

Allison Valley Metropolitan District Nos. 1 and 2 Debt Issuance

City Council Work Session
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Summary



- Refinancings of existing Allison Valley Metropolitan District Nos. 1 and 2 debt
- Lower, more secure interest rates- leverage development absorption
- Conversions of 2015 and 2017 loans to bonds
 - Loans have only been partially drawn down
- Marketed and tax exempt
- NTE \$10,000,000 District No. 1 Series 2020 bonds– would refinance all existing debt of that District
- NTE \$13,500,000 District No. 2 Series 2020 bond would refinance all existing debt of that District

Summary- Continued



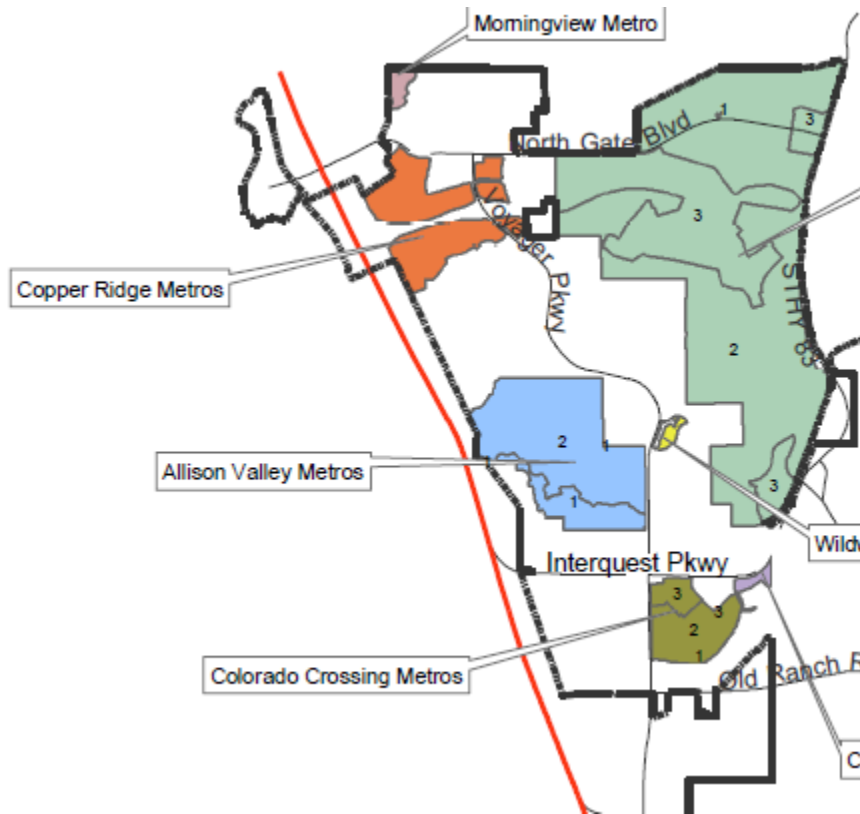
- **District No. 1 General Obligation Limited Tax Refunding Bonds, Series 2020**

- \$10,000.000
- 32.952 Mills (Gallagherized)
- Interest rate 5.25% NTE 6.5%
- Term 2047, 2056 discharge date
- Optional 2030 call date

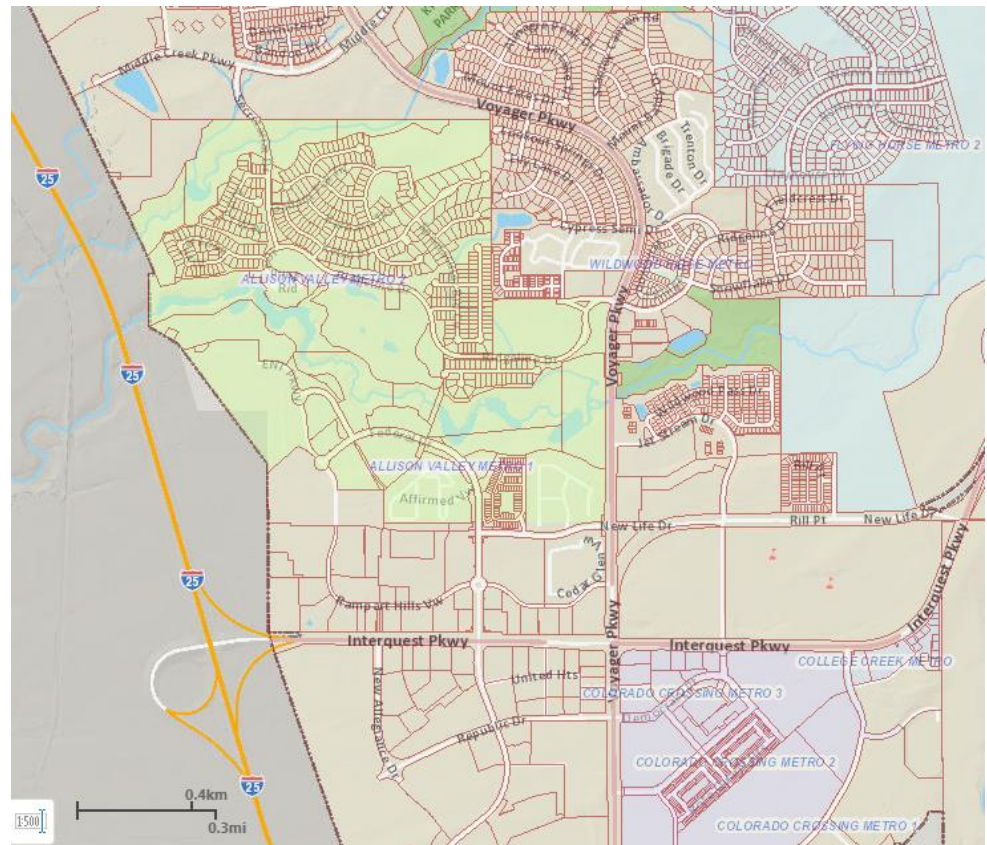
District No. 2 General Obligation Limited Tax Refunding Bonds, Series 2020

- \$13,500.000
- 33.452 Mills (Gallagherized)
- Interest rate 5.0% NTE 6.5%
- Term 2047, 2048 discharge date
- Optional 2030 call date

Vicinity Map



District Map



Districts Background and History



- Districts created in 2006
- Amended service plan- 2015
 - Updated authorized mill levies
 - Related boundary changes
- Debt issuance authorizations
 - District No. 2- 2015 - \$13.5M
 - District No. 1- 2017- \$16.5M
- Debt service mill levies
 - District No. 1- 2016 for collection in 2017
 - District No. 2- 2007 for collection in 2008
- Maximum authorized debt in the service plan
 - Combined \$30,000,000 for both districts

Outstanding Debt



- District No. 1 (2017B) \$4,757,295.70
- District No. 2 (2015A) \$4,396,914.61
- District No. 2 (2015B) \$1,656,781.36

Note: Ent Credit Union addressed their improvements separately, so there was no Series 2017A \$6,500,000 loan

District	Total Amount	Less: ENT Exclusion	Balance	Drawn	Average Rate	Undrawn Amount
Allison Valley MD #1	16,500,000	(6,500,000)	10,000,000	4,126,320	4.50%	5,873,680
Allison Valley MD #2	13,500,000	NA	13,500,000	6,053,696	4.79%	7,446,304

Budget Committee



- July 28, 2020
- Limited questions and requests
- Differentiation between bonds and loans

Supporting Materials



- Transmittal letter
- City resolutions (one for each district)
- Draft District bond resolutions
- Draft indentures
- Financial projections
- **Form of District counsel opinion**

Next Steps and Questions?



- August 25, 2020 hearing
- Maximum of one year to issue
- Not-to-exceed language included in resolutions
- District-specific discharge date language included
- Six affirmative votes required