



MEMORANDUM

To: Army Davis, *Lewis County Treasurer, Lewis County, Washington*

From: Susan Musselman, *Director (360-445-0238)*
Duncan Brown, *Senior Managing Consultant (206-858-5367)*

Date: July 21, 2015

Re: Lewis County, Washington, Limited Tax General Obligation Refunding Bond, Series 2015 -
Summary of Bank Proposals

In order to refund outstanding Limited Tax General Obligation (“LTGO”) debt for economic savings, Lewis County (the “County”) is considering issuing an LTGO Refunding Bond (the “Bond”) on or about August 4, 2015. Given the expectation of reduced costs, PFM recommended that the County place the Bond directly with a bank as opposed to offering it publicly. The Board of County Commissioners is expected to adopt a resolution on Monday, July 27th, authorizing the issuance of the Bond and delegating authority to the County Treasurer to complete the transaction.

Bonds to be Refunded:

Par Amount	\$4,095,000
Maturities	December 1, 2015-2024
Interest Rates	3.80 – 4.50%
Call Date	June 1, 2015

On Wednesday, July 1st, PFM distributed a Request for Proposals (RFP) for financing proposals to 13 national, regional, and local banks of which six proffered responses. Attached to this memo is a summary of key proposal terms. Based on the County’s desired terms and the proposed terms of each responding bank, PFM recommends the County pursue a Bond issue to be placed with Columbia Bank. Columbia Bank offered a fixed interest rate (2.13%) lower than any other proposal, even after taking into account bank fees (\$3,780) and expenses (\$3,000). Based on our prior experience with Columbia Bank, we would expect the bond closing process to be simple and straightforward.

With consent from the County, we will work with Columbia Bank, its counsel, and Kutak Rock (the County’s bond counsel) to complete the steps required for closing of the Bond in early August. This will allow the County to establish a refunding escrow and redeem its Limited Tax General Obligation Refunding Bonds, Series 2005, in early September.

Refunding Results:

Average Interest Cost	2.13%
Average Annual Savings (2016-2024)	\$45,396
Total Net Present Value Savings	\$371,296
NPV Savings as % of Par	9.07%

Please feel free to contact either of us with questions, or for further discussion.