

CABRERA CAPITAL
Senior Manager

\$16,540,000

City of Beeville, Texas

**Combination Tax & Limited Pledge
Revenue Certificates of Obligation,
Series 2023**



CASE STUDY & TRANSACTION RESULTS

CITY OF BEEVILLE, TEXAS

Transaction Summary

Issuer:	City of Beeville, TX
Par/Series:	\$16,540,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2023
Tax Status:	Tax-Exempt
Pricing:	7/25/2023
Closing:	8/23/2023
Ratings:	A (S&P) - AA (BAM Insured)
Call Feature:	8/15/20232

- The Certificates of Obligation, Series 2023 True Interest Cost (TIC) was 4.09% and the final maturity was a term in 2048.
- Proceeds of the Certificates will be used to improve the City's waterworks and sewer system, improve the City's public works, purchase public works public safety, administration related vehicles, materials, supplies, and to pay costs of issuance.
- The City secured an A rating from S&P and obtained bond insurance (BAM) increasing the rating of the primary market issues to AA.



Transaction Highlights

- ✓ On July 25, 2023, Cabrera served as senior manager on the City of Beeville C/O Series 2023. The financing was priced **the day before the FOMC's rate decision**, in which a 25 bps rate increase had been factored into the market at that point.
- ✓ The morning of pricing, Cabrera received a reverse inquiry from an investor requesting to term up the front end (2024-2027) with a 4% coupon, to yield 3.15%, **saving the City of Beeville 5 bps in overall TIC versus the standard serialization.**
- ✓ Towards the end of the order period, Cabrera secured \$7.45 million in orders from another major investor to fill in subscription gaps. Additionally, **Cabrera was able to ascertain orders from other large institutions such as 16th Amendment, Mackay Shields, Cincinnati Life, Multi Bank and others who normally would only participate on larger transactions.**
- ✓ Cabrera assisted in diversifying the City's investor base by garnering \$46.9 million in total orders from **16 different investors which were all new investors to the City.**
- ✓ **Cabrera committed Capital to get under over \$2 million** in balances and lowered the spreads 2040-2047 anywhere from 1-7 basis points.