

R2023-07-06

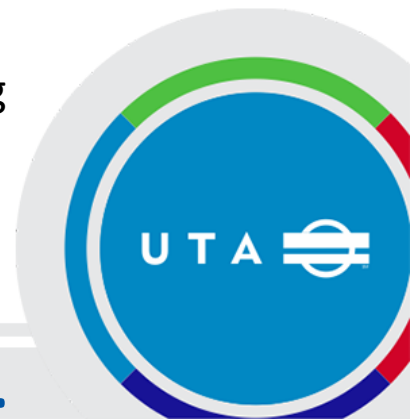
Resolution Authorizing (1) A Tender Offer for a Portion of the Authority's Outstanding Bonds and (II) the Issuance and Sale by the Authority of its Sales Tax Revenue Refunding Bonds in the Aggregate Principal Amount of Not to Exceed \$270,000,000 Related to the Tender Offer; and related matters



“Tendering” Outstanding Taxable and Tax-Exempt UTA Sales Tax Bonds for Savings

Bond Tender Refunding Steps to Completion

- Board of Trustees indicates interest in proceeding at the May 10th meeting
- Transaction was presented to the Local Advisory Council at their May 31st meeting for comments
- Transaction was presented to State Finance Review Commission at their June 26th meeting. The commission passed resolution authorizing the new bonds
- Board of Trustees has before it a resolution authorizing the tender offer to bondholders and issuance of refunding bonds at its July 26th meeting
- Upon passing of a Board resolution today, notice will be distributed to investors allowing Underwriter and UTA’s Municipal Advisor to begin conversations with bondholders about potential tender pricing
- Officers will work with our Municipal Advisor, Bond Counsel, Information Agent, and Underwriter to price the tender offer, obtain bond ratings, and to size, structure, and issue the refunding bonds
- After bondholders have responded to the tender offer, UTA will know the size of the potential offering and likely savings, and can determine whether or not to proceed



“Tendering” Outstanding Taxable and Tax-Exempt UTA Sales Tax Bonds for Savings

Savings Considerations Since April 2023

Date of Analysis	Net Present Value Savings Percentage	NPV Savings with 100% of Bonds Tendered	NPV Savings with 30% of Bonds Tendered
4/5/23	11%	\$29 million	\$8.7 million
4/18/23	11.5%	\$30.2 million	\$9.1 million
5/9/23	15%	\$38 million	\$11.6 million
6/5/23	7.4%	\$26.3 million	\$7.9 million
6/22/23	7.2%	\$25.1 million	\$7.6 million
7/12/23	7.8%	\$27.2 million	\$8.2 million
7/26/23	At Least 5%	At least \$6 million in NPV savings	



Recommended Action

(by roll call)

Motion to approve R2023-07-06 Resolution Authorizing 1) Tender Offer for a Portion of the Authority's Outstanding Bonds and 2) the Issuance and Sale by the Authority of its Sales Tax Revenue Refunding Bonds in the Aggregate Principal Amount of not to exceed \$270,000,000 Related to the Tender Offer; and Related Matters, as presented

