

VAUXMONT METROPOLITAN DISTRICT

19865 W. 94th Avenue
Arvada, Colorado 80007
Phone: 303-625-8080

DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT WORK SESSION WILL BE HELD BY CONFERENCE CALL IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO 1-301-715-8592 AND WHEN PROMPTED, DIAL THE PARTICIPANT CODE OF 815-8360-4662.

NOTICE OF WORK SESSION AND AGENDA

DATE:	Friday, August 14, 2020
TIME:	2:00 p.m.
PLACE:	Zoom conference call: 1(301) 715-8592 Access Code: 815-8360-4662

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Page Bolin	President	May 2023
Amanda Rieter	Treasurer	May 2023
RaChelle Fifer	Assistant Secretary	May 2023
Brian Mulvany	Assistant Secretary	May 2022
Brian Daly	Assistant Secretary	May 2022
Traci McDonald	Secretary	N/A

I. ADMINISTRATIVE MATTERS

- A. Present disclosures of potential conflicts of interest.

- B. Confirm quorum, location/manner of board meeting, and posting of meeting notices on the community website. Approve agenda.

II. LEGAL MATTERS

A. Discuss matters relative to 2020 Bond Issuance.

III. ADJOURNMENT

Vauxmont Metropolitan District

\$132.6 Million Senior and Subordinate Lien Refunding Bonds

Purpose of the Financing

- The financing priced in December 2019 was executed to refinance existing debt with new lower cost bonds and to simplify the overall debt program
 - Prior debt at higher interest rates (typical of early phase district bonds) and with multiple maturity dates
 - Complicated flow of funds established as components of the development executed over many years
- Alignment of new bonds eliminates risk exposure
 - No need to refinance in the future (option of the District if savings achievable)
 - Simplified flow of funds

Timing Considerations

- Attractive opportunity to refinance prior bonds in 2019
 - Historically attractive bond market conditions
 - District buildout status and strong real estate market conditions
- Best execution if all debt could be refinanced at the same time
 - Eliminate risk for District and for investors
- Call dates not aligned – portions callable in 2019 and in 2020
- New bonds were priced at the same time in two series
 - Series 2019 – priced and closed in December 2019
 - Series 2020 – priced in December 2019 to close Sept. 2020
- 2020 Closing involves delivery of documents and transfer of funds

Prior Debt

Series	Par (\$mm)	Rate	Call Date	Maturity Date
2018 Loan	\$21.367	3.06%	12/2020	12/2022
2015A	\$20.150	5.50%	12/2020	12/2035
2015C	\$14.730	7.65%	12/2020	12/2035
2015D	\$19.985	8.00%	12/2020	12/2035
2015E Note ⁽¹⁾	\$64.689	8.00%	Anytime	12/2040

(1) Includes accrued interest (accrued estimated to 12/20/2019)

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\$132.6 Million Senior and Subordinate Lien Refunding Bonds

Financing Process

- The financing process was designed to secure an attractive and straightforward debt program for taxpayers
 - District represented by a municipal advisors with fiduciary role
 - Competitive process to select financing team members
 - Considered multiple financing alternatives to select most advantageous option available
- The bond marketing process was comprehensive and transparent
 - Real-time access to investor order information at pricing
 - Site visit for investors and bond insurers
 - Roadshow presentation viewed by 63 investors and 12 one-on-one calls with investors

Financing Results

- 30-year cost of funding locked in at 3.965%
 - Opportunity to refinance in the future (at the District’s option if savings are achievable)
- Total gross savings of over \$81 million over the life of the bonds
- Financing results outperformed expectations and similar financings due to strong investor desire to invest in the District
 - Total investor orders of \$2.5 billion, representing an 18.8x subscription level
 - 46 unique investors placed orders

Current Debt

Senior Series 2020 Callable Starting 12/1/2029 at Par		
Maturity (12/1)	Coupon	Yield
2024	5.000%	2.160%
2029	5.000%	2.600%
2035	5.000%	2.920%
2050	5.000%	3.200%
Subordinate Series 2019 Callable Starting 12/15/2024 at 103%; DTP 12/15/2027		
Maturity (12/15)	Coupon	Yield
2024	5.000%	1.970%
2029	5.000%	2.550%
2032	5.000%	2.750%
2050	3.250%	3.250%

*Not all maturities are shown above. Structure includes serial bonds from 2020- 2039 and term bonds in 2044 and 2049

Vauxmont Metropolitan District

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Financing Team Members	
Municipal Advisor:	Piper Sandler & Co.
General Counsel:	McGeady Becher P.C.
Bond Counsel:	Ballard Spahr LLP
Special Counsel:	Sherman & Howard L.L.C.
Underwriter:	Wells Fargo Securities
Underwriter's Counsel:	Kline Alvarado Veio, P.C.