

MEMORANDUM

TO: Water and Light Advisory Board

FROM: Tad A. Johnsen, Director Water and Light

DATE: May 27, 2014

SUBJECT: Water and Electric System Revenue Refunding Bonds 2014 Series A

The current bond interest rates provide the opportunity to refinance two Revenue Bond Issues and to save a significant amount of interest. The 2003 Series A Bonds and the 2004 Series A Bonds are currently callable. The refunding of these two issues is projected to save \$1,621,483 over the remaining 16 years of the issue. The 2003 Series A Bonds are a combined water and electric issue. The remaining principle amounts are \$449,162 for water and \$1,560,838 for electric. The 2004 Series A Bonds are for water only. The remaining principle amount is \$12,745,000. The total outstanding principle is \$14,755,000. Existing bond reserves will pay down the principle amount. The 2014 Series A Bonds will be for a total of \$14,610,000.

PRELIMINARY MATURITY SCHEDULE			
Due: October 1	Principal Amount	Due: October 1	Principal Amount
2014	\$1,415,000	2022	\$895,000
2015	1,345,000	2023	920,000
2016	810,000	2024	945,000
2017	810,000	2025	980,000
2018	820,000	2026	1,010,000
2019	830,000	2027	1,040,000
2020	845,000	2028	1,080,000
2021	865,000		