



2008 WIFA Drinking Water Loan Refinancing

Town Council Meeting

May 4, 2022

Purpose of Presentation

Update the Town Council on the Final Terms of the \$21M Water Infrastructure Finance Authority of Arizona (WIFA) Drinking Water Loan Refinancing Authorized by the Town Council on April 20, 2022



Background Financial Information



- Original Amount: \$40M (2008)
- Purpose: Acquire Queen Creek Water Company
- Interest Rate: 4.038%
- Outstanding Balance: \$21M
- Final Payment Date: 2038
- Callable: March 12, 2022

Refunding Terms

Negotiated Loan with Bank of America

	Actual Terms	Expected Terms
Interest Rate	2.85%	3.24%
Net Present Value Savings	\$1.7M (8% of Refunded Amount)	\$1.0M (5% of Refunded Amount)
Net Future Value Savings	\$2.1M	\$1.4M
Annual Savings	\$120K	\$82K
Issuance Costs	\$200K	\$200K
Final Payment Date	7/1/2038 (Non-Callable)	

