

**CITY OF GOODYEAR
CFD BOARD ACTION FORM**

SUBJECT: CFUD#1 RES 15-096 authorizing the issuance and sale of District General Obligation Refunding Bonds, Series 2015.	STAFF PRESENTER Larry Lange, Finance Director COMPANY CONTACT:
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RECOMMENDATION:

ADOPT RESOLUTION CFUD#1 RES 15-096 AUTHORIZING THE ISSUANCE AND SALE OF ITS DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,015,000; DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE BONDS AND THE BONDS BEING REFUNDED; PROVIDING FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS; AUTHORIZING THE APPOINTMENT OF A REGISTRAR, TRANSFER AGENT AND PAYING AGENT, A DEPOSITORY TRUSTEE AND A DISSEMINATION AGENT; APPROVING THE FORM OF THE BONDS AND CERTAIN DOCUMENTS AND AUTHORIZING COMPLETION, EXECUTION AND DELIVERY THEREOF; DELEGATING THE AUTHORITY TO APPROVE AND DEEM FINAL A FORM OF OFFICIAL STATEMENT; APPROVING THE SALE OF THE BONDS TO THE PURCHASER THEREOF; AND RATIFYING ALL ACTIONS TAKEN OR TO BE TAKEN TO FURTHER THIS RESOLUTION.

PURPOSE:

District Board will consider CFUD#1 RES 15-096 which authorizes the issuance and sale of not to exceed \$7,015,000 principal amount of General Obligation Refunding Bonds, Series 2015 for the Community Facilities Utilities District No. 1, for the purpose of decreasing the District's debt service under its outstanding general obligation debt. Also, CFUD#1 RES 15-096 approves, in substantially the forms presented, various documents relating to the issuance and administration of the bonds after issuance.

BACKGROUND AND COMMUNITY BENEFIT:

The District previously issued its District General Obligation Project Bonds, Series 2005 (the "*Project Bonds*") and District General Obligation Refunding Bonds, Series 2005 (the "*Refunding Bonds*" and, together with the Project Bonds, the "*Prior Bonds*"). The proceeds of the Project Bonds were used to pay a portion of the cost of multiple public infrastructure improvements for the District and the proceeds of the Refunding Bonds were used to refund certain outstanding bonds. Refunding the Prior Bonds is expected to provide the District with debt service savings on the remaining outstanding amounts of the Prior Bonds.

CFUD#1 RES 15-096 requires that the refunding bonds it authorizes achieve a present value of debt service savings, net of all costs associated with the refunding bonds of not less than 4.00% of the principal amount of the outstanding debt to be refunded. The refunding bonds authorized by CFUD#1 RES 15-096 will bear interest at a rate not to exceed 5.00%. The refunding bonds will mature on July 15 in some or all of the years 2016 through 2029.

Approval of CFUD#1 RES 15-096 would also approve other legal documents, in substantially the forms presented to the Board, related to the issuance of the refunding bonds and the administration of the refunding bonds after issuance. Approval of CFUD#1 RES 15-096 would authorize the Chairman, any member of this Board, the District Manager or the District Treasurer to approve, execute and deliver final forms of the related documents with such necessary and appropriate omissions, insertions and variations as are permitted or required by CFUD#1 RES 15-096.

PREVIOUS ACTIONS AND DISCUSSION:

The refunding bonds to be authorized under CFUD#1 RES 15-096 will be secured by real property taxes levied on all taxable property within the District, just as the Prior Bonds are currently secured by those same real property taxes.

The debt service property tax rate for the District is \$1.00 per \$100 of assessed valuation. The original target rate was \$0.75 per \$100 of assessed valuation prior to the devaluation of the District's assessed valuation over the past few years.

FISCAL ANALYSIS:

The refunding is estimated to result in a net present value savings of approximately \$515,000. With this savings, staff anticipates maintaining a property tax rate of \$0.90, which is lower than the current target rate of \$1.00. The property rate for FY2015 was \$0.7662 per \$100 valuation. Actual savings will be based on interest rates in late May to early June, 2015.

ATTACHMENTS:

1. Resolution
2. Depositary Trust Agreement
3. Registrar Contract
4. Purchase Contract
5. Dissemination Agency Agreement
6. Preliminary Official Statement