

## 2022 Revolving Loan Agreement (Line of Credit) Renewal

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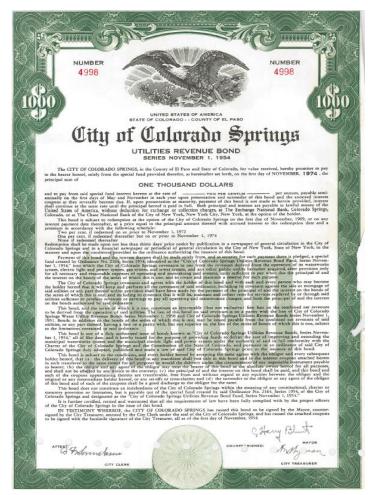
## Plan of Finance Overview

Plan of Finance efforts are dedicated towards four key

objectives:

1. Fund the debt-backed portion of The Utilities' upcoming capital plan

- 2. Manage and optimize The Utilities' current debt portfolio
- 3. Procure and manage debt-supporting instruments and ancillary services
- 4. Manage credit rating agency relationships



## Line of Credit Renewal/Replacement

- Meant to be used only in emergency situations
- Added benefit bolster liquidity ratings with rating agencies
- Utilities' \$75 million Revolving Loan Agreement for a Line of Credit expires in September 2022
- Cost analysis performed to determine whether to renew or replace
- Result:
  - Renew with U.S. Bank National Association for a 3-year tenor at an annual fee of 25bps for unused balance

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## **Next Steps**

- Renewing or replacing this agreement requires authorization from City Council via ordinance
- Below are key dates in this process

SBPA / Liquidity Renewal Actions:	Date:
Renewal Negotiations	May 2022
Update to Finance Committee	July 15
Presentation to Utilities Board	July 20
Ordinance Readings at City Council	July 26 and August 9
Facility Execution Dates	September 9

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