Warrants and the Series 2026-C Warrants.

Series 2026-B Warrants and Series 2026-D Warrants. The Series 2026-B Warrants and the Series 2026-C Warrants are being issued to pay the costs of refinancing certain indebtedness of the City collectively defined herein as the "Refunded Warrants". See "PLAN OF FINANCE" herein for a description of the refinancings to be achieved through issuance of the Series 2026-B Warrants and the Series 2026-D Warrants.

Security

The Warrants are general obligations of the City for the payment of the principal of and interest on which the full faith and credit of the City will be irrevocably pledged.

Maturities and Interest Rates

The Warrants are dated their date of issuance and delivery and, with respect to each series of the Warrants, mature on September 1 in the years and principal amounts, and bear interest at the per annum rates, set forth on the inside cover page of this Official Statement. The Warrants shall be issued only as fully registered warrants in denominations of \$5,000 or any integral multiple thereof.

Sources and Uses of Proceeds

Series 2026-A Warrants. The proceeds to be derived from the sale of the Series 2026-A Warrants are expected to be applied substantially as follows:

Sources

Par Amount of Series 2026-A Warrants
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses

2026-A Improvements
Costs of issuance (including bid discount and legal, municipal advisory, printing, and other costs)

Total Uses

Series 2026-B Warrants. The proceeds to be derived from the sale of the Series 2026-B Warrants are expected to be applied substantially as follows:

Sources

Par Amount of Series 2026-B Warrants
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses

Refund Called 2016-A Warrants
Costs of issuance (including bid discount and legal, municipal advisory, printing, and other costs)

Total Uses

Series 2026-C Warrants. The proceeds to be derived from the sale of the Series 2026-C Warrants are expected to be applied substantially as follows:

Sources

Par Amount of Series 2026-C Warrants
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses

2026-C Improvements
Costs of issuance (including bid discount and legal, municipal advisory, printing, and other costs)

Total Uses

Series 2026-D Warrants. The proceeds to be derived from the sale of the Series 2026-D Warrants are expected to be applied substantially as follows:

Sources

Par Amount of Series 2026-D Warrants
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses

Refund Series 2014-C Warrants and Called 2016-B Warrants
Costs of issuance (including bid discount and legal, municipal advisory, printing, and other costs)

Total Uses

Optional Redemption

Series 2026-A Warrants. Those of the Series 2026-A Warrants having stated maturities or being subject to mandatory redemption on September 1, 2036, and thereafter, will be subject to redemption prior to their respective maturities, at the option of the City, as a whole or in part (but if in part, in such maturities as the City in its discretion shall designate, and if less than all Series 2026-A Warrants of a single maturity are to be redeemed, those to be redeemed to be selected by the Bank by lot), on March 1, 2036, and on any date thereafter, at a redemption price equal to the face amount of Series 2026-A Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption.

Series 2026-B Warrants. Those of the Series 2026-B Warrants having stated maturities or being subject to mandatory redemption on September 1, 2036, and thereafter, will be subject to redemption prior to their respective maturities, at the option of the City, as a whole or in part (but if in part, in such maturities as the City in its discretion shall designate, and if less than all Series 2026-B Warrants of a single maturity are to be redeemed, those to be redeemed to be selected by the Bank by lot), on March 1, 2036, and on any date thereafter, at a redemption price equal to the face amount of Series 2026-B Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption.

Series 2026-C Warrants. Those of the Series 2026-C Warrants having stated maturities or being subject to mandatory redemption on September 1, 2036, and thereafter, will be subject to redemption prior to their respective maturities, at the option of the City, as a whole or in part (but if in part, in such maturities as the City in its discretion shall designate, and if less than all Series 2026-C Warrants of a single maturity are to be redeemed, those to be redeemed to be selected by the Bank by lot), on March 1, 2036, and on any date thereafter, at a redemption price equal to the face amount of Series 2026-C Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption.

Series 2026-D Warrants. Those of the Series 2026-D Warrants having stated maturities or being subject to mandatory redemption on September 1, 2036, and thereafter, will be subject to redemption prior to their

respective maturities, at the option of the City, as a whole or in part (but if in part, in such maturities as the City in its discretion shall designate, and if less than all Series 2026-D Warrants of a single maturity are to be redeemed, those to be redeemed to be selected by the Bank by lot), on March 1, 2036, and on any date thereafter, at a redemption price equal to the face amount of Series 2026-D Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption.

Manner, Notice and Effect of Redemption. Notice of any redemption (other than mandatory redemption) of any of the Warrants shall be given to the affected holder thereof not less than 30 days before the date fixed for redemption. If the book-entry system is in effect, such notice of redemption shall be given to DTC (as defined below) and shall be forwarded by DTC to the affected holders of such Warrants through methods established by the rules and operational arrangements of DTC. If the book-entry system is not in effect, notice of redemption shall be given to the holders of Warrants being redeemed by registered or certified mail. No further interest will accrue, after the date fixed for redemption, on the principal of any Warrants called for redemption if notice has been duly given and payment therefor has been duly provided, and in such event any Warrants called for redemption will no longer be protected by the provisions of the Ordinance.

Mandatory Redemption

[Series [] Warrants. Those of the Series [] Warrants having stated maturities on [] 1, [], [] 1, [], and [] 1, [] (the "Series [] Term Warrants") shall be redeemed, at a redemption price equal to the face amount of Series [] Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption, on the dates and in the principal amounts as follows:

<i>Series [] Term Warrants Maturing in []</i>	
Year	Principal Amount
(September 1)	to be Redeemed

<i>Series [] Term Warrants Maturing in []</i>	
Year	Principal Amount
(September 1)	to be Redeemed

<i>Series [] Term Warrants Maturing in []</i>	
Year	Principal Amount
(September 1)	to be Redeemed

In the event the City shall have partially redeemed the Series [] Term Warrants or shall have provided for a partial redemption of the Series [] Term Warrants in such a manner that the Series [] Term Warrants for the redemption of which provision is made are considered as fully paid, the City may elect to apply all or any part (but only in integral multiples of \$5,000) of the principal amount of such Series [] Term Warrants so redeemed or to be redeemed to the reduction of the principal amount of Series [] Term Warrants required to be redeemed pursuant to the schedules set forth immediately above on any September 1 coterminous with or subsequent to the date such optional redemption actually occurs.]

[Series []] Warrants. Those of the Series [] Warrants having stated maturities on [] 1, [], [] 1, [], and [] 1, [] (the "Series [] Term Warrants") shall be redeemed, at a redemption price equal to the face amount of Series [] Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption, on the dates and in the principal amounts as follows:

**Series [] Term Warrants Maturing in []
Year Principal Amount
(September 1) to be Redeemed**

**Series [] Term Warrants Maturing in []
Year Principal Amount
(September 1) to be Redeemed**

**Series [] Term Warrants Maturing in []
Year Principal Amount
(September 1) to be Redeemed**

In the event the City shall have partially redeemed the Series [] Term Warrants or shall have provided for a partial redemption of the Series [] Term Warrants in such a manner that the Series [] Term Warrants for the redemption of which provision is made are considered as fully paid, the City may elect to apply all or any part (but only in integral multiples of \$5,000) of the principal amount of such Series [] Term Warrants so redeemed or to be redeemed to the reduction of the principal amount of Series [] Term Warrants required to be redeemed pursuant to the schedules set forth immediately above on any September 1 coterminous with or subsequent to the date such optional redemption actually occurs.]

Defeasance and Deemed Payment of Warrants

In addition to all other circumstances under which the Warrants are to be deemed paid under the Ordinance, any of the Warrants shall be considered as fully paid if there shall be filed with the City Clerk and submitted to the Bank each of the following:

- (a) a trust agreement between the City and a banking corporation or national banking association making provision for the retirement of such Warrants by creating for that purpose an irrevocable trust fund sufficient to provide for payment and retirement of such Warrants (including payment of the interest that will mature thereon until and on the dates they are retired, as such interest becomes due and payable), either by redemption prior to their respective maturities, by payment at their respective maturities or by payment of part thereof at their respective maturities and redemption of the remainder prior to their respective maturities, which said trust fund shall consist of (i) United States Securities (defined to include any securities that are direct obligations of the

United States of America and any securities with respect to which payment of the principal thereof and the interest thereon is unconditionally guaranteed by the United States of America) which are not subject to redemption prior to their respective maturities at the option of the issuer and which, if the principal thereof and the interest thereon are paid at their respective maturities, will produce funds sufficient so to provide for payment and retirement of all such Warrants, or (ii) both cash and such United States Securities which together will produce funds sufficient for such purpose, or (iii) cash sufficient for such purpose;

(b) a certified copy of a resolution adopted by the Council calling for redemption those of such Warrants that, according to said trust agreement, are to be redeemed prior to their respective maturities; and

(c) an opinion of bond counsel to the City to the effect that the execution and effectuation of the trust agreement referred to in the preceding clause (a) will not result in subjecting the interest income on such Warrants to federal income taxation.

CERTAIN PROVISIONS RESPECTING THE WARRANTS

Security; Source of Payment

General. The Warrants will be general obligations of the City for payment of the principal of and the interest on which the full faith and credit of the City will be pledged.

Revenues. Revenues of the City legally available for payment of the principal of and the interest on the Warrants include sales, property, business and other license taxes, revenues from the operation of certain City-owned enterprises and other general revenues of the City. Information describing the taxes collected by the City and certain other revenues of the City is set forth in this Official Statement under the captions "FINANCIAL SYSTEM," "SOURCES OF REVENUES," and "AD VALOREM TAXES" below. See also "DEBT MANAGEMENT" below.

Payment of Principal and Interest

Except as described below under "Book-Entry Only System", the principal of the Warrants is payable at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, upon presentation and surrender of such Warrants. Interest on the Warrants (computed on the basis of a 360-day year of 12 consecutive 30-day months) is payable semiannually on each September 1 and March 1, commencing September 1, 2026. Interest on the Warrants is payable in lawful money of the United States of America by check or draft mailed by the Bank to the lawful holders of such series at the address shown on the registry books of the Bank pertaining to such series on the August 15 or February 15, as the case may be, next preceding any interest payment date.

Book-Entry Only System

Portions of the following information concerning The Depository Trust Company ("DTC") and DTC's book-Entry system have been obtained from DTC. The City and the Bank make no representation as to the accuracy of such information.

General. Initially, DTC will act as Securities Depository for the Warrants. The Warrants initially will be issued solely in book-Entry form to be held under DTC's book-Entry system, registered in the name of Cede & Co. (DTC's partnership nominee). Initially, as to each series of the Warrants, one fully-registered Warrant certificate for each maturity of such series will be issued, in the aggregate principal amount of the such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-Entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Warrants under the DTC system must be made by or through Direct Participants, which will receive a credit for the Warrants on DTC's records. The ownership interest of each actual purchaser of each Warrant ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Warrants are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Warrants, except in the event that use of the book-Entry system for the Warrants is discontinued.

To facilitate subsequent transfers, all Warrants deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Warrants with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Warrants; DTC's records reflect only the identity of the Direct Participants to whose accounts such Warrants are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. As respects each series of the Warrants, if less than all of the Warrants within such series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Warrants unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Warrants are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Warrants will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City

or the Bank, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bank, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bank, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

In the event of the discontinuance of the book-Entry system for any series of the Warrants, Warrant certificates of such series will be printed and delivered and the following provisions of the Ordinance will apply: (i) principal of such Warrants will be payable upon surrender of such Warrants at the designated office of the Bank; (ii) such Warrants may be transferred or exchanged for other Warrants of the same series and of authorized denominations as set forth in the next succeeding paragraph; and (iii) such Warrants will be issued in denominations as described above under "THE WARRANTS – Maturities and Interest Rates".

Certain Provisions Respecting Registration and Transfer of the Warrants

The following provisions shall apply only upon discontinuance of the book-Entry only system described above for any series of the Warrants. The Warrants of such series shall be registered as to both principal and interest and may be transferred only on the registry books of the Bank pertaining to the Warrants. No transfer of such Warrants shall be permitted except upon presentation and surrender of such Warrant at the office of the Bank with written power to transfer signed by the registered owner thereof in person or by a duly authorized attorney in form and with guaranty of signature satisfactory to the Bank. The holder of one or more of the Warrants of such series may, upon request, and upon the surrender to the Bank of such Warrants, exchange such Warrants for Warrants of other authorized denominations (\$5,000 principal amount or any integral multiple thereof) of the same series, maturity and interest rate and together aggregating the same principal amount of the Warrants so surrendered. Any registration, transfer and exchange of Warrants shall be without expense to the holder thereof, except that the holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange. The holder of any Warrant will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant. If any Warrant is duly called for redemption (in whole or in part), the Bank shall not be required to register or transfer such Warrant during the period of forty-five (45) days next preceding the date fixed for redemption.

The Ordinance provides that each holder of the Warrants, by receiving or accepting the Warrants, consents and agrees and is estopped to deny that, insofar as the City and the Bank are concerned, the Warrants may be transferred only in accordance with the provisions of the Ordinance. The Ordinance also provides that each transferee of the Warrants takes them subject to all principal and interest payments in fact made with respect to the Warrants.

The Ordinance provides that the Bank shall not be required to register or transfer any Warrant during the period following the August 15 or February 15 next preceding any September 1 or March 1, respectively (each, a "Record Date"). If any Warrant is called for redemption, the Bank is not required to register or transfer any such Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption. Reference is made to the provisions of the Ordinance in full for its provisions pertaining to the registration, transfer and exchange of Warrants and the method of payment of the principal thereof and interest thereon.

PLAN OF FINANCE

General

Proceeds from the sale of the Warrants will be used to pay the costs of various public capital improvements in the City hereinbelow described as the 2026-A Improvements and the 2026-C Improvements. Proceeds from the sale of the Warrants will also be used to refinance certain outstanding indebtedness of the City hereinbelow defined, collectively, as the Refunded Warrants.

2026-A Improvements

Proceeds from the sale of the Series 2026-A Warrants will be used to pay the costs of various public capital improvements for public facilities of the City including, without limitation, Huntsville Ice Sports Center and JHP Veterans Military Museum and (ii) public capital improvements and assets for Big Spring Park East, and to pay the costs of various other types of public improvements, equipment, and assets for the City (collectively, the "2026-A Improvements"). All proceeds from the sale of the Series 2026-A Warrants shall be deposited into a special fund or account of the City and used for payment of the 2026-A Improvements.

2026-C Improvements

Proceeds from the sale of the Series 2026-C Warrants will be used to pay the costs of various public school capital improvements and assets in the City (collectively, the "2026-C Improvements"). All proceeds from the sale of the Series 2026-C Warrants shall be deposited into a special fund or account in the name of the Huntsville City Board of Education (the "City BOE") and used by the City BOE for payment of the 2026-C Improvements.

Refunding of Refunded Warrants

Series 2014-C Warrants. The City has heretofore issued its \$27,045,000 initial principal amount General Obligation School Refunding and Capital Improvement Warrants, Series 2014-C (the "Series 2014-C Warrants"), under an ordinance providing that those of the Series 2014-C Warrants maturing on or after September 1, 2026, may be optionally redeemed by the City, in whole or in part, on any date on or after September 1, 2024, at and for a redemption price equal to the face amount of Series 2014-C Warrants called for redemption plus accrued interest thereon to the date set for redemption. The City has called all of the Series 2014-C Warrants for redemption and payment on a date that is approximately thirty (30) days from issuance of the Series 2026-D Warrants (the "2014-C Redemption Date"). Proceeds from the sale of the Series 2026-D Warrants will be used and applied to pay the redemption price of the Series 2014-C Warrants on the 2014-C Redemption Date.

Called 2016-A Warrants. The City has heretofore issued its \$35,725,000 initial principal amount General Obligation Warrants, Series 2016-A (the "Series 2016-A Warrants"), under an ordinance providing that those of the Series 2016-A Warrants maturing on or after May 1, 2027, may be optionally redeemed by the City, in whole or in part, on any date on or after May 1, 2026, at and for a redemption price equal to the face amount of Series 2016-A Warrants called for redemption plus accrued interest thereon to the date set for redemption. The City has called those of the Series 2016-A Warrants maturing on May 1, 2027, and thereafter (the "Called 2016-A Warrants") for redemption and payment on May 1, 2026 (the "2016-A Redemption Date"). Proceeds from the sale of the Series 2026-B Warrants will be used and applied to pay the redemption price of the Called 2016-A Warrants on the 2016-A Redemption Date.

Called 2016-B Warrants. The City has heretofore issued its \$29,890,000 initial principal amount General Obligation School Warrants, Series 2016-B (the "Series 2016-B Warrants"), under an ordinance providing that those of the Series 2016-B Warrants maturing on or after May 1, 2027, may be optionally redeemed by the City, in whole or in part, on any date on or after May 1, 2026, at and for a redemption price equal to the face amount of Series 2016-B Warrants called for redemption plus accrued interest thereon to the date set for redemption. The City has called those of the Series 2016-B Warrants maturing on May 1, 2027, and thereafter (the "Called 2016-B Warrants"), for redemption and payment on May 1, 2026 (the "2016-B Redemption Date"). Proceeds from the sale of the Series 2026-D Warrants will be used and applied to pay the redemption price of the Called 2016-B Warrants on the 2016-B Redemption Date.

Escrow Trust Agreement. Upon issuance of the Warrants, the City will enter into an Escrow Trust Agreement dated the date of the Warrants (the "Escrow Trust Agreement") between the City and Regions Bank, as escrow trustee, within which the City will establish a special fund or account (an "Escrow Fund") for the payment and redemption of the Series 2014-C Warrants, the Called 2016-A Warrants, and the Called 2016-B Warrants (collectively, the "Refunded Warrants").

Proceeds from the Series 2026-B Warrants and the Series 2026-D Warrants, other than those used for payment of the costs of issuing the Series 2026-B Warrants and the Series 2026-D Warrants, respectively, shall be deposited into an Escrow Fund established under the Escrow Trust Agreement and used, together with interest earnings thereon, to pay (i) the redemption price of the Series 2014-C Warrants on the 2014-C Redemption Date, (ii) the redemption price of the Called 2016-A Warrants on the 2016-A Redemption Date, and (iii) the redemption price of the Called 2016-B Warrants on the 2016-B Redemption Date.

Verification Agent. The City has engaged Robert Thomas CPA, LLC, to verify the adequacy and sufficiency of amounts deposited in any Escrow Fund created in the Escrow Trust Agreement, together with interest earnings thereon, to timely pay the redemption price of the Series 2014-C Warrants, the Called 2016-A Warrants, and the Called 2016-B Warrants on the dates set for redemption and payment thereof as described above.

FINANCIAL SYSTEM

General

The City maintains a financial reporting system designed to provide timely and accurate reports of receipts and expenditures. Internal accounting controls, which are developed and monitored by the City Finance Department, are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. Activities of the City are monitored internally on a monthly basis and are audited annually, as required by law, by independent certified public accountants. The report of such accountants for the fiscal year ended September 30, 2024 (the City's most recent audit), is included as APPENDIX C.

Budget System

Prior to the commencement of each fiscal year, the Mayor, in conjunction with the administrative staff and the City's department heads, prepares an annual operating budget for City Council approval. The budget represents a complete financial plan for the City and reflects the projection of all receipts and disbursements from all sources, including all revenues, expenditures and the surplus or deficit in the General Fund and all special funds of the City. Any expenditure request that results in budget increases, overruns or transfers between departments or funds must, under existing procedures, have City Council approval.

The budget for the General Fund is customarily adopted on a categorical basis consistent with generally accepted accounting principles ("GAAP"). Budgetary control is maintained at the departmental line-item level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. By ordinance, the City is required to maintain at all times an undesignated General Fund balance of 11.5% of the current fiscal year's General Fund recurring revenues. The fund balance was at the required policy amount at the close of each of the last five fiscal years. The City expects to satisfy this requirement for its fiscal year ending September 30, 2026.

The City maintains a ten (10) year Capital Improvement Plan which forecasts expenditures for capital improvements for each of the City's capital improvement funds (1990 Capital Improvement Fund and the 2014 Capital Improvement Fund). These plans include (a) construction and improvement of local roads and the City's financing share of non-local roads, (b) drainage projects and projects for the preservation of the natural environment, (c) acquisition and improvement of public safety equipment and facilities, and (d) acquisition of land for industrial growth.

During the budget process, the Mayor requests that each department head assign priorities to department capital improvements, by year, for the number of years to be budgeted. These requests are consolidated and reviewed, then the Mayor proposes a Capital Improvements Programs to the City Council for its consideration. Capital expenditures have been and will be funded with borrowings or with internally generated funds.

Accounting System

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. The various funds designated in the City's financial statements (attached as APPENDIX C) include the following:

General Fund. The General Fund, which is the general operating fund of the City, is the largest and most important accounting activity of the City and accounts for the current operations of the general government and all financial resources except those required to be accounted for in another fund. Expenditures from the General Fund are financed from a variety of revenue sources, including ad valorem and sales and use taxes, licenses and permits, charges for services, and fines and forfeitures. See "SOURCES OF REVENUES" in this appendix.

Grants Fund. The Grants Fund is used to account for various federal, state and local grant revenues and related expenditures.

Capital Improvements Fund. The Capital Improvements Fund represents the City's primary fund for accounting for a variety of capital projects of the City funded by internally generated revenues along with sales and use taxes and intergovernmental revenues. The two primary funds within the Capital Improvements Fund are as follows:

1990 Capital Improvement Fund. In fiscal year 1990, the City established the 1990 Capital Improvement Fund to account primarily capital projects and maintenance related to municipal facility construction and improvements, public parks and recreational facilities, street resurfacing and maintenance, as well as fleet and other durable equipment. These activities are funded by 18% of 3.5 of the 4.5% sales and use tax rate.

2014 Capital Improvement Fund. In fiscal year 2014, the City established the 2014 Capital Improvement Fund, a capital projects fund, to account for the proceeds of a one-percent sales and use tax levied by the City effective March 1, 2014. This fund accounts for the capital and economic development expenditures authorized for this fund, and the debt service on projects intended to be paid from the taxes.

Special Revenue Fund. The Special Revenue Fund is used to account for the proceeds of restricted property taxes, state gasoline taxes and seizure/forfeiture revenues, which are as follows:

Public Building Authority - accounts for the payment of debt service and related leasing arrangement in respect to construction of the jail facilities and amphitheater owned by the PBA.

Lodging Special Revenue Fund - accounts for the special lodging taxes levied within the City and the related expenditures of those funds.

Public Safety Fund - accounts for the funds received from State of Alabama required court fees and Federal, State and Local forfeitures to be used for public safety law enforcement and municipal court administration.

6.5 Mill Debt Property Tax Fund - accounts for the 6.5 mills of ad valorem taxes restricted for debt service payments of the City's projects.

6.5 Mill School Property Tax Fund - accounts for 6.5 mills of ad valorem taxes, restricted for the furtherance of education. Taxes are primarily allocated to the debt service payments on school facility projects.

1990 School Support Fund - accounts for the appropriation of sales and use taxes allocated to the Huntsville City Schools at 14.7% of 3.5 pennies of City sales and use taxes.

Gas Tax Fund - accounts for the City's share of the State four, five, and seven cents gas taxes and the related restricted expenditures.

Emergency Management Fund - accounts for the restricted revenues for the operation of the City's Emergency Management Agency.

Public Library - accounts for funds received from the City, donations and other governmental entities to be used for the operations of the public libraries in the City.

Burritt Museum - accounts for the operations of a park and museum. Financing is provided by the City, admission fees and public donations.

Alabama Constitution Village - accounts for the operation of historical tourist attractions in the City. Financing is provided by the City, admission fees and public donations.

Art Museum - accounts for the operation of the art museum in the City. Financing is provided by the City, admission fees and public donations.

Huntsville Tennis Center - accounts for the operation of a tennis center in the City. Financing is provided by the City and admission fees.

Cemetery Perpetual Care Fund - accounts for the collection of cemetery revenues earmarked by local ordinance for the long-term care of City-owned cemeteries.

TIF Special Revenue Fund - accounts for tax incremental financing districts established within the city. Revenues are restricted within specifically established tax increment districts throughout the city.

Debt Service Fund. The Debt Service Fund is used to account for the accumulation of moneys for, and the payment of, principal of and interest on long-term debt and related costs, other than long-term debt payable from special assessments and debt issued for and serviced primarily by City-owned enterprises.

Capital Projects Funds. Capital Project Funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds and TIF taxes of the Special Revenue Fund). In most cases, the City uses the Capital Projects Fund to account for the expenditure of the proceeds from all warrant issues, and uses separate accounts within that to show that the proceeds of the issues were spent only on the project or projects and for the purpose or purposes authorized, and that any unused warrant proceeds or project deficits were properly handled and accounted for in accordance with applicable legal, budgetary and policy provisions.

Proceeds from warrants or other obligations issued by the City to pay for capital improvements will be accounted for in capital project funds, as will the expenditures of the proceeds of warrants and other City obligations.

There are instances in which the General Fund or a Special Revenue Fund budgets and expends its own resources for long-term improvements, which may involve general long-term borrowing, and such outlays are properly accounted for in those funds without a separate Capital Projects Fund. The City also maintains other capital projects funds to account for the expansion and development of an industrial park, which is financed by revenues other than long-term debt.

Enterprise Funds. Enterprise Funds are used to account for operations that provide goods or services to the general public on a continuing basis and that are financed and operated similarly to private business enterprises, *i.e.*, those the costs of which are to be financed or recovered primarily through user charges, or those for which it is deemed advisable (for capital maintenance, public policy, management control, accountability, or other purposes) that periodic determinations be made of revenues earned, expenses incurred, and net income. The City currently maintains Enterprise Funds for the operation of the City's Sanitary Sewer System, the Municipal Iceplex, the Von Braun Center, Orion Amphitheater, and Sanitation, and accounts for the operations of one of its "discrete component units" (Huntsville Utilities) as an Enterprise Fund. With the exception of the Enterprise Funds, which may be characterized as "proprietary" funds, all above-mentioned funds currently maintained by the City are categorized as "governmental" funds.

SOURCES OF REVENUES

Introduction

Sales and use taxes, business licenses and permits are directly related to changes in personal income rate, price levels and general economic conditions and have in the past (subject to certain exceptions) increased at a more rapid rate than ad valorem taxes. Shared state, local and intergovernmental revenue is not subject to periodic appropriations, but results from general statutory allocation to the City of a portion of certain taxes collected by the State of Alabama, Madison County, Limestone County and Morgan County. Additional information on the principal City revenue sources is provided in the following paragraphs. While the following paragraphs show the rates at which certain of these tax proceeds have increased, the City makes no representation that future increases will be at the same or greater rates or that there will, in fact, be any such increases.

Property Taxes and Payments in Lieu of Taxes

Property or ad valorem taxes are levied under various provisions of the constitution and statutes of Alabama and, except for the 6.5-mill general purpose tax, may be used only for the purpose or purposes for which they are levied. Under present law, the rates at which local ad valorem taxes are levied may be increased only after approval by the Alabama Legislature and a majority vote of the qualified electors of the affected jurisdiction. See "AD VALOREM TAXES" herein.

Payments in lieu of taxes, calculated on various bases, are made to the General Fund by Huntsville Utilities with respect to the City-owned electric, water and natural gas systems. Under the City's contract with the Tennessee Valley Authority (TVA) for the purchase of electric power, payments in lieu of taxes with respect to the electric system will be made at an agreed upon six percent (6%) of net book value of the electric system's properties. Payments in lieu of taxes are also received by the General Fund in lesser amounts from the water and natural gas systems, computed on the basis of gross revenues. All such payments are made, at the option of the City Council, in lieu of taxes which would be due if such utility systems were subject to ad valorem taxation. The City also receives certain payments in lieu of taxes from the TVA and from the Huntsville Housing Authority. Ad valorem property taxes paid on real property are subject to periodic adjustment based upon reappraisals required by the State Department of Revenue. See "Property Re-Evaluation Program" under "AD VALOREM TAXES" herein.

The following table shows the receipts from the 6.5-mill general purpose tax and from payments in lieu of property taxes for fiscal years shown:

Fiscal Year	6.5 Mill Tax General Fund General Purpose	TVA Payments in Lieu of Property Taxes	Huntsville Utilities Electric System Payments in Lieu of Property Taxes⁽¹⁾	Total
2025*	\$33,576,245*	\$3,132,586*	\$23,501,244*	\$60,210,075*
2024	31,011,669	3,158,008	22,686,017	56,885,694
2023	26,228,000	3,256,334	18,842,021	48,326,355
2022	22,470,322	2,697,905	18,224,671	43,392,898
2021	20,409,023	2,864,376	18,396,408	41,669,807

* Unaudited

Source: Annual Comprehensive Financial Reports of the City for Fiscal Years 2021-2024 (modified accrual basis of accounting).

Sales and License Taxes

Sales and Use Taxes. The largest sources of General Fund revenues are the sales and use taxes levied by ordinance of the City. Retailers are required to collect the sales tax on sales of tangible personal property at retail from the consumer and to pay collections to the City, monthly. The use tax is levied upon the use of tangible personal property brought into the City and upon which the sales tax has not previously been paid. The sales and use tax was increased effective November 1, 1989, when the basic rate was raised from 3% to 3.5% and the automobile rate was increased from 1.5% to 1.75% (certain manufacturing machinery being exempt). Additionally, the general sales and use tax rate was raised from 3.5% to 4.5% effective March 1, 2014. The total sales tax rate paid by persons purchasing items in the City in Madison County is 9% – 4% being collected for the State and 0.5% for Madison County; the rate is 10.5% in those portions of the City within Limestone County – 4% being collected for the State and 2% for Limestone County.

The following table shows sales and use tax receipts levied by and collected for the City (at a total rate of 4.5%) and receipts from the Simplified Sellers Use Tax (see below) for the fiscal years shown:

Fiscal Year	Receipts⁽¹⁾	Percentage Increase
2025	\$337,203,662*	0.8%
2024	334,559,435	2.8
2023	325,482,003	7.4
2022	303,110,210	12.9
2021	268,438,074	13.2
2020	237,141,754	--

* Unaudited

⁽¹⁾ Includes receipts from the Simplified Sellers Use Tax, as described and defined below. Please see below for additional information concerning Simplified Sellers Use Tax collections.

A Simplified Seller's Use Tax (the "SSUT") was established by Act 2015-448 and went into effect January 1, 2016, at a rate of 8.0 percent (8.0%). This allowed eligible sellers – largely on-line retailers - to voluntarily collect, report, and remit remote sales tax. Eligible sellers are established by the Alabama Department of Revenue. All collections are remitted monthly back to the State, counties and cities based on a division of the tax (4.0% to the State, 2.4% to cities by population, and 1.6% to counties by population).

The following table shows sales and use tax receipts levied by and collected for the City (at a total rate of 4.5%) and SSUT collected and remitted by formula from the State to the City for the fiscal years shown:

Fiscal Year	Sales & Use Tax⁽¹⁾	Percentage Increase	SSUT⁽²⁾	Percentage Increase	Total	Percentage Increase
2025	\$317,087,230*	0.1%	\$20,116,432*	13.2%	\$337,203,662*	0.8%
2024	316,790,982	2.2	17,768,453	14.1	334,559,435	2.8
2023	309,907,040	6.9	15,574,963	17.6	325,482,003	7.4
2022	289,862,337	12.0	13,247,873	36.0	303,110,210	12.9
2021	258,693,572	--	9,744,502	36.0	268,438,074	--

* Unaudited

⁽¹⁾ Levied by the City at a rate of 4.5%.

⁽²⁾ Levied at a rate of 8.0%.

In its budget for the fiscal year ending September 30, 2026, the City determined to split all receipts from the SSUT over \$20,000,000 with the Huntsville City Board of Education, an Alabama public corporation separate and distinct from the City.

The following table shows the allocation and deposit of total sales and use tax receipts levied by and collected for the City (at a total rate of 4.5%) for the fiscal years shown:

Fiscal Year	General Fund	City Schools	Capital Improvements Fund	2014 Capital Improvement Fund	Total Receipts
2025	\$169,716,106*	\$36,643,415*	\$44,869,488*	\$65,858,221*	\$317,087,230*
2024	169,212,389	36,628,843	44,851,645	66,098,104	316,790,982
2023	165,647,659	35,858,217	43,908,021	64,493,143	309,907,040
2022	154,722,973	33,548,667	41,080,002	60,510,695	289,862,337
2021	138,030,077	29,963,646	36,690,179	54,009,669	258,693,571

* Unaudited

By ordinance, the City designates the below special annual appropriations from the gross proceeds of sales and use taxes levied by the City:

(1) For the 3.5% general sales and use tax and 1.75% automotive rates, 18.0% of sales and use taxes are appropriated in the year earned from the General Fund to the Capital Improvements Fund.

(2) For the 3.5% general sales and use tax and 1.75% automotive rates, 14.7% of sales and use taxes are appropriated in the year earned from the General Fund to the Huntsville City Board of Education.

(3) For the 1.0% general sales and use tax rate effective March 1, 2014, 100% of sales and use taxes are reported as revenue in the 2014 Capital Improvement Fund and earmarked for certain capital and economic development purposes.

There is no express constitutional or statutory maximum on the rates at which sales and use taxes may be levied by the City. Except for limitations concerning the rates at which privilege or business license taxes may be levied on certain types of business (such as banks and insurance companies), there are no express constitutional or statutory limitations upon the rates at which privilege or business license taxes may be levied by the City. The statements made in this paragraph concerning sales and use taxes and privilege or business license taxes are subject, however, to the qualification that, under applicable judicial precedents, none of such taxes may be levied at rates that are confiscatory or "unreasonable".

Licenses and Permits. Under general authority granted to cities and towns in Alabama by the Alabama Legislature, the City levies privilege license taxes on the privilege of engaging in certain businesses and professions within the corporate limits of the City. Most license taxes are computed as a stated amount plus a percentage of gross receipts based on a graduated scale. The following table shows receipts from licenses and permits for the fiscal years shown, and the percentage increase or decrease, as the case may be, in such receipts over those for the preceding fiscal year:

Fiscal Year	Receipts	Percentage Increase
2025	\$41,895,590*	2.5%
2024	40,885,333	(5.0)
2023	43,051,868	3.6
2022	41,565,147	13.8
2021	36,532,679	--

* Unaudited

Source: Annual Comprehensive Financial Reports of the City for Fiscal Years 2021-2024. General Fund Statement of Revenues, Expenditures and Changes in Fund Balance (modified accrual basis of accounting).

Tax Increment Financing Districts

From fiscal years 2000 through 2006, the City created five (5) tax increment financing districts as a part of the City's long-range economic development plan, all of which have been closed. Since 2006 the City created three (3) additional tax increment districts, as follows.

In fiscal year 2010, the City created a tax increment financing district ("TIF5") in connection with the obligations of the City under an Annexation and Development Agreement dated March 25, 2010 (the "Annexation and Development Agreement") between the City and L W Redstone Company, LLC. TIF5 was adopted by the City Council on May 13, 2010, and the Madison County Commission on May 17, 2010.

In fiscal year 2016, the City created a tax increment financing district ("TIF6") in connection with the development of public infrastructure improvements and related work to real property to foster industrial and economic development. TIF6 has been closed.

In fiscal year 2018, the City created a tax increment financing direct ("TIF7") with respect to the financing of certain improvements and obligations of the City incident to the development of the North American plant on a site within the City and Limestone County for the manufacture of vehicles by a joint venture between Toyota Motor Corporation and Mazda Motor Corporation.

Accordingly, there are two (2) tax increment districts of the City that are currently open, consisting of TIF5 and TIF7.

REVENUES AND EXPENDITURES

The following table sets forth the audited revenues, expenditures and changes in fund balance for the City for all governmental fund types for the fiscal years ended September 30, 2020, through September 30, 2024, inclusive, which such information has been extracted from the audited financial statements of the City for such fiscal years and should be read in conjunction with the financial statements of the City attached as APPENDIX C.

	2024	2023	2022	2021	2020
Revenues					
Taxes	\$534,788,492	\$501,515,567	\$460,027,279	\$402,717,697	\$358,726,446
Licenses & permits	40,885,333	43,051,868	41,565,147	36,532,679	32,514,504
Fines & forfeitures	3,728,585	3,897,342	4,139,564	4,019,550	3,382,013
Revenues from money & property	--	--	--	--	5,316,225
Charges for services	12,717,753	13,231,902	12,923,044	24,975,983	22,274,966
Intergovernmental	29,069,641	62,362,019	29,734,218	54,119,202	20,131,353
Gifts & donations	--	--	--	--	2,111,362
Interest	25,010,486	12,915,912	926,861	--	--
Miscellaneous (Other) revenues	<u>6,906,011</u>	<u>8,962,387</u>	<u>9,313,749</u>	<u>24,014,030</u>	<u>10,336,324</u>
Total Revenues	653,106,301	645,936,997	558,629,862	546,379,141	454,793,193
Expenditures					
Current					
General government	47,393,544	68,629,902	48,356,163	41,557,082	39,293,215
Public safety	136,862,352	126,916,642	106,975,146	100,668,628	97,451,844
Public services	162,428,749	141,760,138	106,077,977	103,473,513	95,438,193
Urban development	29,994,742	34,553,728	30,612,180	26,490,111	30,623,574
Debt Service					
Principal	56,655,311	68,868,789	53,133,143	39,885,183	40,675,086
Interest	38,744,401	39,988,329	33,956,323	32,783,046	34,881,073
Fiscal charges	--	--	--	--	469
Debt issuance costs	--	885,841	571,639	1,166,670	6,500
Capital outlay	135,468,335	196,075,912	157,257,470	167,373,664	153,287,127
Intergovernmental assistance	<u>36,731,407</u>	<u>36,557,258</u>	<u>33,899,856</u>	<u>29,961,029</u>	<u>31,198,551</u>
Total Expenditures	644,278,841	714,236,539	570,839,897	543,358,926	522,855,632
Excess of revenues over (under) expenditures	8,827,460	(68,299,542)	(12,210,035)	3,020,215	(68,062,439)
Other financing sources (uses)					
Sale of capital assets	5,473,171	3,192,598	1,887,199	--	--
Long-term debt issued	3,453,989	131,437,860	87,853,036	159,598,374	16,582,628
Premium on debt issue	--	16,712,054	16,251,573	--	--
Payment to escrow agent	--	--	--	(114,349,148)	--
Issuance of subscription payable	1,817,554	5,164,271	--	--	--
Capital lease payable	2,332,462	877,779	2,013,031	1,978,636	--
Transfers in	114,435,098	167,477,258	155,002,389	108,686,564	107,648,922
Transfers (out)	<u>(126,410,974)</u>	<u>(143,212,662)</u>	<u>(162,692,875)</u>	<u>(113,767,843)</u>	<u>(114,834,843)</u>
Total other financing sources (uses)	1,101,300	181,649,158	100,314,353	42,146,583	9,396,707
Net change in fund balances	9,928,760	113,349,616	88,104,318	45,166,798	(58,665,732)
Fund Balance, Beginning	545,875,435	432,525,819	344,421,501	290,018,684	349,137,549
Prior Period Adjustment	--	--	--	9,236,019 ⁽¹⁾	(453,133)
Fund Balance, Ending	<u>\$555,804,195</u>	<u>\$545,875,435</u>	<u>\$432,525,819</u>	<u>\$344,421,501</u>	<u>\$290,018,684</u>

⁽¹⁾ In fiscal year 2021, the City reorganized its financial statements to better aggregate and present fund information. Although bottom line totals did not change, the presentation of fund combination and major fund calculation were altered and fund balances for fiscal year 2020 have been restated.

DEBT MANAGEMENT

General

The principal forms of indebtedness that the City is authorized to incur include general obligation bonds, general obligation warrants, general obligation bond anticipation notes, revenue anticipation notes, gasoline tax anticipation warrants, and various revenue anticipation bonds and warrants relating to enterprises. In addition, the City has the power to enter into certain leases which constitute a charge upon the general credit of the City. General obligation warrants, general and special obligation bonds financing street, sidewalk and sewer improvements and supported (wholly or in part) by assessments therefor, certain revenue anticipation bonds and notes and capitalized lease obligations may be issued or incurred without voter approval.

Existing statutes also permit the City, without the approval of the electorate, to enter into certain financing lease arrangements with county and municipal public building authorities, such as the PBA, with respect to needed municipal buildings and facilities; such lease arrangements are required to be on a year-to-year basis and may be considered as essentially "off-balance sheet" debt. No such financing lease arrangements on the part of the City are now in effect other than the City's leases with the PBA respecting the Series 2017 PBA Bonds, the Series 2021 PBA Bonds, the Series 2022 PBA Bonds, and the Series 2025 PBA Bonds.

There follows, in the discussion and tables below, various references to the existing City indebtedness. All such references exclude debt for the full retirement of which irrevocable deposits of funds or U.S. Government securities have been made. Included in the material under section entitled "DEBT MANAGEMENT" are several references to the amount of assessed value of property in the City. The amount stated in each case includes and refers to City property in Madison County, Limestone County and Morgan County.

Most of the Limestone County land was agricultural in nature, but in recent years there have been located thereon several industrial projects, including among others the North American plant constructed for the manufacture of vehicles by a joint venture between Toyota Motor Corporation and Mazda Motor Corporation.

Debt Management Policy and Special Debt Items

Debt Management Policy. Although the City's general obligation warrants, and its payments under leases respecting bonds issued by the PBA (hereinafter defined) are not limited as to source of payment, the City has a long-standing debt management policy under which it budgets annually and sets aside certain tax proceeds and other moneys in separate funds for the payment of debt service on certain of its general obligation warrants and other debt commitments. The revenues from the operation of the City's sanitary sewer or wastewater system (the "Sewer System") are paid into an Enterprise Fund known as the "Water Pollution Control Fund" and used to pay the expenses of operating and maintaining the Sewer System and the debt service on obligations issued by the City for sanitary sewer purposes.

Use of Amendment 8 Capital Projects Tax. Pursuant to the provisions of Amendment 8 to the Constitution of Alabama of 1901, as amended, the City levied an ad valorem tax at a rate of 6.5 mills (the "Bond Tax"). The City customarily paid proceeds from the Bond Tax, along with a portion of the proceeds from the City-levied school tax (the "School Tax"), which was also authorized by the Alabama Constitution, into certain Special Revenue Funds for transfer into certain "Debt Service Funds", though a portion of the Bond Tax, at the sole discretion of the City, was transferred directly to a bond trustee (Regions Bank) to pay debt service on certain bonds issued by The Public Building Authority of the City of Huntsville (the "PBA").

The Bond Tax was amended by Act No. 2021-327 adopted at the 2021 Regular Session of the Legislature of Alabama (the "2021 Act"). The Bond Tax, as amended by the 2021 Act (the "Amendment 8 Capital Projects Tax") permits use of the said 6.5 ad valorem tax for the purpose of (i) paying the costs of capital improvements and/or (ii) paying the principal of and interest on warrants, bonds or other debt obligations of the City to finance or refinance capital improvement projects.

Although not pledged, the City uses the Amendment 8 Capital Projects Tax to pay, among other things, debt service on bonds of the PBA to finance facilities leased by the PBA to the City, including (i) the \$46,965,000 initial principal amount Lease Revenue Refunding Bonds, Series 2017 (the "Series 2017 PBA Bonds"),

(ii) the \$37,000,000 initial principal amount Taxable Lease Revenue Bonds, Series 2021 (the "Series PBA 2021 Bonds"), (iii) the \$74,285,000 initial principal amount Lease Revenue Bonds, Series 2022 (the "Series 2022 PBA Bonds"), and (iv) the \$6,305,000 initial principal amount Lease Revenue Bonds, Series 2025 (the "Series 2025 PBA Bonds") issued by the PBA.

TIF5 Revenue Warrants. In connection with the obligations of the City under an Annexation and Development Agreement dated March 25, 2010, as amended (the "Annexation and Development Agreement") between the City and L W Redstone Company, LLC ("L W Redstone"), the City from time to time issues to L W Redstone taxable limited obligation revenue warrants (the "TIF5 Revenue Warrants") payable solely out of tax increment revenues generated in connection with TIF5, hereinafter described, in order to pay the costs of various public infrastructure improvements referable to the project described in the Annexation and Development Agreement. TIF5 Revenue Warrants are payable solely out of TIF revenues generated within TIF5, and in that regard do not constitute an indebtedness of the City for purposes of the City's constitutional debt limit. Under the Annexation and Development Agreement, the City committed to issue up to \$76,000,000 in initial principal amount of TIF5 Revenue Warrants, all of which have been issued and are evidenced by fourteen (14) separate series of such obligations heretofore issued as "TIF5 Revenue Warrants". Payment obligations evidenced by the TIF5 Revenue Warrants are deemed satisfied and paid in full at maturity to the extent not covered by tax increment revenues generated within the boundary of TIF5 during the term of such obligations. Outstanding TIF5 Revenue Warrants are payable solely from revenues collected within TIF5.

As permitted under the Annexation and Development Agreement, certain of these TIF5 Revenue Warrants heretofore issued were subsequently refinanced with general obligation warrants of the City (and, as permitted by the Annexation and Development Agreement, the City covers debt service on such general obligation refunding warrants with TIF revenues collected within TIF5).

Long-Term Indebtedness of the City

The City's long-term indebtedness consists of (1) general obligation warrants, (2) warrants payable solely from revenues of the Sewer System, (3) warrants payable solely from revenues derived from the water system (the "Water System"), the electric system (the "Electric System"), and the natural gas system (the "Gas System") of the City operated by Huntsville Utilities, and (4) TIF5 Revenue Warrants.

Indebtedness payable from (i) the Water System is issued under a Trust Indenture dated as of May 1, 2008, as supplemented and amended (the "Water System Indenture") between the City and The Bank of New York Mellon Trust Company, N.A., as trustee ("BONY"), (ii) the Electric System is issued under a Trust Indenture dated July 27, 2017, as supplemented and amended (the "Electric System Indenture") between the City and BONY, as trustee, and (iii) the Gas System is issued under a Trust Indenture dated August 1, 2019 (the "Gas System Indenture") between the City and BONY, as trustee.

General Obligation Warrants and PBA Bonds. The following table lists the maximum amount of all long-term general obligation warrants of the City (without taking into account any refunding of the Refunded Warrants or issuance of the Series 2026-B Warrants and Series 2026-D Warrants), and of limited obligation bonds of the PBA for which the City makes lease payments, following issuance of the proposed Series 2026-A Warrants and the Series 2026-C Warrants:

Description	Principal Amount Originally Issued	Principal Outstanding (not in excess of)
Series 2017 PBA Bonds ⁽¹⁾	\$46,965,000	\$33,950,000
General Obligation Refunding Warrants, Series 2013-B	14,580,000	12,850,000
General Obligation Warrants, Series 2014-A	54,110,000	11,090,000
General Oblig. Lease Ref. & Cap. Improvement Warrants, Series 2014-B	19,345,000	10,895,000
General Oblig. School Ref. & Cap. Imp. Warrants, Series 2014-C	27,045,000	11,715,000
Taxable General Obligation Warrants, Series 2015-B	8,185,000	6,300,000
General Obligation Warrants, Series 2016-A	35,725,000	22,805,000
General Obligation School Warrants, Series 2016-B	29,890,000	28,385,000
General Obligation Warrants, Series 2016-C	36,030,000	12,075,000

Description	Principal Amount Originally Issued	Principal Outstanding (not in excess of)
General Obligation School Warrants, Series 2016-D	31,550,000	17,785,000
General Obligation School Warrants, Series 2017-A	17,355,000	12,430,000
General Obligation Warrants, Series 2017-B	8,560,000	3,725,000
Taxable General Obligation Warrants, Series 2017-C	11,045,000	7,485,000
General Obligation Refunding Warrants, Series 2017-D	20,055,000	13,800,000
General Obligation Refunding School Warrants, Series 2017-E	49,195,000	42,890,000
2017 IDB Guaranty Agreement ⁽²⁾	21,000,000	15,492,776
General Obligation Warrants, Series 2018-A	50,590,000	42,150,000
General Obligation Warrants, Series 2018-B	61,985,000	40,510,000
Taxable General Obligation Warrants, Series 2018-C	5,385,000	4,365,000
General Obligation Warrants, Series 2019-A	77,000,000	57,585,000
General Obligation Warrants, Series 2020-A	34,630,000	10,335,000
General Obligation School Warrants, Series 2020-B	13,265,000	6,335,000
Taxable General Obligation Warrants, Series 2020-C	31,210,000	12,210,000
Taxable General Obligation School Warrants, Series 2020-D	27,610,000	17,150,000
General Obligation Warrant, Series 2020-E	15,047,500	10,354,356
General Obligation Warrant, Series 2021	7,000,000	5,219,892
Series 2021 PBA Bonds ⁽³⁾	37,000,000	30,275,000
Series 2022 PBA Bonds ⁽³⁾	74,285,000	69,535,000
General Obligation Warrant, Series 2022	16,574,000	14,776,000
General Obligation Warrants, Series 2023-A	66,835,000	60,540,000
General Obligation Warrants, Series 2023-B	26,790,000	24,265,000
General Obligation Sewer Warrants, Series 2023-C	44,605,000	40,405,000
General Obligation School Warrants, Series 2023-D	45,425,000	43,310,000
General Obligation Warrant, Series 2023-E	11,000,000	9,612,000
General Obligation Warrants, Series 2024-A	75,840,000	73,575,000
Taxable General Obligation Warrants, Series 2024-B	16,000,000	15,110,000
Series 2025 PBA Bonds ⁽³⁾	6,305,000	6,185,000
General Obligation Warrants, Series 2025-A	27,175,000	26,365,000
General Obligation Refunding Warrants, Series 2025-B	34,285,000	31,580,000
Taxable General Obligation Warrant, Series 2025-C	11,100,000	11,100,000
Series 2026-A Warrants	68,745,000*	68,745,000*
Series 2026-C Warrants	66,495,000*	66,495,000*
Total	<u>\$1,382,816,650*</u>	<u>\$1,061,760,024*</u>

⁽¹⁾ Represents principal of the Series 2017 PBA Bonds, which are revenue bond obligations issued by the PBA paid by lease payments made by the City for use of a municipal public safety and corrections facility in the City.

⁽²⁾ On December 1, 2017, The Industrial Development Board of the City of Huntsville (the "IDB") issued its \$21,000,000 Industrial Revenue Bond, Series 2017 (the "2017 IDB Bond") to pay the costs of constructing a manufacturing facility to be owned by the IDB. The initial tenant of the facility is Aerojet Rocketdyne, Inc. ("AR"). Under a lease agreement between the IDB and AR (the "2017 IDB Lease"), AR agreed to make certain lease payments to the IDB including, among others, payments at such times and in such amounts as shall be equal maturing installments of debt service on the 2017 IDB Bond. The 2017 IDB Bond was sold in a private placement to Regions Bank. The City has entered a guaranty agreement to Regions Bank pursuant to which the City has agreed to pay Regions Bank whatever is owed as debt service on the Series 2017 Bond in the event the IDB lacks funds from the 2017 IDB Lease for the same. The 2017 IDB Bond bears interest at a per annum rate of 4.61% and matures over a period of 21 years.

⁽³⁾ Represents principal of revenue bond obligations issued by the PBA paid by lease payments made by the City, including the Series 2021 PBA Bonds for use by the City of a public amphitheater in the City, and the Series 2022 PBA Bonds and Series 2025 PBA Bonds for use by the City of city hall and related administrative and parking facilities in the City.

Sewer Revenue Warrants. The City has issued warrants payable to the Alabama Water Pollution Control Authority (the "AWPCA") to finance improvements to the City's sanitary sewer system (the "Sewer System"). The City has the following outstanding indebtedness payable to AWPCA as of March 1, 2026, all of which are payable solely out of the revenues derived from the operation of the Sewer System.

Sewer Revenue Warrant Description	Principal Outstanding
Sewer Revenue Warrant, Series 2011-CWSRF-DL	\$890,000

Warrants Payable from Water, Electric, and Natural Gas System Revenues. The following tables list all outstanding bonds and warrants as of March 1, 2026, of the City payable solely out of revenues from the Water System, Electric System and Gas System of the City, each of which is operated by Huntsville Utilities:

Obligations Payable from Water System Revenues	Principal Outstanding
Water Revenue Warrants, Series 2024	\$13,860,000
Taxable Water Revenue Warrants, Series 2021-B	61,060,000
Water Revenue Warrants, Series 2021-A	3,215,000
Water Revenue Warrants, Series 2016	5,470,000
Subordinated Water Revenue Warrant, Series 2013-DWSRF-DL	80,000
Subordinated Water Revenue Warrant, Series 2021-DWSRF-DL	8,380,000
Subordinated Water Revenue Warrant, Series 2021-B-DWSRF-DL	13,095,000
Subordinated Water Revenue Warrant, Series 2023-DWSRF-DL	5,165,000
Subordinated Water Revenue Warrant, Series 2024-DWSRF-DL	8,255,000
Subordinated Water Revenue Warrant, Series 2025-DWSRF-DL	7,205,000

Obligations Payable from Electric System Revenues	Principal Outstanding
Electric Revenue Warrants, Series 2024	\$41,945,000
Electric Revenue Warrants, Series 2017-B	9,725,000
Electric Revenue Warrants, Series 2017-A	45,025,000

Obligations Payable from Natural Gas System Revenues	Principal Outstanding
Gas System Revenue Warrant, Series 2019-A	1,693,339

Under each of the Water System Indenture, Electric System Indenture, and Gas System Indenture, the City may transfer and convey such system to a public corporation and other types of entities under Alabama law with the power to issue federally tax-exempt indebtedness; provided, the transferee assumes all obligations of the City under such indenture (including, without limitation, payment of obligations secured by the revenues derived therefrom). From time to time, including recently, City officers have discussed with officers of Huntsville Utilities the possibility of such a transfer of assets comprising the Water System, the Electric System and the Gas System, but no such discussion has matured to any proposed formal action by the City. Discussion and analysis of such a transfer has recently occurred. The City does not anticipate pursuing such a transfer at the present time, though continued analysis and discussion of the same is expected to continue.

TIF5 Revenue Warrants. As noted above, the City has issued to L W Redstone fourteen (14) series of taxable TIF5 Revenue Warrants payable solely out of tax increment revenues generated in connection with TIF5, which such warrants are deemed satisfied and paid in full at maturity to the extent not covered by tax increment revenues generated within the boundary of TIF5 during the term of such obligations.

Future Borrowings. Pursuant to its ten-year Capital Improvement Plan and other initiatives, the City currently anticipates borrowing approximately \$300.0 million for City capital improvements over the next 24 months. The City also expects to borrow approximately \$150.0 million for public school capital improvements over the next 24 months.

The City may from time to time borrow additional money in connection with various City projects, and, at the request of the City BOE, for public school improvements (based on its administration of the School Tax), or as needs for which may otherwise arise and be merited in the discretion of the City.

Legal Debt Margin

The City's constitutional debt limit is an amount equal to twenty percent (20%) of the assessed value of the property therein. However, the following, among other types of indebtedness, are under existing general law not chargeable to the City's constitutional debt limit: obligations issued for the purpose of acquiring, providing or constructing schools, waterworks or sewers; obligations incurred for street or sidewalk improvements

where the costs thereof, in whole or in part, are to be assessed against the property abutting such improvements; subject to certain conditions, tax anticipation notes; certain lease obligations; and revenue securities issued for the purpose of extending, enlarging or improving water, electric, gas or sewer systems and payable solely from the revenues of one or more of such systems. Further, by virtue of certain constitutional provision respecting economic development, including, without limitation, Amendment 772 to the Constitution of Alabama of 2022, as amended (codified as Section 94.01 of the Constitution of Alabama of 2022, as amended), certain debt issued for industrial and economic development purposes are also not chargeable to the generally applicable 20% debt limit. The City does not have any such obligations outstanding.

The following sets forth the City's estimated constitutional debt margin following issuance of the Warrants:

Assessed value (real and personal property) ⁽¹⁾	\$6,355,733,000
Debt limit (20% of assessed value)	1,271,146,600
Maximum principal amount outstanding of direct outstanding debt ⁽²⁾	\$1,061,760,024*
Less those portions not chargeable to debt limit:	
Lease revenue bonds of the PBA ⁽³⁾	139,945,000
Series 2018-A Warrants ⁽⁴⁾	42,150,000
Sewer and school purpose direct debt:	
General obligation sewer warrants	58,278,299
General obligation warrants issued for school purposes	246,495,000*
Total debt not chargeable to debt limit	486,868,299*
Maximum amount of debt chargeable to debt limit	574,891,725
Estimated constitutional debt margin (not less than)	\$696,254,875*

*Preliminary; subject to change.

⁽¹⁾ The total reported by the Madison County Tax Assessor on the abstract for the city district tax, which is the basis for collection of the 6.5 mill general fund and 6.5 mill special revenue fund tax, along with the total reported by the Limestone County Tax Assessor and the Morgan County Tax Assessor. The most recent assessment date pertinent to this calculation is October 1, 2024.

⁽²⁾ See the chart under "General Obligation Warrants and PBA Bonds" in the section entitled "Long-Term Indebtedness of the City" above. All other long-term indebtedness of the City, consisting of (i) warrants secured by and payable solely from Sewer System revenues, Water System revenues, Electric System revenues, or Gas System revenues, and (ii) TIF5 Revenue Warrants payable solely from TIF revenues, are exempt from the constitutional debt limit and are not included in this figure.

⁽³⁾ The Series 2017 PBA Bonds, Series 2021 PBA Bonds, Series 2022 PBA Bonds, and Series 2025 PBA Bonds.

⁽⁴⁾ The Series 2018-A Warrants were issued under and in accordance with Amendment 919 to the Constitution of Alabama of 1901, under which the said warrants are exempt from the City's constitutional debt limit.

Direct and Overlapping Tax-Supported Debt

The following schedule reflects the estimated maximum amount of direct and overlapping tax-supported debt of the City following issuance of the Series 2026-A Warrants and the Series 2026-C Warrants (the following chart does not include the proposed Series 2026-B Warrants or the proposed Series 2026-D Warrants, and does not reflect the refunding and/or defeasance of the Refunded Warrants):

	Net Direct Debt Outstanding	Percent of Debt Applicable to the City	City's Share of Debt
Direct Debt			
General obligation warrants & PBA bonds	\$1,061,760,024*	100%	\$1,061,760,024*
Overlapping Debt			
Madison County, general obligation debt	\$36,237,392 ⁽¹⁾	56.91% ⁽¹⁾	\$20,622,700
Limestone County, general obligation debt	\$5,615,000 ⁽²⁾	5.49% ⁽²⁾	\$308,264
Morgan County, general obligation debt	\$15,860,000 ⁽³⁾	0.00% ⁽³⁾	\$0.00
Total			\$1,082,690,987*

* Preliminary; subject to change. Includes outstanding principal of general obligation warrants of the City, as well as outstanding principal referable to the Series 2017 PBA Bonds (assuming renewal of the leases by the City related thereto through final maturity of the said bonds), the Series 2021 PBA Bonds (assuming renewal of the leases by the City related thereto through final maturity of the said bonds), the Series 2022 PBA Bonds (assuming renewal of the leases by the City related thereto through final maturity of the said bonds), and the Series 2025 PBA Bonds (assuming renewal of the leases by the City related thereto through final maturity of the said bonds). All other long-term indebtedness of the City, consisting of (i) warrants payable solely from the Sewer System, (ii) warrants payable from the Water System, the Electric System, and the Gas System, and (iii) TIF5 Revenue Warrants are not included in the calculation of direct debt of the City. Does not include the 2017 IDB Bond, payment of which is guaranteed by the City.

⁽¹⁾ Outstanding debt as presented in audited financial statements of Madison County for the fiscal year ended September 30, 2023. The Madison County percentage reflects the ratio of the population estimated by the City as of July 1, 2025, as residing in the City and living in Madison County (234,821) and the estimated total population of Madison County estimated for 2023 (412,600).

⁽²⁾ Outstanding debt as presented in audited financial statements of Limestone County for the fiscal year ended September 30, 2024. The Limestone County percentage reflects the ratio of the population estimated by the City as of July 1, 2024 as residing in the City and living in Limestone County (6,293) and the total population of Limestone County estimated for July 1, 2023 (114,654).

⁽³⁾ Outstanding debt as presented in audited financial statements of Morgan County for the fiscal year ended September 30, 2023. The Morgan County percentage reflects the ratio of the population estimated by the City as of July 1, 2024 as residing in the City and living in Morgan County (0) and the total population of Morgan County estimated for July 1, 2023 (125,133).

The following schedule shows the percentage of maximum direct and overlapping tax-supported debt to assessed value per capita in the City following issuance of the Series 2026-A Warrants and the Series 2026-C Warrants. The following chart does not include the proposed Series 2026-B Warrants and Series 2026-D Warrants, and does not reflect the refunding of the Refunded Warrants.

Direct general obligation debt	\$1,061,760,024*
Overlapping	20,930,963
Total (direct and overlapping debt)	1,082,690,987
Assessed value of property in City	\$6,355,733,000
Ratio of direct debt to City's assessed value	16.71%
Ratio of direct and overlapping debt to City's assessed value	17.03%
Population of City (estimated as of October 2025)	249,102
Per capita direct debt	\$4,262
Per capita direct and overlapping debt	\$4,346

* Preliminary; subject to change.

**SCHEDULED GENERAL OBLIGATION DEBT SERVICE
REQUIREMENTS OF THE CITY**

**Fiscal Year Debt Service Requirements
for the Warrants**

Series 2026-A Warrants. The following reflects the estimated debt service requirements for the Series 2026-A Warrants on a fiscal year basis:

Fiscal Year	Principal*	Interest*	Total*
2026	--	\$1,479,927	\$1,479,927
2027	\$2,075,000	3,437,250	5,512,250
2028	2,185,000	3,333,500	5,518,500
2029	2,295,000	3,224,250	5,519,250
2030	2,405,000	3,109,500	5,514,500
2031	2,530,000	2,989,250	5,519,250
2032	2,655,000	2,862,750	5,517,750
2033	2,785,000	2,730,000	5,515,000
2034	2,925,000	2,590,750	5,515,750
2035	3,070,000	2,444,500	5,514,500
2036	3,225,000	2,291,000	5,516,000
2037	3,385,000	2,129,750	5,514,750
2038	3,555,000	1,960,500	5,515,500
2039	3,735,000	1,782,750	5,517,750
2040	3,920,000	1,596,000	5,516,000
2041	4,115,000	1,400,000	5,515,000
2042	4,320,000	1,194,250	5,514,250
2043	4,540,000	978,250	5,518,250
2044	4,765,000	751,250	5,516,250
2045	5,005,000	513,000	5,518,000
2046	5,255,000	262,750	5,517,750

* Preliminary; subject to change.

Series 2026-B Warrants. The following reflects the estimated debt service requirements for the Series 2026-B Warrants on a fiscal year basis:

Fiscal Year	Principal*	Interest*	Total*
2026	--	\$410,534	\$410,534
2027	\$1,515,000	953,500	2,468,500
2028	1,590,000	877,750	2,467,750
2029	1,675,000	798,250	2,473,250
2030	1,755,000	714,500	2,469,500
2031	1,840,000	626,750	2,466,750
2032	1,935,000	534,750	2,469,750
2033	2,035,000	438,000	2,473,000
2034	2,135,000	336,250	2,471,250
2035	2,240,000	229,500	2,469,500
2036	2,350,000	117,500	2,467,500

* Preliminary; subject to change.

Series 2026-C Warrants. The following reflects the estimated debt service requirements for the Series 2026-C Warrants on a fiscal year basis:

Fiscal Year	Principal*	Interest*	Total*
2026	--	\$1,431,489	\$1,431,489
2027	\$2,010,000	3,324,750	5,334,750
2028	2,110,000	3,224,250	5,334,250
2029	2,220,000	3,118,750	5,338,750
2030	2,330,000	3,007,750	5,337,750
2031	2,445,000	2,891,250	5,336,250
2032	2,565,000	2,769,000	5,334,000
2033	2,695,000	2,640,750	5,335,750
2034	2,830,000	2,506,000	5,336,000
2035	2,970,000	2,364,500	5,334,500
2036	3,120,000	2,216,000	5,336,000
2037	3,275,000	2,060,000	5,335,000
2038	3,440,000	1,896,250	5,336,250
2039	3,610,000	1,724,250	5,334,250
2040	3,795,000	1,543,750	5,338,750
2041	3,980,000	1,354,000	5,334,000
2042	4,180,000	1,155,000	5,335,000
2043	4,390,000	946,000	5,336,000
2044	4,610,000	726,500	5,336,500
2045	4,840,000	496,000	5,336,000
2046	5,080,000	254,000	5,334,000

* Preliminary; subject to change.

Series 2026-D Warrants. The following reflects the estimated debt service requirements for the Series 2026-D Warrants on a fiscal year basis:

Fiscal Year	Principal*	Interest*	Total*
2026	\$3,610,000	\$765,312	\$4,375,312
2027	5,315,000	1,597,000	6,912,000
2028	2,050,000	1,331,250	3,381,250
2029	6,175,000	1,228,750	7,403,750
2030	2,260,000	920,000	3,180,000
2031	2,370,000	807,000	3,177,000
2032	2,490,000	688,500	3,178,500
2033	2,620,000	564,000	3,184,000
2034	2,750,000	433,000	3,183,000
2035	2,885,000	295,500	3,180,500
2036	3,025,000	151,250	3,176,250

* Preliminary; subject to change.

Estimated Annual Debt Service for General Obligation Warrants and PBA Lease Obligations

The following table reflects the estimated annual debt service requirements on a fiscal year basis respecting all warrants of the City, and respecting lease payment obligations of the City respecting indebtedness issued by the PBA following issuance of the Series 2026-A Warrants and the Series 2026-C Warrants. The following table does not reflect issuance of the Series 2026-B Warrants and the Series 2026-D Warrants, and does not reflect the refunding of the Refunded Warrants.

Fiscal	Existing Fixed	Series 2026-A and Series 2026-C	Total Debt
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Year	Rate Debt ⁽¹⁾	Warrants*	Service*
2026	\$105,535,479	\$2,911,417	\$108,446,896
2027	101,129,302	10,847,000	111,976,302
2028	98,862,105	10,852,750	109,714,855
2029	98,153,616	10,858,000	109,011,616
2030	90,889,319	10,852,250	101,741,569
2031	88,236,635	10,855,500	99,092,135
2032	84,984,836	10,851,750	95,836,586
2033	87,534,572	10,850,750	98,385,322
2034	80,071,847	10,851,750	90,923,597
2035	72,275,605	10,849,000	83,124,605
2036	67,272,366	10,852,000	78,124,366
2037	60,115,798	10,849,750	70,965,548
2038	48,962,653	10,851,750	59,814,403
2039	39,254,067	10,852,000	50,106,067
2040	33,432,566	10,854,750	44,287,316
2041	33,428,749	10,849,000	44,277,749
2042	30,981,915	10,849,250	41,831,165
2043	30,975,817	10,854,250	41,830,067
2044	20,039,845	10,852,750	30,892,595
2045	20,044,660	10,854,000	30,898,660
2046	8,101,888	10,851,750	18,953,638
2047	8,098,694	--	8,098,694
2048	8,100,406	--	8,100,406
2049	8,106,016	--	8,106,016
2050	8,104,969	--	8,104,969
2051	8,101,641	--	8,101,641
2052	8,095,281	--	8,095,281
2053	2,921,250	--	2,921,250

* Preliminary; subject to change

⁽¹⁾ Includes: the Series 2013-B Warrants, the Series 2014-A Warrants, the Series 2014-B Warrants, the Series 2014-C Warrants, the Series 2015-B Warrants, the Series 2016-A Warrants, the Series 2016-B Warrants, the Series 2016-C Warrants, the Series 2016-D Warrants, the Series 2017-A Warrants, Series 2017-B Warrants, the Series 2017-C Warrants, the Series 2017-D Warrants, the Series 2017-E Warrants, the Series 2018-A Warrants, the Series 2018-B Warrants, the Series 2018-C Warrants, the Series 2019-A Warrants, the Series 2020-A Warrants, the Series 2020-B Warrants, the Series 2020-C Warrants, the Series 2020-D Warrants, the Series 2020-E Warrant, the Series 2021 Warrant, the Series 2022 Warrant, the Series 2023-A Warrants, the Series 2023-B Warrants, the Series 2023-C Warrants, the Series 2023-D Warrants, the Series 2023-E Warrant, the Series 2025-A Warrants, the Series 2025-B Warrants and the Series 2025-C Warrant. Also includes annual debt service (assuming renewal of the lease related thereto through final scheduled maturity of the Series 2017 PBA Bonds) on the Series 2017 PBA Bonds, annual debt service (assuming renewal of the lease related thereto through final scheduled maturity of the Series 2021 PBA Bonds) on the Series 2021 PBA Bonds, annual debt service (assuming renewal of the lease related thereto through final scheduled maturity of the Series 2022 PBA Bonds) on the Series 2022 PBA Bonds, and annual debt service (assuming renewal of the lease related thereto through final scheduled maturity of the Series 2025 PBA Bonds) on the Series 2025 PBA Bonds. Does not include, among other obligations, the 2017 IDB Bond, payment of which is guaranteed by the City, TIF5 Revenue Warrants, debt payable from the Sewer System, and debt payable from the Electric System, the Gas System, or the Water System of the City operated by Huntsville Utilities.

AD VALOREM TAXES

General

The levy and collection of ad valorem taxes in Alabama are subject to the provisions of the Constitution of Alabama of 1901, which limits the ratios at which property may be assessed, specifies the maximum millage rates that may be levied on property and limits total ad valorem taxes on any property in any year. Recent constitutional changes and statutory enactments, summarized below, have caused significant changes in Alabama's ad valorem tax structure.

Classification of Taxable Property

For purposes of ad valorem taxation, all taxable property in Alabama is required under current law to be divided into the following four classes:

Class I	-	All property of utilities used in their business*
Class II	-	All property not otherwise classified*
Class III	-	All agricultural, forest and single family, owner-occupied residential property, and historic buildings and sites
Class IV	-	Private passenger automobiles and pickup trucks

*Under applicable law, railroad property is not considered Class I (utility) property and is instead Class II.

Taxable property designated as "Class III" may, upon the request of the owner of such property, be appraised at its "current use value" rather than its "fair and reasonable market value". "Current use value" was originally defined in a legislative act as the value of such property based on the use being made of it on October 1 of the preceding year, without taking into consideration the "prospective value such property might have if it were put to some other possible use." Amendatory legislation, effective since the beginning of the 1981-82 tax year, extensively revised the formulas and methods to be used in computing the current use property value of agricultural and forest property. However, the original statutory definition, though somewhat modified, remains applicable to residential and historical property. There are exempted from all ad valorem taxes household and kitchen furniture, farm tractors, farming implements when used exclusively in connection with agricultural property, and inventories of goods, wares and merchandise.

Assessment Ratios

The following are the assessment ratios now in effect in the City for purposes of state and local taxation:

Class	I	-	30%
Class	II	-	20
Class	III	-	10
Class	IV	-	15

Although current law provides in effect that with respect to ad valorem taxes levied by the City, the governing body of the City may, subject to the approval of the Legislature and of a majority of the electorate of the City at a special election, and in accordance with criteria established by legislative act, adjust (by increasing or decreasing) the ratio of assessed value of any class of taxable property to its fair and reasonable market value or its current use value (as the case may be), the governing body of the City has not heretofore sought to make any adjustment of the assessment ratio applicable to any class of taxable property in the City and has no present plans for any such adjustment. The Legislature has no power over the adjustment of assessment ratios pertaining to local taxes except to approve or disapprove an adjustment proposed by a local taxing authority. The assessment ratio applicable to each class of taxable property must in any event be uniform with respect to ad valorem taxes levied by the City.

Current Ad Valorem Tax Rates

Existing law provides that the rate of any ad valorem tax levied by the City may be increased only after the approval of the Alabama Legislature and of a majority of the electorate of the City at a special election. A general constitutional limitation on the total ad valorem taxes (*i.e.*, state, county, municipal, school district, etc.) on any property in any one year to certain percentages of the fair and reasonable market value of such property is by its terms not applicable to property in the City.

The City is located within each of Limestone County, Alabama ("Limestone County"), Madison County, Alabama ("Madison County"), and Morgan County, Alabama ("Morgan County"). Ad valorem taxes on

property in the City within each of the aforesaid three counties are currently levied (*i.e.*, for the tax year ending September 30, 2022) as follows:

Limestone County

Levying Entity	Rates in Mills (Dollars per \$1,000 of Assessed Value)
State of Alabama	6.5
Limestone County:	
General	7.0
Road and Bridge/Public Building	3.5
Hospital	3.0
County-wide School	5.5
City of Huntsville:	
General	6.5
Amendment 8 Capital Projects Tax	6.5
School Tax	<u>22.0</u>
Total Mills	59.5

Source: Alabama Department of Revenue

Madison County

Levying Entity	Rates in Mills (Dollars per \$1,000 of Assessed Value)
State of Alabama	6.5
Madison County:	
General	7.0
Road and Bridge	4.0
County-wide School	5.5
District School	15.5
City of Huntsville:	
General	6.5
Amendment 8 Capital Projects Tax	6.5
School Tax	<u>6.5</u>
Total Mills	58.0

Source: Alabama Department of Revenue

Morgan County

Levying Entity	Rates in Mills (Dollars per \$1,000 of Assessed Value)
State of Alabama	6.5
Morgan County:	
General	7.2
Road and Bridge	3.6
Fire Protection	3.0
County-wide School	5.8
City of Huntsville:	
General	6.5
Amendment 8 Capital Projects Tax	6.5
School Tax	<u>10.7</u>

Source: Alabama Department of Revenue

Homestead Exemption

The governing body of the City is authorized by law to grant a homestead exemption of not exceeding \$4,000 in assessed value against any City ad valorem tax except one "earmarked for public school purposes." The City Council has not heretofore granted any such homestead exemption against any of the ad valorem taxes currently levied by the City.

Property Tax Litigation

The validity of the levy, assessment and collection of ad valorem taxes in Alabama have been from time to time the subject of significant litigation in both state and federal courts, which has on occasion resulted in substantial changes in Alabama's property tax system affecting ad valorem tax receipts of the various taxing authorities (including the City). However, no such litigation is, to the City's knowledge, presently pending. The City has not been a party to any such litigation that relates solely to ad valorem taxes levied by the City.

Assessment and Collection

Ad valorem taxes on taxable properties are assessed by the relevant county tax assessor or other county official, and collected by the relevant county tax collector or other county official. Ad valorem taxes on public utility properties are assessed by the State Department of Revenue and collected by the relevant county tax collector.

Ad valorem taxes are due and payable on October 1 and delinquent after December 31 in each year (except for taxes with respect to motor vehicles, which have varying due dates), after which a penalty and interest are required to be charged. If real property taxes are not paid by the March 1 following the due date, a tax sale is required to be held.

Property Re-Evaluation Program

Under existing procedures of the State Department of Revenue, each county in the State is effectively required to carry out a property reappraisal program at least once every five years. The Department of Revenue also annually reviews the appraised values and the fair market values of a representative sample of taxable property in each county in the State. A county property reappraisal program is customarily ordered by the Department of Revenue if such annual review indicates that the appraised value of property in such county has fallen below 85% of its then current fair market value.

The current level of property tax collection is dependent on many factors, including possible taxpayer appeals from increased property assessments. There can be no assurance that the current level of property tax collection will continue.

Assessed Valuations

The City is located mainly within Madison County, but smaller portions of the City exist in Limestone County and Morgan County. Historically, the City presented its assessed values based solely from those portions of the City located in Madison County because the vast majority of the City and its citizens are located in Madison County. However, over the past several years the City experienced substantial industrial and commercial growth and development within Limestone County, and the City has determined to include those portions of the City located within Limestone County and Morgan County, commencing with the 2021 tax year (for which assessments were made as of October 1, 2020), when presenting information regarding City assessed values in this Official Statement.

Madison County. The following table shows the estimated assessed values, by category, of properties within the corporate limits of the City located within Madison County as of the indicated assessment dates (*i.e.*, for the tax year commencing as of the date indicated):

**Real and Personal Property Assessed Values
(in thousands)***

Assessment Date October 1	Residential/ Corporate	Public Utilities	Motor Vehicles	Exemptions	Total
2024	\$6,896,234	\$15,173	\$531,773	(\$1,513,201)	\$5,929,979
2023	6,349,787	17,471	497,561	(1,328,483)	5,536,336
2022	5,728,469	14,764	455,661	(1,136,089)	5,062,805
2021	4,676,897	19,541	393,791	(736,109)	4,354,120
2020	4,015,281	16,919	350,461	(578,597)	3,804,064

Limestone County. The following table shows the estimated assessed values, by category, of properties within the corporate limits of the City located within Limestone County as of the indicated assessment dates (*i.e.*, for the tax year commencing as of the date indicated):

**Real and Personal Property Assessed Values
(in thousands)***

Assessment Date October 1	Residential/ Corporate	Public Utilities	Motor Vehicles	Exemptions	Total
2024	\$1,027,026	\$290	\$24,193	(\$626,071)	\$425,438
2023	905,636	278	18,928	(539,752)	385,090
2022	952,240	280	17,371	(655,292)	314,599
2021	736,404	280	13,567	(544,491)	205,760
2020	532,687	274	10,436	(377,511)	165,886

Morgan County. The following table shows the estimated assessed values, by category, of properties within the corporate limits of the City located within Morgan County as of the indicated assessment dates (*i.e.*, for the tax year commencing as of the date indicated):

**Real and Personal Property Assessed Values
(in thousands)***

Assessment Date October 1	Residential/ Corporate	Public Utilities	Motor Vehicles	Exemptions	Total
2024	\$376	\$0.00	N/A	(\$60)	\$316
2023	340	0.00	N/A	(60)	280
2022	328	0.00	N/A	(55)	273
2021	306	0.00	N/A	(50)	256
2020	256	0.00	N/A	(0.00)	256

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

Defined Benefit Pension Plan

The City participates in the Employees' Retirement System of Alabama (the "State System") which is operated by the State of Alabama. Contributions are made by employees and the City to the State System. Membership is compulsory for all employees of the City and the State System acts only in an administrative capacity with respect to the City plan. The information given below respecting the participation of the City in the State System relates only to the administration of the local plan by the State System and should not be interpreted as indicating that the State System is in any way responsible for the funding of any benefits payable to employees of the City.

In general, employees of the City participating in the State System are entitled to the same benefits provided for State employees as though those local employees were State employees having comparable years of covered service. Upon such election, the State System administers the local plan and the rates of contributions to be made by the City are determined by the actuary for the State System. The cost of providing benefits is borne by the City and no part of such cost is paid by the State System.

Employees of Huntsville Utilities are subject to separate contribution rates established by the Water, Electric and Natural Gas Boards, respectively, and the Employees' Retirement System. Funding for such retirement plans is derived from revenues of Huntsville Utilities and not from general funds of the City.

See Note #12 - "Pension Plan" to the audited financial statements of the City attached as APPENDIX C hereto for more information about the City's participation in the State System and the City's pension plans, pension liability and related information.

Retirement plans for teachers in the City's school system are funded by the State Teachers' Retirement System (the "Teachers' System"), maintained by the State of Alabama. Because the State of Alabama has assumed responsibility for providing retirement plans for public school teachers, the City historically has had no direct responsibility in this area.

Unlike the Teachers' System, the State System does not undertake to fund the retirement plans of participating local governments and acts only in an administrative capacity, and then only upon the election of local governments. The statute permitting such election provides that the "retirement system shall not be liable for the payment of any pensions or other benefits on account of the employees or pensioners of any employers under this section, for which reserves have not been previously created from funds contributed by such employer or its employees for such benefits." The statute further provides that the agreement of the City to contribute to the Employees' System on account of its employees is irrevocable, but should it become financially unable to make the normal and accrued liability contribution, the City would be deemed to be in default under the State System.

Other Post-Employment Benefits

The City provides certain post-retirement health insurance benefits (the "OPEB Plan") to qualifying retired employees (generally, those employees age 55 or older with 25 years of consecutive service or those employees with 30 consecutive years of service, regardless of age).

See Note #13 "Other Post-Employment Benefits (OPEB)" to the audited financial statements of the City attached as APPENDIX C hereto for more information about the OPEB Plan.

FEDERAL BANKRUPTCY ACT

Under certain conditions, Title 11 of the United States Code, 11 U.S.C. 101 *et seq.* (the "Bankruptcy Code"), permits a municipality to file a petition for relief in federal bankruptcy court to adjust debts under Chapter 9 of the Bankruptcy Code. Debt adjustment may include restructuring, reduction or other impairment of debt, subject to various conditions and limitations set forth in the Bankruptcy Code. Section 101 of the Bankruptcy Code defines "municipality" to mean a political subdivision, public agency or instrumentality of a State. To be eligible to file a Chapter 9 bankruptcy petition under Section 109 of the Bankruptcy Code, a municipality must be "specifically authorized, in its capacity as a municipality or by name, to be a debtor under [Chapter 9], or by a governmental officer or organization empowered by State law to authorize such entity to be a debtor under [Chapter 9]." Section 109 of the Bankruptcy Code imposes additional requirements for a municipality to be eligible to file bankruptcy. Without limitation, the municipality must (a) be insolvent (either unable to pay debts as they come due or generally not paying debts as they come due); (b) desire to effect a debt adjustment plan; and (c) meet certain requirements regarding negotiations with creditors (or certain exceptions to such requirements). Alabama law authorizes municipalities (including the City), counties and certain public authorities to file petitions under the Bankruptcy Code. The other conditions to eligibility are fact-specific to the time of filing the petition.

The approving legal opinion of Bond Counsel will contain the customary reservation that the rights of the holders of the Warrants and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases. See the proposed form of approving legal opinion set forth in APPENDIX D respecting the Warrants.

LITIGATION AND OTHER MATTERS

The City is a defendant in various lawsuits, and there are various other claims pending or threatened against the City with respect to which lawsuits may be filed, including several under Section 1983 of Title 42 of the United States Code. The City does not, on account of availability, costs and coverages offered, carry any general or professional liability insurance (though the City does carry general liability insurance for public transit vehicles and drivers). Except as stated in the last paragraph under this heading, in the opinion of the City Attorney, the maximum probable liability of the City with respect to all the lawsuits and claims that are pending or threatened against the City, taken together, will not have a material adverse effect on the financial condition of the City.

Court decisions have substantially eroded the immunity from tort liability formerly enjoyed by local governmental units in Alabama. However, Chapter 93 of Title 11 of the Code of Alabama 1975, as amended, now prescribes certain maximum limits on the liability of local governmental units (such as the City) for bodily injury, sickness, disease or death sustained by a person and for injury or destruction of tangible property. These limits are presently \$100,000 in the case of bodily injury or death of one person in any single occurrence, \$300,000 in aggregate where more than two persons have claims or judgments on account of bodily injury or death arising out of any single occurrence, and \$100,000 in the case of property damage arising out of a single occurrence. Applicable decisions of the Supreme Court of Alabama have upheld the constitutionality of Chapter 93 (although indicating that there is no statutory "aggregate limit" with respect to property damage arising out of a single occurrence comparable to that specified for personal injury or death claims) and have limited the applicability of Chapter 93 to causes of action arising after its effective date, May 23, 1977. While the matter may not be free from doubt, it should be assumed that the liability limitations of Chapter 93 are not applicable to causes of action under Section 1983 of Title 42 of the United States Code.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bradley Arant Boult Cummings LLP, Bond Counsel to the City, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, interest on the Warrants is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Warrants is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code; however, in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on "applicable corporations" (as defined in Section 59(k) of the Code), interest on the Warrants is not excluded from the determination of adjusted financial statement income. In rendering its opinion, Bond Counsel to the City has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the City and others in connection with the Warrants, and Bond Counsel to the City has assumed compliance with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Warrants from gross income under Section 103 of the Code.

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the Warrants. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel expresses no opinion on the effect of any action taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Warrants.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain significant ongoing requirements that must be met subsequent to the issuance and delivery of the Warrants in order that interest on the Warrants be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Warrants, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Warrants to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The City has covenanted to comply under the

Ordinance with certain applicable requirements of the Code to assure the exclusion of interest on the Warrants from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Warrants. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of any Warrants. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of Warrants.

Prospective owners of the Warrants should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for federal income tax purposes. Interest on the Warrants may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Premium

[The initial public offering price to be paid for certain of the Warrants (the "Original Issue Premium Warrants") is greater than the principal amount thereof. Under existing law, any owner who has purchased an Original Issue Premium Warrant in the initial public offering of the Warrants is required to reduce his basis in such Original Issue Premium Warrant by the amount of premium allocable to periods during which he holds such Original Issue Premium Warrant, and the amount of premium allocable to each accrual period will be applied to reduce the amount of interest received by the owner during each such period. All owners of Original Issue Premium Warrants should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Original Issue Premium Warrant and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale, gift or other disposition of such Original Issue Premium Warrant.]

Original Issue Discount

[The initial public offering price to be paid for certain of the Warrants (the "Original Issue Discount Warrants") is less than the principal amount thereof. Under existing law, the difference between (i) the amount payable at the maturity of each Original Issue Discount Warrant, and (ii) the initial offering price to the public of such Original Issue Discount Warrant, constitutes original issue discount with respect to such Original Issue Discount Warrant in the hands of any owner who has purchased such Original Issue Discount Warrant in the initial public offering of the Warrants. Such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Warrant equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Warrant continues to be owned by such owner. In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Warrant prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Warrant in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Warrant was held by such initial owner) is includable in gross income.

Under existing law, the original issue discount on each Original Issue Discount Warrant is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary date of the Warrants and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Warrant for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other taxable disposition thereof. The amount (if any) to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods (if any) multiplied by the yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the

length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Warrants.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Warrants which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Warrants should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Warrants and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale, gift or other disposition of such Original Issue Discount Warrants.]

Bank Qualification

The Warrants have not been designated as "qualified tax-Exempt obligations" under Section 265 of the Code.

Post-Issuance Compliance

The tax-exempt status of the Warrants could be affected by post-issuance events. Various requirements of the Code must be observed or satisfied after the issuance of the Warrants in order for such interest to remain excludable from gross income of the holders thereof. These requirements include restrictions on use of the proceeds of the Warrants, use of the facilities financed by the Warrants, investment of proceeds of the Warrants, and the rebate of so-called excess arbitrage earnings. The City is primarily responsible for such compliance, and a failure to comply could result in the inclusion of interest on the Warrants in gross income retroactive to the date of issuance of the Warrants.

Likewise, the Internal Revenue Service (the "IRS") conducts an audit program to examine compliance with the requirements applicable to tax-exempt obligations. If the Warrants become the subject of an audit, under current IRS procedures, the City would be treated as the taxpayer in the initial stages of an audit, and the owners of the Warrants would have limited rights to participate in the audit process. The initiation of an audit with respect to the Warrants could adversely affect the market value and liquidity of the Warrants, even though no final determination about the tax-exempt status would have been made. If an audit were to result in a final determination that the Warrants do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Warrants.

No Mandatory Redemption due to Event of Taxability

The Ordinance does not provide for mandatory redemption of the Warrants or payment of any additional interest or penalty if a determination is made that the Warrants do not comply with the existing requirements of the Code or if a subsequent change in law adversely affects the tax-exempt status of the Warrants or the economic benefit of investing in the Warrants.

Recent and Future Legislative Changes

Proposed, pending or future tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of the interest on the Warrants subsequent to their issuance. Future legislation could directly or indirectly reduce or eliminate the value of certain deductions and exclusions, including the benefit of the exclusion of tax-exempt interest on the Warrants from gross income for federal income tax purposes. Any such proposed legislation, actions or decisions, whether or not enacted, taken or rendered, could also adversely affect the value and liquidity of the Warrants. Prospective purchasers of the Warrants should consult their own tax advisors regarding the forgoing matters.

RATINGS

S&P Global Ratings ("S&P") and Moody's Investors Service, Inc. ("Moody's") have assigned underlying ratings of "AAA" and "Aaa", respectively, to the Warrants. Such credit ratings reflect only the view of such credit rating agencies, and an explanation of the significance of such credit ratings may be obtained only from

the credit rating agencies furnishing the same. There is no assurance that either such credit rating will remain in effect for any given period of time or that either may not be lowered or withdrawn entirely if, in the judgment of the credit rating agency in question, circumstances should warrant such action. Any such downward revision or withdrawal of any credit rating assigned to the Warrants may have an adverse effect on the market price of the Warrants.

APPROVAL OF LEGAL PROCEEDINGS

Legal matters incident to the authorization and issuance of the Warrants by the City are subject to the approval of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the City, whose approving opinions respecting the Warrants will be in substantially the form attached hereto as APPENDIX D.

AUDITED FINANCIAL STATEMENTS

The financial statements of the City described in the following paragraph are included as an appendix to this Official Statement solely to provide financial information concerning such current revenues of the City for the period described below.

The City's financial statements as of and for the fiscal year of the City ended September 30, 2024, included as APPENDIX C – "AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024" to this Official Statement, have been audited by Mauldin & Jenkins, LLC, as stated in its report dated June 24, 2025. Mauldin has not been engaged to perform and has not performed, since the date of its report described above, any procedures on the financial statements addressed in its report and included in this Official Statement. Mauldin also has not performed any procedures relating to this Official Statement.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC, Huntsville, Alabama (the "Municipal Advisor") is serving as municipal advisor to the City in connection with the issuance of the Warrants. The Municipal Advisor assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Warrants, and provided other advice to the City. The Municipal Advisor will not engage in any underwriting activities with regard to the issuance and sale of the Warrants. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, and is not obligated to review or ensure compliance with the undertaking by the City to provide continuing secondary market disclosure.

UNDERWRITING

All of the Warrants are being purchased by [_____] (the "Winning Bidder"). As respects each series of the Warrants,

(i) The Series 2026-A Warrants are being purchased by the Winning Bidder at a price of \$[_____] (which price reflects the face amount of the Series 2026-A Warrants, less an underwriting discount of \$[_____] , [plus/less] [net] original issue [premium/discount] of \$[_____]). The Series 2026-A Warrants may be sold and offered to certain dealers (including dealers depositing such bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed from time to time by the said purchaser.

(ii) The Series 2026-B Warrants are being purchased by the Winning Bidder at a price of \$[_____] (which price reflects the face amount of the Series 2026-B Warrants, less an underwriting discount of \$[_____] , [plus/less] [net] original issue [premium/discount] of \$[_____]). The Series 2026-B Warrants may be sold and offered to certain dealers (including dealers depositing such bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed from time to time by the said purchaser.

(iii) The Series 2026-C Warrants are being purchased by the Winning Bidder at a price of \$[_____] (which price reflects the face amount of the Series 2026-C Warrants, less an

underwriting discount of \$[_____], [plus/less] [net] original issue [premium/discount] of \$[_____]. The Series 2026-C Warrants may be sold and offered to certain dealers (including dealers depositing such bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed from time to time by the said purchaser.

(iv) The Series 2026-D Warrants are being purchased by the Winning Bidder at a price of \$[_____] (which price reflects the face amount of the Series 2026-D Warrants, less an underwriting discount of \$[_____], [plus/less] [net] original issue [premium/discount] of \$[_____]). The Series 2026-D Warrants may be sold and offered to certain dealers (including dealers depositing such bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed from time to time by the said purchaser.

MISCELLANEOUS

The summaries and descriptions of provisions of the Ordinance and all references to other materials not purporting to be quoted in full are qualified in their entirety by reference to the complete provisions of the documents and other materials summarized or described. So far as any statements made in this Official Statement involve matters of opinion, forecasts or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact.

The Appendices are integral parts of this Official Statement and must be read together with all other parts of this Official Statement.

CITY OF HUNTSVILLE, ALABAMA

By _____ /s/ Tommy Battle
Mayor

APPENDIX A
CERTAIN DEMOGRAPHIC INFORMATION

APPENDIX A

CERTAIN DEMOGRAPHIC INFORMATION

General Information

The City of Huntsville (the "City"), the county seat of Madison County (the "County"), was incorporated in 1811 and is one of the oldest incorporated municipalities in the State of Alabama (the "State"). Centrally situated in the Tennessee River Valley of north Alabama (the Tennessee River being the southern boundary of Madison County), the City is located approximately 95 miles north of Birmingham, approximately 103 miles south of Nashville, Tennessee, and approximately 180 miles northwest of Atlanta, Georgia.

The City is the central economic base of the State's second largest Metropolitan Statistical Area ("MSA") and is the economic engine for the Northern Alabama and Southern Tennessee region. The eight counties adjoining Huntsville/Madison County form a thriving regional market.

Initially, the City prospered as a commercial center in an agricultural area and grew from the manufacture of cotton goods, flour, shoes, lumber, pumps and other products. During World War II, the construction of two arsenals -- Huntsville and Redstone -- gave the City new military and strategic importance as a principal manufacturing site of chemical artillery shells and explosives. Although arsenal activities were sharply curtailed during the immediate postwar period, in 1950 the U.S. Army transferred its missile experts, including the late Dr. Werner Von Braun and a team of German rocket scientists, to the City.

Following the successful launching of a Jupiter C missile in 1958, the U.S. Army's missile program and the Marshall Space Flight Center for the newly created National Aeronautics and Space Administration were located in the City. As a result, the City experienced a rapid influx of population during the decades of the 1950's and 1960's. Beginning in the mid-1960s, cutbacks in the space program slowed growth in Huntsville. However, the 1980 Census showed that the City maintained strong economic indicators and a youthful, well-educated labor force. As the City's economy began to diversify in the 1980's, recovery was swift.

Since the space race of the 1960's, Huntsville has well over doubled in population and quadrupled in square miles. The past four decades have seen significant growth in population increasing by more than 95,000 residents. Between 2000 to 2010, the MSA grew by approximately 20.1%. Based on the 2020 U.S. Census Bureau estimates, Huntsville is now the most populous city in Alabama. The total population for the City of Huntsville as of December 1, 2025 was 230,157, which is an increase of 7.05% from the 2020 Census total of 215,043. The Huntsville MSA was 494,018 according to the 2020 Census Bureau estimates which ranks second behind the Birmingham MSA.

Population Growth

According to the 2020 Federal Decennial Census 2024 population estimates, the City is both the largest municipality in Madison County and in the State, surpassing the City of Mobile in 2016, the City of Montgomery in 2018, and the City of Birmingham in 2021. Madison County is the third largest county in the State as well. The following table depicts the history of population growth in Madison County, the City of Huntsville, and the Huntsville MSA since 1980. The Huntsville Metro area includes Madison and Limestone County, however the City has recently annexed land in both Morgan and Marshall County.

Census	Madison County	City of Huntsville	Huntsville Metro Area (MSA)
1980	196,966	145,604	242,971
1990	238,912	159,789	293,047
2000	276,700	156,216	343,798
2010	336,138	180,924	419,279
2020	389,696	215,043	494,018
2021*	395,211	216,963	502,728
2022*	403,565	222,363	514,465

2023*	412,600	227,571	527,254
2024*	423,355	230,157	542,297

* U.S. Census Bureau estimates

Source: U.S. Census Bureau (www.census.gov) as of January 2026

Population Characteristics

Income, education, and employment levels are all substantially higher in Huntsville than in the state of Alabama and compare favorably to national and regional indices. The Huntsville economy is one of the strongest economies in the Southeast, marked by low unemployment, steady job growth, and income levels that regularly lead the region. Huntsville compares favorably in numerous categories to some of the leading cities in the Southeast and Southwest United States. The local unemployment rate continues to remain below state and national figures. A growing employment rate, while the population is growing, is a positive sign for local business conditions. The median family income of Huntsville residents still exceeds national and state figures.

Annual Unemployment Rate

MSA	2021	2022	2023	2024	2025
Austin, TX	4.1%	2.9%	3.3%	3.5%	3.5% (P)
Charlotte, NC	4	3.4	3.2	3.6	3.7 (P)
Durham, NC	4.1	3.2	3	3.2	3.4 (P)
Huntsville, AL	2.6	2.1	2.1	2.6	2.5 (P)
Raleigh, NC	2.5	3.1	3	3.6	3.2 (P)
State of Alabama	3.4	2.6	2.5	3.1	2.7 (P)
United States	5.3	3.6	3.6	4	4.3

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics as of January 2026

Total Employment

MSA	2021	2022	2023	2024	2025*
Austin, TX	1,165,700	1,329,400	1,346,400	1,359,900	1,484,692
Charlotte, NC	1,243,800	1,371,600	1,351,000	1,377,100	1,456,467
Durham, NC	334,400	349,400	346,800	352,000	315,055
Huntsville, AL	251,400	273,700	276,500	285,900	278,159
Raleigh, NC	660,500	725,200	728,100	747,900	824,166
State of Alabama	2,039,700	2,161,600	2,161,800	2,190,300	2,221,300
United States	146,124,000	156,945,000	158,269,000	157,959,000	159,363,000

Source: Bureau of Labor Statistics, Current Employment Statistics, Total Nonfarm Employment (place of work), not seasonally adjusted, as of December 2025 (*Preliminary numbers. October data not available due to government shutdown).

Median Effective Buying Income

MSA	2020	2021	2022	2023	2024
Austin, TX	\$69,001	\$71,186	\$80,412	\$80,284	\$90,063
Charlotte, NC	56,503	58,317	64,728	65,492	70,951
Durham, NC	55,588	56,892	63,495	65,010	73,158
Huntsville, AL	56,279	57,815	64,553	66,243	73,968
Raleigh, NC	66,090	67,491	74,646	74,637	83,332
State of Alabama	45,649	46,504	50,511	52,353	57,064
United States	55,303	56,790	64,448	65,326	69,867

Source: Nielson/Claritas Survey of Buying Power/Median Household Effective Buying Income, as of January 2026

Mean Annual Wage

MSA	2020	2021	2022	2023	2024
Austin, TX	\$57,830	\$60,260	\$63,890	\$69,150	\$71,390
Charlotte, NC	55,330	57,270	60,550	64,440	67,690
Durham, NC	64,430	68,710	71,720	75,590	78,130
Huntsville, AL	58,730	61,140	63,790	67,120	69,370
Raleigh, NC	56,720	58,550	62,500	66,230	68,010
State of Alabama	46,840	48,110	50,620	53,400	55,350
United States	56,310	58,260	61,900	65,470	67,920

Source: Bureau of Labor Statistics, May 2024 Occupational Employment Statistics

As of December 2025, The U.S. Department of Housing and Urban Development estimates that the median family income of families in the United States for 2025 was \$104,200, for families in Alabama is \$86,400, and for families in the Huntsville MSA is \$115,500.

Professional & Business Service Employment

MSA	2020	2021	2022	2023	2024
Austin, TX	199,300	258,800	283,100	286,700	278,700
Charlotte, NC	207,700	222,200	226,700	228,900	222,800
Durham, NC	46,100	57,000	60,200	61,700	62,400
Huntsville, AL	60,800	64,500	68,700	68,900	68,100
Raleigh, NC	125,400	136,400	146,800	145,200	145,200
Alabama	242,000	259,600	267,100	269,500	263,700
United States	20,246,000	22,202,000	22,907,000	22,965,000	22,620,000

Source: Bureau of Labor Statistics, Current Employment Statistics as of December 2025

Major Economic Activity

Huntsville has experienced a rapid population rise in the last two decades. With multiple established economic cornerstones in our community like Redstone Arsenal, Huntsville Hospital, and NASA Marshall Space Flight Center, the City remains poised to continue strong growth in all economic sectors. The growth brings financial stimulus and adds revenues as well as increased need for public services provided by the City. However, within the opportunities and challenges, the City has seen financial stability through sound fiscal policy, conservative fiscal practices, and strong economic activities.

The City not only brought industry, federal funding, and commercial employers to the area, but worked to raise the standard quality of life. Recreation and transportation projects which attracted people to live in the City, were prioritized, which caused population expansion in the area, increasing revenue and creating energy that drives economic expansion.

The most recent major economic announcement was made in December 2025 with the announcement that Eli Lilly plans to invest more than \$6 billion in a next-generation pharmaceutical manufacturing facility in Huntsville. This is the largest industrial private investment ever made in the State of Alabama. The advanced facility will be constructed on a 260-acre site in Huntsville-Limestone County and will focus primarily on domestic production of small molecule synthetic and peptide medicines, including oral GLP-1 products. Once operational, the project will create 450 high-value job, including engineers, scientists, operations personnel, and lab technicians. Construction is expected to be completed in 2032.

The following table depicts some of the major industrial job growth for previously announced new and expanding companies in Huntsville/Madison County for the period 2015 to 2025.

Announced New and Expanding Industry

Year	Total New Jobs	Total New Investment	Largest Single Development
2015	3,546	413,094,000	GE Aviation
2016	2,000	259,201,083	Boeing Company
2017	2,554	600,579,820	Blue Origin
2018	4,666	2,582,293,941	Mazda Toyota Manuf. USA
2019	450	1,829,875,000	Toyota Motor Manuf. of AL
2020	852	1,009,422,692	Mazda Toyota Manuf. USA
2021	1,297	345,740,380	Amazon
2022	580	391,453,500	Toyota Motor Manuf. of AL
2023	597	195,967,420	Toyota Motor Manuf. of AL
2024	350	282,000,000	Toyota Motor Manuf. of AL
2025	450	6,034,200,000	Eli Lilly

Source: Huntsville Chamber of Commerce

National Aeronautics and Space Administration. Founded July 1, 1960, in Huntsville, Alabama, Marshall is one of NASA’s largest field centers, with a total workforce of more than 6,000 employees and an annual budget of approxi-mately \$5 billion.

Military. Since the early 1950s, Huntsville, Alabama has been one of the United States’ principal centers for space and defense technology. Home to the work of Dr. Werner von Braun and America’s rocket development programs, the Huntsville community and Redstone Arsenal became the location of choice for the country’s best and brightest aerospace engineers and scientists during the 1960s. Rocket City USA, as the region was known, gave original meaning to the term "rocket science".

Today, Redstone Arsenal is a diverse federal campus for more than 65 tenant activities contributing to the nation’s defense, security and space operations. Redstone workforce breakdown includes nearly 900 active duty soldiers and reserve military, roughly 27,300 civilians, and just over 17,000 contractors - totaling approximately 45,500 (this does not include construction workers on base). Other federal agencies perform a wide variety of intelligence and homeland defense functions on Redstone. Cummings Research Park, one of the country’s original and largest science and technology parks, is home to many of the 300+ national and international aerospace and defense contractors that call Huntsville home.

Activities in the area involve a number of different organizations including:

U.S. Army Materiel Command (AMC) is an Army Major Command responsible for materiel readiness including technology, acquisition support, materiel development, logistics power projection and sustainment.

U.S. Army Space & Missile Defense Command (SMDC) is responsible for developing the Army’s missile defense systems including support of space and ground-based midcourse defense and assuring the Army’s access to and utilization of space assets in the execution of their mission.

U.S. Army Aviation & Missile Command (AMCOM) provides support to joint warfighters and allies to ensure aviation and missile system readiness for combat operations and is responsible for the development, acquisition and fielding of aviation and missile systems and the integration of aviation and missile technology.

U.S. Army Security Assistance Command (USASAC) is responsible for managing security assistance programs and Foreign Military Sales (FMS) for the Army. USASAC is known as the "Army's Face to the World" because it serves as the primary entry point for US Army materiel and service related FMS requirements.

Army Contracting Command (ACC) supports the warfighter worldwide through the acquisition of equipment, supplies and services vital to the soldier's mission and well-being. The Command Headquarters relocated to Redstone Arsenal in 2011.

Expeditionary Contracting Command (ECC) is responsible for expeditionary contracting across all military operations for Army Service Component Commanders and the Joint Warfighter and support to Army and other joint operations as well as other defense organizations outside the continental United States.

Program Executive Office – Aviation (PEO AVN) is the Army manager responsible for providing overall direction and guidance for the development, acquisition, testing, product improvement and fielding of Army aviation programs of record including the Apache Attack Helicopter, Cargo Helicopter, Utility Helicopter, Non-Standard Rotary Wing Aircraft, Fixed Wing Aircraft, Aviation Systems, Unmanned Aircraft System and Armed Scout Helicopter.

Program Executive Office – Missiles & Space (PEO M&S) provides centralized management for all Army tactical and air defense missile programs and selected Army space programs. T

U.S. Army Combat Capabilities Development Command Aviation & Missile Center is the Army's focal point for providing research, development and engineering technology and services for aviation and missile platforms. CCDC Aviation & Missile Center manages and conducts research, exploratory and advanced development, and provides one-stop lifecycle engineering and scientific support for aviation and missile systems and UAV platforms.

Redstone Test Center (RTC) was created through the merger of the Redstone Technical Test Center (RTTC) and the Aviation Technical test Center (ATTC) in 2010. RTC specializes in line-of-sight missile and rocket testing, guidance system testing, optical and electro optical systems, air-armament component tests and electromagnetic environmental effects testing of aircraft systems. RTC is the designated DOD lighting effects tester for explosive ordnance and munitions. RTC also tests and certifies all modifications to the Army aviation fleet.

U.S. Army Garrison (USAG) Redstone executes daily operations effectively and efficiently with a qualified and professional workforce. The focus of its workforce is the continued viability and sustainability of the installation, achieved through deliberate strategic planning and appropriate execution of services and programs.

2nd Recruiting Brigade conducts recruiting operations for non-prior and prior service recruits for the Active Army and Army Reserves in several states across the Southeast, Puerto Rico and the Virgin Islands. The brigade is supported by numerous recruiting battalions and recruiting companies and partners with a wide range of colleges, ROTC programs, high schools, and vocational trade schools.

Fox Army Health Center (FAHC) is part of the Southern Regional Medical Command which provides access to quality and cost-effective primary care for patients while maintaining a state of readiness for mobilization.

Logistics Support Activity (LOGSA) supports Army operations through timely and integrated life cycle logistics information, knowledge and expertise. LOGSA maintains the Army’s official single authoritative logistics data repository.

Missile Defense Agency (MDA) is the Department of Defense agency that facilitates the research, development, acquisition and integration of multi-service capabilities into seamless theater and national missile defense systems.

Defense Intelligence Agency – Missile & Space Intelligence Center (MSIC), is an intelligence organization charged with producing scientific and technological intelligence on adversary surface-to-air missiles and ballistic missile systems and directed energy systems.

U. S. Army Engineering and Support Center, Huntsville, is a specialized agency of the U.S. Corps of Engineers. The Huntsville Center manages national programs that have a broad scope, require standardization across corps of engineers’ boundaries, or are otherwise complex in nature.

FBI Terrorist Explosive Device Analytical Center (TEDAC), was formally established in 2003 and moved to Huntsville in 2015 to serve as the single interagency organization to receive, fully analyze, and exploit all terrorist improvised explosive devices, or IEDs, of interest to the United States.

FBI Hazardous Devices School, one of only two bomb training facilities in the world with the capacity to train law enforcement and military personnel with the latest technologies and methods. Only the Hazardous Devices School permits civilian law enforcement officers to train for safe and effective bomb disposal. The Hazardous Devices School is funded and managed by the Federal Bureau of Investigation in partnership with the U.S. Army Ordnance Munitions and Electronics Maintenance School.

Source: Redstone Arsenal Public Affairs Office; <https://home.army.mil/redstone/>

Employment

As of December 2025, the preliminary unemployment rate for Huntsville, AL MSA was 1.9%. Annualized employment and unemployment trends for Huntsville, AL MSA from 2015 to 2024 are presented below.

<u>Year</u>	<u>Persons in Huntsville MSA</u>		<u>Unemployment Rate (%)</u>		
	<u>Employed</u>	<u>Unemployed</u>	<u>Huntsville MSA</u>	<u>Alabama</u>	<u>USA</u>
2024	269,563	7,110	2.6	3.1	4.0
2023	262,381	5,378	2.0	2.5	3.6
2022	252,499	5,202	2.0	2.5	3.6
2021	242,818	6,158	2.5	3.3	5.4
2020	231,844	11,720	4.8	6.4	8.1
2019	234,337	6,416	2.7	3.2	4.0
2018	227,339	7,917	3.4	3.9	3.9
2017	220,028	8,872	3.9	4.5	4.4
2016	213,827	11,069	4.9	5.8	4.9
2015	200,663	11,656	5.5	6.1	5.3

Source: Bureau of Labor Statistics

Labor Force Trends

The total number of persons employed in Huntsville/Madison County in nonagricultural wage and salary employment has consistently increased since 2014. The three largest sectors of employment are (in descending order) Manufacturing (108,842), Health Care and Social Assistance (68,356), and Retail Trade (66,898).

Source: <https://asmartplace.com/economic-data/>. Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2024Q1 with preliminary estimates updated to 2024Q2.

Educational Attainment

	City of Huntsville	State of Alabama	United States
Percentage high school graduates or higher	92.0%	89.1%	89.8%
Percentage bachelor's degree or higher	47.7%	28.9%	32.2%

Source: U.S. Department of Commerce, Bureau of the Census, 2024 ACS 1 Year Estimates

Major Employers in the Huntsville Region

As shown in the following table, there are 12 private sector firms with employment in excess of 1,000 employees. The major private sector employers in the Huntsville Region include Mazda Toyota Manufacturing USA, Inc, The Boeing Company, and Northrop Grumman Corporation, all with more than 3,000 employees in 2025. Most of the major employers are involved in high-technology research and manufacturing, previously noted as a leading source of economic activity in the Huntsville Region.

MAJOR EMPLOYERS IN HUNTSVILLE/MADISON COUNTY, AL

Company	Industry	Employees
U.S. Army/Redstone Arsenal*	Government	45,500
- NASA/Marshall Space Flight Center*	Government	7,000
- Federal Bureau of Investigation	Government	2,200
Huntsville Hospital System **	Healthcare	12,160
Mazda Toyota Manufacturing USA, Inc	Automotive, Mfg	4,000
The Boeing Company	Research & Development	3,411
Northrop Grumman Corporation	Research & Development	3,215
Huntsville City Schools	Education	3,000
Leidos	Research & Development	2,843
SAIC	Research & Development	2,746
City of Huntsville	Government	2,589
Madison County Schools	Education	2,389
University of Alabama in Huntsville	Education	2,082
Toyota Alabama	Automotive Engine, MFg	1,994
Polaris	ATV, Mfg	1,932
Lockheed Martin Corporation	Research & Development	1,638
Crestwood Medical Center	Healthcare	1,501
Blue Origin	Rocket Engine, Mfg	1,235
Alabama A&M University	Education	1,207
Amazon	Distribution Center	1,100
Sanmina/SCI	Electronics, Mfg	1,100
Redstone Federal Credit Union	Finance	1,095
Madison County Commission	Government	1,071
Madison City Schools	Education	976
KBR	Research & Development	964
Raytheon Technologies	Research & Development	945
Hexagon	Software Development	924

Yulista	Aviation Support	909
Astrion	Research & Development	900
PPG	Aircraft Glass, Mfg	850
Kohler Company	Bath Fittings, Mfg	840
Teledyne Brown Engineering	Research & Development	832
L3Harris Technologies	Rocket Engine, Mfg	787
Integration Innovation, Inc.	Research & Development	772
Target Distribution Center	Warehouse Distribution	770
Amentum	Research & Development	754
COLSA Corporation	Research & Development	739
Mazda North America Operations	Automotive, Mfg	735
Science and Engineering Services (SES)	Aviation Integration	719
Torch Technologies	Research & Development	695
Huntsville Utilities	Utilities	680
ADTRAN, Inc.	Telecommunications, Mfg	674
YKTA	Automotive Parts, Mfg	659
Phoenix	Support Services	612
Parsons	Research & Development	586
Calhoun Community College	Education	583
BASF Corporation	Catalytic Converters, Mfg	580
Modern Technology Solutions, Inc. (MTSI)	Research & Development	520
U.S. Space & Rocket Center	Museum Attraction	508
Radiance Technologies, Inc.	Research & Development	507
Tyonek Native Corporation	Research & Development	506
* Includes contractors		
**Employees in Madison County		

Source: Huntsville/Madison County Chamber, October 2025

Construction Activity

The following table shows the value of new building permits issued in the City for the last ten fiscal years indicated.

Value of Building Permits*
(Residential, Apartment and Commercial/Industrial)

Year	Residential	Apartment	Commercial/ Industrial	Total
2016	\$51,902,779	\$45,546,068	\$144,199,219	\$241,648,066
2017	55,176,401	32,675,273	165,076,154	252,927,828
2018	62,452,059	47,378,131	248,175,919	358,006,109
2019	71,989,506	58,894,007	420,081,963	550,965,476
2020	83,616,940	160,688,487	638,146,981	882,452,408
2021	126,727,217	318,311,624	1,226,553,374	1,671,592,215
2022	135,473,372	393,442,330	1,389,650,595	1,918,566,297
2023	154,944,564	152,732,108	1,424,017,310	1,731,693,982
2024	62,933,552	5,618,225	847,326,767	915,878,544
2025	64,755,448	45,128,318	559,821,176	669,704,943

* Exclusive of "Moving and Demolition Permits" and consists of new construction only
Source: City of Huntsville, Inspection Department

Education

Primary and Secondary Education. The City school system is now comprised of 43 schools: six high schools, 11 middle and junior high schools, twenty-six Pre-K through elementary schools and one virtual school. Seven of the district's schools are also home to various magnet programs, with one high school and two P-8 facilities dedicated as fully established magnet schools. These magnet programs emphasize science, foreign language, creative and performing arts, pre-Engineering and international education. Students of City schools consistently score above national and state averages on standardized achievement tests and on the American College Test (ACT). Enrollment for the City School System for the 2025-2026 school year is 23,816 with 2,894 teachers and support personnel employed.

Madison County and the City of Madison also have public school systems, and in addition to public schools, there are approximately fifty private kindergartens and private schools (including church-related or parochial schools) in the City and the County.

The Alabama School of Cyber Technology and Engineering, the state's only fully public, residential high school for students interested in engineering and cyber technology, opened for its first year in Huntsville in August 2020. The school moved from a temporary location at Oakwood University to its 26-acre campus in September 2022. For the 2025-2026 school year, the school has total enrollment of 402 students from 84 Alabama cities and towns. 291 of those are commuter students and 111 are boarding students. 100% of students get free tuition. The school is the first cyber and engineering school in the nation.

Higher Education. There are three state-supported four-year colleges and universities located within or near the City: the University of Alabama in Huntsville, a campus of the University of Alabama system; Alabama A & M University; Athens State University, located in the City of Athens, Alabama, approximately 20 miles west of the City; and Oakwood University, a private four-year university. Other area institutions include John C. Calhoun State Community College, and J. F. Drake State Community and Technical College.

Medical and Health Services

Huntsville Hospital is the second largest hospital in Alabama with 881 licensed beds on two campuses, Huntsville Hospital-Main and Women & Children Hospital. It serves as the regional referral center for North Alabama and southern Tennessee and is home to one of only three statewide Level I Trauma Centers. In recent years, the hospital has expanded its service throughout North Alabama with the development of Huntsville Hospital Health System, making it one of the top 5 largest publicly owned hospital system in the nation with more than 2,500 beds, 19,500 employees, 13 hospitals and several outpatient facilities. Huntsville Hospital Health System has grown to include hospitals in a 14-county service area in North Alabama and Southern Tennessee.

Huntsville Hospital Main serves as a teaching facility for UAB's Family Practice Residency Program, and is also assisting to establish a nursing program at the Huntsville campus of Calhoun Community College. Huntsville Hospital for Women & Children offers the most advanced pediatric health care in the region including pediatric emergency services, pediatric intensive care, level III neonatal intensive care and pediatric surgery as well as providing specialized health care for women. Madison Hospital is a full service 90-bed hospital offering medical, surgical, obstetrical, non-invasive cardiac care, special procedures, emergency care, imaging, and therapy services.

Huntsville Hospital is governed by a volunteer board appointed by the City Council through the Health Care Authority of the City of Huntsville.

Source: www.huntsvillehospital.org

The City also hosts a 180-bed full service acute care hospital, Crestwood Medical Center, which has approximately 1,000 healthcare professionals representing more than 50 different specialties. In January of 2026, Huntsville Hospital Health System announced that it had entered into an agreement to acquire substantially all of the assets of Crestwood Medical Center and its associated outpatient centers and practices.

Transportation

The City is accessed by highway, railway, waterways and a modern airport facility. U.S. Interstate Highway 65, which runs between Chicago and Mobile, is connected to the City by I-565. There are four major highways 231 (North-South), 431 (North-South), 72 (East-West) and 72 Alternate (East-West) which traverse the City and provide access to outlying areas. The City is served by numerous common carriers, including the Norfolk Southern Railway. In 2004 Huntsville built a new public transit center just off I-565 which is home to the offices of the Public Transit and Parking Services, Greyhound Bus, and the Convention and Visitor's Bureau. It serves as the central transfer point for the city's shuttle bus service. After years of community input and public sessions, the City of Huntsville's work on the new downtown transit center officially opened on September 3, 2024. In addition to the new center, the City has added a brand-new route south of the City, bringing the current total to 11 available routes.

The Huntsville-Madison County Airport Authority (a joint authority of the City and Madison County) operates the Huntsville International Airport located approximately twelve miles west of the downtown area of the City, which is the principal airport serving northern Alabama and parts of Tennessee and Georgia. Airport operations are conducted on approximately 3,400 acres of land and include two active runways, associated taxiways and an industrial park. The airport is served by numerous carriers including Allegiant, American, Breeze, Delta, and United.

Quality of Life

As part of the City's budget process, the City has identified a funding category for "Quality of Life" that refers to the agencies whose missions focus on increasing the well-being of residents. These agencies provide arts and culture, historical education, and the preservation and development of green spaces. For the FY 2026 Budget, these agencies included:

- Arts Huntsville – Mission: To stimulate and support community creativity and engagement by advancing the arts, entertainment, and culture.
- Historical Huntsville Foundation – Mission: To promote the preservation of historic places in the Greater Huntsville Community through education and advocacy.
- Huntsville Community Ballet – Mission: To preserve and teach the classical art of ballet; to bring the artistry of classical and contemporary dance to the Huntsville community and beyond through performances, education, and outreach programs.
- Huntsville Symphony Orchestra – Mission: To enrich lives and connect communities in Huntsville and the Tennessee Valley through world-class symphonic performance, musical education, and meaningful outreach.
- Singing River Trail – Mission: To connect people and places, creating a 200+ mile greenway system across North Alabama.
- The Land Trust of North Alabama – Mission: To preserve North Alabama's scenic, historic, and ecological resources through conservation, advocacy, recreation, and education.

Culture and Tourism

Several City agencies have a mission to advance the culture and tourism of the City. As part of the City's FY 2026 Budget, these agencies are funded through the Lodging and Liquor Fund:

- Burritt Museum – Mission: To enhance lives and build community through educational, artistic, and recreational experiences while preserving our heritage, land, and historic structures.
- EarlyWorks – Mission: To provide children an innovative, interactive experience that inspires creativity through discovery and learning through hands-on exhibits and programs.
- Fantasy Playhouse – Mission: To provide theatre arts access through production, education, and outreach.
- Huntsville Botanical Gardens – Mission: To connect people to plants to support a healthier quality of life for the region.
- Huntsville Museum of Art – Mission: To bring people and art together through acquiring, preserving, exhibiting, and interpreting the highest quality works of art.

- US Space and Rocket Center – Mission: To generate funds and awareness that support the educational programs, cultural and historical events, the preservation of artifacts, and facilities advancement of the US Space and Rocket Center.
- Weeden House – Mission: To serve as an educational resource by providing guided tours for school children, serving as an historical destination for tourists and as a venue for social events.

APPENDIX B
GOVERNMENTAL ORGANIZATION AND FUNCTIONS

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GOVERNMENTAL ORGANIZATION AND FUNCTIONS

Governmental Organization

The City is a municipal corporation under the laws of the State of Alabama. The municipal government may be characterized as a "strong" mayor-council form of government, wherein the mayor is elected at large for a four-year term to serve as the full-time administrative head of the City government. The Mayor is assisted in the day-to-day management of the City by an administrative assistant and a professional staff who oversee the various departments of the City.

The City Council, which consists of five members elected for staggered terms of four years each, operates exclusively as a legislative body and acts with respect to the executive branch of the City government (including all appointive officers, department directors and employees) only through ordinances and resolutions formally adopted at Council meetings. Members of the City Council are elected from five electoral districts. Each member of the City Council is required to reside in the district which he or she represents and to be elected by the qualified electors residing in such district.

The present Mayor and members of the City Council, and the dates of beginning and ending of their respective current terms of office, are as follows:

Name	Date of Beginning of Current Term	Date of Ending of Current Term
Tommy Battle, Mayor	November 4, 2024	November 6, 2028
John Meredith	November 4, 2024	November 6, 2028
Bill Kling, Jr.	November 7, 2022	November 2, 2026
Dr. Jennie Robinson	November 7, 2022	November 2, 2026
David Little	November 7, 2022	November 2, 2026
Michelle Watkins	November 4, 2024	November 4, 2028

Colonel (Ret.) John Hamilton became City Administrator effective as of October 1, 2013. Mr. Hamilton received a Bachelor of Science in Business Management in 1990 from Florida State University and a Masters in Logistics Management from the Florida Institute of Technology in 1999. He served for 23 years in the United States Army and retired a full Colonel in 2013. His final position was as Garrison Commander of Redstone Arsenal.

In the Fall of 2019, Penny L. Smith, CPA, became the Finance Director of the City. She also serves as City Treasurer. Previously, Mrs. Smith was the Finance Director for the City of Auburn, a position she had held since 2011 after spending seven years as that city's Deputy Finance Director. Mrs. Smith is a graduate of Auburn University, from which she received a bachelor's degree in accounting. She is a Certified Public Accountant, Certified Government Financial Manager and Chartered Global Management Accountant. Mrs. Smith is a past president of Governmental Finance Officers Association of Alabama and previously served on the Security for Alabama Funds Enhancement (SAFE) Board of Directors. She has more than 30 years' experience in public and governmental accounting and auditing.

Shaundrika Edwards has served as City Clerk of the City since March of 2023. Mrs. Edwards holds a master's and bachelor's degree in human resource management. She joined the Human Resources Department of the City in 2017 where she worked until becoming City Clerk in 2023.

Marion "Trey" Riley is the City Attorney. Mr. Riley was appointed as City Attorney in the Fall of 2015. Mr. Riley received a Bachelor in Business Administration degree from Auburn University in 1977, and his Juris Doctorate degree from the University of Alabama School of Law in 1980. Upon graduating from law school, Mr. Riley served a brief tenure as an Assistant District Attorney, and thereafter engaged in the solo practice of law

for almost 35 years, representing a broad cross-section of individuals in a wide variety of legal matters before numerous different tribunals, primarily in Alabama but also in surrounding states.

The City Administrator, the Finance Director, the City Attorney, and the City Clerk are appointed by the Mayor, subject to the approval of the Council, for four-year terms concurrent with that of the Mayor.

Certain City Officials

Tommy Battle, Mayor. Mr. Battle is currently serving his fifth term as Mayor of the City. Mayor Battle was first elected Mayor in 2008, and before then served on the City Council between 1984 and 1988. A commercial real estate developer, Mayor Battle has served on various local boards within the City, including the Huntsville Emergency Medical Services, Inc., board, EarlyWorks Children's Museum board and the administrative council of Trinity United Methodist Church. Mayor Battle received his B.S. degree in Business Administration from the University of Alabama.

Michelle Watkins, Council Member. Michelle Watkins, representing District 1, was first elected to the City Council in 2024. Michelle Watkins is a lifelong resident of Huntsville, Alabama. Upon graduating from James Oliver Johnson High School of the Huntsville City School System, she furthered her education at Alabama Agricultural and Mechanical University by completing a Bachelor of Science in Business Administration, a Masters of Secondary Education, and an Education Specialist Degree. She is also a graduate of Leadership Huntsville Focus Class 27 and a Certified Oracle Instructor. Michelle has taught at Johnson High School and J. F. Drake State Technical College and has been actively involved in various community organizations and activities in the Huntsville City and Madison County area. She presided as PTSA President for Johnson High School during its last school year, and has worked with the Junior League of Huntsville, the United Way of Madison County, the City of Huntsville Community Development Citizens Advisory Council, and the Alabama A&M University Youth Motivational Task Force. Currently, Michelle Watkins is a Management & Program Analyst for the United States Army Garrison at Redstone Arsenal.

David Little, Council Member. Mr. Little, representing District 2, was elected to the City Council in 2022. Mr. Little was born and raised in Huntsville. After graduating high school, he spent four years in the United States Marine Corps before earning degrees from Calhoun Community College and Athens State University. His professional background includes aerial photography, owning his own small business and sales management with a local technology firm before joining the investment community in 2005. Mr. Little presently works with a local wealth management and financial planning firm.

Dr. Jennie Robinson, Council Member. Dr. Robinson, representing District 3, was first elected to the City Council in 2014. She currently serves as President of the City Council. Prior to her election to the City Council, Dr. Robinson served three terms on the Huntsville City Schools Board of Education. Before being elected to the School Board in 2002, Dr. Robinson served five times as a PTA president in Huntsville city schools. She has also served on the Executive Committee of the Alabama Association of School Boards (AASB) and chaired the State Legislative Committee for AASB. Dr. Robinson received her Doctor of Philosophy and Master's Degree in Consumer Behavior from Purdue University, and she owns a management consulting firm specializing in strategic planning and leadership development for corporations and non-profits. She is a graduate of Leadership Alabama and Leadership Huntsville. She received the Distinguished Leadership Award from Leadership Huntsville Madison County in 2006. She also serves on the boards of Leadership Huntsville Madison County and the Rotary Club of Greater Huntsville.

Bill Kling, Jr., Council Member. Mr. Kling, representing District 4, was first elected to the City Council in 1988. He received a B.S. degree in Mass Media Communications and Public Administration from the University of Alabama, and an M.S. degree in Urban Studies from Alabama A & M University. Mr. Kling was a recipient of Troy State University's "Grover C. Hall" journalism fellowship. He is professionally accredited by the Southern Public Relations Federation. Mr. Kling previously served as a member of the Huntsville City Board of Education. Mr. Kling has held numerous positions in the broadcast and public relations field including public relations director, radio announcer and newscaster for a public radio station and broadcast instructor and public relations specialist for John C. Calhoun Junior College. Mr. Kling is a past President of the Huntsville Press Club.

John Meredith, Council Member. Mr. Meredith, CASE (Ret.), representing District 5, was first elected to the City Council in 2020. Mr. Meredith earned an Associate's Degree from Hinds Junior College, a Bachelor's Degree from the University of Cincinnati, and a Master's Degree from Mississippi College. He serves as the Chair of the Madison County American Red Cross Board, Vice Chair of the Drake State Foundation Board, Board Member of Leadership Greater Huntsville and Advisory Board Member of Burritt on the Mountain and the Junior League. Mr. Meredith spent a majority of his professional career as a lobbyist and legislative advocate in various business sectors and for various public initiatives. During his distinguished lobbying career, Mr. Meredith was the recipient of two national awards for advocacy – the Legislative Champion Award and the Advancing Arboriculture Award. He has served as a National Co-Chair of Minority Outreach for the Voting Integrity Project and Executive Committee member of the National Council of Agricultural Employers ("NCAE"). At NCAE, he was the Moderator for the 2005 NCAE Immigration Roundtable in Washington, D.C. Mr. Meredith is the son of civil rights icon James H. Meredith, the first African American to enroll and graduate from the previously segregated University of Mississippi.

Employees

As of September 30, 2025, the City employed 2,770 people, and as of September 30, 2024, the City-owned but separately operated Huntsville Utilities employed 812 people. The employees of the City are administered under a separate personnel system from that of Huntsville Utilities.

Municipal Powers and Functions

The City provides police and fire protection, streets and highways, garbage and refuse collection and disposal, sanitary sewage and disposal service and certain recreational and cultural services. It is only in the area of law enforcement, where state and county officers have concurrent jurisdiction, that there is any significant overlap in City-furnished governmental-type services. The City (through the City-owned Huntsville Utilities) also provides, subject to policies established by the several utilities boards, electric, water and natural gas service for its citizens. For information as to a change in the furnishing of garbage and refuse disposal service, see "Refuse-to-Energy Plant", below.

Several municipal functions have been delegated, by statute or authorized City ordinance or resolution, to municipal boards or commissions, such as the several utilities boards, including the following functions: industrial development, solid waste disposal, health care, library services, museum and civic center operations and public housing. Some, but not all, of these boards or authorities may issue revenue debt. Policy decisions concerning these functions are in most cases made by the applicable board or commission (the members of which are appointed by the Mayor or the City Council) and implemented by an administrative head or staff responsible to such board or commission.

Certain municipal or public functions are performed jointly with Madison County (the "County") through statutory authorities or boards whose members are appointed by the governing bodies of both the City and the County. Such authorities or boards include The Huntsville-Madison County Airport Authority (which is responsible for the operation of Huntsville International Airport), the Huntsville-Madison County Mental Health Board, the Huntsville-Madison County Civil Defense Board and The Huntsville and Madison County Railroad Authority. In addition, the City and County governing bodies jointly elect the members of the Huntsville-Madison County Marina and Port Authority, a public corporation created under an act of the Alabama Legislature to construct and operate marina and port facilities.

Funding for certain municipal boards or commissions is provided, in whole or in part, by the City, and in other cases, such boards or commissions operate as separate public corporations created by the City, but funded entirely through revenues generated by the particular municipal functions involved.

Annexation Program

The City annexes land considered important to its future growth and economic expansion, which has included significant acreage in the past twenty years. Madison County annexations in excess of 40,000 acres have primarily been in the east, with mostly mixed, higher value residential developments occurring. The

annexation in Limestone County, which is west of Madison County, primarily borders the Huntsville International Airport and Interstate 565, and is generally planned for industrial and commercial development. Smaller tracts are regularly being annexed, however, for residential and commercial uses.

With very few exceptions, the City's annexations have been accomplished by petition of the landowner requesting annexation. There is no pending or threatened legal action contesting the validity or legality of any of the City's annexations.

The City, in concert with the Metropolitan Planning Organization (MPO), has adopted a major street plan for the entire City. The rights of way for the streets shown on the master street plan are being protected from development as provided by Alabama law. The expansion and extension of these major streets will be the major expenditure for the City resulting from the City's annexation programs. Most of the local streets in the annexed areas will be constructed to City standards and specifications by developers as subdivision of property and development occur.

The City has in operation sufficient sewer treatment capacity for the annexed areas and future annexations. The City generally extends sewer outfall lines and facilities into annexed areas when there is a finding of sufficient economic return to justify such extension. The City's extension policy and its sewer rate structure are, in general, a significant part of its economic development policy.

The rate of growth in the annexed areas is unpredictable, and the full extent of any impact on the City's finances and resources cannot be measured. While the City cannot make a definite prediction or offer assurances that development will in fact occur in these areas, the City does expect that, as a result of the annexations and the services offered by the City in those areas, considerable industrial and commercial development and supporting residential development will occur.

Huntsville Utilities

The City's municipally-owned water, electric, gas and sanitary sewer systems are operated by separate boards of directors which are responsible for their supervision and control and the members of which are appointed by the City Council. These three systems are owned by the City, but operate separately from the City under the name of Huntsville Utilities and are managed by Wes Kelly, President and CEO of Huntsville Utilities. The employees of Huntsville Utilities are subject to personnel rules established by the respective utilities boards and administered by a separate Personnel Department of Huntsville Utilities. The financial statements of the City attached as APPENDIX C include the water, electric and natural gas systems, although it should be noted that the City's independent auditors have not examined these financial statements and that their opinion thereon is based solely on reports of other auditors.

Refuse-to-Energy Plant

The Solid Waste Disposal Authority of the City of Huntsville (the "Authority") constructed a solid waste resource recovery plant to assist the City in its solid waste disposal program. The plant, which was completed in July of 1990, was designed to convert garbage and other solid waste into energy (steam), primarily for use by and sale to the Department of the Army at Redstone Arsenal, an Army facility near the City. The Authority is a public corporation separate from the City, the members of the Board of Directors of which are appointed by the City Council. In 1987 the City Council adopted an ordinance authorizing the transfer and conveyance by the City to the Authority, without the payment of any pecuniary consideration, of the City's existing landfill, which, along with the plant and recycling programs, constitutes an integrated system for the disposal of solid waste and other refuse operated by or for the account of the Authority. Such transfer and conveyance was effected in August, 1988, when the Authority authorized the issuance of bonds to finance the construction of the plant. Pursuant to an agreement with the Authority, Ogden Martin Systems of Huntsville, Inc. now known as Covanta Huntsville, Inc. (an affiliate of Ogden Corporation, now known as Covanta Energy, Inc.) designed, constructed, and is operating the plant for the Authority.

In the ordinance authorizing the transfer and conveyance of the City's existing landfill to the Authority, the City Council also authorized the execution of a Solid Waste Delivery Agreement between the City

and the Authority, under which the City agreed (a) to deliver to the Authority, for processing or other disposal, substantially all solid waste and other refuse collected by the City through its solid waste collection system (as well as substantially all the sewage sludge generated through the operation of the City's sanitary sewer or wastewater system) and (b) to pay to the Authority, for such processing or other disposal, such tipping fees as the Authority may from time to time impose and charge. This Agreement provides that all tipping fees and any other moneys due by the City under the Agreement are to be payable solely out of the current or general operating revenues or funds of the City received or receivable by it for or during the fiscal year during which such tipping fees or other moneys are required to be paid. The current rates are \$39.90 per ton for municipal solid waste and \$26.50 per ton for construction and demolition waste and may be adjusted in the future. The many variable factors on which any such adjustments in the future will depend (including, for example, plant operating results, landfill acquisition, if any, and operating costs, the effect of existing and future environmental laws and landfill regulations, and general economic conditions) are such that the City cannot accurately predict the extent of such adjustments, but it does expect increases in the amount of tipping fees over the next 25 to 30 years.

The City has taken steps to reduce the waste stream by instituting the following recycling programs: (1) the recycling of white goods at the landfill and (2) the first citywide curbside recycling program in the State of Alabama, for the removal and recycling of newspaper, plastics, metals, magazines, motor oil, and batteries. The Authority also operates a separate hazardous household wastes program. These recycling programs are expected to allow the City to meet any currently anticipated changes in environmental law which may mandate a reduction in the waste stream. The Authority expects that, even after such reductions in the waste stream are made, the amount of solid waste to be delivered by the City, together with amounts to be delivered by the Army, will continue to be in excess of the required minimum amount the Authority has agreed to deliver to the plant.

The Authority has entered into a steam sales agreement with the Department of the Army, providing for the sale of steam by the Authority to the Army for use at Redstone Arsenal. The agreement between the Authority and the Army is not, however, a take-or-pay contract and does not obligate the Army to pay for steam that is not delivered or available for delivery. While the City expects that revenues from tipping fees and from the sale of steam to the Army will be sufficient to pay the costs of operating the plant and the landfill there can be no assurance that such tipping fees and steam sale revenues will be sufficient to pay all such expenses and any future debt service and that the payment by the City to the Authority of substantial tipping fees, as authorized in the Solid Waste Delivery Agreement, may be necessary. At this point in time, all of the debt of the Authority has been repaid and there is no current debt service requirement for the Authority.

The failure of the plant to operate in the manner expected, as well as any substantial plant "down-time", would adversely affect expected steam sale revenues and thus result in tipping fee increases substantially in excess of those otherwise expected. However, the plant has complete redundancy; it has four fossil-fuel-fired boilers which could supply steam to the Army if the failure to operate in the manner expected is related to the incineration of solid waste.

Miscellaneous Municipal Functions

The City, the County and the State of Alabama have coextensive law enforcement jurisdiction. The City operates a misdemeanor court system. The State is responsible for maintaining state and federal highways in the City. Further, pursuant to an understanding between the County and the City, the County maintains certain roads and streets in the Green Mountain area annexed by the City in 1973.

While public health service is principally a state function, the City historically has made annual contributions to the Madison County Department of Public Health.

The City finances all major public recreation facilities in the City except for (a) Ditto Landing and Marina, which has received some appropriations from Madison County, and (b) Monte Sano State Park, which is located adjacent to the City and is owned and operated by the State of Alabama.

Huntsville International Airport is owned and operated by The Huntsville-Madison County Airport Authority, the members of the Board of Directors of which are appointed by the governing bodies of the City and the County.

APPENDIX C

**AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2024**

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

Appendix D
Form of Opinion of Bond Counsel

City of Huntsville
Huntsville, Alabama

We have examined certified copies of proceedings of the governing body of the City of Huntsville (herein called the "City"), in the State of Alabama, and other documents submitted to us pertaining to the authorization, sale and issuance of

\$ _____
General Obligation Warrants
Series 2026-A

\$ _____
General Obligation Refunding Warrants
Series 2026-B

\$ _____
General Obligation School Warrants
Series 2026-C

\$ _____
General Obligation School Refunding Warrants
Series 2026-D

(collectively herein called the "Warrants"). We have not examined the Warrants as executed, but we have been furnished with appropriate certificates respecting their execution. The statements herein made and the opinions hereinafter expressed are based upon our examination of the aforesaid proceedings and documents so examined by us.

We are of the following opinion: that the Warrants are in due and legal form, have been validly authorized and issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, and constitute valid orders on the city treasurer of the City for the payment thereof as therein provided; that the indebtedness ordered paid by the Warrants is a valid general obligation of the City for the payment of the principal of and interest on which the City has validly and irrevocably pledged its full faith and credit; and that, under existing statutes, the interest on the Warrants is exempt from State of Alabama income taxation.

We are further of the opinion that under the Internal Revenue Code of 1986, as amended (herein called the "Code"), as presently construed and administered, and assuming compliance by the City with its covenants pertaining to certain requirements of federal tax law that are set forth in the proceedings authorizing the issuance of the Warrants and in the tax compliance agreement and certificate executed by the City in connection with the Warrants, the interest on the Warrants will be excludable from gross income of the recipients thereof for federal income tax purposes pursuant to the provisions of Section 103(a) of the Code, and the interest on the Warrants will not be an item of tax preference included in alternative minimum taxable income for the purpose of computing the minimum tax imposed by Section 55 of the Code, and the interest on the Warrants will not be an item of tax preference included in alternative minimum taxable income for the purpose of computing the minimum tax imposed by Section 55 of the Code; however, in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on "applicable corporation" (as defined in Section 59(k) of the Code), interest on the Warrants is not excluded from the determination of adjusted financial statement income. We express no opinion regarding tax consequences arising with respect to the Warrants other than as expressly set forth herein.

We express no opinion with respect to the federal tax consequences to the recipients of the interest on the Warrants under any provision of the Code not referred to above.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement of the City relating to the Warrants. Further, we express no opinion regarding tax consequences arising with respect to the Warrants other than as expressly set forth herein.

The rights of the holders of the Warrants and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Yours very truly,

APPENDIX E

SUMMARY OF CONTINUING DISCLOSURE AGREEMENT

SUMMARY OF CONTINUING DISCLOSURE AGREEMENT

The following is a summary of the Continuing Disclosure Agreement (the "Agreement") entered into by the City, for the benefit of the holders of the Warrants, in order to assist the winning bidders for the Warrants in complying with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission of the United States of America (the "Commission") pursuant to the Securities Exchange Act of 1934. Except where otherwise defined in this Appendix, all capitalized terms have the meaning assigned in the front portion of this Official Statement.

Annual Report of the City. The City agrees, in accordance with the provisions of the Rule, to provide or cause to be provided through the Electronic Municipal Market Access system ("EMMA"), or such other system as may be subsequently authorized by the MSRB, not later than 270 days after the close of each fiscal year of the City (October 1 – September 30), commencing with the fiscal year ended September 30, 2025, a report (the "City's Annual Report") containing:

- (i) the audited general purpose financial statements of the City, prepared in accordance with accounting principles generally accepted in the United States of America, and the notes thereto, and
- (ii) if not otherwise contained in the Annual Report, the following information for the fiscal year being reported:
 - (a) receipts of (i) the 6.5 mill general purpose ad valorem tax levied by the City, (ii) TVA Payments in Lieu of Property Taxes, and (iii) Huntsville Utilities Electric Payments in Lieu of Property Taxes, in format similar to the table shown under the heading "SOURCES OF REVENUES – Property Taxes and Payments in Lieu of Taxes";
 - (b) collections of sales and use taxes levied by the City, in format similar to the table shown under the heading "SOURCES OF REVENUES – Sales and License Taxes – Sales and Use Taxes";
 - (c) collections of privilege license taxes levied by the City, in format similar to the table shown under the heading "SOURCES OF REVENUES – Sales and License Taxes – Licenses and Permits";
 - (d) to the extent available from the U.S. Census Bureau, the most recent population estimate for the City; and
 - (e) to the extent available from applicable taxing authorities, the assessed value of real property in the City, or, to the extent actual assessed values are not available, estimated assessed values of such real property.

Notice of Certain Events. The City agrees to provide or cause to be provided, in a timely manner, through EMMA (or such other system as may be authorized by the MSRB) Notice within ten (10) business days of the occurrence of any of the following events with respect to the Warrants:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;

- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Warrants, or other material events affecting the tax status of the Warrants;
- (vii) modifications of the rights of holders of the Warrants;
- (viii) calls for redemption, other than scheduled mandatory redemption, of any of the Warrants if material, and notice of tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Warrants, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the City or of any obligated person respecting the Warrants;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the City or any obligated person respecting the Warrants (each, an "Obligated Person") or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement related to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material;
- (xv) failure of the City to timely file its Annual Report;
- (xvi) incurrence of a financial obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or obligated person, any of which affect security holders, if material; and
- (xvii) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City or obligated person, any of which reflect financial difficulties.

Additional Information. The City may from time to time choose to provide other information in addition to the information and notices listed above, but the City does not undertake in the Agreement to commit to provide any such additional information or to update or to continue to provide such additional information or notices once provided.

Amendment; Waiver. The City may amend the Agreement and any provision of the Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not cause the undertakings therein to violate the Rule taking into account any subsequent change in or official interpretation of the Rule.

Beneficiaries and Enforcement. The City agrees that its undertakings pursuant to the Rule set forth in the Agreement are intended to be for the benefit of the holders of the Warrants and shall be enforceable by such holders. No failure by the City to comply with its obligations under the Agreement shall constitute an event of default under the Ordinance.

**Appendix F
Notice of Sale**

CITY OF HUNTSVILLE

\$68,745,000* General Obligation Warrants Series 2026-A	\$19,070,000* General Obligation Refunding Warrants Series 2026-B
\$66,495,000* General Obligation School Warrants Series 2026-C	\$35,550,000* General Obligation School Refunding Warrants Series 2026-D

The City of Huntsville, Alabama, a municipal corporation under the laws of the State of Alabama (the "City"), invites bids for the purchase of all, but not less than all, of the above-referenced warrants (collectively, the "Warrants"), at 9:00 o'clock, A.M., Central Time, on March 12, 2026 (the "Bid Date"). All bids will be viewed on behalf of the City by PFM Financial Advisors LLC ("PFM"), municipal advisor to the City.

The Warrants are being issued in four (4) series, as shown above, hereinafter from time to time referred to individually as the "Series 2026-A Warrants", the "Series 2026-B Warrants", the "Series 2026-C Warrants", and the "Series 2026-D Warrants". For the avoidance of doubt, the City will accept bids for all, but not less than all, of the Warrants, and will award sale of all, but not less than all, of the Warrants to a single bidder.

Dates and Places of Payment

The Warrants will be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof and will be dated the date of their delivery (expected to be March 26, 2026), (ii) interest on the Warrants will be payable on September 1, 2026, and semiannually thereafter on March 1 and September 1 of each year until final maturity, and (iii) the principal of the Warrants will be payable at the corporate trust office of Regions Bank, an Alabama banking corporation (the "Bank"), in the City of Birmingham, Alabama, on the dates shown herein.

Form of Delivery of Warrants

The Warrants, when issued, will be issued in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Warrants. Purchases of beneficial interests in the Warrants will be made in book-entry form, in denominations of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their beneficial interests in the Warrants. So long as DTC or its nominee, Cede & Co., is the registered owner of the Warrants, payment of principal and interest will be made directly to DTC or such nominee. Disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of Direct Participants and Indirect Participants of DTC.

* Preliminary; subject to change.

Principal Amortization

As to each series, the Warrants will mature or be subject to mandatory redemption on September 1 in the following years and principal amounts:

Year	Series 2026-A Warrants*	Series 2026-B Warrants*	Series 2026-C Warrants*	Series 2026-D Warrants*	Grand Total*
2026	--	--	--	\$3,610,000	\$ 3,610,000
2027	\$2,075,000	\$1,515,000	\$2,010,000	5,315,000	10,915,000
2028	2,185,000	1,590,000	2,110,000	2,050,000	7,935,000
2029	2,295,000	1,675,000	2,220,000	6,175,000	12,365,000
2030	2,405,000	1,755,000	2,330,000	2,260,000	8,750,000
2031	2,530,000	1,840,000	2,445,000	2,370,000	9,185,000
2032	2,655,000	1,935,000	2,565,000	2,490,000	9,645,000
2033	2,785,000	2,035,000	2,695,000	2,620,000	10,135,000
2034	2,925,000	2,135,000	2,830,000	2,750,000	10,640,000
2035	3,070,000	2,240,000	2,970,000	2,885,000	11,165,000
2036	3,225,000	2,350,000	3,120,000	3,025,000	11,720,000
2037	3,385,000		3,275,000		6,660,000
2038	3,555,000		3,440,000		6,995,000
2039	3,735,000		3,610,000		7,345,000
2040	3,920,000		3,795,000		7,715,000
2041	4,115,000		3,980,000		8,095,000
2042	4,320,000		4,180,000		8,500,000
2043	4,540,000		4,390,000		8,930,000
2044	4,765,000		4,610,000		9,375,000
2045	5,005,000		4,840,000		9,845,000
2046	5,255,000		5,080,000		10,335,000

* Preliminary; subject to change.

Reservation of Right of City to Reduce or Increase Annual Principal Amounts of Warrants

As to each series of the Warrants, the preliminary amounts of each annual principal payment relating thereto as set forth in this Notice of Sale (the "Preliminary Principal Amounts") may be revised by the City prior to the time bids are to be received (the "Revised Principal Amounts"). Any such revisions will be communicated via the PARITY® electronic bidding system or IPREO not later than 3:00 o'clock, P.M., Central Time, on the last calendar day prior to the Bid Date. If no such revisions are made, the Preliminary Principal Amounts will constitute the Revised Principal Amounts. Bidders shall submit bids based on the Revised Principal Amounts, and the Revised Principal Amounts will be used to compare bids and select a winning bidder for all of the Warrants. Bidders may not adjust principal amounts or maturity dates.

After selecting the winning bid, the City will determine, as to each series of the Warrants, each final annual principal amount of such series (the "Final Annual Principal Amounts"). In determining the Final Annual Principal Amounts, as to each series of the Warrants, the City will not increase or reduce any annual principal amount of such series by more than 25% of such amount, and will not increase or reduce the total aggregate principal amount of such series by more than 20%. ANY DETERMINATION BY THE CITY OF THE FINAL ANNUAL PRINCIPAL AMOUNTS WITHIN THESE PARAMETERS SHALL BE BINDING UPON THE SUCCESSFUL BIDDER. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED ANNUAL PRINCIPAL AMOUNTS WITHIN THESE LIMITS.

In the event that the Final Annual Principal Amounts for any series of Warrants is revised after the award, the interest rate and reoffering price (as a percentage of principal) for each maturity of such series of the Warrants submitted by the winning bidder shall be held constant. The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the Final Annual Principal Amounts. As to each series of the Warrants,

such adjusted bid price will reflect changes in the dollar amount of the underwriter's discount per \$1,000 of par amount of such series of the Warrants from the underwriter's discount which would have been received based on the purchase price in the winning bid and the initial public offering prices. The Final Annual Principal Amounts and the adjusted bid price for each series of the Warrants will be communicated to the successful bidder by 11:30 o'clock, A.M., Central Time, on the Bid Date.

Serial Warrants or Term Warrants

Subject to the provisions regarding interest rate restrictions set forth below under "Bidding Conditions Relating to the Warrants", as to each series of the Warrants, bidders may provide that Warrants of such series be issued as serial Warrants or may provide that any two or more consecutive annual principal amounts maturing after September 1, 2036, be combined into one or more term Warrants of such series. As to any series of the Warrants, if the successful bidder designates consecutive annual principal amounts to be combined into one or more term Warrants of such series, each such term Warrant shall be subject to mandatory redemption by the City commencing on September 1 of the first year which has been combined to form such term Warrant of such series and continuing on September 1 in each year thereafter until September 1 of the stated maturity date of that term Warrant, on which date the remaining balance thereof shall be payable. AS TO EACH SERIES OF THE WARRANTS, FOR EACH TERM WARRANT BID, THE INTEREST RATE FOR THE PRINCIPAL AMOUNT TO BE DUE IN THE YEAR OF STATED MATURITY, AND THE INTEREST RATE FOR EACH PORTION SUBJECT TO MANDATORY REDEMPTION IN THE YEARS PRIOR TO STATED MATURITY, SHALL BE IDENTICAL AND, FURTHER, SHALL COMPLY STRICTLY WITH THE RESTRICTIONS FOR SUCH YEARS SET FORTH BELOW UNDER "Bidding Conditions Relating to the Warrants".

As to each series of the Warrants, the amount of any term Warrant to be redeemed or paid in any year shall be equal to the principal amount specified for such year as set forth in the table above under the caption "Principal Payments", and within the column for such series, as the same shall be adjusted to reflect the Final Annual Principal Amounts. As to any series of the Warrants, Term Warrants to be redeemed in any year by mandatory redemption shall be redeemed at par and shall be selected by lot from among the term Warrants of such series then subject to mandatory redemption in such year. As to any series of the Warrants, the City may, at its option, credit against any mandatory redemption requirement term Warrants of the maturity of such series then subject to redemption which have been purchased and canceled by the City or which have been optionally redeemed by the City and not theretofore applied as a credit against any mandatory redemption requirement.

Optional Redemption Provisions

Series 2026-A. Those of the Series 2026-A Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Series 2026-A Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected by the Bank by lot), at and for a redemption price for each Series 2026-A Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

Series 2026-B. Those of the Series 2026-B Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Series 2026-B Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected by the Bank by lot), at and for a redemption price for each Series 2026-B Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

Series 2026-C. Those of the Series 2026-C Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Series 2026-C Warrants having the same maturity are to be

redeemed, those to be redeemed shall be selected by the Bank by lot), at and for a redemption price for each Series 2026-C Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

Series 2026-D. Those of the Series 2026-D Warrants having a stated maturity on September 1, 2036, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2036, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Series 2026-D Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected by the Bank by lot), at and for a redemption price for each Series 2026-D Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

Purpose

As to each series of the Warrants, such series is being issued to pay the costs described in Preliminary Official Statement of the City, as may be modified, supplemented or amended, respecting the Warrants (the "Preliminary Official Statement") under the sections therein entitled "THE WARRANTS – Purpose" and "PLAN OF FINANCE".

Security

The Warrants will constitute general obligations of the City secured by a pledge of the full faith and credit of the City.

Bidding Conditions Relating to the Warrants

Bidders must bid to purchase all of the Warrants. Any bid for less than all of the Warrants will be disqualified. As to each series of the Warrants, bidders must specify a rate of interest for each maturity of such series, and no zero rate of interest may be specified.

As to each series of the Warrants, all Warrants of any maturity (including principal amounts of a term Warrant subject to mandatory redemption) must bear the same rate of interest throughout their term. Bidders may bid to purchase the Warrants from the City at discount or at a premium; provided

- (i) no bid will be considered to purchase the Warrants if, as to any series of the Warrants, for any maturity of such Warrants the bid is at a price less than 98.5% of the par amount of such maturity;
- (ii) no bid will be considered to purchase the Warrants if, as to any series of the Warrants, the aggregate bid is at a price less than 99.0% of the total Revised Principal Amounts of such series of Warrants; and
- (iii) no bid will be considered if the coupon interest rate for any Warrants maturing or subject to mandatory redemption on September 1, 2036, or on any date thereafter, is less than 5.0%.

Special Terms, Covenants or other Requirements Not Permitted

No bidder will be allowed to specify (either before or after the award of the Warrants) pricing or other contractual terms other than the regular interest rates and purchase price per this Notice of Sale.

Form of Bids

Bids for all of the Warrants must be submitted in electronic form via PARITY® in the manner described below by not later than 9:00 A.M., Central Time, on the Bid Date. No bid will be accepted unless such bid is for all of the Warrants (*i.e.*, all of the Series 2026-A Warrants, the Series 2026-B Warrants, the Series 2026-C Warrants, and the Series 2026-D Warrants).

Formal award of the Warrants will be made, and notice of such award to be given, to the winning bidder following approval of the financing by the City Council of the City, all of which is anticipated to occur by 8:30 o'clock, P.M., Central Time, on the Bid Date, but in no event after 9:00 A.M., Central Time, on the calendar day immediately following the Bid Date.

No bid will be received after 9:00 A.M., Central Time, on the Bid Date. To the extent any instructions or directions set forth in PARITY® conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY®, potential bidders may contact PFM, municipal advisor to the City, at (256) 419-2912, or PARITY® at i-Deal, (212) 849-5021.

Every bid must be unconditional, irrevocable, and submitted in accordance with the terms and conditions set forth in this Notice of Sale.

Issue Price Relating to the Warrants

The successful bidder shall assist the City in establishing the issue price of the Warrants and shall execute and deliver to the City at Closing an "issue price" certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Warrants, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary in the sole judgment of bond counsel.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Warrants) will apply to the initial sale of the Warrants (the "competitive sale requirements") because:

- (i) the City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (ii) all bidders shall have an equal opportunity to bid;
- (iii) the City may receive bids from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (iv) the City anticipates awarding the sale of the Warrants to the bidder who submits a firm offer to purchase the Warrants at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Warrants, as specified in the bid. Unless the bidder intends to hold the Warrants for its own account with no intention to offer the Warrants to the public, the bidder, by submitting a bid, represents to the City that the bidder has an established industry reputation for underwriting new issuances of municipal bonds.

In the event the competitive sale requirements are satisfied, the winning bidder will be required to certify the reasonably expected initial offering prices of the Warrants to the public, that such prices were used by the winning bidder in formulating its bid to purchase the Warrants, that the winning bidder was not given an opportunity to review other bids prior to submitting its bid, and that the bid submitted by the winning bidder constituted a firm offer to purchase the Warrants

In the event the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. The winning bidder shall advise the City if any maturity of the Warrants satisfies the 10% test as of the date and time of the award of the Warrants. As used herein, "10% test" means the first price at which 10% of a maturity of the Warrants is sold to the public.

For those maturities of the Warrants that do not satisfy the 10% test (the "hold-the-offering-price maturities"), the winning bidder will be required to follow and certify to the City the "hold-the-offering-price" rule. So long as the hold-the-offering-price rule remains applicable to any maturity of the Warrants, the winning bidder will neither offer nor sell unsold Warrants of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the winning bidder have sold at least 10% of that maturity of the Warrants to the public at a price that is no higher than the initial offering price to the public.

For those maturities of the Warrants that do not satisfy the 10% test, the winning bidder shall promptly advise the City or the City's municipal advisor when the winning bidder has sold 10% of that maturity of the Warrants to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Warrants will be subject to the 10% test or the hold-the-offering-price rule in order to establish the issue price of the Warrants.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Warrants to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-Dealer that is a party to such retail distribution agreement, as applicable to provide such information as shall enable the City and the winning bidder to identify the price of each maturity of the Warrants, and (ii) any agreement among underwriters relating to the initial sale of the Warrants to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Warrants to the public to require each broker-Dealer that is a party to such retail distribution agreement to provide such information as shall enable the City and the winning bidder to identify the price of each maturity of the Warrants.

Sales of any Warrants to any person who is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Warrants to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Warrants to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Warrants to the public),
- (iii) a purchaser of any of the Warrants is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Warrants are awarded by the City to the winning bidder.

In addition, if the successful bidder will obtain municipal bond insurance policy or other credit enhancement for the Warrants, or any portion thereof, in connection with their original issuance, the successful bidder will be required, as a condition of delivery of the Warrants, to certify whether the premium therefor representing the transfer of credit risk will be less than the present value of the interest expected to be saved as a result of such insurance or other credit enhancement. The form of an acceptable certificate will be provided by bond counsel.

Disclaimer

Each bidder shall be solely responsible for making the necessary arrangements to access the PARITY® electronic bidding system for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the City nor PARITY® shall have any duty or obligation to provide or assure such access to any bidder, and neither the City nor PARITY® shall be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the PARITY® system. The City is authorizing the use of PARITY® as a communication mechanism to conduct electronic bidding for the Warrants, but such system is not an agent of the City. The City is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the specifications set forth in "Bidding Conditions relating to the Warrants" hereinabove and "Basis of Award" hereinbelow. All costs and expenses incurred by bidders in connection with their registration via PARITY® are the sole responsibility of such bidders.

Basis of Award

The Warrants will be awarded to the bidder submitting a bid in conformance with this Notice of Sale that produces the lowest true interest cost to the City for all of the Warrants. The true interest cost (expressed as an annual interest rate) will be the rate necessary, when using a 360-day year and semiannual compounding, to discount the debt service payments from the payment dates to the dated date of the Warrants and to the aggregate purchase price. If two or more bids are submitted that produce the same lowest true interest cost for the Warrants, the City shall select the successful bidder by lot.

If satisfactory bids are received for the Warrants, the bidder submitting the qualifying bid resulting in the lowest true interest cost for the Warrants will be advised by 9:30 A.M., Central Time, on the Bid Date, that it is the apparent successful bidder, subject to the official award of the Warrants by the City as herein set forth.

Diversity

It is the intent of the City that appropriate consideration be given to firms that reflect the racial and ethnic diversity of the City of Huntsville. The City requests and strongly urges bidders to include such firms in their management group or syndicate.

Delivery and Payment

Delivery of the Warrants is expected to occur on March 26, 2026. The Warrants will be delivered through DTC. The successful bidder(s) shall pay for the Warrants on the date of delivery in immediately available federal funds. Any expense of providing federal funds shall be borne by the purchaser(s). Payment on the delivery date shall be made in an amount equal to the price bid for the Warrants purchased.

Right to Reject Bids; Waive Irregularities

The City reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

Insurance

The successful bidder may purchase municipal bond insurance, if available, for some or all of the Warrants. However, the delivery of such Warrants shall not be conditioned upon the issuance of any such insurance. Payment of any insurance premium and satisfaction of any conditions to the issuance of a municipal bond insurance policy, including payment for any legal opinion to be delivered to any insurer, shall be the sole responsibility of the bidder. In particular, the City shall have no obligation to enter into any additional agreements with respect to the provision of any such insurance. FAILURE OF AN INSURANCE PROVIDER TO ISSUE A POLICY OF MUNICIPAL BOND INSURANCE SHALL NOT JUSTIFY FAILURE OR REFUSAL BY THE SUCCESSFUL BIDDER TO ACCEPT DELIVERY OF, OR PAY FOR, THE WARRANTS, OR ANY PORTION THEREOF.

Continuing Disclosure

In order to assist the winning bidder for the Warrants in complying with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, the City will undertake, pursuant to the ordinance by which the City will authorize the issuance of the Warrants, to provide annual reports and notices of certain events respecting the Warrants. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement of the City with respect to the Warrants.

Legal Opinion

The Warrants will be sold subject to the approving opinion of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the City.

It shall be a condition of the obligation of a purchaser to accept delivery of and to pay for the applicable Warrants that, contemporaneously with such delivery and payment, there shall be furnished to the successful bidder, without expense to it, the approval opinion of Bond Counsel to the City in the form attached to the Preliminary Official Statement.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Warrants, but neither the failure to print such numbers on any Warrant nor any error with respect thereto shall constitute a cause for a failure or refusal by the purchaser thereof to accept delivery of or pay for the Warrants. The City's municipal advisor will request the assignment of CUSIP numbers no later than (1) business day after dissemination of this Notice of Sale, in accordance with the Municipal Securities Rulemaking Board Rule G-34. All expenses in relation to the printing of CUSIP numbers on the Warrants will be paid for by the City; provided, however, that the CUSIP Service Bureau charges for the assignment of said numbers will be the responsibility of and will be paid for by the successful bidder.

Concerning the Preliminary Official Statement

The Preliminary Official Statement of the City with respect to the Warrants, which contains further information concerning the Warrants and financial and other information pertaining to the City, may be obtained from PFM, municipal advisor to the City, at the address for PFM set forth above.

The Preliminary Official Statement and the information contained therein have been deemed final by the City as of its date within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, with permitted omissions, but are subject to change without notice and to completion or amendment in the Official Statement in final form.

Official Statement

The City will provide the successful bidder such reasonable number of printed copies of the final Official Statement respecting the Warrants as such bidder may request, no later than seven (7) business days after the day the Warrants are awarded. Up to fifty (50) copies of the final Official Statement will be furnished without

cost to the successful bidder of the Warrants and further copies, if desired, will be made available at the successful bidder's expense.

Right to Modify or Amend

The City reserves the right to modify or amend this Notice of Sale; however, such modifications or amendments shall be made not later than 3:00 o'clock, P.M., Central Time, on the last calendar day prior to the Bid Date and communicated via the PARITY[®] electronic bidding system or IPREO.

Postponement

The City reserves the right to postpone, from time to time, the date established for the receipt of bids of the Warrants. Any such postponement will be announced via the PARITY[®] electronic bidding system or IPREO not later than 3:00 o'clock, P.M., Central Time, on the last calendar day prior to the Bid Date.

Exhibit III
Form of Continuing Disclosure Agreement

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Agreement") is from the **CITY OF HUNTSVILLE, ALABAMA**, a municipal corporation under the laws of the State of Alabama (the "City").

RECITALS:

Contemporaneously with the execution and delivery of this Agreement, the City will issue its \$69,595,000 General Obligation Warrants, Series 2026-A, \$19,290,000 General Obligation Refunding Warrants, Series 2026-B, \$67,335,000 General Obligation School Warrants, Series 2026-C, and \$35,930,000 General Obligation School Refunding Warrants, Series 2026-D (collectively, the "Warrants"). The Warrants are proposed to be issued on or about March 26, 2026, are to be dated March 26, 2026, and are subject to the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission of the United States of America (the "Commission") pursuant to the Securities Exchange Act of 1934. The Warrants are being issued pursuant to the terms of an ordinance (the "Authorizing Ordinance") adopted by the City Council of the City on March 12, 2026. The City understands that a failure of the City to comply with the provisions of this Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Warrants in the secondary market and that such a failure may adversely affect the transferability and liquidity of the Warrants and their market price. There is no "obligated person" as defined in the Rule, with respect to the Warrants other than the City.

NOW, THEREFORE, the City does hereby undertake and agree with the Beneficial Owners of the Warrants as follows:

Section 1. Annual Report of the City. The City hereby agrees, in accordance with the provisions of the Rule, to provide or cause to be provided through the Electronic Municipal Market Access system ("EMMA"), or such other system as may be subsequently authorized by the MSRB, not later than 270 days after the close of each fiscal year of the City (October 1 – September 30), commencing with the fiscal year ending September 30, 2025, a report (the "City's Annual Report") containing:

(i) the audited general purpose financial statements of the City, prepared in accordance with accounting principles generally accepted in the United States of America, and the notes thereto, and

(ii) if not otherwise contained in the Annual Report, the following information for the fiscal year being reported:

(a) receipts of (i) the 6.5 mill general purpose ad valorem tax levied by the City, (ii) TVA Payments in Lieu of Property Taxes, and (iii) Huntsville Utilities Electric Payments in Lieu of Property Taxes, in format similar to the table shown under the heading "SOURCES OF REVENUES – Property Taxes and Payments in Lieu of Taxes" in the Official Statement;

(b) collections of sales and use taxes levied by the City, in format similar to the table shown under the heading "SOURCES OF REVENUES – Sales and License Taxes – Sales and Use Taxes" in the Official Statement;

(c) collections of privilege license taxes levied by the City, in format similar to the table shown under the heading "SOURCES OF REVENUES – Sales and License Taxes – Licenses and Permits" in the Official Statement;

(d) to the extent available from the U.S. Census Bureau, the most recent population estimate for the City; and

(e) to the extent available from applicable taxing authorities, the assessed value of real property in the City, or, to the extent actual assessed values are not available, estimated assessed values of such real property, in format similar (with respect to such real property) to the table shown under the heading "AD VALOREM TAXES – Assessed Valuations" in the Official Statement.

Section 2. Notice of Certain Events. The City agrees to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, through the EMMA system (or such other system subsequently authorized by the MSRB), notice of the occurrence of any of the following events (the "Listed Events") with respect to the Warrants:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with

respect to the tax status of the Warrants, or other material events affecting the tax status of the Warrants;

- (vii) modifications of the rights of holders of the Warrants;
- (viii) calls for redemption, other than scheduled mandatory redemption, of any of the Warrants if material, and notice of tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Warrants;
- (xi) any change in rating on the Warrants;
- (xii) bankruptcy, insolvency, receivership or similar event of the City or of any obligated person respecting the Warrants;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the City or any obligated person respecting the Warrants (each, an "Obligated Person") or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement related to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material;
- (xv) incurrence of a Financial Obligation of an Obligor, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligor, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the

terms of a Financial Obligation of an Obligor, any of which reflect financial difficulties.

As used herein, "Financial Obligation" shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of (a) or (b). The term financial obligation does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB under the Rule.

Section 3. Failure to File Annual Report; Additional Information. The City shall also provide notice as required under the Rule respecting any failure to timely file an Annual Report as aforesaid. The City may from time to time choose to provide other information in addition to the information and notices listed above, but the City does not undertake in this Agreement to commit to provide any such additional information or to update or to continue to provide such additional information or notices once provided.

Section 4. Beneficiaries and Enforcement. The City agrees that its undertakings pursuant to the Rule set forth in this Agreement are intended to be for the benefit of the holders and beneficial owners of the Warrants and shall be enforceable by such holders. No failure by the City to comply with its obligations under this Agreement shall constitute an event of default under the Authorizing Ordinance.

Section 5. Amendment. This Agreement may be amended without the consent of any holders of the Warrants if:

(a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City;

(b) this Agreement, as so amended, would have complied with the requirements of the Rule at the time of the execution thereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the City receives an opinion of nationally recognized bond counsel that such amendment does not materially impair the interests of any of the holders of the Warrants.

IN WITNESS WHEREOF, this Agreement has been duly executed by and on behalf of the City by its Mayor and attested by its City Clerk, all as of the 26th day of March, 2026.

CITY OF HUNTSVILLE, ALABAMA

By: _____
Mayor

Attest:

City Clerk

Exhibit IV
Form of Escrow Trust Agreement

ESCROW TRUST AGREEMENT

between

CITY OF HUNTSVILLE

and

REGIONS BANK

Dated March 26, 2026

This **ESCROW TRUST AGREEMENT** is dated March 26, 2026, and entered into by and between the **CITY OF HUNTSVILLE**, a municipal corporation under the laws of the State of Alabama (herein called the "City"), and **REGIONS BANK**, an Alabama banking corporation (herein called the "Escrow Trustee").

RECITALS:

The City makes the following recitals and representations as the basis for the undertakings herein contained:

(1) Pursuant to Ordinance No. 14-625 adopted by the Council on August 28, 2014 (the "2014-C Ordinance"), the City issued its \$27,045,000 General Obligation School Refunding and Capital Improvement Warrants, Series 2014-C, dated the date of their original delivery (the "Series 2014-C Warrants"), which are presently outstanding, bear interest at such rates, and mature or are subject to mandatory redemption on September 1 in the years and principal amounts, as follows:

Maturity Date (September 1)	Principal Amount	Interest Rate
2026	\$3,660,000	5.000%
2027	3,840,000	5.000
2029	4,215,000	5.000

(2) Pursuant to Ordinance No. 16-432 adopted by the Council on June 14, 2016 (the "2016 Ordinance"), the City issued its \$35,725,000 initial aggregate principal amount of General Obligation Warrants, Series 2016-A, dated the date of their original delivery (the "Series 2016-A Warrants"), which are presently outstanding, bear interest at such rates, and mature on May 1 in the years and principal amounts, as follows:

Maturity Date (May 1)	Principal Amount	Interest Rate
2026	\$1,845,000	5.000%
2027	1,940,000	5.000
2028	2,035,000	5.000
2029	2,140,000	5.000
2030	2,245,000	5.000
2031	2,355,000	5.000
2032	2,475,000	5.000
2033	2,600,000	5.000
2034	2,730,000	5.000
2035	2,865,000	5.000
2036	3,010,000	5.000

(3) Pursuant to the 2016 Ordinance, the City issued its \$29,890,000 initial principal amount General Obligation School Warrants, Series 2016-B, dated the date of their original

delivery (the "Series 2016-B Warrants"), which are presently outstanding, bear interest at such rates, and mature on May 1 in the years and principal amounts, as follows:

Maturity Date (May 1)	Principal Amount	Interest Rate
2026	\$1,385,000	5.000%
2027	1,880,000	5.000
2028	2,280,000	5.000
2029	2,390,000	5.000
2030	2,510,000	5.000
2031	2,635,000	5.000
2032	2,770,000	5.000
2033	2,910,000	5.000
2034	3,055,000	5.000
2035	3,205,000	5.000
2036	3,365,000	5.000

(4) The various series of warrants described above may be redeemed and retired, at the option of the City, prior to their stated dates of maturity, as follows:

(i) under and pursuant to the 2014-C Ordinance, those of the Series 2014-A Warrants maturing on and after August 1, 2025 may be called for redemption and payment by the City, in whole or in part, on August 1, 2024, and on any date thereafter, at and for a redemption price equal to 100% of the principal amount of Series 2014-C Warrants called for redemption plus accrued interest thereon to the date set for redemption;

(ii) under and pursuant to the 2016 Ordinance, those of the Series 2016-A Warrants maturing on and after May 1, 2027 may be called for redemption and payment by the City, in whole or in part, on May 1, 2026, and on any date thereafter, at and for a redemption price equal to 100% of the principal amount of Series 2016-A Warrants called for redemption plus accrued interest thereon to the date set for redemption;

(iii) under and pursuant to the 2016 Ordinance, those of the Series 2016-B Warrants maturing on and after May 1, 2027 may be called for redemption and payment by the City, in whole or in part, on May 1, 2026, and on any date thereafter, at and for a redemption price equal to 100% of the principal amount of Series 2016-B Warrants called for redemption plus accrued interest thereon to the date set for redemption;

(5) On March 12, 2026, the City Council of the City (the "Council") adopted an ordinance (the "Authorizing Ordinance") under which the City determined to defease, redeem, pay, and retire (i) all of the Series 2014-C Warrants, (ii) those of the Series 2016-A Warrants maturing on May 1, 2027, and thereafter (the "Called Series 2016-A Warrants"), and (iii) those

of the Series 2016-B Warrants maturing on May 1, 2027, and thereafter (the "Called Series 2016-B Warrants").

(6) In order to provide the funds necessary to effect the defeasance, payment and redemption, as the case may be, of the Series 2014-C Warrants, the Called Series 2016-A Warrants, and the Called Series 2016-B Warrants (collectively, from time to time, the "Defeased Warrants") as aforesaid, the City is entering into this Agreement.

NOW, THEREFORE, in consideration of the premises and the respective agreements on the part of the City and the Escrow Trustee herein contained, the City and the Escrow Trustee hereby agree as follows:

Section 1. **The Escrow Fund.** There is hereby created a special irrevocable trust fund which shall be maintained as a separate fund and not commingled with any other funds of the Escrow Trustee, the full name of which shall be the "Defeased Warrants Escrow Fund" (herein called the "Escrow Fund"), and which shall be applied for the redemption and payment of the Refunded Warrants as hereinafter specified.

Section 2. **Deposits to Escrow Fund; Investment of Escrow Fund.** (a) The City hereby deposits with the Escrow Trustee cash in the amount of \$60,990,958.31 for the defeasance, payment and redemption of the Defeased Warrants (the "Escrow Fund Cash Deposit").

(b) Contemporaneously with the delivery of this Escrow Trust Agreement, the Escrow Trustee shall cause \$60,990,957.00 of the deposit referred to in (a) immediately above to be invested in direct obligations of the United States of America as described on Appendix I hereto (all such direct obligations of the United States of America being herein called the "Federal Securities"), with the remaining amount of \$1.31 to be held on deposit in the Escrow Fund and used for the defeasance, payment and redemption of the Defeased Warrants or as otherwise directed in writing to the Escrow Trustee by the Finance Director of the City.

(c) The Escrow Trustee shall receive all remittances paid or remitted by the United States of America with respect to investments in the funds hereinabove described, and the Escrow Trustee shall make any presentment for payment that may be necessary or appropriate with respect to any of the securities on deposit in the Escrow Fund hereinabove described.

(d) No investment of moneys on deposit in the Escrow Fund herein described shall be made except in accordance with this Section 2.

(e) Except as set forth in Section 3 hereof, (i) any balance of the amounts deposited with the Escrow Trustee and into the Escrow Fund described above not used to purchase Federal Securities shall be held as uninvested cash in the Escrow Fund, and (ii) any balance of the amounts deposited with the Escrow Trustee and into the Escrow Fund described above not used to purchase Federal Securities shall be held as uninvested cash in the Escrow Fund.

Section 3. **Application of the Escrow Fund.** (a) The Escrow Trustee shall apply all amounts and proceeds of investments in the Escrow Fund solely for the payment of the

redemption price of the Series 2014 Warrants through and including April 27, 2026 (the "2014-C Redemption Date) and the redemption price of the Called Series 2016-A Warrants and the Called Series 2016-B Warrants through and including May 1, 2026 (the "2016 Redemption Date").

Section 4. Sufficiency of Escrow Fund; Remaining Funds. (a) Based upon information and advice provided by Robert Thomas CPA, LLC, verification agent, if the principal of and interest on the escrow securities in the Escrow Fund are paid according to their terms, the payment of such principal and interest, together with all uninvested cash in the Escrow Fund, will produce amounts sufficient to make full and timely payment of the redemption price of the Series 2014-C Warrants due on the 2014-C Redemption Date, and the Called 2016-A Warrants and Called 2016-B Warrants due on the 2016 Redemption Date. Upon the funding and investment of the Escrow Fund as set forth in this Agreement, the Defeased Warrants shall be deemed and considered paid in full and no longer outstanding.

(b) Any moneys remaining on deposit in the Escrow Fund and not needed for payment and redemption of the Defeased Warrants shall be paid over to the City as directed in writing to the Escrow Trustee by the Mayor or the Finance Director of the City.

Section 5. Provisions for Redemption of Defeased Warrants. The City hereby irrevocably designates the Escrow Trustee as its agent to effect, in accordance with the provisions of the ordinances described above and under which the Defeased Warrants were issued (the "Defeased Warrants Ordinances"), the defeasance, redemption, and payment of the Defeased Warrants, and the call for early redemption of the Series 2014-C Warrants, the Called Series 2016-A Warrants and the Called Series 2016-B Warrants. Without limiting the generality of the foregoing, the City hereby irrevocably designates the Escrow Trustee as its agent, and hereby confers on the Escrow Trustee irrevocable powers, to mail, in accordance with the Defeased Warrants Ordinances, to the registered owners of the Defeased Warrants a notice of such redemption. The City agrees that it will not repeal, revoke or amend the provisions of the Authorizing Ordinance with respect to those provisions under which the City has called for redemption and payment the Defeased Warrants.

Section 6. Compensation to the Escrow Trustee. The City will pay to the Escrow Trustee reasonable compensation for its services hereunder, and the City will, in addition, reimburse the Escrow Trustee for all reasonably necessary expenses (including reasonable attorneys' fees) incurred hereunder. If the Escrow Trustee is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto (other than due to the Escrow Trustee's negligence or willful misconduct), the Escrow Trustee shall notify the City of the same in writing and the City shall promptly pay the Escrow Trustee for such extraordinary fees, costs and expenses reasonably and necessarily incurred in connection therewith (including reasonable attorneys' fees, if any). The Escrow Trustee agrees, however, that its charges and expenses hereunder shall in no event be payable from or constitute a charge on the Escrow Fund herein created or any part thereof.

Section 7. Amendments to Escrow Trust Agreement. The parties hereto may, with the written consent of the Escrow Trustee but without the consent of or notice to the holders of

the Defeased Warrants, at any time and from time to time, amend this Escrow Trust Agreement for any one or more of the following purposes:

- (i) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein; or
- (ii) to make subject to the trust created herein additional funds, securities or properties.

With respect to all questions arising under this Section 7, the Escrow Trustee shall be entitled to conclusively rely upon the opinion of nationally recognized bond counsel acceptable to it.

Section 8. **Beneficiaries of this Agreement; Counterparts.** This Escrow Trust Agreement shall be binding upon, and shall inure to the benefit of, the holders of the Defeased Warrants. This Escrow Trust Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

Section 9. **Governing Law.** The provisions of this Escrow Trust Agreement shall be governed by the laws of the State of Alabama, without regard to conflict of law principles.

Section 10. **Concerning the Escrow Trustee.** It is expressly understood and agreed that the Escrow Trustee's duties and obligations in connection with this Escrow Trust Agreement are confined to those expressly defined herein and no additional covenants or obligations shall be read into this Escrow Trust Agreement. The Escrow Trustee may consult with its counsel with respect to any question relating to the duties or responsibilities of the Escrow Trustee hereunder or otherwise in connection therewith and, with the exception of the investment and application of funds deposited with the Escrow Trustee hereunder shall not be liable for any action taken, suffered or omitted by the Escrow Trustee in good faith upon the advice of such counsel. The Escrow Trustee may act through its agents and attorneys. The Escrow Trustee may conclusively rely upon and shall be fully protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, letter, telegram or other paper or document in good faith deemed by the Escrow Trustee to be genuine and correct and to have been signed or sent by the proper person or persons. The Escrow Trustee shall not be required to expend its own funds for the performance of its duties hereunder. The Escrow Trustee shall not be liable for any action taken or neglected to be taken in the performing or the attempting of the performing of its obligation hereunder other than for its negligence or willful misconduct.

IN WITNESS WHEREOF, each of the City and the Escrow Trustee has caused this instrument to be duly executed and attested.

CITY OF HUNTSVILLE

By: _____
Mayor

Attest: _____
Finance Director

REGIONS BANK

By: _____

Its: _____

[SEAL]

Attest: _____

Its: _____

APPENDIX I