2026 Lease Financing

Geyserville Fire Station Modernization and Other Capital Improvements

July 16, 2026

FIELDMAN

Background

- The Project:
  - ✓ Geyserville Fire Station Modernization
  - ✓ Any remaining funds to be used for one or more of the following:
    - ✓ Land acquisition
    - ✓ Facility design
    - ✓ Facility construction

- April 16, 2026 Board Meeting:
  - ✓ Fieldman presented findings that District could afford to pay $600,000 of debt service per year
  - ✓ Presented three financing options:
    - ✓ Private Placement Lease Financing
    - ✓ Publicly Offered Lease Revenue Bonds
    - ✓ I-Bank Loan

- May 21, 2026 Board Meeting:
  - ✓ Board gave direction to proceed with a private placement lease financing
  - ✓ Private placement was selected due to:
    - ✓ Early prepayment flexibility
    - ✓ Low costs of issuance
    - ✓ Quick financing process

Financing Team Members

- Fieldman – Municipal Advisor
  - ✓ Fiduciary to the District

At the May 21st Board Meeting, the Board also authorized District staff to hire:

- Jones Hall – Bond Counsel
  - ✓ Prepares legal documents for the financing
  - ✓ Gives tax-exempt opinion, allowing the purchaser to not pay interest on the loan
    - ✓ Tax-exempt = lower interest rate for the District

- Oppenheimer & Co. Inc. – Placement Agent
  - ✓ Investment Banking firm tasked with finding the right private placement lender with terms most suitable for the District

Lender RFP Process

- Oppenheimer Prepared a Lender Request for Proposals, which included a credit package and a list of desired terms:
  - ✓ 15-year and 20-year financing term
  - ✓ Early prepayment options

- On June 10th, the Lender RFP was distributed to 20 banks

- On June 26th, Oppenheimer received 6 lender proposals
  - ✓ Banner Bank
  - ✓ BMO
  - ✓ Capital One
  - ✓ EverBank
  - ✓ Tri Counties Bank
  - ✓ Webster Bank

Summary of Lender Proposals

	Webster Bank	Tri Counties Bank	Banner Bank	EverBank	Capital One Public Funding	BMO
Interest Rate (TE):						
15-Year:	**4.369%**	**4.450%**	**4.70%**	**4.500%**	**4.760%**	**4.390%**
20-Year	**4.622%**	**4.560%**	-	**4.710%**	**4.980%**	**4.41% (10-yr term)**
Payment:	Semi-annual Principal and Interest	Semi-annual Principal and Interest	Semi-annual Principal and Interest	Semi-annual Principal and Interest	Semi-annual Principal and Interest	Semi-annual Principal and Interest
Rate Lock Terms:	Rate is locked until 7/31	30 day rate lock	Rate is locked until 8/30	60 days	Rates locked until 7/23 once numbers finalized	Rates locked 14 days prior to closing
Prepayment:	In whole only on any pmt date: 15-Year Years 1-2: No call Year 3: 102% Year 4: 101% Year 5: 100% 20-Year Years 1-3: No call Year 4: 102% Year 5: 101% Year 6: 100%	In whole or in part on any pmt date: 15-Year Years 1-2: 103% Years 3-4: 102% Year 5: 101% Thereafter at par 20-Year Years 1-3: 103% Years 4-6: 102% Years 7-8: 101% Thereafter at par	In whole or in part anytime at par	In whole or in part on any date on: Years 1-2: 103% Years 3-4: 102% Years 5-6: 101% Year 7 & After: Par	In whole on any date at par beginning 15-Year 8/1/2034 20-Year 8/1/2036	Would provide full term sheet with prepayment provisions upon indication to move forward.
Fees:	$7,500 (Legal)	$12,500 (Legal)	$17,000 (Legal)	$12,500 (Legal)	No Legal Fees	$12,500 (Legal)
Expiration:	July 3, 2026	-	-	July 3, 2026	July 2, 2026	-
Other:	-	Rate may be reduced by 10bps for every $1MM in deposits up to 20bps	Includes minimum liquidity covenant of 90days expenses	$500 COI wire fee	-	Contingent on banking relationship

Financing Result

- Fieldman Recommended Webster's 15-Year Proposal
  - ✓ 4.369% interest rate – locked through July 31st (after closing date)
  - ✓ Prepayment options:
    - ✓ Years 1-2: No Call
    - ✓ Year 3: 102%
    - ✓ Year 4: 101%
    - ✓ Year 5 and thereafter: 100% (no prepayment penalty)

- Financing Result:
  - ✓ Par Amount - $6,542,000
    - ✓ Project Fund - $6,407,000
    - ✓ Costs of Issuance - $135,000
  - ✓ Annual Debt Service: $600,000 (paid semiannually)
  - ✓ Total Debt Service: $8,944,620
    - ✓ Approximately $3 million less than the lowest 20-year bid (Tri Counties)
  - ✓ Closing date of July 23, 2026

For Approval Today

Resolution presented authorizes District to enter into the Lease Financing, and authorizes the execution of the related financing documents:

- Lease and Sublease Agreement:
  - ✓ Between CSDA Finance Corporation (serving as Counterparty) and the District
  - ✓ District leases Geyserville Fire Station (the "Leased Property") to the Corporation, who in turn subleases the Leased Property back to the District in exchange for semi-annual sublease payments
  - ✓ No transfer of title; lease-lease back only

- Assignment Agreement:
  - ✓ Between CSDA Finance Corporation and Webster Bank
  - ✓ Corporation assigns its rights to receive sublease payments to Webster Bank, Webster Bank provides the funds required to finance the project

- Debt Management Policy:
  - ✓ Provides guidance on the issuance and management of debt
  - ✓ Required by Section 8855(i) of the California Government Code

Questions?