City of Bloomington Proposed General Revenue Bonds



Public Safety Projects Financial Discussion

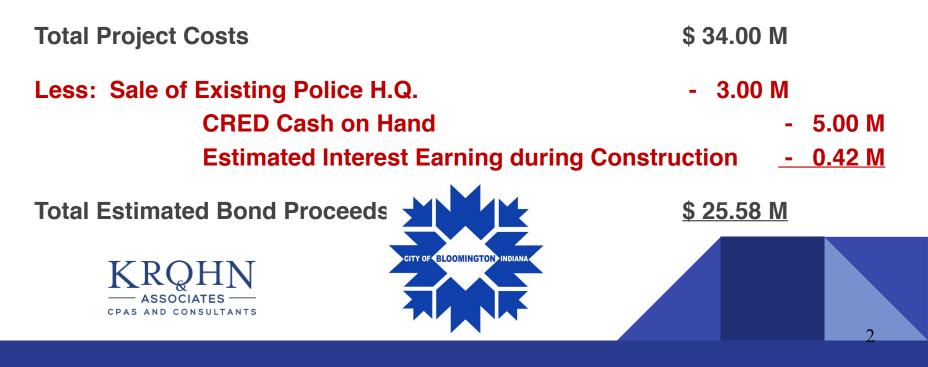
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Public Safety Project Cost & Funding Estimates

Includes Acquisition of Showers Bldg, Renovation for Police & Fire H.Q.'s, New Fire Station 1, Fire Station 3, Training & Storage Facilities:



City of Bloomington – Proposed General Revenue Bonds

Illustration of Current Market Expectations

Assumed Annual General Revenue Allocation (LIT)

Police & Fire Capital Fund Fire Station Replacement Fund

\$ 780,000 \$1,209,000

Assumed 20 yr Bond Issue @ 4.67% TIC: Bond Principal Amount *Total Project Funds (Premium Bonds) \$25,584,000*

\$24,750,000





\$ 1,989,000

Definition of Certain Bond Terminology

Premium Bonds produce "more" bond proceeds than Par Value Bond Premium offset by Higher Coupon Rates Discount Bonds result in "less" bond proceeds than Par Value Bond Discount offset by Lower Coupon Rates

Security for bonds is a general revenue pledge, not a property tax pledge Does not count against 2% G.O. Debt Limit

Recent Revenue Bonds (2021 Refunding Revenue Bonds):

- Utility Revenue Bonds Secured by User Fees from CBU
- Solar Refunding Bonds Secured by pledge of General Revenues

NO DIRECT PROPERTY TAX PLEDGE - NO DEDICATED PROPERTY TAX LEVY

While Tax Revenues may be utilized for bond payments, there is no direct tax levy pledge.

City of Bloomington – G.O. Debt Limit Summary

	Net Assessed			<u>Available</u>
Statutory General Obligation Bond Debt Limit:	Value	Debt Limit	G.O. Debt	<u>G.O. Capacity</u>
City of Bloomington	\$ 4,850,387,524	\$ 32,335,917	\$ 13,625,000	\$ 18,710,917
Bloomington Park District	4,850,387,524	32,335,917	19,220,000	13,115,917

<u>City of Bloomington – Total Direct Debt Summary</u>

General Revenue Bonds	(Includes Proposed \$24.75M)	\$ 41,875,000	
Park Revenue Bonds		2,885,000	
Utility Revenue Bonds		95,358,400	
Park District G.O. Bonds		19,220,000	
City G.O. Bonds		13,625,000	
RDC TIF Revenue Bonds		65,830,000	

Bloomington Total Direct Debt \$238,793,400

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Bond Market Considerations

Market has been extremely volatile throughout 2022

20 Year Municipal Bond rates have increased approximately 80% from 1 year ago

Rates are projected to continue to rise in the months to come

For every 25 basis point (0.25%) increase, bond proceeds reduce by \$544,000

Extending term from 20 to 25 years could generate additional \$2.5M in proceeds However, total interest costs could increase by \$7.5M *(\$10M more Fail)*

Thank you for your time today.



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Questions ?? ?

