

**CITY OF GOODYEAR  
CFD BOARD ACTION FORM**

<b>SUBJECT: Cortina Community Facilities District to consider CORTINACFD RES 17-052 authorizing the issuance and sale of District General Obligation Refunding Bonds, Series 2017.</b>	<b>STAFF PRESENTER:</b> Doug Sandstrom, District Treasurer  <b>CASE NUMBER:</b> N/A  <b>OTHER PRESENTER:</b> N/A
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**RECOMMENDATION:**

ADOPT RESOLUTION CORTINACFD RES 17-052 AUTHORIZING THE ISSUANCE AND SALE OF ITS DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,200,000; DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE BONDS BEING REFUNDED; PROVIDING FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS; APPROVING THE FORM OF THE BONDS AND CERTAIN DOCUMENTS AND AUTHORIZING COMPLETION, EXECUTION AND DELIVERY THEREOF; 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 CORTINACFD RES 17-052, which authorizes the issuance and sale of not to exceed \$2,200,000 principal amount of District General Obligation Refunding Bonds, Series 2017, for Cortina Community Facilities District, for the purpose of decreasing the District's debt service under its outstanding general obligation debt. Also, CORTINACFD RES 17-052 approves, in substantially the forms presented, documents relating to the issuance and administration of the refunding bonds.

**BACKGROUND AND PREVIOUS ACTIONS:**

The District previously issued its District General Obligation Bonds, Series 2005 and District General Obligation Bonds, Series 2006 (together, the "*Prior Bonds*"). The proceeds of the Prior Bonds were used to pay a portion of the costs of multiple public infrastructure improvements for the District. Refunding all or a portion of the Prior Bonds is expected to provide the District with debt service savings.

CORTINACFD RES 17-052 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 3.00% of the principal amount of the Prior Bonds to be refunded. The refunding bonds authorized by CORTINACFD RES 17-052 will bear interest at a tax-exempt yield not to exceed 5.00%. The refunding bonds will mature on July 15 in some or all of the years 2017 through 2031.

Approval of CORTINACFD RES 17-052 would also approve other legal documents, in substantially the forms presented to the District Board, related to the issuance of the

refunding bonds and the administration of the refunding bonds after issuance. Approval of CORTINACFD RES 17-052 would authorize the Chair, any member of this District 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 CORTINACFD RES 17-052.

**CURRENT POLICY:**

The refunding bonds to be authorized pursuant to CORTINACFD RES 17-052 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 and maintenance property tax rate for the District was \$2.3824 per \$100 of assessed valuation for FY2017.

**STAFF ANALYSIS:**

The Finance staff, CFD attorneys, and Financial Advisor have reviewed the CORTINACFD RES 17-052 Resolution and find that they are in compliance with state law and city policies. They are in support of the proposed actions.

**FISCAL ANALYSIS:**

The refunding is estimated to result in a net present value savings of approximately \$160,000, or approximately \$15,000 per year over the term of the refunded bonds. This translates into a reduction of the District's annual property tax levy of approximately \$0.16 per \$100 of assessed valuation. Actual savings will be based on interest rates in January and February, 2017.

**ATTACHMENTS:**

1. Resolution CORTINACFD 17-052
2. Purchase Contract