

Advance Notice 9-28-23

DISCUSSION / ACTION ITEMS

Bond Refunding – Tow-Yick/Turney/Banasick

ACTION TO BE TAKEN: I move the Board adopt Resolution No. 1208 providing for the issuance and sale of refunding bonds in the aggregate principal amount not to exceed \$37,000,000 and delegating to the Superintendent and/or Chief of Finance and Operations of the District the authority to determine the structure of the bonds, approve the interest rates, maturity dates and principal maturities for the bonds.

To optimize the District's outstanding debt portfolio, staff routinely monitor the bond market for bond refunding (refinancing) opportunities. At this time, the District's outstanding Unlimited Tax General Obligation Bonds, 2013A are showing potential for positive refunding savings. Current tax law allows for existing 2013A bonds to be refunded with tax-exempt bonds if the new refunding transaction occurs within 90 days of the optional redemption (call) date. The 2013A bonds had a first call date of June 1, 2023 and will be driven by pricing of the bonds and market.

The current estimated taxpayer savings achievable from executing a bond refunding transaction is \$1.7 million. Bond market conditions are dynamic and the financing team will continue to monitor the status of the potential refunding. Staff is recommending the Board consider a bond delegation resolution providing authority to the Superintendent and/or Chief of Finance and Operations to carry out the bond refunding.

Piper Sandler & Co propose to market the bonds on November 7th, 2023 and sell if market conditions are favorable. These monies will be used to refund existing 2013A bonds. Trevor Carlson (Piper Sandler & Co.) and Northwest Municipal Advisors presented on the financing plan at the Sept. 14th board meeting.

K&L Gates LLP, our bond counsel, will be in attendance.

Martin Turney, Chief of Finance and Operations and Moriah Banasick, Executive Director of Finance & Budget will be available for questions.
