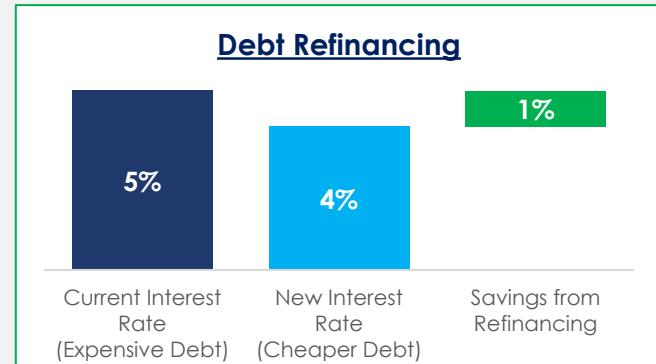


2021 REFINANCING & RESTRUCTURING

To address \$450 million of the budget gap in FY2020 and \$500 million in FY2021 caused by revenue loss due to the pandemic, the City will refinance and restructure its outstanding debt

What is a Refinancing for Savings?

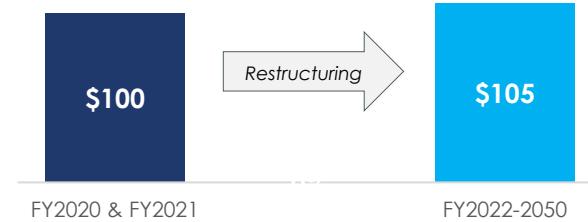
- The City's refinancing for savings will generate approximately \$74 million in savings¹, which will pay for the cost of the debt restructuring
- The refinancing will replace the interest rate on outstanding City bonds from 5% to 4%



What is a Restructuring?

- A restructuring borrows to pay for near term debt and repays that debt over time
- The restructuring costs \$43 million¹ on a net present value basis
- Combined with the \$74 million of refinancing for savings, the overall transaction will generate \$31 million of net present value savings¹
- If federal funding becomes available, the City will not issue the debt restructuring

Debt Restructuring



What is the Total Proposed Financing Package?

- The total transaction will be net present value neutral – in the current market, it generates \$31 million in net present value savings
- The transaction will result in budgetary relief of \$450 million for FY2020 and \$500 million for FY2021

¹ Based on current municipal bond market rates

What Will the New Debt Profile Look Like?

