

# SENNA HILLS MUNICIPAL UTILITY DISTRICT

## **Bond Market Update & Refunding Authorization**

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**March 27, 2020**



# OUTSTANDING DEBT SERVICE

(1)	(2)	(3)	(4)	(5)
Fiscal Year Ending (Sept. 30)	Series 2010 Tax & Revenue New & Refunding Bonds (8/15/2020)	Series 2014 Tax & Revenue Refunding Bonds (2/15/2024)	Series 2016 Tax & Revenue New Bonds (8/15/2026)	Total Combined Debt Service
2020	\$ 552,937.50	\$ 406,356.26	\$ 80,718.76	\$ 1,040,012.52
2021	563,931.26	401,631.26	79,368.76	1,044,931.28
2022	563,531.26	396,118.76	83,018.76	1,042,668.78
2023	562,037.50	400,343.76	81,518.76	1,043,900.02
2024	479,412.50	398,743.76	80,018.76	958,175.02
2025	203,212.50	681,712.50	83,393.76	968,318.76
2026	187,412.50	694,975.00	81,537.50	963,925.00
2027	177,012.50	702,262.50	79,612.50	958,887.50
2028	161,650.00	722,312.50	82,825.00	966,787.50
2029	211,700.00	485,200.00	80,875.00	777,775.00
2030	204,262.50	494,400.00	83,775.00	782,437.50
2031	186,825.00	507,600.00	81,500.00	775,925.00
2032	179,400.00	519,600.00	79,062.50	778,062.50
2033	161,975.00	530,400.00	81,625.00	774,000.00
2034			79,000.00	79,000.00
2035			81,200.00	81,200.00
2036			83,200.00	83,200.00
	<u>\$ 4,395,300.02</u>	<u>\$ 7,341,656.30</u>	<u>\$ 1,382,250.06</u>	<u>\$ 13,119,206.38</u>

**Under Current Federal Tax Law, Refundings on a  
Tax-Exempt Basis Must Occur Within 90 Days of the  
Optional Redemption Date of the Bonds to be Refunded**

**Example:**

<b>April 21, 2020</b>	<b>– Refunding Bond Sale Date</b>
<b>May 19, 2020</b>	<b>– Refunding Bond Closing Date</b>
<b>August 15, 2020</b>	<b>– Redemption Date of Bonds to be Refunded</b>

# Bond Market Conditions - MUD

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## November 2019

Maturity Length	Yield to Maturity
1-Year	1.45%
5-Year	1.75%
10-Year	2.00%
13-Year	2.45%

## January 2020

Maturity Length	Yield to Maturity
1-Year	1.05%
5-Year	1.30%
10-Year	1.70%
13-Year	2.25%

## "Current"

Maturity Length	Yield to Maturity
1-Year	1.80%
5-Year	2.10%
10-Year	2.40%
13-Year	2.75%

# Bond Refunding Plan

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## Bond Series to be Refunded:

“Current” Refunding of the Series 2010 U/L Tax & System Revenue Refunding Bonds

## Summary of Refunding Parameters:

Call Date of the Bonds:	August 15, 2020
Call Premium/Penalty:	None
Type of Refunding:	Bank Qualified
Bonds Subject to Call:	Maturities 2021 to 2033 in the Amount of \$3,135,000
Bonds to be Refunded:	Maturities 2021 to 2033 in the Amount of \$3,135,000
Interest Rates on Bonds to be Refunded:	Range from 3.50% to 4.50% (Average Rate = 4.17%)
Interest Rate Yields on the Refunding Bonds:	Range from 1.65% to 2.85% (Average Rate = 2.60%)
	**Current Market Average Rate = 2.70%

# Summary of Refunding Analysis

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Structure of the Interest Cost Savings:	Level Annual Savings
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Minimum Total Debt Service Savings:	\$110,000
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Minimum PV Savings As a % of Refunded Bonds:	3.00%
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*Note: The Savings are Net of the Costs of Issuing the Refunding Bonds.*

# Refunding Motion

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***“I Make a Motion to Adopt the Resolution Authorizing the Issuance of Senna Hills Municipal Utility District Unlimited Tax and Waterworks and Sewer System Revenue Refunding Bonds.....***