City of Seguin, Texas

City of Seguin Refunding Analysis | April 8, 2019

Duane Westerman
SENIOR MANAGING DIRECTOR
210.832.9760 — SAN ANTONIO
210.861.1195— CELL
DWESTERMAN@SAMCOCAPITAL.COM

Nick Westerman
DIRECTOR
210.832.9760 — SAN ANTONIO
210.232.3581 — CELL
NWESTERMAN@SAMCOCAPITAL.COM

Allen Westerman
MANAGING DIRECTOR
210.832.9760 — SAN ANTONIO
210.219.1169 — CELL
AWESTERMAN@SAMCOCAPITAL.COM

SEGUIN TEXAS

It's real.

Refunding Analysis

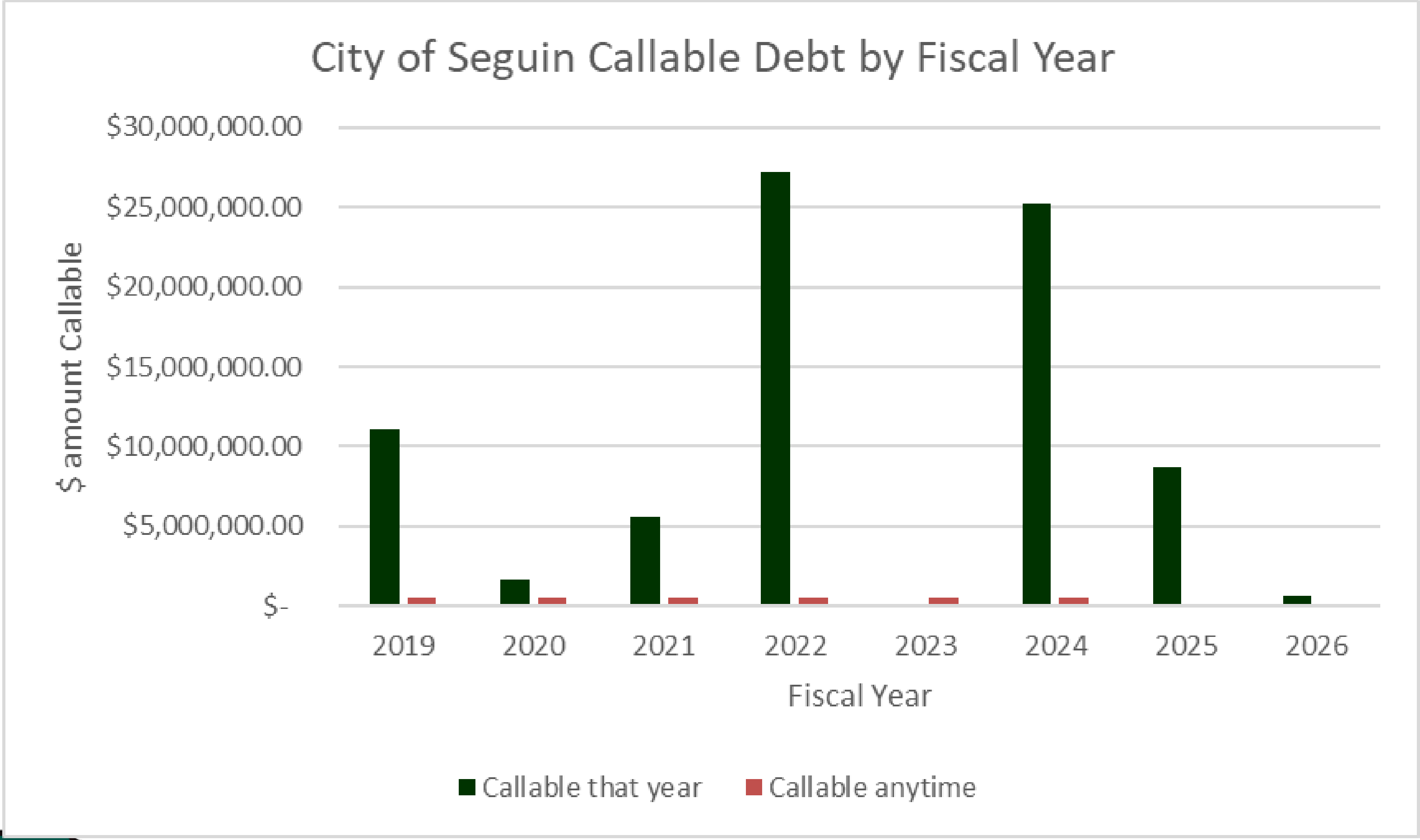
City of Seguin, Texas
General Obligation Debt Analysis
2/1/2019

Issue	Mtys Outstanding	Call Feature	Coupon Range	Par Outstanding	Callable Par	Refund for Savings? 2/1/2019
Comb Tax and Ltd Pledge Rev CO, Series 2010	9/1/2019-9/1/2031	9/1/2019	2.00%-4.25%	10,010,000	9,850,000	Yes
General Obligation Refunding Bonds, Series 2011	9/1/2019-9/1/2021	9/1/2019	2.00%-3.50%	1,040,000	655,000	No
Comb Tax and Ltd Pledge Rev CO, Series 2011	9/1/2019-9/1/2031	9/1/2020	2.00%-3.00%	1,700,000	1,500,000	No
General Obligation Refunding Bonds, Series 2013	2/1/2019-2/1/2024	2/1/2021	1.51%	5,625,000	2,660,000	No
Comb Tax and Ltd Pledge Rev CO, Series 2013	9/1/2019-9/1/2028	9/1/2022	2.70%	1,640,000	1,000,000	No
General Obligation Bonds, Series 2014	9/1/2019-9/1/2034	9/1/2022	3.00%-6.00%	18,775,000	17,340,000	No
General Obligation Refunding Bonds, Series 2014	9/1/2019-9/1/2026	9/1/2022	2.00%-4.00%	6,740,000	4,015,000	No
General Obligation Refunding Bonds, Series 2015	9/1/2019-9/1/2028	9/1/2024	2.00%-5.00%	12,960,000	6,400,000	No
Comb Tax & Ltd Rev C/O Series 2016	9/1/2019-9/1/2036	9/1/2024	3.00%-5.00%	12,245,000	11,075,000	No
Comb Tax & Ltd Rev C/O Series 2016A	9/1/2019-9/1/2037	9/1/2025	3.75%-5.50%	8,700,000	7,235,000	No
Tax Notes Series 2017	2/1/2020-2/1/2024	Anytime	1.785%	650,000	650,000	No
Tax Notes Series 2018	3/15/2019-3/15/2021	None	2.25%	488,000		No
Comb Tax & Ltd Pledge Rev C/O Series 2018	9/1/2019-9/1/2038	9/1/2026	3.00%-5.00%	6450000	4,850,000	No
				87,023,000	67,230,000	

SEGUIN TEXAS
It's real.

SAMCO Capital

Refunding Analysis



SEGUIN TEXAS

It's real.

SAMCO Capital

Refunding Analysis

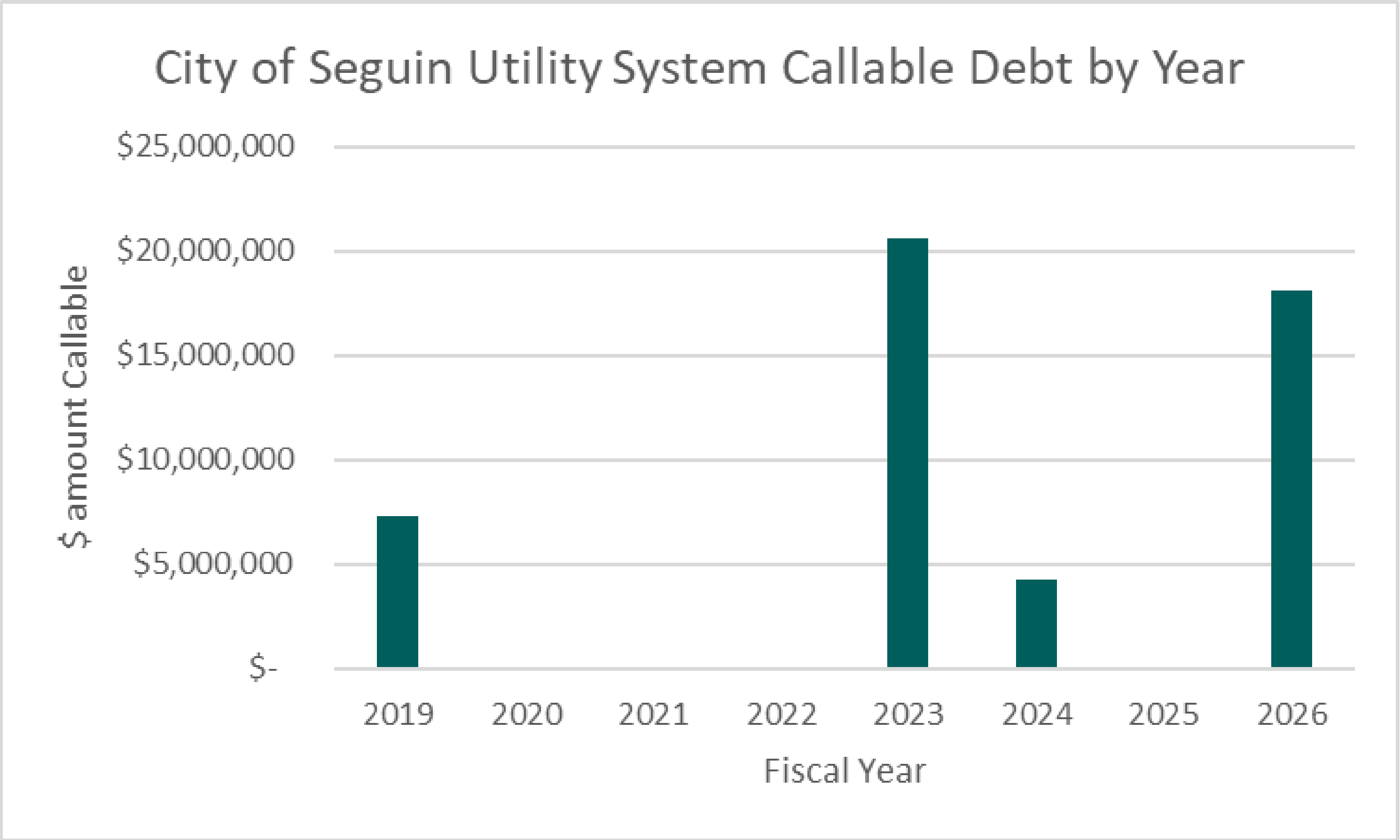
City of Seguin, Texas
Utility System Debt Analysis
2/4/2019

Issue	Mtys Outstanding	Call Feature	Coupon Range	Par Outstanding	Callable Par	Refund for Savings? 2/4/2019
Utility System Revenue Bonds, Series 2010	2/1/2019-2/1/2031	2/1/2019	2.00%-4.00%	7,325,000	7,240,000	Yes
Utility System Revenue Bonds, Series 2014	2/1/2019-2/1/2037	2/1/2023	3.00%-5.00%	20,635,000	17,885,000	No
Utility System Revenue Bonds, Series 2016	2/1/2019-2/1/2037	2/1/2024	3.00%-5.00%	4,230,000	3,505,000	No
Utility System Revenue Bonds, Series 2017	2/1/2019-2/1/2037	2/1/2026	3.00%-4.00%	8,225,000	6,005,000	No
Utility System Revenue Bonds, Series 2018	2/1/2019-2/1/2038	2/1/2026	3.25%-5.00%	9,900,000	8,175,000	No
				50,315,000	42,810,000	

SEGUIN TEXAS
It's real.

SAMCO Capital

Refunding Analysis



SEGUIN TEXAS
It's real.

SAMCO Capital

Bonds Eligible for Refunding

Bonds that are Eligible for Refunding by Component

Comb Tax & Ltd Pledge Rev C/O Series 2010 Callable 9/1/2019

	Maturity Value	Coupon
2020	$165,000	3.000%
2021	$180,000	4.000%
2022	$190,000	4.000%
2023	$205,000	4.000%
2024	$205,000	4.000%
2025	$215,000	4.000%
2026	$225,000	4.000%
2027	$390,000	4.000%
2028	$385,000	4.000%
2029	$2,480,000	4.125%
2030	$2,560,000	4.125%
2031	$2,650,000	4.250%
	$9,850,000	

Utility System Revenue Bonds, Series 2010 Callable 6/15/2019

	Maturity Value	Coupon
2020	$85,000	4.000%
2021	$85,000	4.000%
2022	$95,000	4.000%
2023	$95,000	4.000%
2024	$205,000	4.000%
2025	$750,000	4.000%
2026	$745,000	4.000%
2027	$990,000	4.000%
2028	$1,030,000	4.000%
2029	$1,065,000	4.000%
2030	$1,055,000	4.000%
2031	$1,040,000	4.000%
	$7,240,000	

SEGUIN TEXAS

It's real.

SAMCO Capital

Refunding Scenario

CITY OF SEGUIN, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2019 - Proposed

This Refunding Includes a General Obligation Refunding Component and a Utility System Revenue Component

FISCAL YEAR 30-Sep	ORIGINAL DEBT SERVICE REQUIREMENTS	The Refunding Bonds PRINCIPAL DUE 3/1	*INTEREST RATE*	INTEREST DUE 3/1	INTEREST DUE 9/1	TOTAL	***Total Annual Savings***	***Annual Savings Gen Oblig Portion***	***Annual Savings Utility System Portion***
2019	347,437.50	-	***2.00%***		143,492.22	143,492.22	***(0.00)***	-	
2020	943,175.00	110,000	***4.00%***	339,850.00	337,650.00	787,500.00	***155,675.00***	***96,275.00***	***59,400.00***
2021	949,825.00	120,000	***4.00%***	337,650.00	335,250.00	792,900.00	***156,925.00***	***94,625.00***	***62,300.00***
2022	959,025.00	135,000	***4.00%***	335,250.00	332,550.00	802,800.00	***156,225.00***	***96,125.00***	***60,100.00***
2023	962,625.00	145,000	***4.00%***	332,550.00	329,650.00	807,200.00	***155,425.00***	***97,525.00***	***57,900.00***
2024	1,058,425.00	250,000	***4.00%***	329,650.00	324,650.00	904,300.00	***154,125.00***	***93,525.00***	***60,600.00***
2025	1,586,125.00	800,000	***4.00%***	324,650.00	308,650.00	1,433,300.00	***152,825.00***	***94,625.00***	***58,200.00***
2026	1,552,625.00	795,000	***4.00%***	308,650.00	292,750.00	1,396,400.00	***156,225.00***	***95,525.00***	***60,700.00***
2027	1,918,925.00	1,200,000	***4.00%***	292,750.00	268,750.00	1,761,500.00	***157,425.00***	***94,425.00***	***63,000.00***
2028	1,897,925.00	1,230,000	***4.00%***	268,750.00	244,150.00	1,742,900.00	***155,025.00***	***94,825.00***	***60,200.00***
2029	3,970,625.00	3,395,000	***4.00%***	244,150.00	176,250.00	3,815,400.00	***155,225.00***	***92,925.00***	***62,300.00***
2030	3,895,925.00	3,475,000	***5.00%***	176,250.00	89,375.00	3,740,625.00	***155,300.00***	***95,975.00***	***59,325.00***
2031	3,823,425.00	3,575,000	***5.00%***	89,375.00		3,664,375.00	***159,050.00***	***97,625.00***	***61,425.00***
		-							
	23,866,087.50	15,230,000.00		3,379,525.00	3,183,167.22	21,792,692.22	***1,869,450.00***	***1,144,000.00***	***725,450.00***

Dated : September 1, 2015

The savings in the first year, 2016, includes: accrued interest of	$0.00
I&S contribution of	$203,945.28

Effective Interest Rate (TIC)	2.824%

Net present value savings are $ 1,476,832.76 or 8.642% of the refunded issue

SEGUIN TEXAS

It's real.

SAMCO Capital

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
03/01/2020	Serial Coupon	4.000%	1.750%	110,000.00	101.581%		-	-	-	111,739.10
03/01/2021	Serial Coupon	4.000%	1.820%	120,000.00	103.654%		-	-	-	124,384.80
03/01/2022	Serial Coupon	4.000%	1.860%	135,000.00	105.630%		-	-	-	142,600.50
03/01/2023	Serial Coupon	4.000%	1.900%	145,000.00	107.488%		-	-	-	155,857.60
03/01/2024	Serial Coupon	4.000%	1.970%	250,000.00	109.088%		-	-	-	272,720.00
03/01/2025	Serial Coupon	4.000%	2.050%	800,000.00	110.456%		-	-	-	883,648.00
03/01/2026	Serial Coupon	4.000%	2.120%	795,000.00	111.700%		-	-	-	888,015.00
03/01/2027	Serial Coupon	4.000%	2.210%	1,200,000.00	112.624%		-	-	-	1,351,488.00
03/01/2028	Serial Coupon	4.000%	2.350%	1,230,000.00	112.926%		-	-	-	1,388,989.80
03/01/2029	Serial Coupon	4.000%	2.440%	3,395,000.00	112.172%	c	2.575%	03/01/2028	100.000%	3,808,239.40
03/01/2030	Serial Coupon	5.000%	2.540%	3,475,000.00	119.112%	c	2.910%	03/01/2028	100.000%	4,139,142.00
03/01/2031	Serial Coupon	5.000%	2.660%	3,575,000.00	118.083%	c	3.142%	03/01/2028	100.000%	4,221,467.25
Total	-	-	-	**$15,230,000.00**	-	-	-	-	-	**$17,488,291.45**

The True Interest Cost of the proposed new refunding Bonds comes out to 2.824%.

Bid Information

Par Amount of Bonds	$15,230,000.00
Reoffering Premium or (Discount)	2,258,291.45
Gross Production	$17,488,291.45
Total Underwriter's Discount (0.750%)	$(114,225.00)
Bid (114.077915%)	17,374,066.45
Total Purchase Price	$17,374,066.45
Bond Year Dollars	$144,295.22
Average Life	9.474 Years
Average Coupon	4.5481008%

SEGUIN TEXAS

It's real.

SAMCO Capital

Sources & Uses

Total Issue Sources And Uses

Dated 06/15/2019 | Delivered 06/15/2019

	GO Component	Utility Component	Issue Summary
Sources Of Funds			
Par Amount of Bonds	$8,740,000.00	$6,490,000.00	$15,230,000.00
Reoffering Premium	1,361,215.05	897,076.40	2,258,291.45
Transfers from Prior Issue Debt Service Funds	118,087.50	85,857.78	203,945.28
Total Sources	**$10,219,302.55**	**$7,472,934.18**	**$17,692,236.73**
Uses Of Funds			
Total Underwriter's Discount (0.750%)	65,550.00	48,675.00	114,225.00
Costs of Issuance	100,426.79	74,573.21	175,000.00
Deposit to Current Refunding Fund	10,052,637.50	7,347,795.56	17,400,433.06
Rounding Amount	688.26	1,890.41	2,578.67
Total Uses	**$10,219,302.55**	**$7,472,934.18**	**$17,692,236.73**

SEGUIN TEXAS
It's real.

SAMCO Capital

Sources & Uses

General Obligation Refunding Bonds, Series 2019	
Delivered:	6/15/2019
Par Amount of Refunding Bonds:	$15,230,000
Par Amount of Refunded Bonds:	$17,090,000
Total Gross Savings	$1,869,450.00
NPV Savings:	$1,476,832.76
% Savings of Refunded Bonds:	8.642%
Average Annual Savings:	$155,787.50
Average Coupon of Refunded Bonds:	4.074%
True Interest Cost (TIC):	2.824%
Rates as of:	3/26/2019

SEGUIN TEXAS

It's real.

SAMCO Capital

Agenda Consideration

Tonight you are considering the approval, authorization and issuance of General Obligation Refunding Bonds for the purpose of achieving debt service savings. This authorization will delegate the approval of the final terms of the refunding to the Mayor, City Manager, and Finance Director subject to the following parameters:

- Principal amount of Refunding issue not to exceed $17,400,000
- Maximum maturity will not exceed September 1, 2031
- The true interest cost on the issue will not exceed 5%
- The savings will be a minimum of 3.00% net present value savings

SEGUIN TEXAS

It's real.

SAMCO Capital

Contact Information

Austin – Headquarters
6805 Capital of Texas Highway, #350
Austin, Texas 78731
(512) 794-9100

Plano – Public Finance
5800 Granite Parkway, Suite 210
Plano, Texas 75024
(214) 765-1469

Dallas – Financial Institutions Group
1700 Pacific Avenue, Suite 2000
Dallas, TX 75201
(214) 765-1400

San Antonio
1020 NE Loop 410, Suite 640
San Antonio, TX 78209
(210) 832-9760

Houston
4617 Montrose, Suite C202
Houston, Texas 77006
(713) 467-7344