



## Discussion Item

**Date:** January 7, 2025

**Division:** Finance

**Subject:** 2025 Debt Management Program Including Next Bond Sale

**Background Information:**

- In order to continue moving forward with projects associated with the 2023 Bond that voters approved in November 2023, a bond sale is necessary.
- The remaining cash flow requirements from the 2023 Bond could be met with two bond sales. A bond sale of \$300,000,000 would fund the next phase of projects and would be in the spring of 2025.
- The last sale of the 2023 Bonds would be \$210,000,000 and could be in the spring or summer of 2026.
- The bond sales will be amortized over 20 years.

**Administrative Consideration:**

- The attached analysis provides the projected future debt service and I&S tax rates of the remaining sales of the 2023 Bond.
- The analysis also includes refunding of \$85,115,000 of the Unlimited Tax Refunding Bonds, Series 2016A maturing in 2026-2028 to be refunded in May 2025. This transaction is estimated to produce Net Present Value Savings of \$1,857,162 or 2.18% of the refunded debt.
- The analysis also includes targets for defeasance in August 2025 as part of the 2025 Debt Management Program.
- The best candidates for defeasance would be the Series 2016B (non PSF) bonds that are callable on August 15, 2025.