



# **2017 Certificates of Participation**

## **Proposed Refinancing Options**

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- Continued from July 25, 2017 Meeting
- Approve 2017 Refunding of 2007 COP and Debt Structure



# Refinancing Opportunity

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- **Opportunity to Refinance the 2007 COPs that funded the construction of**
  - County Government Center
  - Parking Garage
  - Probation Building
  - Other County Facilities
- **Indicated savings are based on July 17, 2017 analysis**
- **Actual savings to be determined at the time of bond issuance**



# Potential Refinancing Structures

## Scenario 1 Uniform Savings

(keeps debt structure/maturity as current 2007 COP)

- Reduced Annual Costs
- Approximately Equal Annual Cash Flow Savings of \$783,043
- Total Savings \$12,528,656
- NPV\* Savings \$10,488,705

## Scenario 2 Shorten Final Maturity

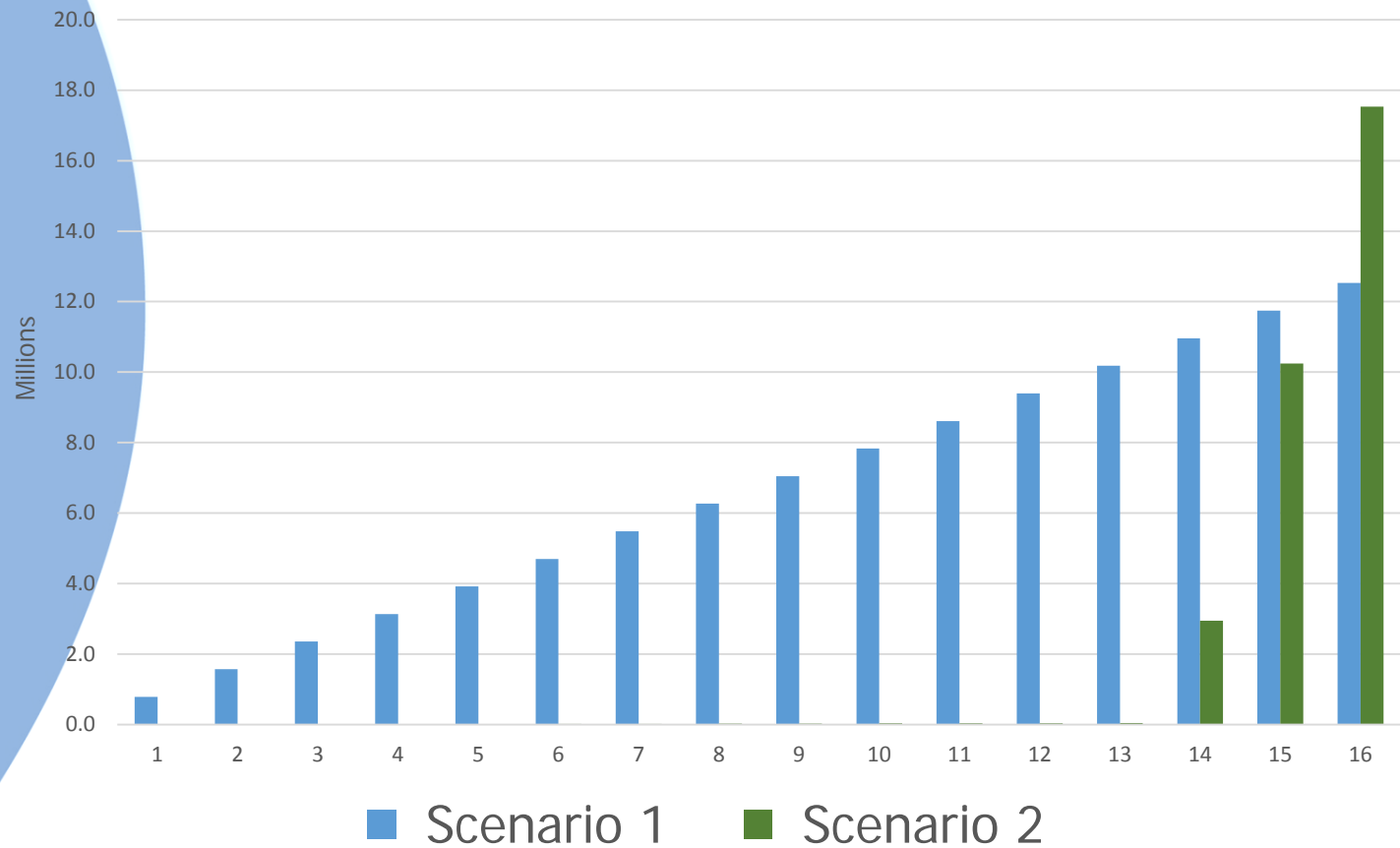
- Nearly Unchanged Annual Costs
- Two Year Reduction in Term
- Total Savings \$17,537,609
- NPV\* Savings \$12,687,304

\*NPV = Net Present Value



# Comparative Savings

Cumulative Annual Savings  
without NPV





# CAO Recommendation

- **Scenario 1**-Keep existing debt maturity schedule (ending in 2032) and use projected annual savings and dedicate them during the budget process/hearings for deferred maintenance and capital improvements for Government Center
- County currently uses one time funds for deferred maintenance; opportunity to establish level contribution and policy to plan/fund buildout of unfinished areas of Government Center and use for deferred maintenance
- **Scenario 2**-Most conservative, higher savings in cash, PV; shortens Maturity of existing debt by 2 years (ending in 2030); however locks out the opportunity to use savings during the next 13-14 years
- Win/Win either choice-Decision required by the BOS for documents
- Next Steps: Board approves official documents on August 8 to take advantage of interest rate environment