

Tax Note, Series 2024 Sale Overview

City of Wolfforth, Texas

August 26, 2024



Vince Viaille | Managing Director
Office 214.373.3911 | Cell 806.773.4546
vince@spfmuni.com

Paul Jasin | Managing Director
Office 214.373.3911 | Cell 214.288.7898
paul@spfmuni.com

Patrick Smith | Managing Director
Office 214.373.3911 | Cell 214.499.0412
patrick@spfmuni.com



SPECIALIZED PUBLIC FINANCE INC.
FINANCIAL ADVISORY SERVICES

Sale Overview

Tax Note, Series 2024

- Specialized Public Finance Inc. (“SPFI”) competitively bid directly to banks the Tax Note, Series 2024 (the “Note”).
- The net proceeds of the Note will be used to fund \$2,000,000 of capital improvements.
- The Note will mature on February 15, 2031.
- The City received five (5) bids on the Note with Huntington submitting the lowest bid at 3.57%. All bids are detailed within the presentation.
- Closing is scheduled for September 19, 2024, at which time the proceeds from the issuance will be available to the City.

List of Banks who Received the Term Sheet to Bid

▪ List of Banks Receiving the Term Sheet (70):

- **ABC Bank**
- Alliance Bank
- Amarillo National Bank
- Amegy Bank/Zions Bank
- American National Bank
- Bank of America
- Bank of Texas
- Broadway Bank
- Capital One Public Funding, LLC
- Citizens 1st Bank
- Citizens National Bank
- Citizens State Bank
- **City Bank**
- Civitas Capital
- Commerce Street Capital
- Community Bank of Texas, N.A.
- Community National Bank
- Citizens National Bank – San Saba
- **First Bank & Trust**
- **First Convenience Bank**
- First Financial Bank, N.A.
- First Internet Public Finance Corp
- First National Bank – Albany, TX
- First National Bank of Hughes Springs
- First National Bank of Texas
- **First State Bank/First Class Banking**
- **First United Bank**
- First Texas Bank – Lampasas
- Flagstar Public Funding Corp
- Frost Bank
- Guaranty Bank & Trust
- **Happy State Bank – Wolfforth**
- Horizon Bank, SSB, Austin, TX
- Huntington Bank
- Independent Financial
- InterBank
- KeyBanc Government Finance, Inc.
- JPMorgan Chase
- Lamesa National Bank
- Lone Star Capital Bank
- Lone Star National Bank, TX
- **Lubbock National Bank**
- MidFirst Bank
- Mineola Community Bank
- Ozona National Bank
- **PNC Bank**
- Pilgrim Bank
- Pinnacle Public Finance
- **Prosperity Bank**
- Regions Bank
- Security State Bank – South Texas
- Sentry Management, Inc.
- Simmons Bank
- Sonora Bank San Angelo
- Southside State Bank
- Sterling National Bank
- Texas Bank
- Texas Capital Bank
- Texas National Bank
- The Bank & Trust
- The Pecos County State Bank
- TIB - The Independent Bankers Bank
- Truist
- TXN Bank
- UBank
- Vantage Bank
- Webster Bank
- Wells Fargo Bank, N.A.
- Western Bank
- Wellington State Bank

Note:

Banks in bold represent banks with a presence in or near the City.

Sale Overview

Tax Note, Series 2024

- The City received five (5) bids on the Note:
 1. **3.57% Huntington Bank** (Callable anytime at 102% until February 15, 2027; callable at par thereafter)
 - Fees: \$3,000 Legal fee + MAC fee. Paying Agent Services \$500 annually.
 2. **3.69% Webster Bank** (Callable beginning February 15, 2028 at par.)
 - Fees: \$3,000 Legal fee + MAC fee.
 3. **3.87% Regions Bank** (Callable anytime at par)
 - Fees: \$3,500 Legal fee + \$606 MAC Fee. Paying Agent Services \$750 annually.
 4. **4.21% Amegy Bank, a Division of Zion's Bancorporation, N.A.** (Callable anytime at par)
 - Fees: MAC fee. Paying Agent Services at no cost.
 5. **Frost Bank**
 - **4.40%** - Non-Callable
 - **4.50%** - Callable after 5 Years
 - **4.60%** - Callable after 3 Years
 - Fees: \$3,500 Legal fee + MAC Fee. Paying Agent Services at no cost.

Amortization Schedule for the Note

Final Maturity on February 15, 2031

- The first payment on the Note is \$299,825 on February 15, 2025.

Total Sources of Funds	
Par Amount	\$2,060,000
Total Sources	\$2,060,000
Total Uses of Funds	
Estimated Costs of Issuance	\$60,000
Deposit to Project Construction Fund	2,000,000
Total Uses	\$2,060,000



Date	2025 Tax Notes ⁽¹⁾			
	Closing: Sep. Principal	TIC: 3.57% Interest	Total P+I	Fiscal Total
9/19/2024	\$ -	\$ -	\$ -	\$ -
2/15/2025	270,000	29,825	299,825	-
8/15/2025	-	31,952	31,952	-
9/30/2025	-	-	-	331,777
2/15/2026	270,000	31,952	301,952	-
8/15/2026	-	27,132	27,132	-
9/30/2026	-	-	-	329,084
2/15/2027	280,000	27,132	307,132	-
8/15/2027	-	22,134	22,134	-
9/30/2027	-	-	-	329,266
2/15/2028	295,000	22,134	317,134	-
8/15/2028	-	16,868	16,868	-
9/30/2028	-	-	-	334,002
2/15/2029	305,000	16,868	321,868	-
8/15/2029	-	11,424	11,424	-
9/30/2029	-	-	-	333,292
2/15/2030	315,000	11,424	326,424	-
8/15/2030	-	5,801	5,801	-
9/30/2030	-	-	-	332,225
2/15/2031	325,000	5,801	330,801	-
9/30/2031	-	-	-	330,801
	\$ 2,060,000	\$ 260,447	\$ 2,320,447	\$ 2,320,447

Assumptions:

(1) Based on winning bid.

Financing Timeline

August							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3	1	2	3	4	5	6	7
4	5	6	7	8	9	10	8	9	10	11	12	13	14
11	12	13	14	15	16	17	15	16	17	18	19	20	21
18	19	20	21	22	23	24	22	23	24	25	26	27	28
25	26	27	28	29	30	31	29	30					

 Denotes City Council Meeting Date
 Denotes Closing Date

Date	Task
Friday, August 9, 2024	Bank Placement Agent to distribute a term sheet and the City’s financial information to local, regional, and national banks for the Notes.
Thursday, August 22, 2024	The Bank Placement Agent to receive bids from Banks for the Notes. (2:00 PM)
Monday, August 26, 2024	<u>Council Meeting - Award</u> – Bid results provided to the Council by SPFI. The Council awards the Notes to the winning bidder. (6:00 PM)
Thursday, September 19, 2024	<u>Delivery Date</u> – The City receives the Notes proceeds.

History of Municipal Interest Rates

Bond Buyer's Index

History of Municipal Interest Rates Since 1961



Recommendation

Specialized Public Finance Inc.,

Recommends the City of Wolfforth award

\$2,060,000 Tax Notes, Series 2024

to

Huntington Bank.