

Bond Sale Results

September 21, 2017



\$97M Bonds Sold at Favorable Rates

- Fund utility system capital improvements
- Sold competitively on August 29
- Rates range from 3.05% to 3.09%
 - Budgeted at 3.75%
 - \$14M savings over life of bonds
 - \$6.8M savings over 10-year plan
- High-quality ratings from Moody's and Standard & Poor's affirmed

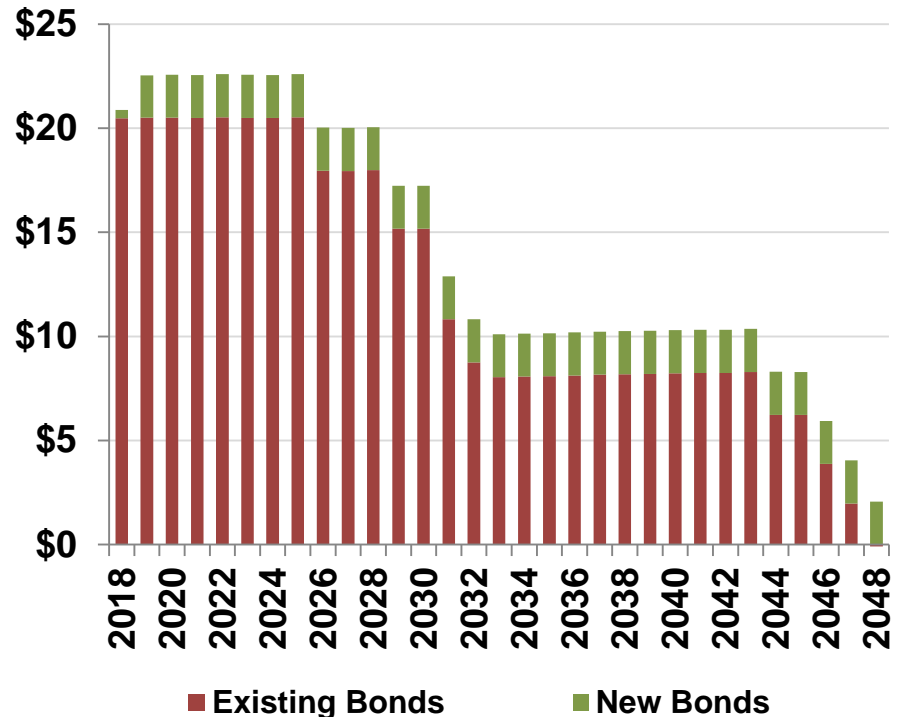
Bids on \$40M Electric Bonds

Bidder	True Interest Cost
Hilltop Securities	3.083
Hutchinson, Shockey, Erley & Co.	3.118
Citigroup Global Markets	3.134
Robert W. Baird	3.145
Morgan Stanley	3.146
Bank of America Merrill Lynch	3.187
Wells Fargo Bank	3.192
J.P. Morgan Securities	3.272

Electric Bond Profile

- \$306M in outstanding bonds
- \$133M in interest cost
- Principal paid in next 10 years: 46%
- Debt ratio: 45%
- Weighted interest cost: 3.60%

Electric Debt Service – Millions (\$)



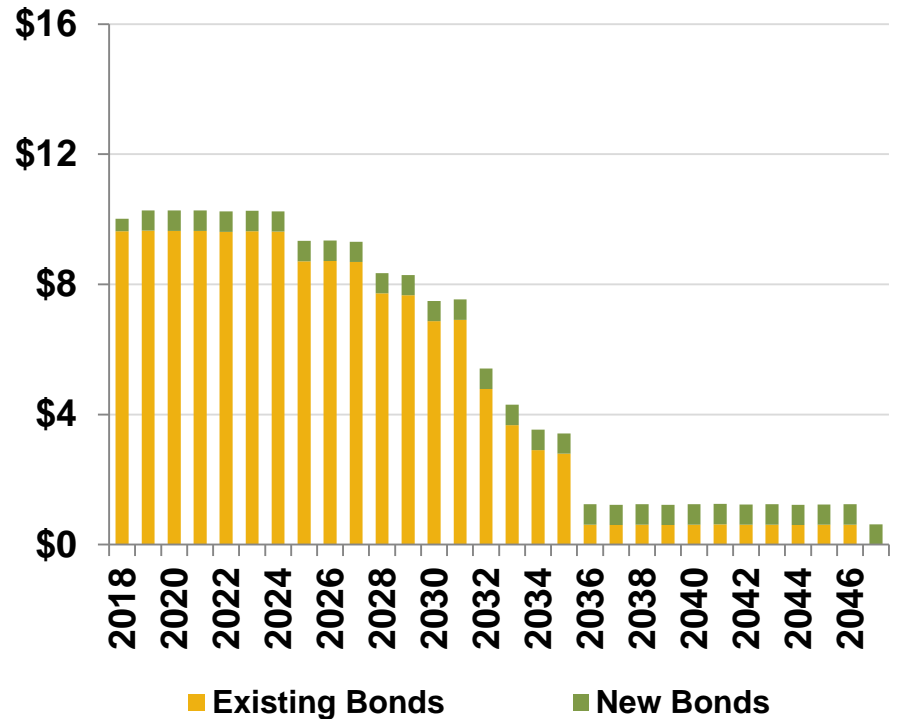
Bids on \$12M Gas Bonds

Bidder	True Interest Cost
Raymond James	3.085
Citigroup Global Markets	3.087
Robert W. Baird	3.153
Hutchinson, Shockey, Erley & Co.	3.161
Bank of America Merrill Lynch	3.203
J.P. Morgan Securities	3.273

Gas Bond Profile

- \$119M in outstanding bonds
- \$43M in interest cost
- Principal paid in next 10 years: 57%
- Debt ratio: 35%
- Weighted interest cost: 3.66%

Gas Debt Service – Millions (\$)



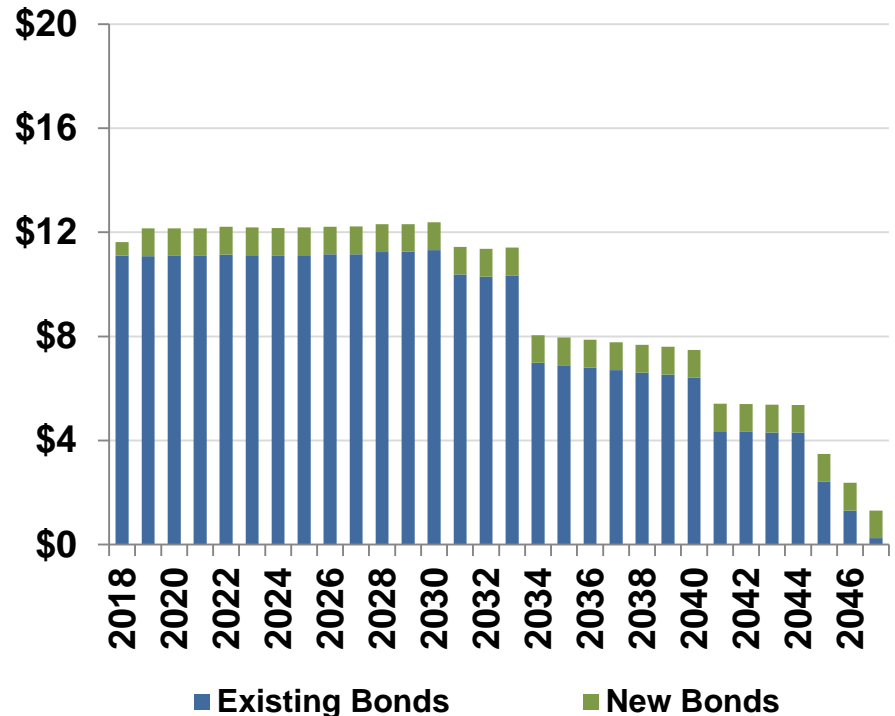
Bids on \$20M Water Bonds

Bidder	True Interest Cost
Morgan Stanley	3.050
Citigroup Global Markets	3.055
Robert W. Baird	3.111
Hutchinson, Shockey, Erley & Co.	3.126
J.P. Morgan Securities	3.131

Water Bond Profile

- \$185M in outstanding bonds
- \$91M in interest cost
- Principal paid in next 10 years: 37%
- Debt ratio: 50%
- Weighted interest cost: 3.54%

Water Debt Service – Millions (\$)



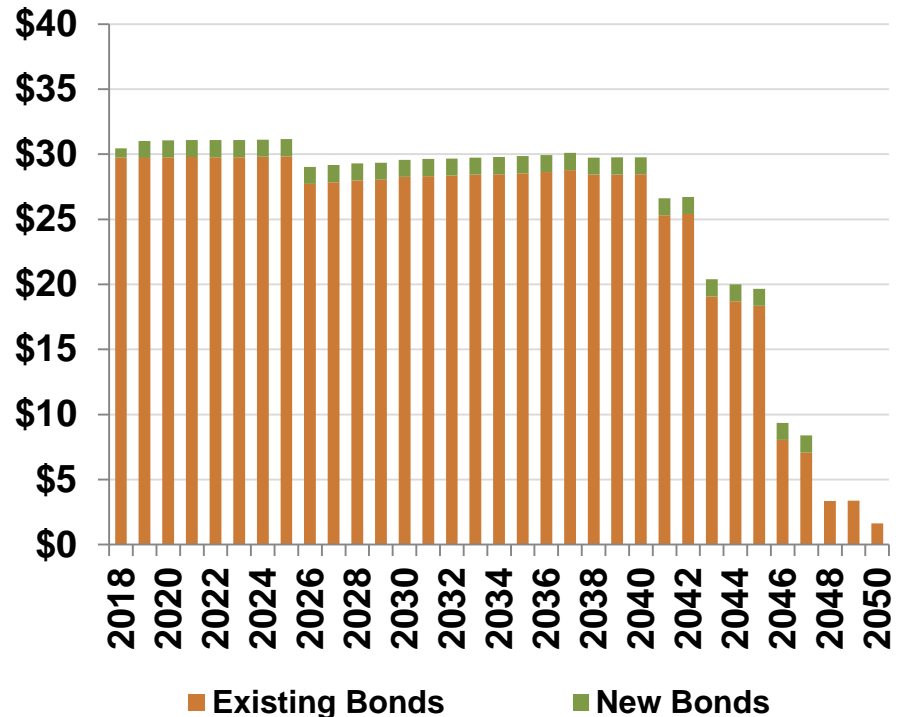
Bids on \$25M Wastewater Bonds

Bidder	True Interest Cost
Raymond James	3.087
Robert W. Baird	3.104
Hutchinson, Shockey, Erley & Co.	3.114
Citigroup Global Markets	3.126
J.P. Morgan Securities	3.151

Wastewater Bond Profile

- \$525M in outstanding bonds
- \$307M in interest cost
- Principal paid in next 10 years: 27%
- Debt ratio: 63%
- Weighted interest cost: 3.61%

Wastewater Debt Service – Millions (\$)



Professional Fees

Cost	Professional Firm	Fee
Financial Advisor	Cumberland Securities	\$147,000
Bond Counsel	Bass, Berry & Sims	\$113,000
Rating Agency	Moody's	\$109,000
Rating Agency	Standard & Poor's	\$91,000
Paying Agent	Regions Bank	\$3,000
		\$463,000
Other Costs (Escrow, POS, OS, Advertising)		\$44,000
		\$507,000