

**Powers Metropolitan District
Draft Term Sheet
General Obligation Limited Tax Bonds, Series 2018
(as of August 2, 2018)**

*FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS*

Delivery Date:	September 26, 2018
<u>Sources:</u>	
Par Amount:	\$3,380,000 (estimated)
<u>Uses:</u>	
Project Fund:	\$2,850,000 (estimated)
Debt Service Reserve Fund:	\$282,212 (estimated)
Costs of Issuance:	\$247,600 (estimated)
<u>Structure:</u>	
Final Maturity:	December 1, 2048
Interest Rate:	5.75% (estimated as of the current market)
Payment Dates:	Semi-annual interest payments on June 1 and December 1 with principal payments annually on December 1
Tax Status:	Tax-exempt, Non-AMT, Bank Qualified
Optional Redemption:	Estimated 12/1/2023 at 103 premium declining (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Pledged Revenue:	Senior lien on revenues produced from the required mill levy subject to a 50 mill levy debt service cap and specific ownership tax generated by the required mill levy.
Surplus Fund:	The District shall levy 40 mills for debt service until the Surplus Fund is full. To the extent this amount of revenue is not needed for current year debt service, it will be deposited to the Surplus Fund. The Surplus Fund is expected to have a maximum size of 10% of total bond par and shall be drawn in the event that revenue produced by the required mill levy is insufficient to cover current debt service.

Additional Debt:	Allowed with majority bondholder consent. Allowed without bondholder consent when the District's senior debt to assessed ratio is at or below 50% or for a refunding of this 2018 debt.
Subordinate Debt:	Subordinate bonds may be issued provided that they pay debt service annually only after all payment on senior bonds.
Events of Default:	It is not an event of default if the District misses a payment but has levied the required mill levy. Only failure to levy the required mill levy is a payment event of default.
Trustee:	UMB Bank, n.a.
Title 32 qual.:	Issued to financial institutions or institutional investors
Title 11 exemption:	\$500,000 denominations