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## **Debt Management Update**

March 27, 2014

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# Topics

- Refunding
- Liquidity facilities
- New money issuance for *Move Illinois*
- Upcoming items

## Refunding Issuance - *\$57.3 million NPV Savings*

### REFUNDING OF SERIES 2005A BONDS COMPLETE

Date of Issuance	<u>8/13/2013</u>	<u>2/26/2014</u>	<u>Total</u>
Amount Refunded	\$228,195,000	\$436,545,000	\$664,740,000
Net Present Value (“NPV”) Savings	\$13.2 million	\$44.1 million	\$57.3 million
NPV Savings as % of Refunded Bonds	5.8%	10.1%	8.6%

## Remaining refunding authorizations

- Authorization remains to refund \$76 million Series 2005A and/or \$292 million Series 2006A
- Up to \$571 million to refund synthetic fixed rate bonds (from among \$1.3 billion total of Series 1998B, 2007A, 2008A)



# Liquidity – *Continued diversification at reduced cost*

## Renewal/Replacement of liquidity facilities complete

UPDATED LIQUIDITY/CREDIT FACILITY PROVIDER PROFILE						
Series	Par	Facility	Prior Provider	Prior Expiration	New Provider	New Expiration
1998B	\$123.1M	SBPA	Helaba	12/27/2013	Helaba	1/01/2017
2007A-1a	\$175.0M	LOC	Citibank	1/31/2014	Citibank	1/31/2017
2007A-1b	\$175.0M	LOC	PNC	3/18/2014	Mizuho	3/18/2016
2007A-2a	\$100.0M	LOC	Bank of Tokyo	3/18/2014	Bank of Tokyo	3/17/2017
2007A-2b	\$107.5M	LOC	BMO (Harris)	3/18/2014	BMO (Harris)	3/18/2017
2007A-2c	\$55.0M	LOC	Northern Trust	3/18/2014	Northern Trust	3/17/2017
2007A-2d	\$87.5M	LOC	Wells Fargo	3/18/2015	RBC	3/17/2017
2008a-1a	\$191.5M	SBPA	JPMorgan	6/07/2013	JPMorgan	2/05/2016
2008A-1b	\$191.6M	SBPA	PNC	2/07/2014	Bank of America	2/05/2016
2008A-2	\$95.8M	SBPA	JPMorgan	6/07/2013	JPMorgan	2/05/2016
			<b>Prior Avg Annual Fee</b>	<b>0.68%</b>	<b>New Avg Annual Fee</b>	<b>0.44%</b>



# New Money Issuance for *Move Illinois*

## Amount

- \$450 million planned in April (*\$500 million authorized*)**
  - Additional \$450 million in November or December (*authorization needed*)
- Current estimate of Tollway 25-year rate roughly 4.70%**
  - Budget/projections assumed 5% in 2014 and 5.5% thereafter

## Timing

- Print Official Statement week of April 7**
- Price/sell bonds week of April 14 or 21**



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# Upcoming Items in 2014

## Policies, procedures and guidelines

- Review/update investment policy
- Review/update debt management guidelines
- Annual review of post-issuance procedure compliance

## Authorize additional new money bond issuance

- Continue to evaluate new money hedging options

## Continue to monitor refunding opportunities

- Series 2006A
- Consider hedging alternatives to facilitate refunding



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**THANK YOU**