



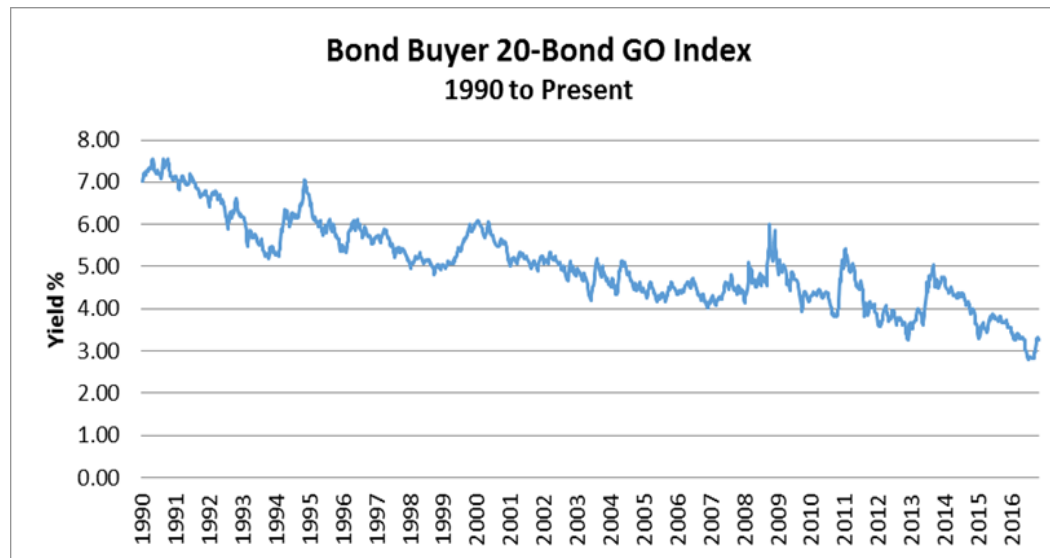
\$7,685,000 Water Revenue Bonds, 2016  
Summary of Bond Issue

November 15, 2016

# Bond Market Overview

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- The Bonds were priced on November 3
- Since the election, long term tax exempt rates have increased up to about 0.50%.
- The graph does not reflect the increase over the last week.



# Bond Rating

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- District applied for a rating with Moody's Investors Service
- Outstanding rating of Aa3 was confirmed
  - Excellent rating for the District
  - Relatively small size of District was a factor in the rating not being higher

# Bond Reserve Account Surety

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- The Bond Resolution requires the District to maintain a reserve account.
  - Reserve requirement for 2011 and 2016 Bonds     \$887,848
  - Prior reserve requirement     \$772,147
- Cash reserve account was funded with a surety policy from Build America Mutual (BAM)
- As a result prior reserve is available for projects and issue size of 2016 Bonds was reduced

# Bond Sale Results

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- Average Cost of Funds 3.55%
- Call Date October 1, 2026
  
- Source and Uses of Funds

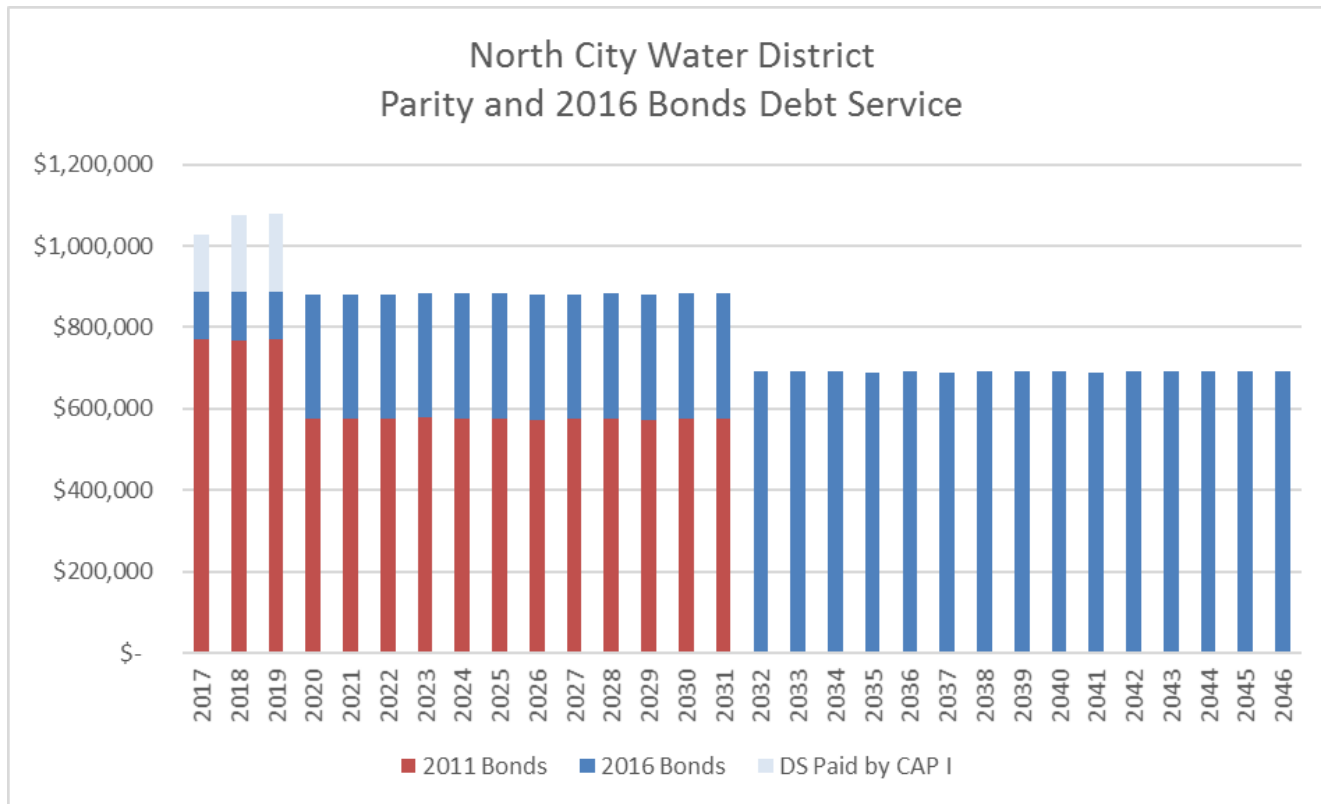
## Sources of Funds

Par Amount of Bonds	\$7,685,000.00
Original Issue Premium/(Discount)	680,609.90
Deposit from Existing Reserve	<u>772,147.50</u>
Total Sources of Funds	\$9,137,757.40

## Uses of Funds:

Deposit to Capital Account within Maintenance Fund	\$8,483,872.20
Deposit to Capitalized Interest Fund	521,000.00
Costs of Issuance	<u>132,885.20</u>
Total Uses of Funds	\$9,137,757.40

# Bond Debt Service Structure



# Summary

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- Bond structure advantageous to District
- Timing was excellent
- Bond rating and sale reflect positively on the District Board, Staff and policies