

Information Related to New Money and Proposed Refunding Bond Issuance

Voter Authorization and 2019 Bond Sale

New Money Issuance		
May 2016 Authorization		\$ 249,040,000
Less: Issued to Date		\$ 165,175,000
Unissued		<u>\$ 83,865,000</u>
New Money Issuance - Spring 2019		\$ 83,865,000
Technology - 6 year repayment	15,320,000	
Technology - 10 year repayment	1,050,000	
Other - 20 year repayment	31,000,000	
Facilities - 30 year repayment	36,495,000	
Refunding (Refinancing) Issuance - Series 2009A & 2009B:		
Total principal considered for refunding		\$ 23,265,000

C O P P E L L I S D

NEW MONEY ANALYSIS

Tax Impact Analysis

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Fiscal Year End	Before Refunding Existing Debt Service ⁽¹⁾	Series 2019		LESS:			Series 2019 - May 2019 - 4.50% ⁽³⁾				LESS:	AGGREGATE	Fiscal Year End
		Estimated Refunding Portion Savings	After Refunding Existing Debt Service ⁽¹⁾	Estimated ASAHE Funding	Net Existing Debt Service ⁽¹⁾	Projected I&S Tax Rate ⁽²⁾	Tech - 6 yr Debt Service	Tech - 10 yr Debt Service	Other/FFE Debt Service	Facilities Debt Service	Other Revenue	Net Total Debt Service	
2019	\$ 34,756,915	\$ -	\$ 34,756,915	\$ 268,191	\$ 34,488,724	0.2905	\$ -	\$ -	\$ -	\$ -	\$ 255,000	\$ 34,233,724	2019
2020	32,437,391	198,994	32,238,397	246,350	31,992,046	0.2580	888,560	60,900	1,798,000	131,991 ⁽⁴⁾	397,005	34,474,492	2020
2021	31,159,491	196,681	30,962,809	233,321	30,729,488	0.2430	1,684,400	147,250	1,395,000	1,642,275	434,431	35,163,982	2021
2022	31,143,691	195,631	30,948,059	233,227	30,714,832	0.2387	2,329,625	142,750	1,395,000	1,642,275	450,394	35,774,088	2022
2023	29,998,297	198,488	29,799,810	234,908	29,564,901	0.2258	4,113,800	143,250	1,395,000	1,642,275	453,736	36,405,490	2023
2024	30,733,197	194,788	30,538,410	242,477	30,295,932	0.2280	3,984,275	143,525	1,395,000	1,642,275	509,434	36,951,573	2024
2025	27,591,410	197,550	27,393,860	205,355	27,188,504	0.2016	5,768,400	143,575	2,095,000	1,642,275	-	36,837,754	2025
2026	30,510,760	198,300	30,312,460	212,197	30,100,262	0.2199	-	143,400	2,963,500	2,577,275	-	35,784,437	2026
2027	30,316,672	198,800	30,117,872	212,065	29,905,807	0.2163	-	143,000	2,961,500	2,580,200	-	35,590,507	2027
2028	30,312,735	198,650	30,114,085	212,070	29,902,015	0.2141	-	147,375	2,966,350	2,581,100	-	35,596,840	2028
2029	30,293,085	197,800	30,095,285	212,100	29,883,185	0.2118	-	146,300	2,962,600	2,579,975	-	35,572,060	2029
2030	30,298,835	196,200	30,102,635	212,163	29,890,472	0.2098	-	-	2,965,475	2,576,825	-	35,432,772	2030
2031	17,099,385	198,850	16,900,535	77,423	16,823,112	0.1169	-	-	2,964,525	2,581,650	-	22,369,287	2031
2032	17,097,585	200,550	16,897,035	77,399	16,819,635	0.1157	-	-	2,964,750	2,579,000	-	22,363,385	2032
2033	17,099,810	196,250	16,903,560	77,469	16,826,090	0.1146	-	-	2,965,925	2,579,100	-	22,371,115	2033
2034	17,091,660	196,150	16,895,510	77,375	16,818,134	0.1134	-	-	2,962,825	2,581,725	-	22,362,684	2034
2035	14,980,850	-	14,980,850	57,879	14,922,971	0.1002	-	-	2,965,450	2,581,650	-	20,470,071	2035
2036	14,987,613	-	14,987,613	57,941	14,929,672	0.0997	-	-	2,963,350	2,578,875	-	20,471,897	2036
2037	13,895,913	-	13,895,913	46,804	13,849,109	0.0920	-	-	2,961,525	2,578,400	-	19,389,034	2037
2038	13,900,538	-	13,900,538	46,817	13,853,721	0.0916	-	-	2,964,750	2,580,000	-	19,398,471	2038
2039	13,895,288	-	13,895,288	46,802	13,848,486	0.0911	-	-	2,962,575	2,578,450	-	19,389,511	2039
2040	13,899,238	-	13,899,238	46,802	13,852,436	0.0907	-	-	-	2,578,750	-	16,431,186	2040
2041	13,899,288	-	13,899,288	46,846	13,852,441	0.0902	-	-	-	2,580,675	-	16,433,116	2041
2042	13,898,725	-	13,898,725	46,817	13,851,908	0.0898	-	-	-	2,579,000	-	16,430,908	2042
2043	13,901,638	-	13,901,638	46,817	13,854,820	0.0893	-	-	-	2,578,725	-	16,433,545	2043
2044	12,501,025	-	12,501,025	32,557	12,468,468	0.0800	-	-	-	2,579,625	-	15,048,093	2044
2045	9,310,000	-	9,310,000	-	9,310,000	0.0597	-	-	-	2,581,475	-	11,891,475	2045
2046	9,311,600	-	9,311,600	-	9,311,600	0.0598	-	-	-	2,579,050	-	11,890,650	2046
2047	4,149,600	-	4,149,600	-	4,149,600	0.0266	-	-	-	2,577,350	-	6,726,950	2047
2048							-	-	-	2,581,150	-	2,581,150	2048
	\$ 600,472,226	\$ 2,963,681	\$ 597,508,545	\$ 3,510,174	\$ 593,998,371		\$ 18,769,060	\$ 1,361,325	\$ 50,968,100	\$ 67,673,391	\$ 2,500,000	\$ 730,270,247	

(1) QSCB issuance assumes 6.2% sequestration. Assumes NO interest earnings on invested sinking fund.
 (2) Tax collection percentage of 100%. Actual FY 2019 I&S tax rate.
 (3) Estimated effective interest rate, currently below 4.00%.
 (4) Assumes capitalized interest.

Projected Maximum I&S Tax Rate: \$0.2780

COPEL L I S D

REFUNDING ANALYSIS

Bond Issue to be Refunded – Series 2009A & 2009B

	<u>Series 2009A</u>	<u>Series 2009B</u>
Original Par Amount:	\$26,520,000	\$19,700,093
Callable Principal Amount:	\$12,685,000	\$10,580,000
Callable Principal Maturity Dates:	2020-2034	2020-2024
Call Date:	8/15/2019	8/15/2019

Maturity Date	Series 2009A		Series 2009B	
	Interest Rate	Eligible Callable Amount	Interest Rate	Eligible Callable Amount
8/15/2020			5.000%	\$ 1,360,000
8/15/2020	5.000%	\$ 540,000	4.000%	420,000
8/15/2021	5.000%	575,000	4.000%	2,070,000
8/15/2022	5.000%	610,000	4.125%	2,155,000
8/15/2023	5.000%	635,000	4.250%	2,240,000
8/15/2024	5.000%	1,190,000	4.250%	2,335,000
8/15/2025	5.000%	1,495,000		
8/15/2026	5.000%	1,580,000		
8/15/2027	5.000%	635,000		
8/15/2028	5.000%	665,000		
8/15/2029	5.000%	700,000		
8/15/2030	5.000%	735,000		
8/15/2031	5.000%	770,000		
8/15/2032	5.000%	810,000		
8/15/2033	5.000%	850,000		
8/15/2034	5.000%	895,000		
		\$ 12,685,000		\$ 10,580,000

C O P P E L L I S D

Current Market – Refund Series 2009A & 2009B¹

¹ Preliminary rates, subject to change.

Year	Refunded Debt Service	Unrefunded Debt Service	Debt Service Fund Transfer	New Refunding Debt Service	Savings
2019	\$ 4,204,691	\$ 3,662,100	\$ 542,591	\$ -	\$ -
2020	3,405,181	-	-	3,206,188	198,994
2021	3,618,381	-	-	3,421,700	196,681
2022	3,626,831	-	-	3,431,200	195,631
2023	3,617,438	-	-	3,418,950	198,488
2024	4,140,488	-	-	3,945,700	194,788
2025	1,951,750	-	-	1,754,200	197,550
2026	1,962,000	-	-	1,763,700	198,300
2027	938,000	-	-	739,200	198,800
2028	936,250	-	-	737,600	198,650
2029	938,000	-	-	740,200	197,800
2030	938,000	-	-	741,800	196,200
2031	936,250	-	-	737,400	198,850
2032	937,750	-	-	737,200	200,550
2033	937,250	-	-	741,000	196,250
2034	939,750	-	-	743,600	196,150
	<u>\$ 34,028,009</u>	<u>\$ 3,662,100</u>	<u>\$ 542,591</u>	<u>\$ 26,859,638</u>	<u>\$ 2,963,681</u>

Refunded Series:

Series	2009A	2009B	
Amount Refunded	\$ 12,685,000	\$ 10,580,000	\$ 23,265,000
Average Coupon of Refunded Bonds			4.81%
True Interest Cost (TIC) on Refunding Bonds			2.62%
Net Present Value Savings			\$ 2,386,056
Percentage Savings of Refunded Bonds			10.256%

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At Minimum Recommended Parameter – 5.00% PV¹

¹ For illustration only, minimum subject to Board direction.

Year	Refunded Debt Service	Unrefunded Debt Service	Debt Service Fund Transfer	New Refunding Debt Service	Savings
2019	\$ 4,204,691	\$ 3,662,100	\$ 542,591	\$ -	\$ -
2020	3,405,181	-	-	3,302,498	102,683
2021	3,618,381	-	-	3,514,150	104,231
2022	3,626,831	-	-	3,526,150	100,681
2023	3,617,438	-	-	3,516,150	101,288
2024	4,140,488	-	-	4,034,900	105,588
2025	1,951,750	-	-	1,845,650	106,100
2026	1,962,000	-	-	1,857,150	104,850
2027	938,000	-	-	834,400	103,600
2028	936,250	-	-	830,000	106,250
2029	938,000	-	-	834,800	103,200
2030	938,000	-	-	833,400	104,600
2031	936,250	-	-	831,000	105,250
2032	937,750	-	-	832,600	105,150
2033	937,250	-	-	833,000	104,250
2034	939,750	-	-	837,200	102,550
	<u>\$ 34,028,009</u>	<u>\$ 3,662,100</u>	<u>\$ 542,591</u>	<u>\$ 28,263,048</u>	<u>\$ 1,560,271</u>

Refunded Series:

Series	2009A	2009B	
Amount Refunded	\$ 12,685,000	\$ 10,580,000	\$ 23,265,000
Average Coupon of Refunded Bonds			4.81%
True Interest Cost (TIC) on Refunding Bonds			3.61%
Net Present Value Savings			\$ 1,166,312
Percentage Savings of Refunded Bonds			5.013%

C O P P E L L I S D

PARAMETER BOND SALE PROCESS

Same procedures as used for Series 2013A, 2013B, 2014, 2016 and 2018

Parameter Bond Sale

- ❑ **Board delegates final pricing authority to Pricing Officer(s)**

- ❑ **Board establishes bond sale parameters:**

Section 1207 of the Government Code allows refunding bonds via a Parameter Sale

- ▶ Maximum Interest Rate
- ▶ Minimum Savings Threshold for Refunding: 5.00% Present Value
- ▶ Aggregate Principal Amount of Issue
- ▶ Final Maturity Date
- ▶ Expiration of Delegated Authority
 - 6 Months

- ❑ **Pricing Officer(s) can only approve sale if Board parameters are met**

Parameter Bond Sale

Reason for Parameter Bond Sale = FLEXIBILITY

Market Timing – Bond issue is in ‘Day-to-Day’ mode, meaning bonds can be priced at any time and in an interest rate environment that is advantageous rather than being locked into pricing on the date of a Board meeting.

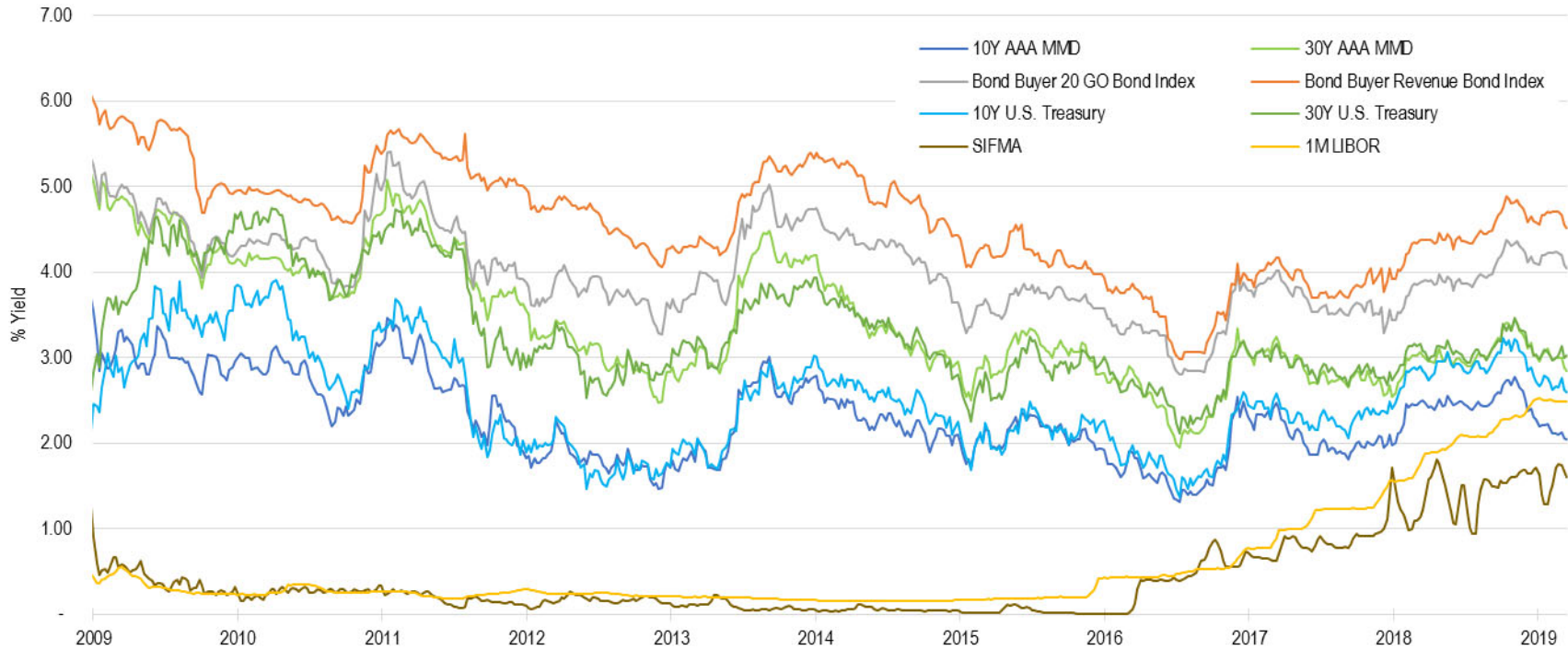
Preliminary Bonds Issuance Schedule of Events

<u>Date</u>	<u>Event</u>
March 25	Board meeting to establish parameters and adopt Order authorizing issuance
March 26	Preliminary Official Statement in final form and submitted to rating agencies
March 28 - April 4	Discussion with rating agencies
April 9 - 12	Expected receipt of bond ratings
April 23 - 25	Pricing and marketing of bond issue by underwriters, overseen by HilltopSecurities *
Following Pricing	Delegated Pricing Officer authorizes and approves sale of the bonds
April 29	Update Board on results of sale
May 22	Delivery; receipt of funds
August 15	Refunded bonds redemption

** Subject to market conditions and meeting established parameters.*

MARKET CONDITIONS

Weekly Benchmark Interest Rates



Rates Analysis Since January 2009

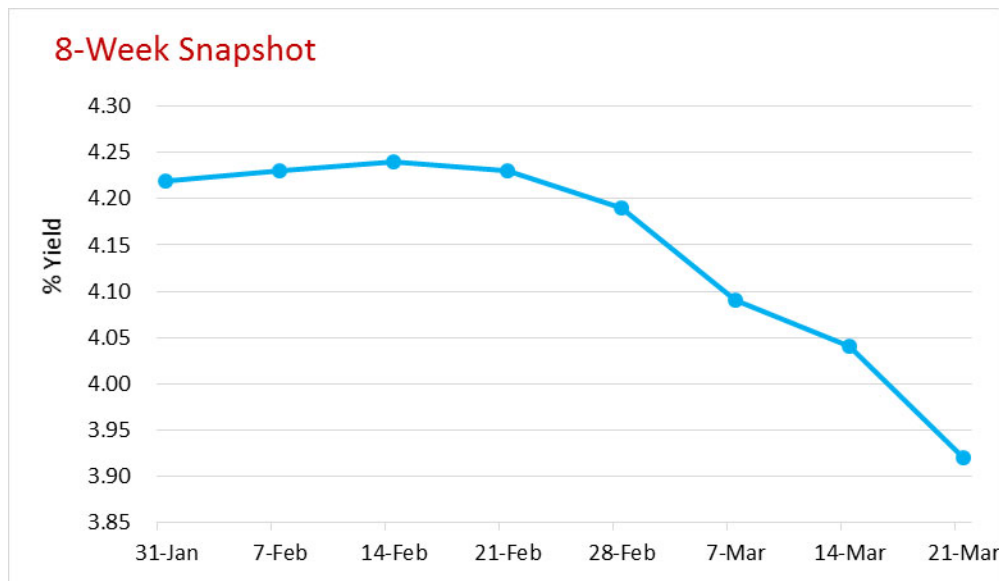
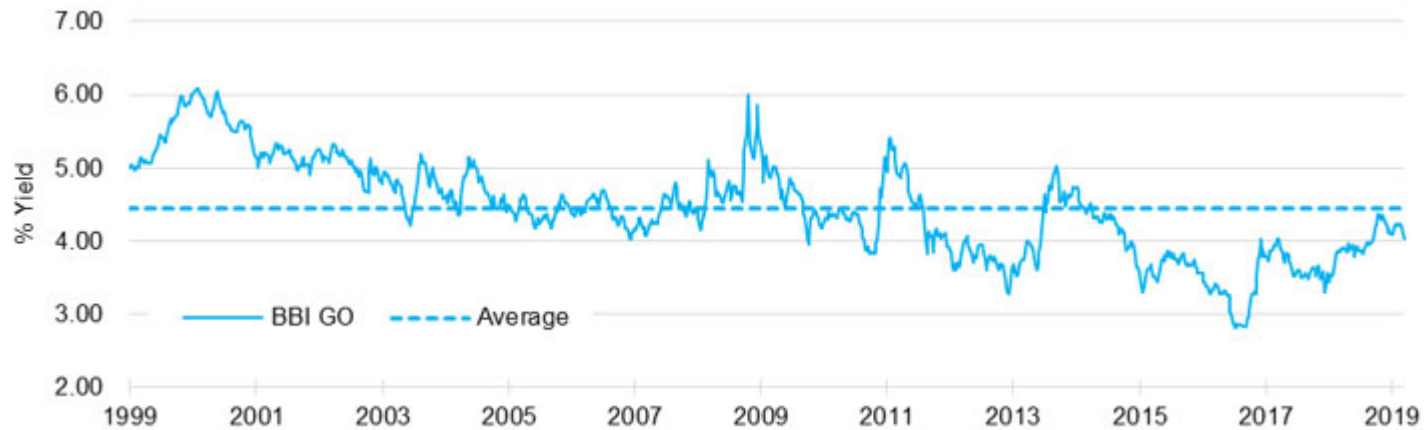
	10Y AAA MMD	30Y AAA MMD	Bond Buyer 20 GO Bond Index	Bond Buyer Revenue Bond Index	10Y U.S. Treasury	30Y U.S. Treasury	SIFMA	1M LIBOR
Current	2.04	2.85	4.04	4.51	2.59	3.02	1.61	2.48
Maximum	3.53	5.08	5.41	6.00	3.90	4.75	1.81	2.52
Minimum	1.31	1.95	2.80	2.98	1.37	2.11	0.01	0.15
Average	2.31	3.42	4.02	4.60	2.52	3.33	0.41	0.57
% Time Lower	32%	20%	57%	45%	55%	38%	96%	98%

Source: Thomson Reuters Municipal Market Data, U.S. Treasury and Bloomberg

C O P P E L L I S D

Tax-Exempt Market Overview | The Bond Buyer

The Bond Buyer 20-Bond General Obligation Index



Source: The Bond Buyer and Bloomberg