

2022 Tax-Exempt Refunding

November 9, 2021

The logo for ADDISON, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes diagonal lines and a grey triangle in the top right corner.

ADDISON

2022 Refunding Opportunities

- Hilltop Securities, our Financial Advisor, has performed an analysis of our debt portfolio to determine if any refunding opportunities are available.
- Based on that analysis, the 2012 CO Bonds (Tax-Exempt) is a candidate to be refunded.
- These 2012 Bonds are callable beginning February 15, 2022, so they may be refunded on a tax-exempt basis.
- Due to the Tax Cuts and Jobs Act of 2017, only refunding tax-exempt debt that is currently callable may be done so on a tax-exempt basis.

2022 Refunding Analysis

Date	Refunding Debt		Savings
	Prior Debt Service	Service	
9/30/2023	1,074,563	1,011,838	62,725
9/30/2024	1,077,663	1,012,238	65,425
9/30/2025	1,073,763	1,011,438	62,325
9/30/2026	1,078,113	1,014,338	63,775
9/30/2027	1,081,563	1,015,838	65,725
9/30/2028	616,238	550,438	65,800
9/30/2029	617,363	553,438	63,925
9/30/2030	618,038	555,638	62,400
9/30/2031	618,263	552,138	66,125
9/30/2032	617,716	550,463	67,253
9/30/2033	616,056	550,687	65,369
9/30/2034	618,506	553,037	65,469
9/30/2035	619,950	552,638	67,312
9/30/2036	615,459	552,037	63,422
9/30/2037	620,294	555,844	64,450
Totals	11,563,548	10,592,048	971,500

2022 Refunding Analysis (cont.)

- Potential Tax Rate Savings = .12 of one Penny on the tax rate
- All in True Interest Cost = 1.89%
- Net Present Value Savings as a % of Refunding = 8.83%
- Total Savings = \$971,500
- Net Present Value Savings = \$836,359

Timeline

- November 9th – Present plan to the Council
- Week of December 13th – Ratings calls
- December 28th – Receive ratings
- January 11th – Hold competitive sale for the bonds
- January 11th – Present ordinance authorizing the sale to Council
- February 15th – Closing and Delivery of Funds

