

\$38,980,000* Hotel Occupancy Tax Revenue Bonds, Taxable Series 2018

City of Amarillo, Texas



SPECIALIZED PUBLIC FINANCE INC.
FINANCIAL ADVISORY SERVICES



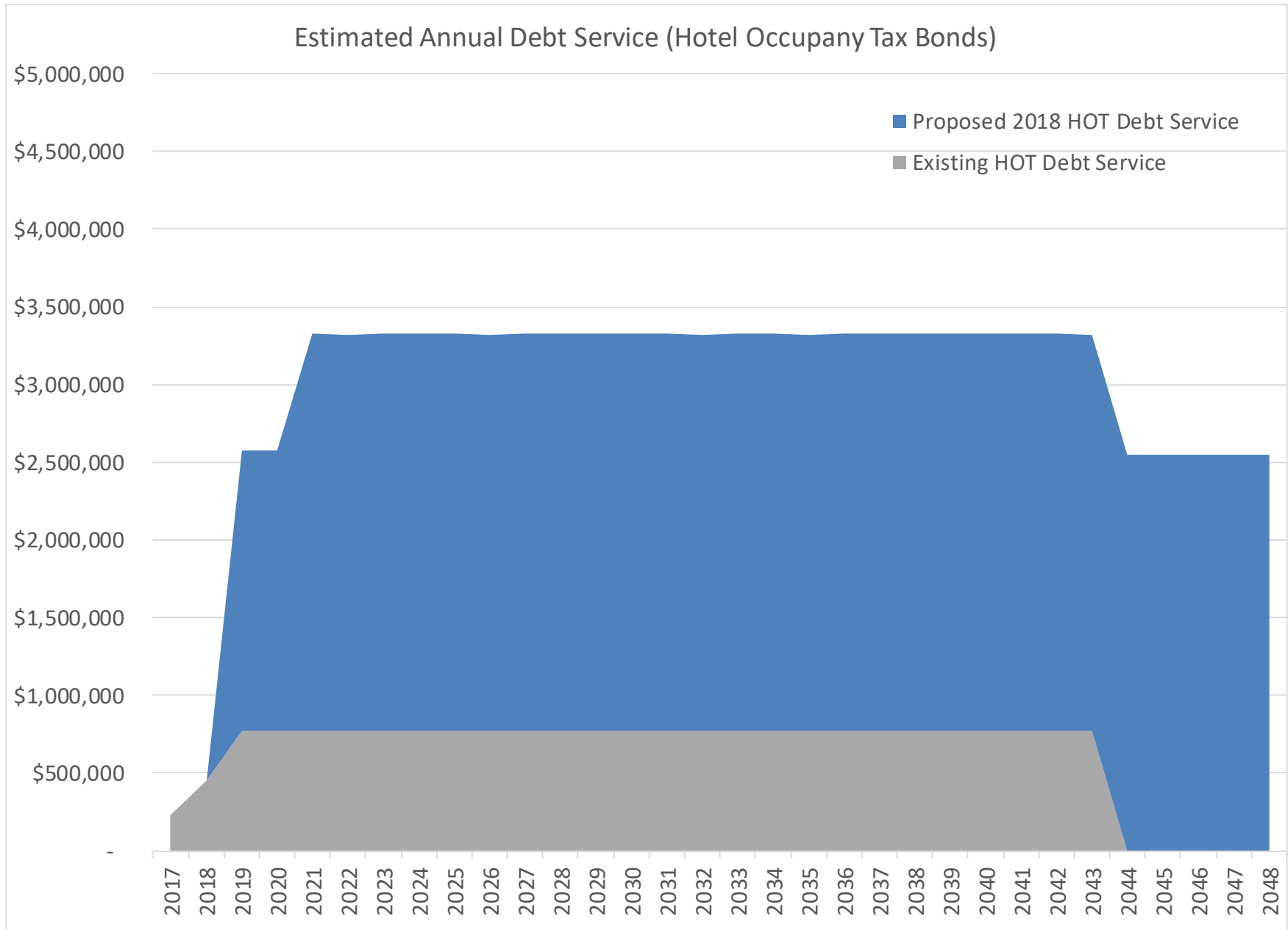
Overview of the Plan of Finance



- The City of Amarillo (the “City”) intends to issue approximately \$38,980,000 Hotel Occupancy Tax Revenue Bonds (Taxable), Series 2018.
- The proceeds will be used to construct a Minor League Baseball Ballpark / Multi-Purpose Entertainment Venue consistent with the City’s long-term vision for the downtown area.
- The proposed bonds will be issued with a 30-year amortization term and level annual debt service.
- After completion of the proposed issuance, the Debt Service Coverage Ratio using the maximum annual parity debt service is anticipated to exceed 2.0x
 - (= 2017 unaudited pledged revenues of \$6.6 million / estimated maximum annual parity debt service of \$3.3 million)

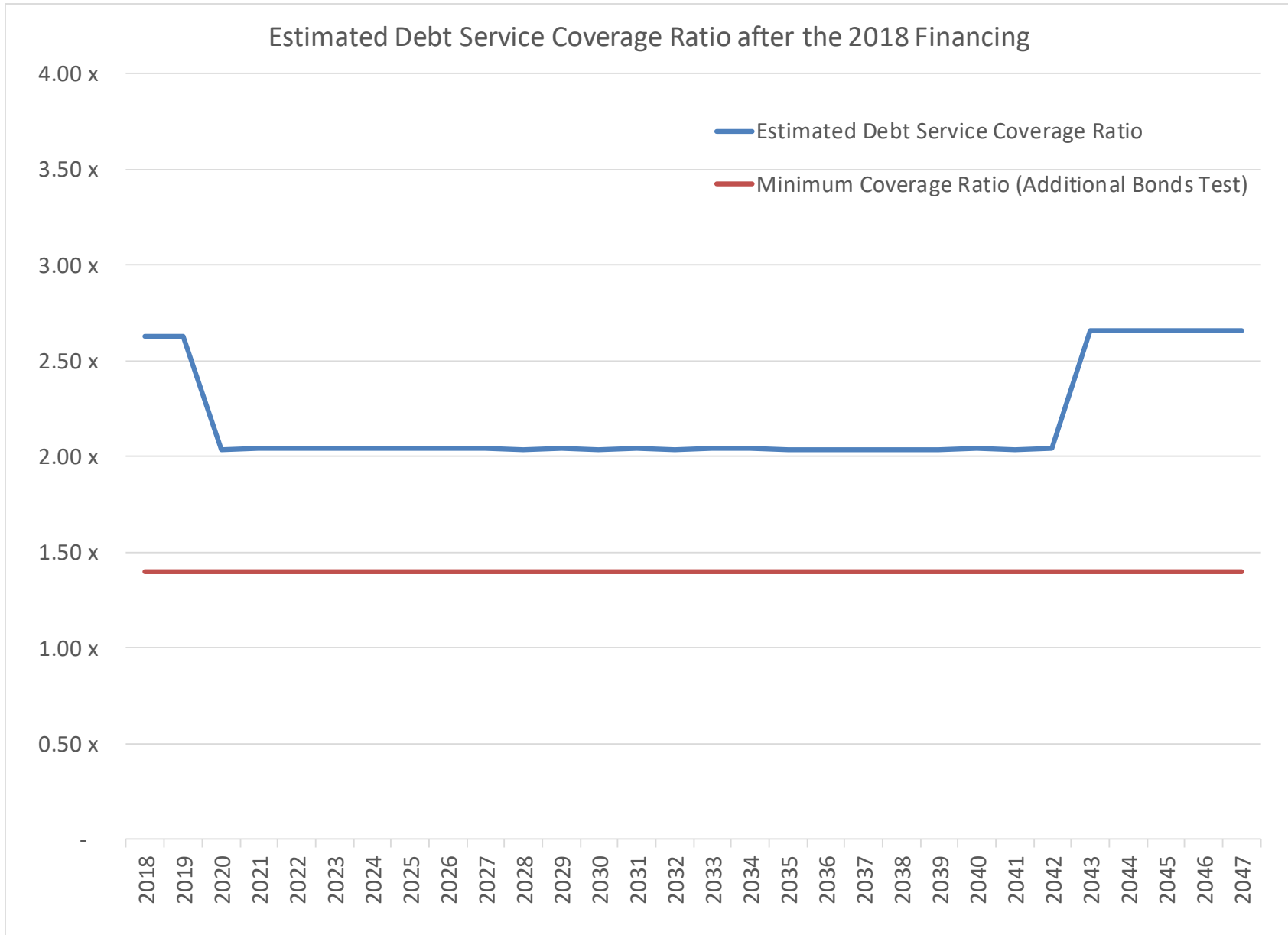


Financing Overview – Annual D/S for HOT Bonds





Financing Overview – Estimated Coverage for HOT Bonds





Financing Overview – Pro Forma Model



FYE	Pledged Revenues ⁽¹⁾	\$11,995,000 Series 2016 ⁽²⁾ Dated: 4/13/2016 Est. TIC: 4.12%				\$38,980,000 Series 2018 ⁽³⁾ Dated: 3/20/2018 Est. TIC: 4.80%				Projected	
		Principal	Interest	Cap Int.	Net D/S	Principal	Interest	Cap Int.	Net D/S	Total Net D/S	Coverage (x)
9/30/2016	\$ 6,777,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9/30/2017	6,777,185	-	612,761	(383,929)	228,832	-	-	-	-	228,832	29.62
9/30/2018	6,777,185	-	457,664	-	457,664	-	727,251	(727,251)	-	457,664	14.81
9/30/2019	6,777,185	315,000	457,664	-	772,664	-	1,805,588	-	1,805,588	2,578,252	2.63
9/30/2020	6,777,185	320,000	451,836	-	771,836	-	1,805,588	-	1,805,588	2,577,424	2.63
9/30/2021	6,777,185	330,000	444,956	-	774,956	745,000	1,805,588	-	2,550,588	3,325,544	2.04
9/30/2022	6,777,185	335,000	437,201	-	772,201	770,000	1,781,078	-	2,551,078	3,323,279	2.04
9/30/2023	6,777,185	345,000	428,357	-	773,357	795,000	1,756,130	-	2,551,130	3,324,487	2.04
9/30/2024	6,777,185	355,000	418,249	-	773,249	825,000	1,726,794	-	2,551,794	3,325,043	2.04
9/30/2025	6,777,185	365,000	407,350	-	772,350	855,000	1,696,352	-	2,551,352	3,323,702	2.04
9/30/2026	6,777,185	375,000	395,670	-	770,670	890,000	1,661,553	-	2,551,553	3,322,223	2.04
9/30/2027	6,777,185	390,000	383,108	-	773,108	925,000	1,625,508	-	2,550,508	3,323,616	2.04
9/30/2028	6,777,185	405,000	368,132	-	773,132	965,000	1,586,196	-	2,551,196	3,324,327	2.04
9/30/2029	6,777,185	420,000	352,580	-	772,580	1,010,000	1,543,832	-	2,553,832	3,326,412	2.04
9/30/2030	6,777,185	435,000	336,452	-	771,452	1,055,000	1,498,382	-	2,553,382	3,324,834	2.04
9/30/2031	6,777,185	455,000	319,748	-	774,748	1,100,000	1,450,907	-	2,550,907	3,325,655	2.04
9/30/2032	6,777,185	470,000	301,229	-	771,229	1,150,000	1,401,407	-	2,551,407	3,322,636	2.04
9/30/2033	6,777,185	490,000	282,100	-	772,100	1,205,000	1,348,392	-	2,553,392	3,325,492	2.04
9/30/2034	6,777,185	510,000	262,157	-	772,157	1,260,000	1,292,842	-	2,552,842	3,324,999	2.04
9/30/2035	6,777,185	530,000	241,400	-	771,400	1,315,000	1,234,756	-	2,549,756	3,321,156	2.04
9/30/2036	6,777,185	555,000	218,875	-	773,875	1,380,000	1,174,134	-	2,554,134	3,328,009	2.04
9/30/2037	6,777,185	580,000	195,288	-	775,288	1,445,000	1,108,446	-	2,553,446	3,328,734	2.04
9/30/2038	6,777,185	600,000	170,638	-	770,638	1,515,000	1,039,664	-	2,554,664	3,325,302	2.04
9/30/2039	6,777,185	630,000	145,138	-	775,138	1,585,000	967,550	-	2,552,550	3,327,688	2.04
9/30/2040	6,777,185	655,000	118,363	-	773,363	1,660,000	892,104	-	2,552,104	3,325,467	2.04
9/30/2041	6,777,185	680,000	90,525	-	770,525	1,740,000	813,088	-	2,553,088	3,323,613	2.04
9/30/2042	6,777,185	710,000	61,625	-	771,625	1,825,000	728,524	-	2,553,524	3,325,149	2.04
9/30/2043	6,777,185	740,000	31,450	-	771,450	1,910,000	639,829	-	2,549,829	3,321,279	2.04
9/30/2044	6,777,185	-	-	-	-	2,005,000	547,003	-	2,552,003	2,552,003	2.66
9/30/2045	6,777,185	-	-	-	-	2,100,000	449,560	-	2,549,560	2,549,560	2.66
9/30/2046	6,777,185	-	-	-	-	2,205,000	347,500	-	2,552,500	2,552,500	2.66
9/30/2047	6,777,185	-	-	-	-	2,315,000	237,250	-	2,552,250	2,552,250	2.66
9/30/2048	6,777,185	-	-	-	-	2,430,000	121,500	-	2,551,500	2,551,500	2.66
		<u>\$ 11,995,000</u>	<u>\$ 8,390,510</u>	<u>\$ (383,929)</u>	<u>\$ 20,001,581</u>	<u>\$ 38,980,000</u>	<u>\$ 36,814,293</u>	<u>\$ (727,251)</u>	<u>\$ 75,067,042</u>	<u>\$ 95,068,623</u>	

⁽¹⁾ As shown in the 2016 Audit.

⁽²⁾ Final numbers.

⁽³⁾ Based on January 22, 2018 interest rates plus 25 basis points as a hedge for potential upward interest rate movements.



Fiscal Year Net Debt Service – 2018 HOT Bonds (Taxable)



Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	I&R Fund	Net New D/S
09/30/2018	-	-	727,250.72	727,250.72	(727,250.72)	-
09/30/2019	-	-	1,805,588.00	1,805,588.00	-	1,805,588.00
09/30/2020	-	-	1,805,588.00	1,805,588.00	-	1,805,588.00
09/30/2021	745,000.00	3.290%	1,805,588.00	2,550,588.00	-	2,550,588.00
09/30/2022	770,000.00	3.240%	1,781,077.50	2,551,077.50	-	2,551,077.50
09/30/2023	795,000.00	3.690%	1,756,129.50	2,551,129.50	-	2,551,129.50
09/30/2024	825,000.00	3.690%	1,726,794.00	2,551,794.00	-	2,551,794.00
09/30/2025	855,000.00	4.070%	1,696,351.50	2,551,351.50	-	2,551,351.50
09/30/2026	890,000.00	4.050%	1,661,553.00	2,551,553.00	-	2,551,553.00
09/30/2027	925,000.00	4.250%	1,625,508.00	2,550,508.00	-	2,550,508.00
09/30/2028	965,000.00	4.390%	1,586,195.50	2,551,195.50	-	2,551,195.50
09/30/2029	1,010,000.00	4.500%	1,543,832.00	2,553,832.00	-	2,553,832.00
09/30/2030	1,055,000.00	4.500%	1,498,382.00	2,553,382.00	-	2,553,382.00
09/30/2031	1,100,000.00	4.500%	1,450,907.00	2,550,907.00	-	2,550,907.00
09/30/2032	1,150,000.00	4.610%	1,401,407.00	2,551,407.00	-	2,551,407.00
09/30/2033	1,205,000.00	4.610%	1,348,392.00	2,553,392.00	-	2,553,392.00
09/30/2034	1,260,000.00	4.610%	1,292,841.50	2,552,841.50	-	2,552,841.50
09/30/2035	1,315,000.00	4.610%	1,234,755.50	2,549,755.50	-	2,549,755.50
09/30/2036	1,380,000.00	4.760%	1,174,134.00	2,554,134.00	-	2,554,134.00
09/30/2037	1,445,000.00	4.760%	1,108,446.00	2,553,446.00	-	2,553,446.00
09/30/2038	1,515,000.00	4.760%	1,039,664.00	2,554,664.00	-	2,554,664.00
09/30/2039	1,585,000.00	4.760%	967,550.00	2,552,550.00	-	2,552,550.00
09/30/2040	1,660,000.00	4.760%	892,104.00	2,552,104.00	-	2,552,104.00
09/30/2041	1,740,000.00	4.860%	813,088.00	2,553,088.00	-	2,553,088.00
09/30/2042	1,825,000.00	4.860%	728,524.00	2,553,524.00	-	2,553,524.00
09/30/2043	1,910,000.00	4.860%	639,829.00	2,549,829.00	-	2,549,829.00
09/30/2044	2,005,000.00	4.860%	547,003.00	2,552,003.00	-	2,552,003.00
09/30/2045	2,100,000.00	4.860%	449,560.00	2,549,560.00	-	2,549,560.00
09/30/2046	2,205,000.00	5.000%	347,500.00	2,552,500.00	-	2,552,500.00
09/30/2047	2,315,000.00	5.000%	237,250.00	2,552,250.00	-	2,552,250.00
09/30/2048	2,430,000.00	5.000%	121,500.00	2,551,500.00	-	2,551,500.00
Total	\$38,980,000.00	-	\$36,814,292.72	\$75,794,292.72	(727,250.72)	\$75,067,042.00



Sources and Uses of Funds – 2018 HOT Bonds (Taxable)



Sources & Uses

Delivered 03/20/2018

Sources Of Funds

Par Amount of Bonds	\$38,980,000.00
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Total Sources	\$38,980,000.00
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Uses Of Funds

Total Underwriter's Discount	252,543.97
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Costs of Issuance	200,000.00
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Gross Bond Insurance Premium (estimated at 70.0 bp)	530,560.05
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Surety Bond Reserve Fund	68,557.66
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Deposit to Project Construction Fund (Capitalized Interest)	727,250.72
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Deposit to Project Construction Fund	37,200,000.00
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Rounding Amount	1,087.60
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Total Uses	\$38,980,000.00
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Financing Timeline



January						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

March						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Week of:

Monday, January 22, 2018 Distribute Preliminary Official Statement (“POS”) for comments. Specialized Public Finance Inc. (“SPFI”) makes application to Standard & Poor’s Global Ratings (“S&P”).

Tuesday, January 30, 2018 City Council Meeting - Financing update from SPFI for the bond issuance, if necessary.

Rating conference call with S&P.

Friday, February 9, 2018 Receive rating from S&P.

Monday, February 12, 2018 SPFI to post POS.

Tuesday, February 20, 2018 Pricing - Interest Rates on the Bonds are negotiated between SPFI and the underwriter. Interest rates are set and fixed.

City Council Meeting - The City Council will consider the ordinance authorizing the issuance of the Bonds and awarding to the underwriting syndicate.

Tuesday, March 20, 2018 Closing Date - Bond proceeds delivered to the construction fund.

 Denotes City Council Meeting Date

 Denotes Closing Date