

# Bond Refinancing Results

April 15, 2021



# **\$415M in Bonds Refinanced Saving Customers \$79.5M**

- Bonds sold competitively on March 24-25
- Replaced bonds originally sold in 2010-2014
- Good bids and a high number of bidders
- Life of debt not extended
- \$79.5M in savings - reduced outstanding debt levels for all systems
- High-quality bond ratings affirmed by Standard & Poor's and Moody's

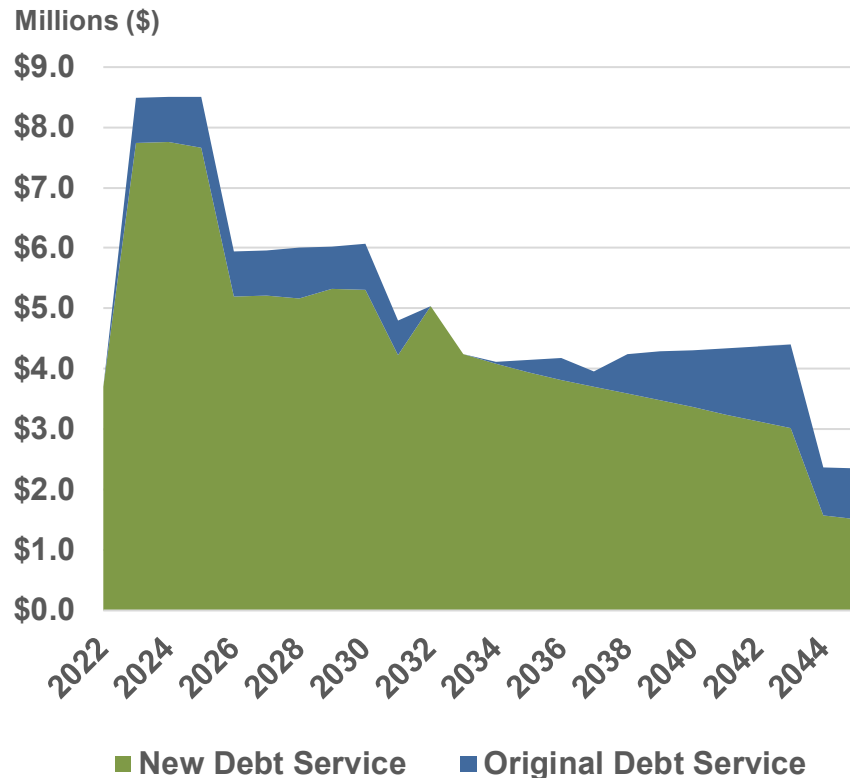
# Bids on \$70.2M Electric Bonds

| Bidder                           | True Interest Cost |
|----------------------------------|--------------------|
| <b>Jefferies LLC</b>             | <b>1.988</b>       |
| J.P. Morgan Securities LLC       | 1.990              |
| Piper Sandler & Co.              | 1.993              |
| Citigroup Global Markets, Inc.   | 1.996              |
| Hilltop Securities, Inc.         | 2.008              |
| Bank of America Merrill Lynch    | 2.013              |
| Raymond James & Associates, Inc. | 2.016              |
| TD Securities                    | 2.023              |
| Mesirow Financial, Inc.          | 2.024              |
| Wells Fargo Bank, NA             | 2.055              |
| Robert W. Baird & Co., Inc.      | 2.057              |

# Electric Bond Refinancing Saves \$14.3M

|                      |                      |
|----------------------|----------------------|
| Current Debt Service | \$117,935,000        |
| New Debt Service     | <u>\$103,628,000</u> |
| Savings              | \$14,307,000         |

- Bonds fully mature in July 2044
- Electric outstanding debt reduced \$16.2M



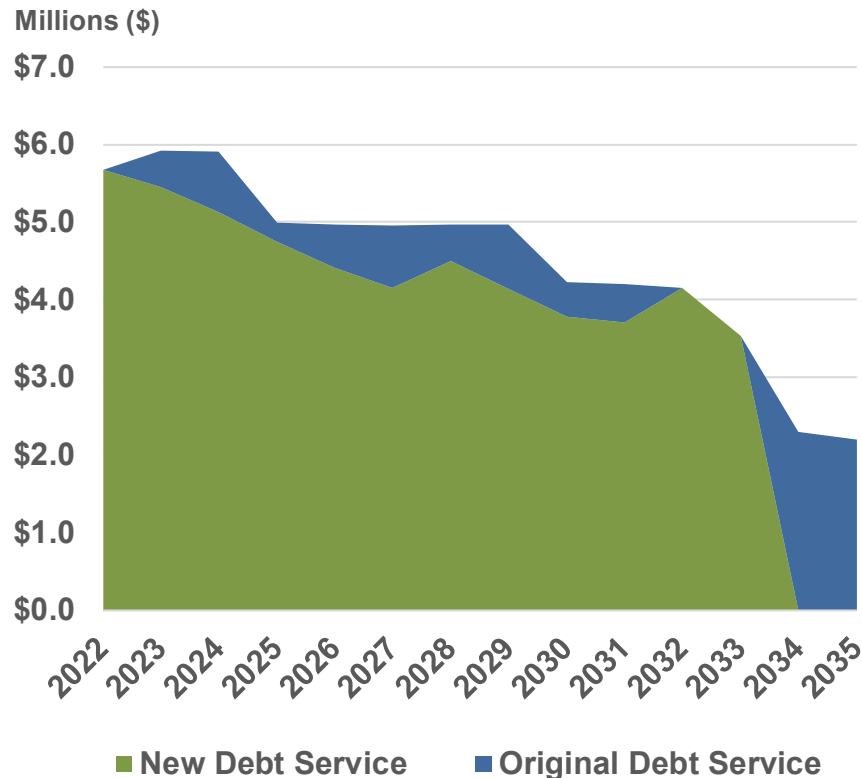
# Bids on \$41.9M Gas Bonds

| Bidder                            | True Interest Cost |
|-----------------------------------|--------------------|
| <b>J.P. Morgan Securities LLC</b> | <b>1.467</b>       |
| Raymond James & Associates, Inc.  | 1.472              |
| Hilltop Securities, Inc.          | 1.474              |
| Bank of America Merrill Lynch     | 1.483              |
| TD Securities                     | 1.492              |
| Jefferies LLC                     | 1.497              |
| Citigroup Global Markets, Inc.    | 1.498              |
| Piper Sandler & Co.               | 1.508              |
| Wells Fargo Bank, NA              | 1.518              |
| Mesirow Financial, Inc.           | 1.519              |
| Robert W. Baird & Co., Inc.       | 1.532              |
| Huntington Securities, Inc.       | 1.545              |

# Gas Bond Refinancing Saves \$7.9M

|                       |                     |
|-----------------------|---------------------|
| Original Debt Service | \$61,250,000        |
| New Debt Service      | <u>\$53,378,000</u> |
| Savings               | \$7,872,000         |

- Bonds fully mature in March 2033
- Gas outstanding debt reduced \$7.2M



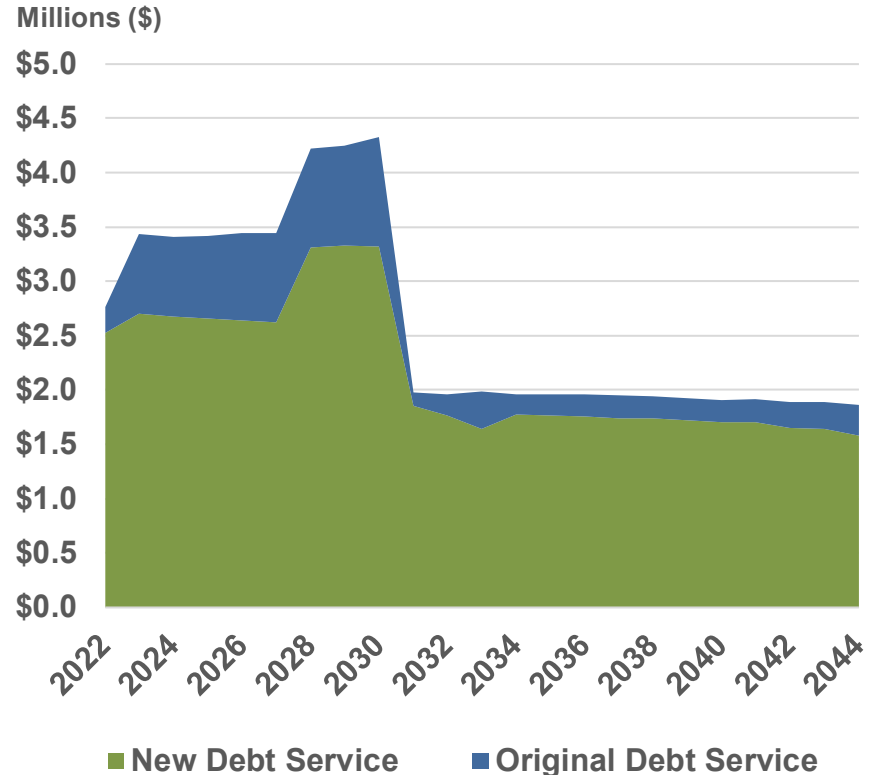
# Bids on \$33.2M Water Bonds

| Bidder                         | True Interest Cost |
|--------------------------------|--------------------|
| <b>Piper Sandler &amp; Co.</b> | <b>1.902</b>       |
| Morgan Stanley & Co., LLC      | 1.919              |
| J.P. Morgan Securities LLC     | 1.926              |
| Barclays Capital Inc.          | 1.933              |
| Hilltop Securities, Inc.       | 1.942              |
| Bank of America Merrill Lynch  | 1.949              |
| Citigroup Global Markets, Inc. | 1.953              |
| Jefferies LLC                  | 1.958              |
| Mesirow Financial, Inc.        | 1.960              |
| TD Securities                  | 1.977              |
| Robert W. Baird & Co., Inc.    | 1.991              |
| Wells Fargo Bank, NA           | 2.010              |
| KeyBanc Capital Markets        | 2.018              |

# Water Bond Refinancing Saves \$10.2M

|                       |                     |
|-----------------------|---------------------|
| Original Debt Service | \$59,981,000        |
| New Debt Service      | <u>\$49,819,000</u> |
| Savings               | \$10,162,000        |

- Bonds fully mature in March 2044
- Water outstanding debt reduced \$8M





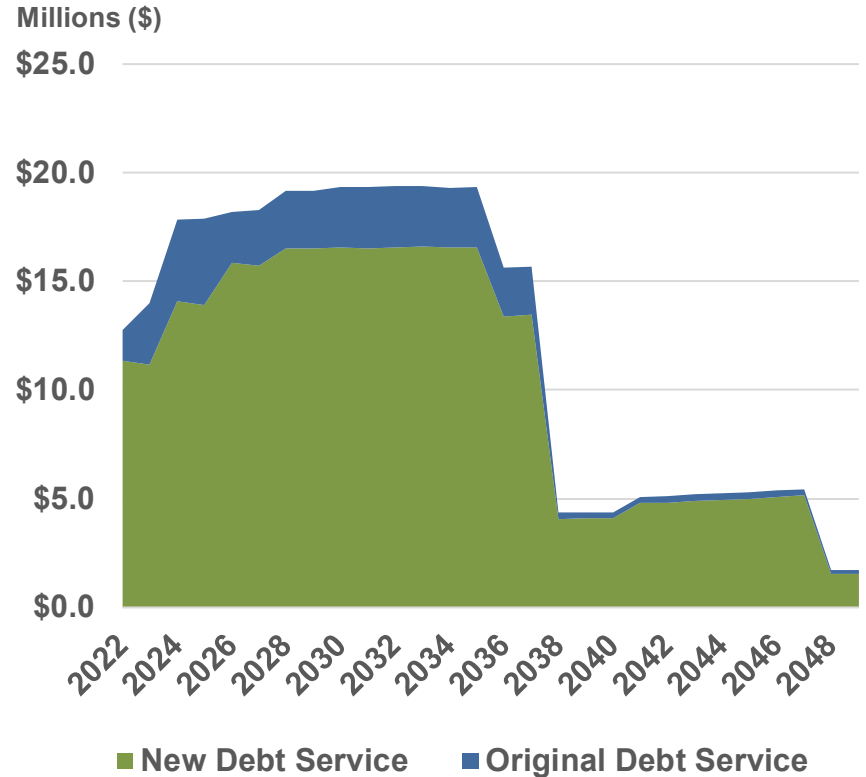
# Bids on \$190.8M Wastewater Bonds

| Bidder                         | True Interest Cost |
|--------------------------------|--------------------|
| <b>Barclays Capital Inc.</b>   | <b>1.9026</b>      |
| Bank of America Merrill Lynch  | 1.9029             |
| J.P. Morgan Securities LLC     | 1.905              |
| Jefferies LLC                  | 1.911              |
| Morgan Stanley & Co., LLC      | 1.920              |
| Citigroup Global Markets, Inc. | 1.929              |
| Mesirow Financial, Inc.        | 1.951              |
| Wells Fargo Bank, NA           | 1.953              |
| Hilltop Securities, Inc.       | 1.953              |
| Robert W. Baird & Co., Inc.    | 1.972              |

# Wastewater Bond Refinancing Saves \$47.2M

|                       |                      |
|-----------------------|----------------------|
| Original Debt Service | \$338,414,000        |
| New Debt Service      | <u>\$291,258,000</u> |
| Savings               | \$47,156,000         |

- Bonds fully mature in April 2049
- Wastewater outstanding debt reduced by \$47.8M



# Professional Fees

| <b>Cost</b>                                      | <b>Professional Firm</b>      | <b>Fee</b>       |
|--|-------------------------------|------------------|
| <b>Financial Advisor</b>                         | <b>Cumberland Securities</b>  | <b>\$350,000</b> |
| <b>Bond Counsel</b>                              | <b>Bass, Berry &amp; Sims</b> | <b>\$225,000</b> |
| <b>Rating Agency</b>                             | <b>Moody's</b>                | <b>\$201,000</b> |
| <b>Rating Agency</b>                             | <b>Standard &amp; Poor's</b>  | <b>\$159,800</b> |
| <b>Paying Agent</b>                              | <b>Regions Bank</b>           | <b>\$2,800</b>   |
|  |                               | <b>\$938,600</b> |
| <b>Other Costs (POS, OS, Advertising, Misc.)</b> |                               | <b>\$57,670</b>  |
|  |                               | <b>\$996,270</b> |