

# Refunding Certificates of Participation, Series 2018

November 27, 2017

Charae McDaniel, Chief Financial Officer

Tom Florczak, Deputy City Attorney



# Refunding Team



## Financial Advisor

- Robyn Moore, George K. Baum & Co.

## Bond Counsel

- Mario Trimble, Kutak Rock LLP

## Disclosure Counsel

- Scott Shaver, Stradling Yocca Carlson & Rauth, P.C.

## Underwriter

- Michael Persichitte, RBC Capital Markets, LLC

- Authorized in 2009
- Underwriters
  - RBC Capital Markets
  - Piper Jaffray & Co.
  - Stifel, Nicolaus & Company
- Terms – 2.0% - 5.0%, final maturity 2039
- Total annual payment in 2017 \$1,822,625
- Does not violate TABOR or any other constitutional or Charter debt limitation
  - Per the decisions in Board of County Commissioners v. Dougherty, 890 P.2d 199 (Colo. App. 1994) and In Re Interrogatories on HB 99-1325, 979 P.2d 549 at 557 (Colo. 1999),
  - Does not contain obligations extending beyond the current fiscal year
  - Continuation thereafter subject to annual appropriation

- Parameters
  - Final determinations will be made by the Mayor and the Chief Financial Officer per pricing at closing, within parameters below:
    - Principal amount shall not exceed \$30M
    - Maximum net effective interest rate shall not exceed 4.00% per annum
    - Lease, including all renewal terms, shall terminate not later than December 31, 2039
    - Present value savings of not less than 3.00%

- December 12<sup>th</sup> Council consideration/approval of ordinance  
AN ORDINANCE AUTHORIZING AND APPROVING THE LEASE-PURCHASE OF CERTAIN PROPERTY AND THE EXECUTION OF DOCUMENTS RELATED THERETO BY THE CITY OF COLORADO SPRINGS, COLORADO IN CONNECTION WITH THE ISSUANCE OF REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$30,000,000; RATIFYING ACTION PREVIOUSLY TAKEN CONCERNING SUCH MATTERS; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.
- Rating agency presentation
- January 9, 2018, final reading of ordinance

# Next Steps, continued



- Pricing or Rate Lock
- Prepare FINAL documents
- Closing
  - Sale of Series 2018 COPs
  - Defeasance of Series 2009
- Appropriate the annual payment funds in the annual budget

# Questions?