
Ketchum Urban Renewal Agency

Bond Refinancing Options

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Summary of Existing Bonds

SERIES 2010 BONDS

- \$6,440,000 Par Amount Issued
- October 15, 2034 final maturity
- \$5,240,000 Current amount outstanding

- Max Annual Debt Service: \$549,625
- Call Date: 10/15/2020 (any date on or after)
- Call Price: Par plus accrued interest
- DSRF Requirement: \$549,625 (held by Trustee)
- Additional Bonds Test:
 - i) 1.25x coverage from Pledged Revenues in year prior; or
 - ii) Feasibility Consultant report showing 1.35x projected coverage from next two years
 - iii) not required for refunding transaction

The 2010 Bonds are “currently callable and can be refinanced on a tax-exempt basis

Existing Debt Structure (as of 5/4/2021)

Revenue Allocation Ref Bonds, Ser 2010 (10URA)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
05/04/2021						5,240,000	5,240,000
10/15/2021	240,000	4.750%	138,977.50	378,977.50	378,977.50	5,000,000	5,000,000
04/15/2022			133,277.50	133,277.50		5,000,000	5,000,000
10/15/2022	260,000	4.800%	133,277.50	393,277.50	526,555.00	4,740,000	4,740,000
04/15/2023			127,037.50	127,037.50		4,740,000	4,740,000
10/15/2023	295,000	5.000%	127,037.50	422,037.50	549,075.00	4,445,000	4,445,000
04/15/2024			119,662.50	119,662.50		4,445,000	4,445,000
10/15/2024	310,000	5.000%	119,662.50	429,662.50	549,325.00	4,135,000	4,135,000
04/15/2025			111,912.50	111,912.50		4,135,000	4,135,000
10/15/2025	325,000	5.300%	111,912.50	436,912.50	548,825.00	3,810,000	3,810,000
04/15/2026			103,300.00	103,300.00		3,810,000	3,810,000
10/15/2026	340,000	5.300%	103,300.00	443,300.00	546,600.00	3,470,000	3,470,000
04/15/2027			94,290.00	94,290.00		3,470,000	3,470,000
10/15/2027	360,000	5.300%	94,290.00	454,290.00	548,580.00	3,110,000	3,110,000
04/15/2028			84,750.00	84,750.00		3,110,000	3,110,000
10/15/2028	375,000	5.300%	84,750.00	459,750.00	544,500.00	2,735,000	2,735,000
04/15/2029			74,812.50	74,812.50		2,735,000	2,735,000
10/15/2029	400,000	5.300%	74,812.50	474,812.50	549,625.00	2,335,000	2,335,000
04/15/2030			64,212.50	64,212.50		2,335,000	2,335,000
10/15/2030	420,000	5.500%	64,212.50	484,212.50	548,425.00	1,915,000	1,915,000
04/15/2031			52,662.50	52,662.50		1,915,000	1,915,000
10/15/2031	440,000	5.500%	52,662.50	492,662.50	545,325.00	1,475,000	1,475,000
04/15/2032			40,562.50	40,562.50		1,475,000	1,475,000
10/15/2032	465,000	5.500%	40,562.50	505,562.50	546,125.00	1,010,000	1,010,000
04/15/2033			27,775.00	27,775.00		1,010,000	1,010,000
10/15/2033	490,000	5.500%	27,775.00	517,775.00	545,550.00	520,000	520,000
04/15/2034			14,300.00	14,300.00		520,000	520,000
10/15/2034	520,000	5.500%	14,300.00	534,300.00	548,600.00		
	5,240,000		2,236,087.50	7,476,087.50	7,476,087.50		

Does not include 4/15/2021 interest payment

Refinancing Scenarios

Review the following Refunding Scenarios

Base Case:

- Shorten the final maturity to 2030 with level debt service
- DSRF not contributed to refunding

Base Case Comparison:

- Compare Private Placement (Bank Purchase) with Market Sale

Additional Refunding Scenarios (assumes bank placement)

- Include the DSRF contribution pay off old bonds (2030 final maturity)
- Include the DSRF contribution to pay off old bonds PLUS new money component sized for 1.5x coverage based on FY 2020 audited tax increment revenue.
- Include the DSRF contribution to pay off old bonds PLUS new money component sized for 2.0x coverage based on FY 2020 audited tax increment revenue.

Refinancing Analysis Summary – Sale Method Comparison

(rates as of April 6, 2021)

	Market Sale	Bank Placement	Bank Placement (Contribute DSRF)
True Interest Cost (“TIC”)	1.58%	1.75%	1.75%
Issuance Costs	\$126,125	\$42,500	\$42,500
All-In TIC	1.93%	1.92%	1.94%
Reserve Fund	Not Contributed	Not Contributed	contribute to refi
Gross Savings	\$1,626,000	\$1,628,000	\$2,228,703
Present Value Savings	\$1,275,000	\$1,278,000	\$1,278,000
PV Savings as % of Par	24.3%	24.4%	24.4%
Final Maturity	2030	2030	2030
Annual Payment	~\$610,000	~\$610,000	~\$545,000
Increase/(Decrease) in annual debt service	~\$60,000	~\$60,000	~(\$5,000)
Time To Complete	4 months	2 months	2 months

Refinancing Analysis Summary – New Money Component

(rates as of April 6, 2021)

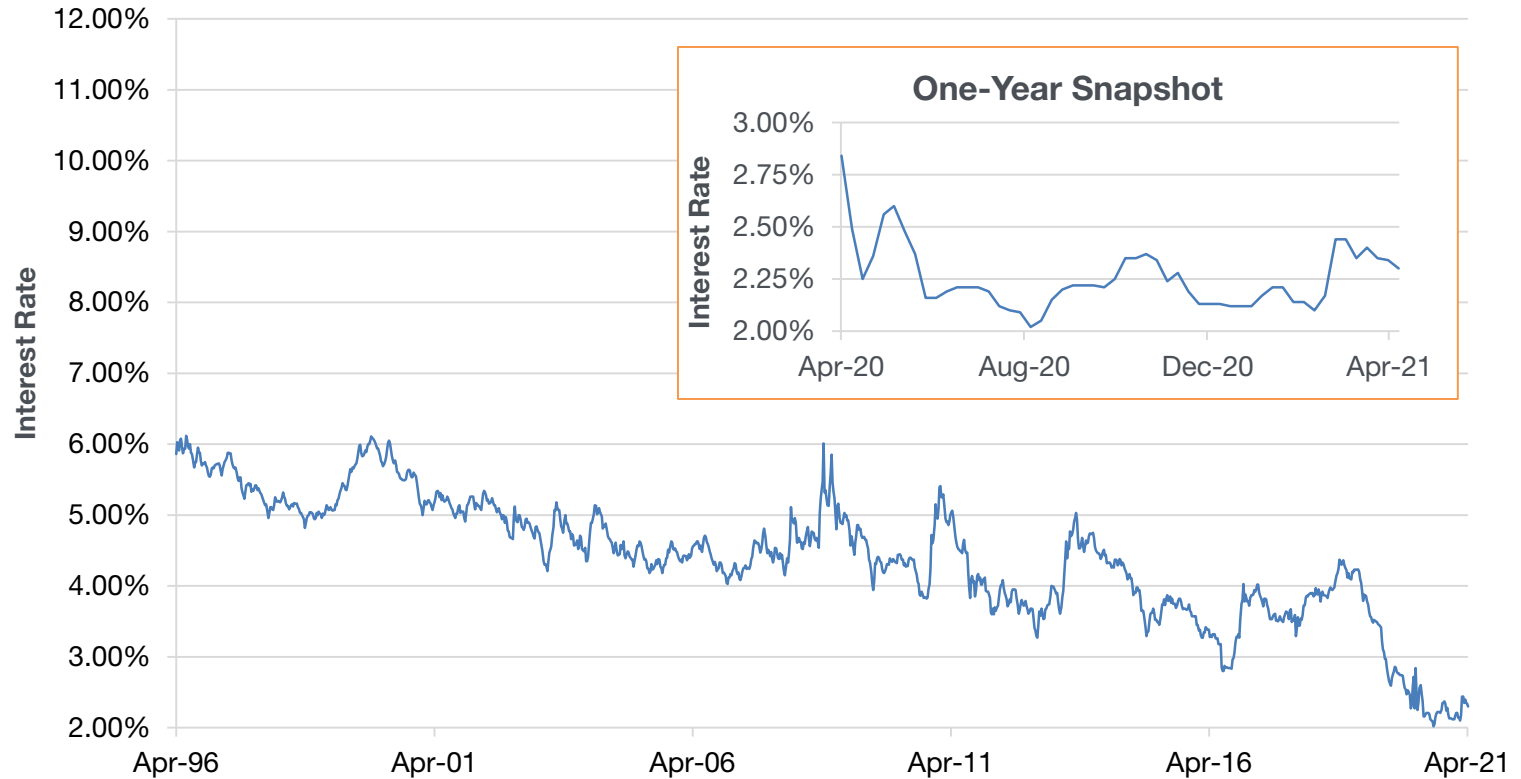
The following chart summarizes KURA's borrowing capacity based on provided adequate coverage (1.5x or 2x) of annual bond payments from FY 2020 TIF Revenue

	1.5x coverage	2x coverage
Available Proceeds	\$5.98 Million	\$3.25 Million
Final Maturity	2030	2030
Annual Payment	~\$1,175,000	~\$880,000
FY 2020 TIF Revenue	\$1,762,500	\$1,762,500
Coverage	1.50x	2.00x
TIF Revenue available after Debt Service	\$587,500	\$882,500
Less: Reimbursement Obligations*	(\$236,000)	(\$236,000)
Less: Administration & Operations (FY 2020)	(\$96,000)	(\$96,000)
Remaining TIF Revenue	\$255,500	\$550,500

*Reimbursement Obligations do not include reimbursements to the City of Ketchum (General or In-Lieu Housing).

Interest Rates

General Obligation Bond Buyer Index History



Path Forward

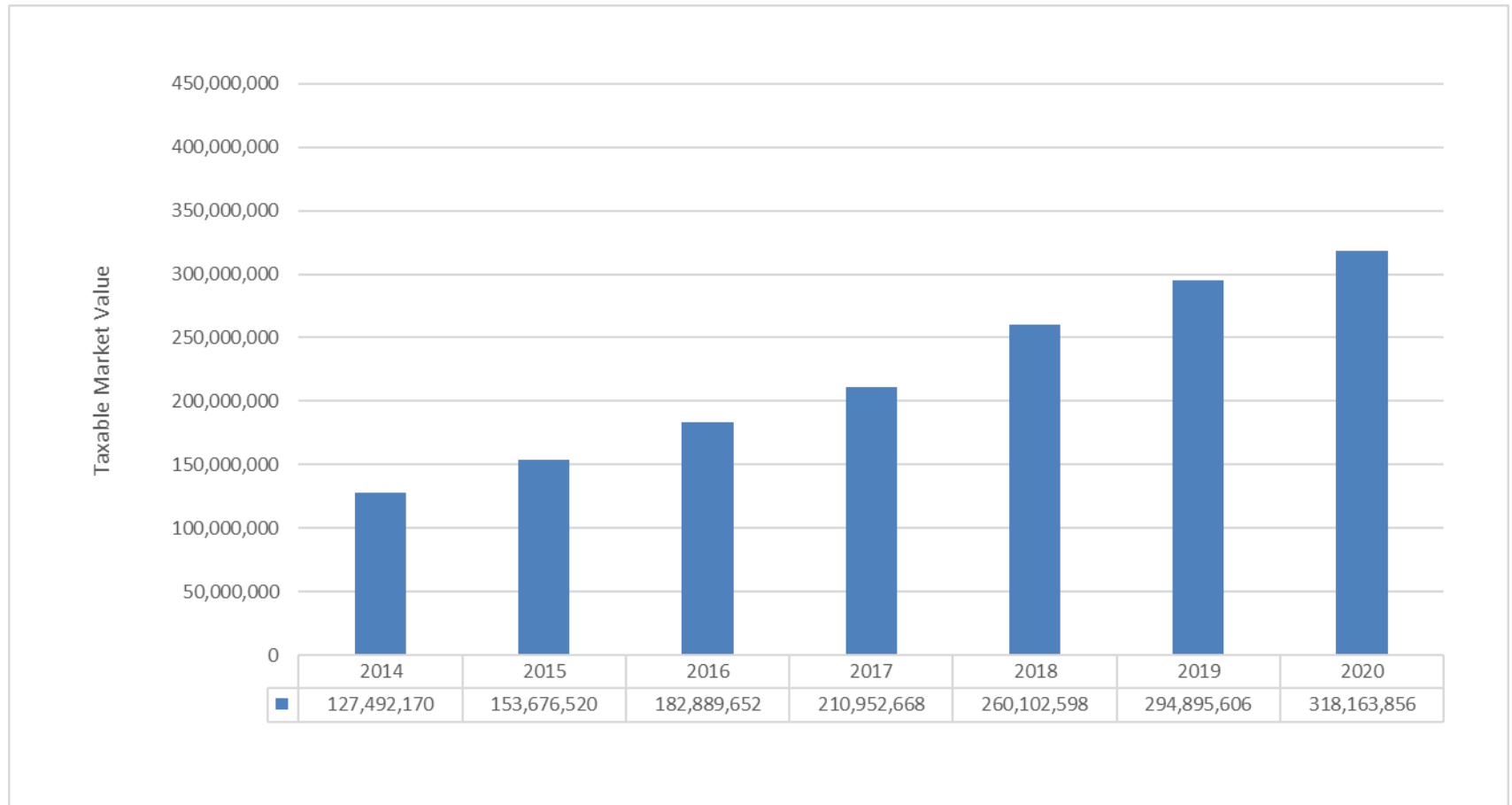
- ~~• Outline planning goals~~
- ~~• Develop refunding scenarios~~
- Review refunding scenarios with KURA
- Decision to proceed with refunding or not
- Determine preferred refunding strategy, if decision to move forward
 - Structure
 - Sale method
- Execute refunding strategy

Basic Schedule Outline – Bank Placement

April 19	Regular KURA Board Meeting – Review Financing Scenarios
April 23	Circulate BANK RFP
TBD	Circulate 1 st draft of Bond Resolution (Bond Counsel)
May 14	BANK RFPs due (21 days)
TBD	Circulate 2 nd draft of Bond Resolution and Transcript Index (Bond Counsel)
May 17	Regular KURA Board Meeting – select bank **preliminary interest rate and sizing**
TBD	Deliver Notice of Sale to Idaho Mountain Express
TBD	Final form of Bond Resolution provided in Board packets
TBD	Idaho Mountain Express Publish Notice of Sale
TBD	Regular[Special] KURA Board Meeting to Approve Resolution (30 day contest period begins) **final interest rate and sizing**
TBD	Provide Notice of adoption of Resolution to Idaho Mountain Express
TBD	Idaho Mountain Express Publish Notice of adoption of Resolution
TBD	30-day contest period ends
TBD	Pre-Close
TBD	Close – Funds Received by KURA

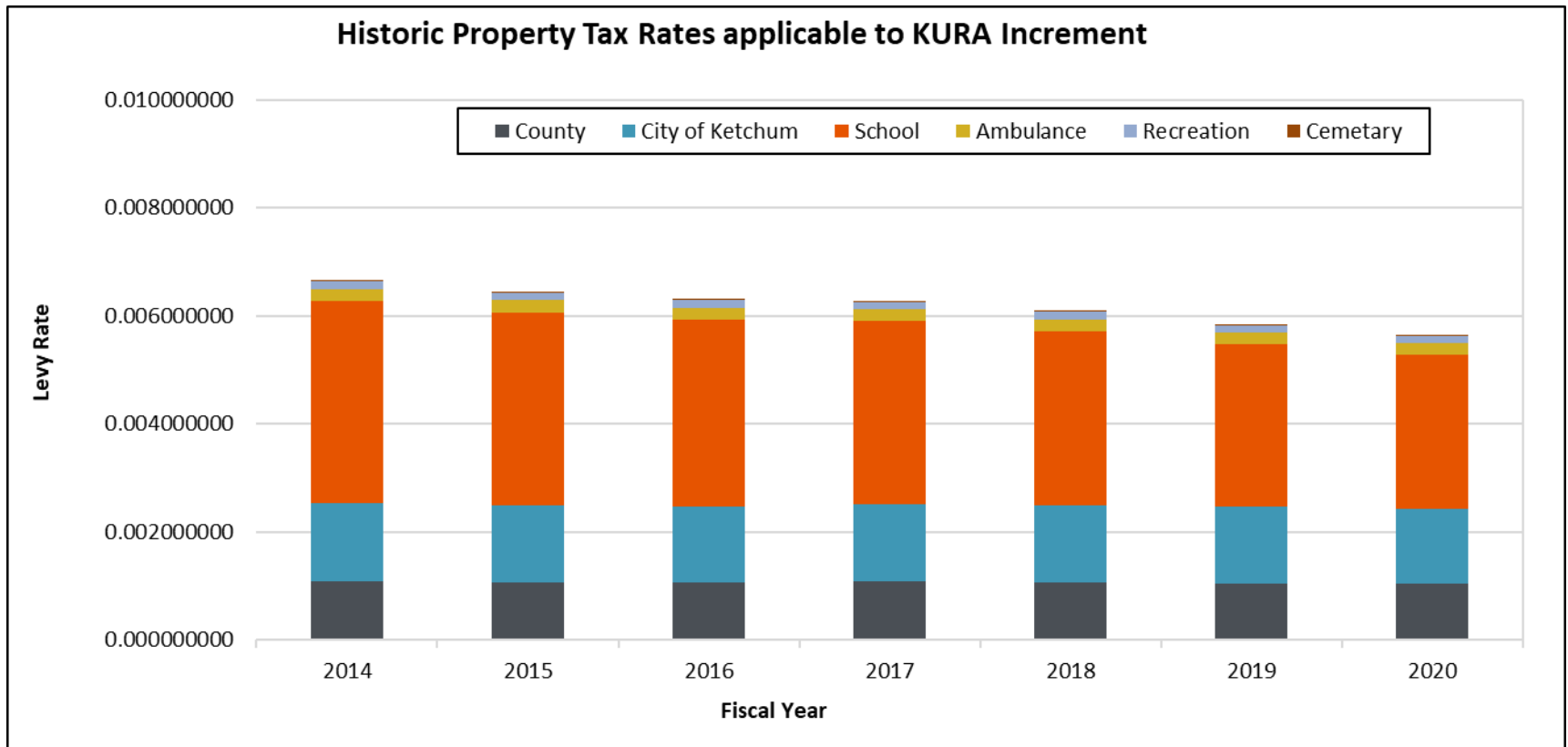
Tax Increment Value History - Update

16% compound annual growth rate tax year 2014-2020



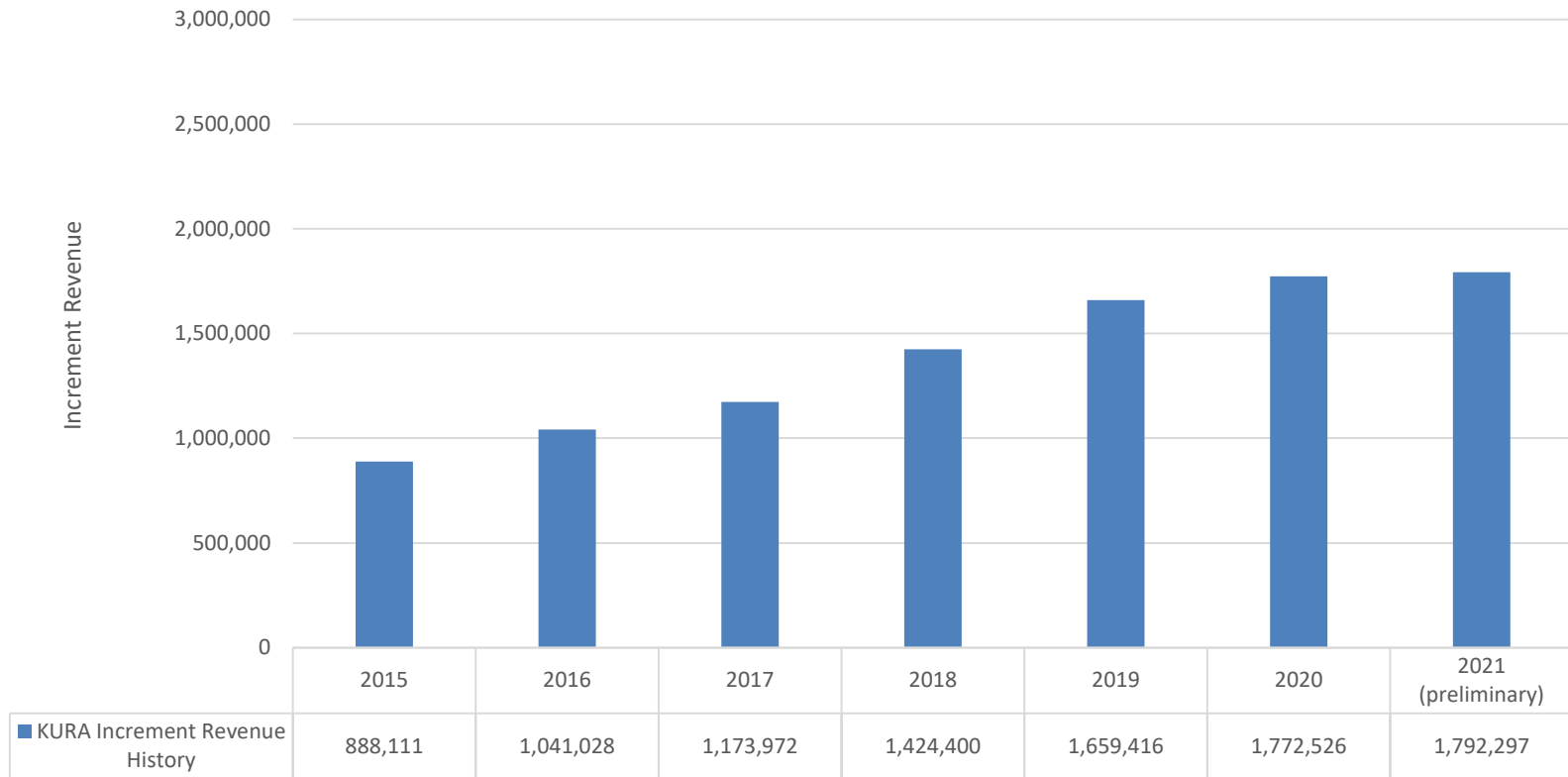
Tax Increment Levy Rate History

2.7% compound annual decline in combined tax rate 2014-2020



Tax Increment Revenue History

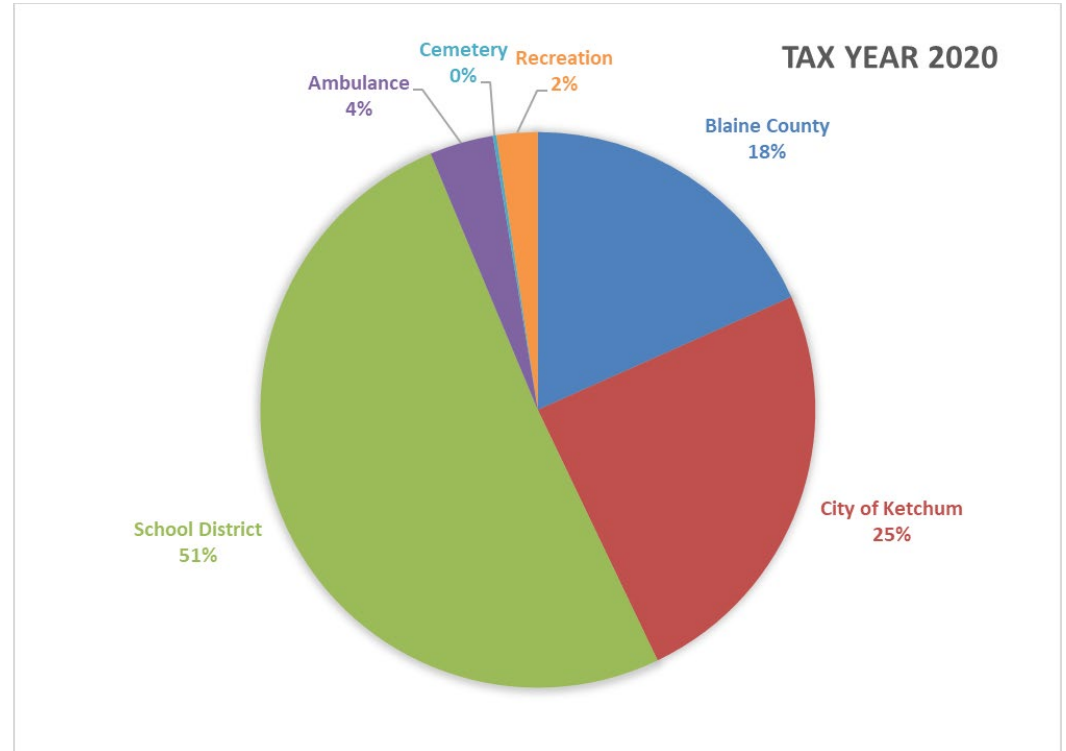
15% compound annual growth rate over last 5 Fiscal Years (2015 – 2020).



Tax Year 2020 Summary of tax rates that impact URA revenues

	TAX YEAR 2020	
Tax Rates (*)		
Blaine County	0.001033078	18.3%
City of Ketchum	0.001383279	24.6%
School District	0.002861153	50.8%
Ambulance	0.000209456	3.7%
Cemetery	0.000011599	0.2%
Recreation	0.000134686	2.4%
Total Tax Rate	0.005633251	100%

*List does not include Big Wood Flood Control District which generates approximately \$200 per year in tax increment revenue.



Top 10 Increment Taxpayer List

		Tax Year 2020	
Rank	Tax Payer	Increment Value	% of Total Increment Value
1	Aspen Skiing Company LLC	\$ 20,347,074	6.40%
2	Scott USA Inc.	4,734,680	1.49%
3	Barrier Jimmy Ray Trustee	3,757,429	1.18%
4	Limelight 414 LLC	3,484,947	1.10%
5	Comartin Natalie Spieker Trust	3,325,352	1.05%
6	Scott Peter W Trustee	3,114,233	0.98%
7	Heily Andrew Obryan	3,082,836	0.97%
8	Fleishhacker Franchoise G, Trust	3,027,916	0.95%
9	Tatum Richie M Trustee	2,998,982	0.94%
10	Quinney David E Jr	2,929,333	0.92%

Top 10 Taxpayers	\$ 50,802,782	15.97%
All other Taxpayers	\$ 267,361,074	84.03%
Total Increment Value	\$ 318,163,856	100.00%