



WM Financial Strategies

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July 29, 2020

**RE: City of West Plains
Request for Indications of Interest
Approximately \$1,995,000
Sewerage System Refunding Revenue Bonds, Series 2020**

WM Financial Strategies, as municipal advisor to the City of West Plains, Missouri (the “City”), is seeking indications of interest from at least three reasonably competitive market participants for an underwriting or direct purchase of bonds (the “Refunding Bonds”) to refund the City’s Sewerage System Refunding Revenue Bonds, Series 2011 (the “Series 2011 Bonds”).

The sale of the Refunding Bonds is expected to be completed as soon as possible following the determination of the method of sale. For purposes of the Request for Indications of Interest, assume an issue date of October 1, 2020.

The City has not applied for a rating on this issue. The Series 2011 Bonds are rated A+. Proposals that require a rating should be based on the assumption that the Refunding Bonds will be rated A+.

Gilmore & Bell, Kansas City, Missouri, is serving as Bond Counsel. Gilmore & Bell will render the legal opinion on the Refunding Bonds that will include the opinion that interest on the Bonds is exempt from income taxation by the State of Missouri and is excludable from gross income of the owners thereof for federal income tax purposes. The opinion will also state that the Bonds are designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

Additional Information.

The following information is available at www.wmfinancialstrategies.com/RFPs.htm:

- The City’s continuing disclosure report for the 2019 fiscal year.
- The City’s audited financial statements for the 2017, 2018 and 2019 fiscal years.
- The preliminary maturity schedule for the Refunding Bonds.
- The Official Statement for the Series 2011 Bonds.

Written statements of interest for the Refunding Bonds will be accepted until 12:00 p.m., central time, on August 13, 2020. One copy should be sent to the City’s municipal advisor at Jhoward@wmfinancialstrategies.com and one copy should be sent to the City’s Director of Finance at todd.harman@westplains.gov. Any indication of interest which is not received by the designated time and date will be rejected.

Terms of Indications of Interest

If you are interested in serving as the purchaser, placement agent or underwriter of the Refunding Bonds, a response to each of the following questions should be submitted to the City and its municipal advisor:

1. Statement of Interest. Indicate whether your firm has an interest in underwriting, purchasing or privately placing the Refunding Bonds.
2. Bond Rating. Indicate whether your proposal is based on receipt of a bond rating.
3. Underwriting Discount or Placement Fees. Provide an indication of your underwriting discount or any placement fees. Indicate whether you will require the engagement of underwriter's counsel (or purchaser counsel) and, if required, the name of the firm and associated fees.
4. Costs of Transaction. The City will pay for the following fees, if applicable, Municipal Advisor, Bond Counsel, City attorney, CUSIP, Paying Agent, Escrow Agent, and Rating. If your proposal requires the payment of any other fees, please specify.
5. Rates and Yields. Provide an indication of the interest rates, yields to call, yields to maturity and prices per maturity you would assign to the Refunding Bonds based on current market conditions and the maturity schedule on-line at www.wmfinancialstrategies.com/RFPs.htm. Indicate how the final rates and yields will be established at the time of sale. (No rate in your response or at the time of sale may exceed 3%.)
6. Credit Approval. Indicate whether you have received preliminary credit approval for this financing. Describe in detail the process and timing required by your firm for obtaining final credit approval.
7. Redemption Provisions and Other Terms. Describe the terms by which the City will have the option to redeem the Refunding Bonds. The City does not intend to fund a debt service reserve fund. The rate covenant in the Ordinance for the Series 2011 Bonds provides for 110% debt coverage. The City expects to maintain this provision and other terms consistent with the terms of the Series 2011 Bonds.
8. Other Terms. Indicate any other terms that you believe the City should consider for selecting an underwriter, bond purchaser or lender.

Based on the responses received, the City may select an underwriter or purchaser or may prepare a more formal request for proposals for distribution to all or some of the firms responding to this request for indications of interest.

If you have any questions regarding this issue, please contact the undersigned.

Sincerely,

Joy A. Howard
Principal