



## County of Sacramento

July 18, 2025

Dear Bondholder:

The County of Sacramento, California (the “County”), appreciates your investment in one or more Series of its outstanding Airport System Bonds as listed in Appendix A attached to this letter (collectively, the “Target Bonds”).

You are receiving this letter because the County is inviting you *to tender your Target Bonds for purchase by the County for cash* in connection with a potential refinancing of a portion of the County’s outstanding debt. This offer is further described in the Invitation to Tender for Purchase, dated July 18, 2025 (the “Invitation”) and is subject solely to the terms and conditions in the Invitation. Capitalized terms used but not otherwise defined herein have the meanings assigned thereto in the Invitation. *Please see below for directions regarding how to access the Invitation and related documents via the web.*

### Background

The Invitation is part of a plan by the County to refinance certain of the outstanding Target Bonds. As part of the plan, the County intends to purchase those Target Bonds tendered and accepted by the County pursuant to the Invitation, using proceeds from the County’s Airport System Senior Revenue Refunding Bonds, Series 2025B (Non-AMT), Airport System Senior Revenue Refunding Bonds, Series 2025C (Non-AMT Private Activity), Airport System Subordinate Revenue Refunding Bonds, Series 2025E (Non-AMT), and Airport System Subordinate Revenue Refunding Bonds, Series 2025F (Non-AMT Private Activity) (as more fully described in the Preliminary Official Statement, dated July 18, 2025, which is attached as APPENDIX A to the Invitation).

### What is the Purchase Price for my Bonds?

Each Bondholder is invited by the County to tender for purchase, for payment in cash, all or part of its beneficial ownership interests in the Target Bonds. The applicable purchase prices for the Target Bonds will be based on the applicable Purchase Yield for such Target Bonds. The Purchase Yield for each Target Bond will be the sum of the yield on the relevant Reference BVAL Index<sup>1</sup> plus a fixed spread. See Appendix A attached hereto for the fixed spreads the County expects to pay for tendered Target Bonds. In addition to the Purchase Prices, Bondholders tendering Target Bonds that are validly tendered and accepted for purchase by the County will receive accrued and unpaid interest up to, but not including, the Settlement Date.

An illustrative pricing example for the Target Bonds is provided in Appendix A attached hereto. THIS EXAMPLE IS BEING PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY AND IS NOT TO BE RELIED UPON BY ANY BONDHOLDER AS AN INDICATION OF THE PURCHASE YIELD OR PURCHASE PRICES OF THE TARGET BONDS.

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<sup>1</sup> The Reference BVAL Index for each Target Bond will be the month and year of the Maturity Date for such Target Bond. The Reference Yield will be based on the yield for the applicable Reference BVAL Index, as set forth in the Monthly Value Table as of 10:00 a.m., New York City time, on August 5, 2025, as shown on the EMMA Website at the following address:  
<https://emma.msrb.org/ToolsAndResources/BloombergYieldCurve?daily=True>.

On August 5, 2025, the County expects to determine the Purchase Prices for the Target Bonds pursuant to the calculations described in the Invitation and will publish such results in its “Notice of Purchase Prices.”

*In deciding whether and, if so, how to respond to the Invitation, you should contact your broker, account executive, financial advisor and/or other professional to discuss an offer to sell your Target Bonds and the options available to you.*

#### **What Happens if I Choose Not to Participate?**

Bondholders who do not tender their Target Bonds pursuant to the Invitation, as well as Bondholders who tender Target Bonds for purchase that the County chooses not to accept, will continue to hold such Target Bonds in their account unchanged by virtue of the Invitation.

**The deadline to offer your Target Bonds for purchase is August 1, 2025 at 5:00 p.m. New York City time unless extended or earlier terminated.** Should you wish to participate, please contact your bank, broker or other financial advisor **in advance of this date** so that they may have sufficient time to relay your instructions to the County prior to expiration of the Invitation.

This brief letter does not provide all of the information that you need to consider with respect to the Invitation. The County’s invitation to tender Target Bonds for purchase is only being made pursuant to the Invitation. **Bondholders are urged to carefully read the Invitation because it contains information, including the various terms of and conditions of the Invitation that Bondholders should consider before making any decision regarding tendering their Target Bonds.**

The Invitation is available electronically on the website of the Information Agent at [www.globic.com/sacramento](http://www.globic.com/sacramento), (scan the QR Code below), as well as the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Target Bonds listed in Appendix A hereto. Upon expiration of the Invitation, the County will post notices regarding the results of the Invitation on these same weblinks.



Institutional investors with questions about the Invitation should contact the Dealer Manager at:

**BofA Securities, Inc.**

One Bryant Park, 12th Floor New York, New York 10036

Attn: Contact your BofA Securities representative or the Municipal Liability Management Group

Tel: (646)743-1362

Email: [dg.muni-lm@bofa.com](mailto:dg.muni-lm@bofa.com)

Individual investors and their brokers, account executives, financial advisors and/or other appropriate professionals with questions about the Invitation should contact the Information Agent, Robert Stevens of Globic Advisors, at: (212) 227-9622 or by email: [rstevens@globic.com](mailto:rstevens@globic.com).

Please note that the County retains the right to extend, amend or withdraw the Invitation at any time through and including the Expiration Date (i.e., August 1, 2025, at 5:00 p.m. New York City Time) (unless earlier terminated or extended), provided, that the County shall provide notice of any such extension or amendment no less than five business days prior to the Expiration Date, as it may be extended, all as more fully described in the Invitation.

Thank you for taking the time to consider the Invitation.

**COUNTY OF SACRAMENTO, CALIFORNIA**

## Appendix A

### ILLUSTRATIVE PURCHASE PRICE CALCULATIONS<sup>(1)</sup> (BVAL Index as of July 16, 2025)

The yield on the Reference BVAL Index will be determined at approximately 10:00 a.m., New York City time on August 5, 2025.

The following table provides an illustration of the Purchase Prices based on yields for the applicable Reference BVAL Index as of July 16, 2025 at approximately 10:00 a.m., New York City time and the Fixed Spreads. *This example is being provided for convenience only and is not to be relied upon by a Bondholder as an indication of the Purchase Yield or Purchase Price that may be paid by the County.*

Based on these BVAL Index yields, the Purchase Prices in the following table would be derived.

Target Bonds Series	CUSIP <sup>†</sup>	Maturity Date	Optional Redemption Date at Par	Interest Rate	Reference Date for BVAL Curve	Illustrative BVAL Yield	Fixed Spreads (bps) <sup>(3)</sup>	Illustrative Purchase Yield	Illustrative Purchase Price per \$1,000 Principal Amount
Senior 2016A	786107PC0	7/1/2041 <sup>(2)</sup>	7/1/2026	5.000%	Jul-2041	3.964%	-17.0	3.794%	\$1,010.10
Senior 2018B	786107QX3	7/1/2031	7/1/2028	5.000	Jul-2031	2.733	-27.0	2.463	1,069.70
Senior 2018B	786107QY1	7/1/2032	7/1/2028	5.000	Jul-2032	2.845	-27.0	2.575	1,066.50
Senior 2018B	786107QZ8	7/1/2033	7/1/2028	5.000	Jul-2033	2.981	-27.0	2.711	1,062.63
Senior 2018B	786107RA2	7/1/2034	7/1/2028	5.000	Jul-2034	3.093	-23.0	2.863	1,058.32
Senior 2018B	786107RB0	7/1/2035	7/1/2028	5.000	Jul-2035	3.255	-20.0	3.055	1,052.91
Senior 2018B	786107RC8	7/1/2036	7/1/2028	5.000	Jul-2036	3.368	-13.0	3.238	1,047.78
Senior 2018B	786107RD6	7/1/2037	7/1/2028	5.000	Jul-2037	3.486	-10.0	3.386	1,043.65
Senior 2018B	786107RE4	7/1/2038	7/1/2028	5.000	Jul-2038	3.612	-5.0	3.562	1,038.78
Subordinate 2016B	786107PD8	7/1/2035	7/1/2026	5.000	Jul-2035	3.255	-30.0	2.955	1,017.28
Subordinate 2016B	786107PE6	7/1/2036	7/1/2026	5.000	Jul-2036	3.368	-20.0	3.168	1,015.45
Subordinate 2016B	786107PF3	7/1/2041 <sup>(2)</sup>	7/1/2026	5.000	Jul-2041	3.964	-7.0	3.894	1,009.25
Subordinate 2018E	786107SU7	7/1/2031	7/1/2028	5.000	Jul-2031	2.733	-17.0	2.563	1,066.84
Subordinate 2018E	786107SV5	7/1/2032	7/1/2028	5.000	Jul-2032	2.845	-17.0	2.675	1,063.65
Subordinate 2018E	786107SW3	7/1/2033	7/1/2028	5.000	Jul-2033	2.981	-17.0	2.811	1,059.79
Subordinate 2018E	786107SX1	7/1/2034	7/1/2028	5.000	Jul-2034	3.093	-13.0	2.963	1,055.50
Subordinate 2018E	786107SY9	7/1/2035	7/1/2028	5.000	Jul-2035	3.255	-10.0	3.155	1,050.10

<sup>†</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the County, the Dealer Manager or the Information Agent and Tender Agent takes any responsibility for the accuracy of such numbers.

<sup>(1)</sup> Purchase Prices will be determined using the methodology set forth under the caption “INTRODUCTION—Determination of Purchase Prices” in the Invitation. This Appendix A contains illustrative Purchase Prices as of July 16, 2025. The actual Purchase Prices will be determined through the methodology set forth under the caption “INTRODUCTION—Determination of Purchase Prices” in the Invitation. For each CUSIP the calculation of the Purchase Price may be performed to either the maturity date or the optional redemption date at par, in accordance with standard market convention. See APPENDIX C to the Invitation for an overview of the calculation of the Purchase Price (including additional detail regarding the use of optional redemption dates at par in such calculations).

<sup>(2)</sup> Term Bond.

<sup>(3)</sup> Fixed spreads are shown in basis points and do not include Accrued Interest on the Target Bonds tendered for purchase. Accrued Interest on the Target Bonds tendered and accepted for purchase will be paid by the County to but not including the Settlement Date in addition to the applicable Purchase Price.