

New Money Financing Review



May 10, 2023

STRICTLY PRIVATE AND CONFIDENTIAL

Daniel C. O'Brien
Director
RBC Capital Markets, LLC
Phone: (610) 729-3675
Email: daniel.obrien@rbccm.com

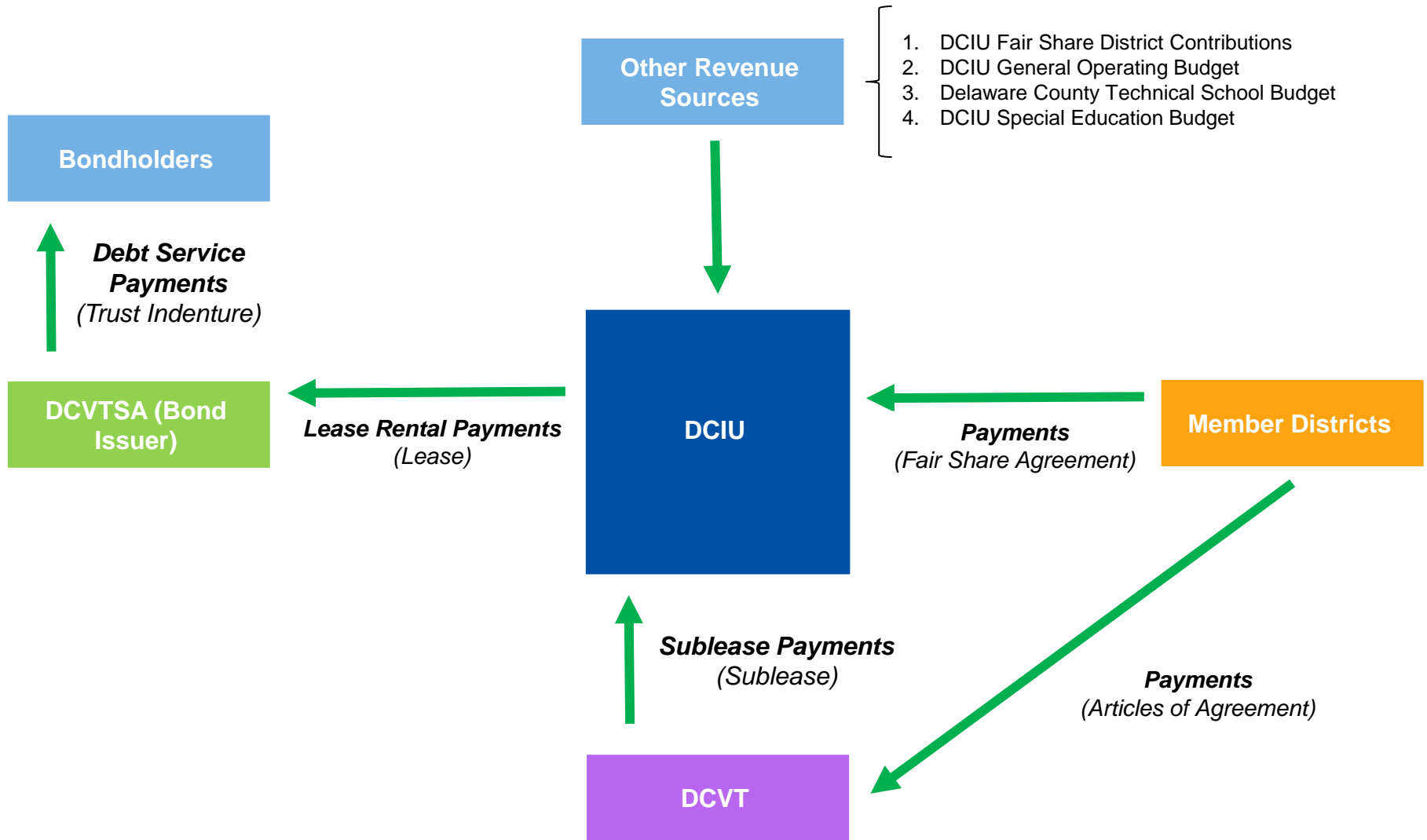
Brian P. Bradley
Managing Director
RBC Capital Markets, LLC
Phone: (610) 729-3656
Email: brian.bradley@rbccm.com

Michael C. Lillys
Managing Director
RBC Capital Markets, LLC
Phone: (610) 729-3667
Email: michael.lillys@rbccm.com



**Capital
Markets**

Financing Mechanics



Scenario 1 - \$10 million Cash Contribution, 30-Year Wrap Debt Service

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Fiscal Year Ending 6/30	2013 Bonds Debt Service	2021 Bonds Debt Service	Total Existing Debt Service	Estimated 2023 Bonds Debt Service ⁽¹⁾	Aggregate Debt Service
2023	\$ 939,500	\$ 918,813	\$ 1,858,313		\$ 1,858,313
2024	941,188	921,313	1,862,500	3,691,405	5,553,905
2025		1,862,134	1,862,134	4,485,488	6,347,622
2026		1,859,209	1,859,209	4,489,113	6,348,322
2027		1,862,104	1,862,104	4,486,113	6,348,216
2028		1,861,543	1,861,543	4,486,488	6,348,030
2029		1,862,909	1,862,909	4,485,113	6,348,021
2030		1,861,918	1,861,918	4,481,988	6,343,906
2031		1,863,788	1,863,788	4,481,988	6,345,775
2032		1,863,230	1,863,230	4,484,863	6,348,093
2033		1,865,024	1,865,024	4,480,613	6,345,637
2034		1,858,542	1,858,542	4,488,988	6,347,530
2035		1,858,442	1,858,442	4,484,863	6,343,304
2036		1,859,951	1,859,951	4,483,363	6,343,313
2037		1,858,292	1,858,292	4,489,113	6,347,404
2038		1,862,938	1,862,938	4,482,113	6,345,051
2039		1,859,609	1,859,609	4,487,238	6,346,847
2040				6,346,488	6,346,488
2041				6,347,363	6,347,363
2042				6,344,863	6,344,863
2043				6,343,613	6,343,613
2044				6,347,988	6,347,988
2045				6,347,488	6,347,488
2046				6,346,738	6,346,738
2047				6,345,238	6,345,238
2048				6,347,363	6,347,363
2049				6,347,488	6,347,488
2050				6,343,388	6,343,388
2051				6,343,706	6,343,706
2052				6,343,669	6,343,669
2053				6,347,356	6,347,356
Total	\$ 1,880,688	\$ 29,759,759	\$ 31,640,446	\$ 159,811,586	\$ 191,452,033

Est. Sources:

Bond Proceeds (Par + Premium)	\$	83,468,234
Cash Contribution		10,000,000
Interest Earnings During Construction ⁽²⁾		2,966,664
	\$	96,434,898

Est. Uses:

Project Costs	\$	95,373,196
Issuance Costs ⁽³⁾		1,061,702
Total	\$	96,434,898

Dated/Delivery:

08/15/2023

All-in TIC:

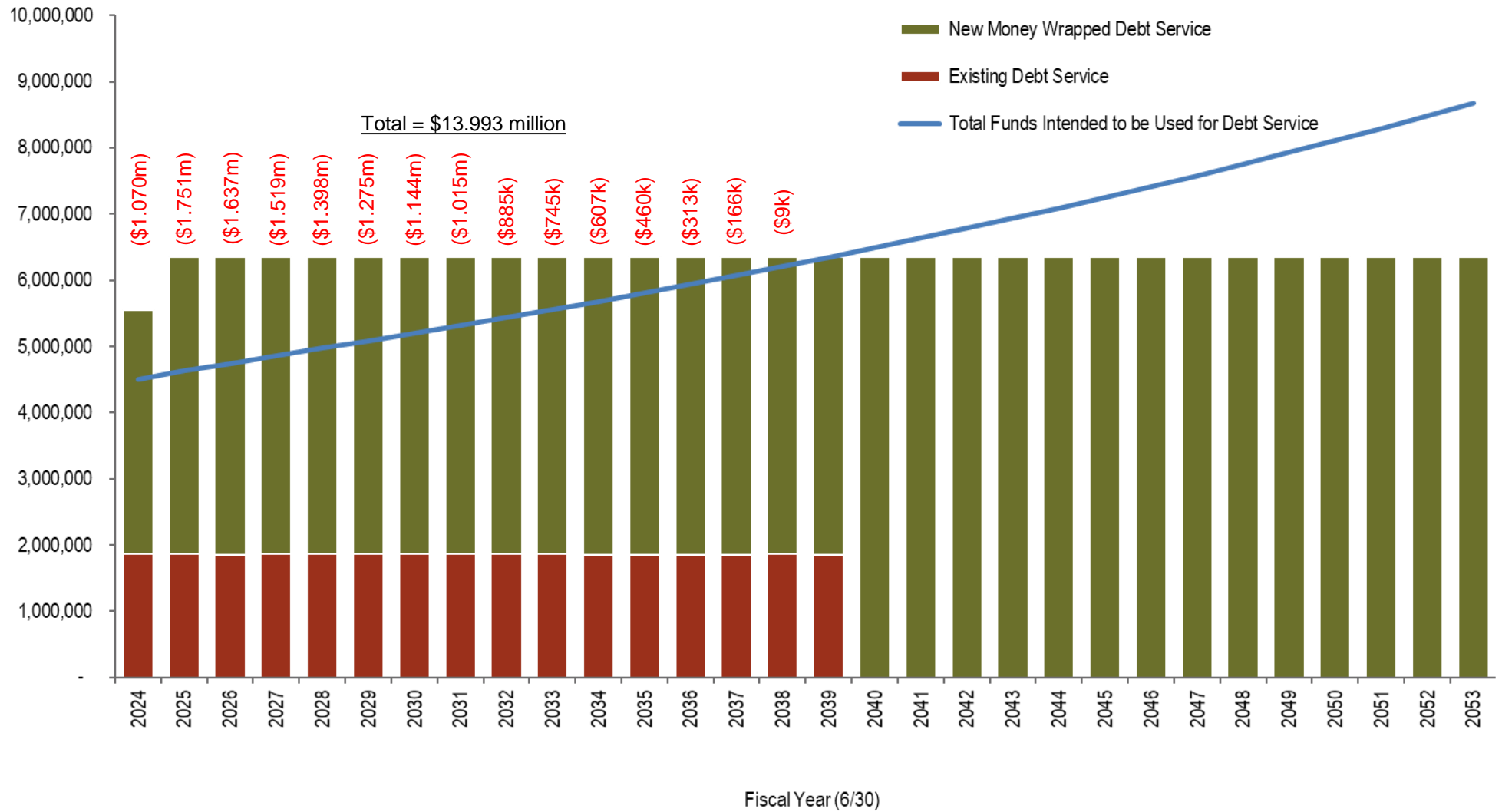
4.60%

(1) Based on Interest Rates as of May 1, 2023.

(2) Assumes earnings at 3.50% over the life of the construction fund.

(3) Includes legal, insurance, rating, printing, bond discount, paying agent & miscellaneous fees.

Scenario 1 - Revenue Availability and Existing Funds to Service Total Debt



Note: Assumes annual growth of 2.5% for Total Funds Intended to be used for Debt Service.

Scenario 2 - \$18 million Cash Contribution, 30-Year Wrapped Debt Service

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Fiscal Year Ending 6/30	2013 Bonds Debt Service	2021 Bonds Debt Service	Total Existing Debt Service	Estimated 2023 Bonds Debt Service ⁽¹⁾	Aggregate Debt Service
2023	\$ 939,500	\$ 918,813	\$ 1,858,313		\$ 1,858,313
2024	941,188	921,313	1,862,500	3,266,365	5,128,865
2025		1,862,134	1,862,134	4,003,025	5,865,159
2026		1,859,209	1,859,209	4,002,650	5,861,859
2027		1,862,104	1,862,104	4,001,025	5,863,129
2028		1,861,543	1,861,543	4,003,025	5,864,568
2029		1,862,909	1,862,909	4,003,525	5,866,434
2030		1,861,918	1,861,918	4,002,525	5,864,443
2031		1,863,788	1,863,788	4,000,025	5,863,813
2032		1,863,230	1,863,230	4,000,900	5,864,130
2033		1,865,024	1,865,024	4,000,025	5,865,049
2034		1,858,542	1,858,542	4,007,150	5,865,692
2035		1,858,442	1,858,442	4,007,150	5,865,592
2036		1,859,951	1,859,951	4,005,150	5,865,101
2037		1,858,292	1,858,292	4,006,025	5,864,317
2038		1,862,938	1,862,938	3,999,775	5,862,713
2039		1,859,609	1,859,609	4,006,150	5,865,759
2040				5,862,275	5,862,275
2041				5,865,650	5,865,650
2042				5,866,150	5,866,150
2043				5,863,525	5,863,525
2044				5,862,400	5,862,400
2045				5,862,275	5,862,275
2046				5,862,650	5,862,650
2047				5,863,025	5,863,025
2048				5,862,900	5,862,900
2049				5,861,775	5,861,775
2050				5,862,800	5,862,800
2051				5,864,644	5,864,644
2052				5,862,313	5,862,313
2053				5,865,019	5,865,019
Total	\$ 1,880,688	\$ 29,759,759	\$ 31,640,446	\$ 145,401,890	\$ 177,042,336

Est. Sources:

Bond Proceeds (Par + Premium)	\$ 75,381,032
Cash Contribution	18,000,000
Interest Earnings During Construction ⁽²⁾	2,966,664
Total	\$ 96,347,696

Est. Uses:

Project Costs	\$ 95,373,196
Issuance Costs ⁽³⁾	974,500
Total	\$ 96,347,696

Dated/Delivery:

08/15/2023

All-in TIC:

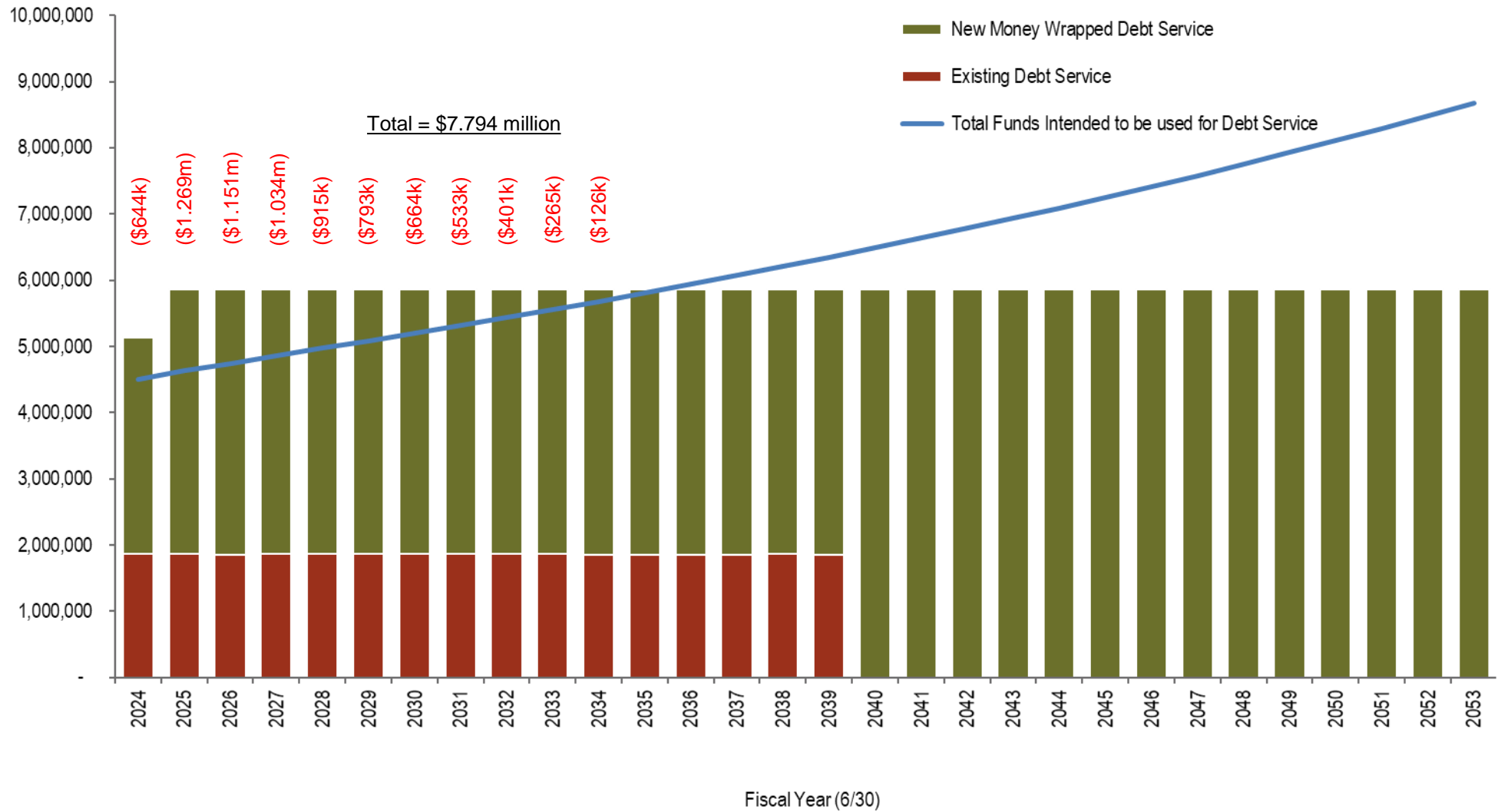
4.62%

(1) Based on Interest Rates as of May 1, 2023.

(2) Assumes earnings at 3.50% over the life of the construction fund.

(3) Includes legal, insurance, rating, printing, bond discount, paying agent & miscellaneous fees.

Scenario 2 - Revenue Availability and Existing Funds to Service Total Debt



Note: Assumes annual growth of 2.5% for Total Funds Intended to be used for Debt Service.

Estimated/Preliminary Financing Timeline

5/10	- Authority & DCIU Board Meeting
6/14 (tentative)	- Authority & DCIU Board Meeting
Week of 6/19	- RBCCM submits to S&P for rating and bond insurers for insurance bids - RBCCM circulates draft POS to working group
Early July (tentative)	- Final local land use approvals anticipated to be obtained
Week of 7/10	- Rating preparation call (RBCCM and DCIU) - Rating call with S&P - Potential calls with bond insurers
Week of 7/24	- Receive rating report from S&P - Receive bond insurance bids - Publish/print POS - RBCCM begins marketing bonds to investors
Week of 7/31	- Price bond issue (sell to investors and lock-in interest rates) - Distribute draft Official Statement (OS)
Week of 8/7	- Print and mail OS
Week of 8/14 or 8/21	- Bond Settlement/Closing

Disclaimer and Disclosure of Role

RBC Capital Markets, LLC (“RBCCM”), seeks to serve as an underwriter or bank loan agent on a future transaction and not as a financial advisor or municipal advisor. The information provided is for discussion purposes only in anticipation of being engaged to serve as an underwriter. The primary role of an underwriter is to purchase securities with a view to distribution in an arm’s-length commercial transaction with the issuer. The underwriter has financial and other interests that differ from those of the Issuer. RBCCM is not recommending an action to you as the municipal entity or obligated person. RBCCM is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication. RBCCM is acting for its own interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

This presentation was prepared exclusively for the benefit of and internal use by the recipient for the purpose of considering the transaction or transactions contemplated herein. This presentation is confidential and proprietary to RBCCM and may not be disclosed, reproduced, distributed or used for any other purpose by the recipient without RBCCM’s express written consent.

By acceptance of these materials, and notwithstanding any other express or implied agreement, arrangement, or understanding to the contrary, RBCCM, its affiliates and the recipient agree that the recipient (and its employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the tax treatment, structure or strategy of the transaction and any fact that may be relevant to understanding such treatment, structure or strategy, and all materials of any kind (including opinions or other tax analyses) that are provided to the recipient relating to such tax treatment, structure, or strategy.

The information and any analyses contained in this presentation are taken from, or based upon, information obtained from the recipient or from publicly available sources, the completeness and accuracy of which has not been independently verified, and cannot be assured by RBCCM. The information and any analyses in these materials reflect prevailing conditions and RBCCM’s views as of this date, all of which are subject to change.

To the extent projections and financial analyses are set forth herein, they may be based on estimated financial performance prepared by or in consultation with the recipient and are intended only to suggest reasonable ranges of results. The printed presentation is incomplete without reference to the oral presentation or other written materials that supplement it.

IRS Circular 230 Disclosure: RBCCM and its affiliates do not provide tax advice and nothing contained herein should be construed as tax advice. Any discussion of U.S. tax matters contained herein (including any attachments) (i) was not intended or written to be used, and cannot be used, by you for the purpose of avoiding tax penalties; and (ii) was written in connection with the promotion or marketing of the matters addressed herein. Accordingly, you should seek advice based upon your particular circumstances from an independent tax advisor.