DAVENPORT & COMPANY

Habersham County, Georgia

RFP Results Presentation –

Series 2025 Installment Sale Agreement

HABERSHAM COUNTY
GEORGIA | EST. 1818

March 17, 2025

Member NYSE|FINRA|SIPC

Background / Overview

- Davenport & Company LLC (“Davenport”), the County's Financial Advisor, has worked with County Staff over the last two years on analyzing several potential capital projects such as the Animal Controls Facility (the "Project")
  - Note: The Project was a approved item on the successful SPLOST VII referendum which will cover a portion of the debt service on the financing.
- In September 2024, Davenport presented a Capital Planning Analysis to the County’s Board of Commissioners (the “Board”) to evaluate potential financing options for the County’s consideration.
- Following that presentation on December 3, 2024, the Board approved an Intent Resolution at the December Board Meeting authorizing County Staff, Davenport and Legal Counsel to proceed with an Installment Sale Financing up to $6,850,000 to fund the Project.
- As part of the approval of the Intention Resolution, the Board’s requested that the Installment Sale repayment not exceed 10 years.

Request for Proposals Solicitation

- On February 12, 2025, Davenport distributed a Request for Proposals (the "RFP") on behalf of the County for the Installment Sale Agreement (Animal Control Facility), Series 2025 (the "Installment Sale Agreement").

- On Thursday, March 6th, 2025, Davenport received 7 proposals from the following lending institutions listed below all of which were below our planning rate of 5.00%. A summary of the bids can be found in the appendix herein.

- Davenport is recommending a proposal from PNC Bank which is detailed on the subsequent page.

Capital One (4.76%)	**PNC Bank (3.64%)**	Regions Bank (3.95%)	SouthState Bank (4.19%)
United Community Bank (4.20%)	Webster Bank (3.93%)	Zions Bank (4.65%)	

Summary of Recommended Proposal

	PNC Bank
Not-to-Exceed Par Amount:	$6,850,000
Term	10 Years
Rate:	3.64% (Fixed until Final Maturity)
Prepayment:	Callable on or after July 1, 2030 at 102%, on or after July 1, 2032 at 101% and on or after July 1, 2034 at no penalty.
Legal Fees / Closing Costs:	$7,000
Closing Date:	April 1, 2025

In review of the proposals offered, Davenport, in conjunction with the County Staff, determined that PNC Bank was the best choice for the County due to the proposal having the lowest interest rate while maintaining some prepayment flexibility.

Final Debt Service

Series 2025 Installment Sale Agreement Final Debt Service			
Fiscal Year	Principal	Interest	Total
2026	$0	$187,005	$187,005
2027	580,000	238,784	818,784
2028	600,000	217,308	817,308
2029	620,000	195,104	815,104
2030	645,000	172,081	817,081
2031	670,000	148,148	818,148
2032	695,000	123,305	818,305
2033	720,000	97,552	817,552
2034	745,000	70,889	815,889
2035	775,000	43,225	818,225
2036	800,000	14,560	814,560
Total	$6,850,000	$1,507,961	$8,357,961

Sources	
Par Amount	$6,850,000
Total Sources	$6,850,000

Uses	
Project Fund	$6,700,000
Cost of Issuance	150,000
Total Uses	$6,850,000

The rate offered by PNC Bank was well below our initial planning rate of 5.00%. This lower rate resulted in approximately $600,000 of reduced interest costs.

Recommendation & Rationale

- Davenport recommends that the County accept the 3.64% bid from PNC Bank to finance the Project. This recommendation is based upon the following:
  - PNC Bank's interest rate option was the lowest amongst all proposals;
  - Agreed to 10-year amortization as proposed in the RFP;
  - Ability to prepay prior to final maturity;
  - Reasonable closing costs; and,
  - The interest rate is fixed until final maturity, eliminating any future interest rate risk.

Timetable / Next Steps

Date		Action
February 12	✓	RFP is distributed to local, regional and national banking institutions.
March 6	✓	RFP Responses due back to Davenport.
March 10	✓	County to give winning lender the verbal award on Installment Sale Agreement.
March 17		Public Hearing / Board of Commissioners Meeting – Davenport to present pricing results / recommendation. County Commissioners to approve sale results, Instalment Sale Agreement and other documents, as necessary.
End of March		Distribution of Closing Documents.
April 1		Close on Installment Sale Agreement.

Appendix – RFP Bid Results Summary

Habersham County, Georgia

RFP Bid Results Summary

Habersham County, Georgia Installment Sale Agreement, Series 2025		
Lender	Interest Rate	Prepayment Provisions
PNC	3.64%	Callable on or after July 1, 2030 at 102% of Par Outstanding Callable on or after July 1, 2032 at 101% of Par Outstanding Callable on or after July 1, 2034 at 100% of Par Outstanding
Webster Bank	3.93%	Callable on or after July 1, 2028 at 101% of Par Outstanding Callable on or after July 1, 2030 at 100% of Par Outstanding
Regions Bank	3.95% (Indicative, Subject to Change)	Callable at par on or after July 1, 2031 at no Penalty
SouthState Bank	4.19%	Anytime and No Prepayment Penalty
United Community Bank	4.20%	Callable at par on or after July 1, 2029 at no Penalty
Zions Bank	4.65%	Anytime and No Prepayment Penalty
Capital One	4.76%	Callable at par on or after July 1, 2030 at no Penalty

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