



CABRERA CAPITAL MARKETS LLC

City of Carson Case Study



\$108,020,000

City of Carson, California

2020 Taxable Pension Obligation Bonds

Cabrera's Role: Book-Running Senior Manager

Sale Date: 6/10/2020

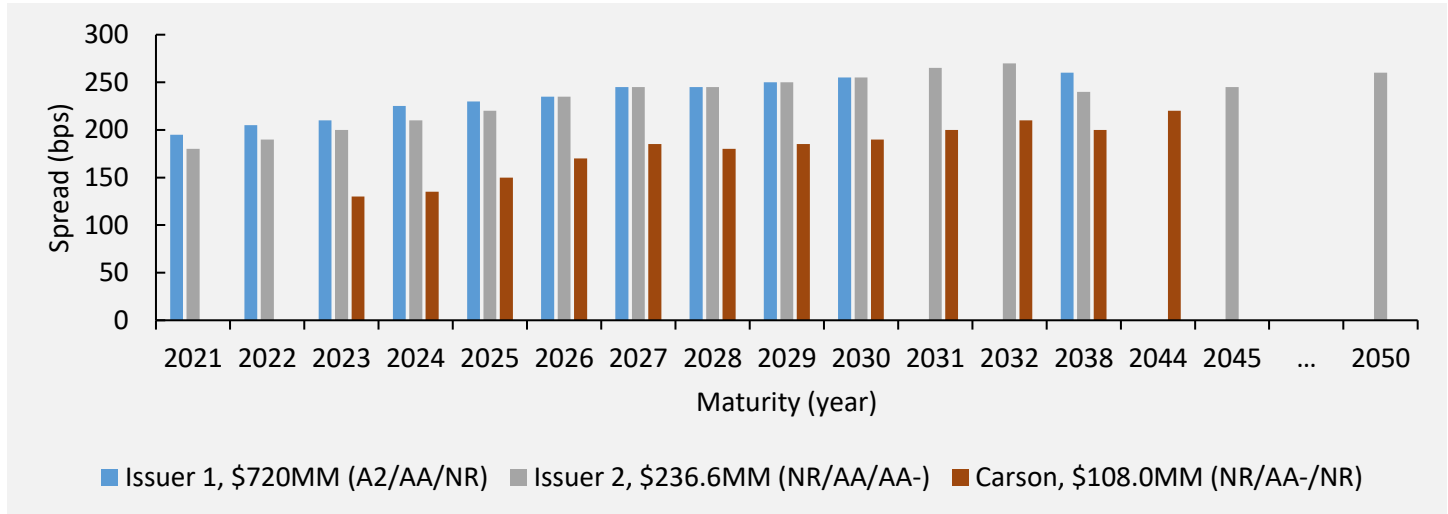
TRANSACTION HIGHLIGHTS

- In June of 2020, Cabrera was a book-running senior manager on a \$108.0 million Taxable Pension Obligation Bonds (POBs) issuance for the City of Carson, California.
- Cabrera supported the City in securing an "AA-" ratings from S&P, a particularly strong rating considering the economic stresses caused by the pandemic of 2020.
- The City's bonds maturing 2031-2044 are subject to a standard municipal ten-year par call. This is in contrast to the Issuer 1 and Issuer 2 transactions in which a make-whole call was utilized.

TRANSACTION RESULTS

- The bonds' all-in true interest cost was 3.42% with an average life of 13.4 years and a final maturity in 2044.
- The City achieved \$47.2 million in savings on their CalPERS UAL payments.
- 19 investors placed orders for the City's bonds, **all of which were new investors** and thereby broadening the City's bond investor base.

MATURITY-BY-MATURITY BOND SPREAD COMPARISON



- Issuer 1 POBs sold on 4/22/20 with a make-whole call redemption option.
- Issuer 2 POBs sold on 5/12/20 with a make-whole call redemption option.

