



# Debt Prepayment

City of Goodyear  
Public Improvement  
Corporation

Presenter: Mayette Bailey  
Interim Deputy Director of Finance



# City of Goodyear Public Improvement Corporation PIC Debt Overview

- Public Improvement Corporation (PIC) established to finance major capital projects
- Lease-purchase agreements executed in 2007 and 2008
  1. Baseball Project
  2. 2008 Baseball Project
- Supported by bond issuances backed by General Fund Excise Taxes
- Bonds refinanced through Series 2016A & 2016B



# City of Goodyear Public Improvement Corporation PIC Debt Overview

- Series 2016A:
  - Original Issuance \$31,615,000
  - Callable in FY2027
  - Matures FY2031
  - Annual Debt Service \$2.6M - \$3.0M
  - Interest Rate range 3.00% - 5.00%
- Series 2016B
  - Original Issuance \$40,530,000
  - Callable in FY2027
  - Matures FY2031
  - Annual Debt Service \$2.2M - \$3.0M
  - Interest Rate range 4.00% - 5.00%



# City of Goodyear Public Improvement Corporation Debt Refunding Strategy

- Presented to City Council on December 9, 2024
- Recommended using one-time funds to prepay Series 2016A-B Bonds
- Frees approx. \$9M in ongoing revenue
- Revenue can support operations and future debt issuance
  - Goodyear Recreation Campus Phase II
  - Public Safety Personnel



# City of Goodyear Public Improvement Corporation Financial Impact

- Series 2016A:
  - Interest Savings \$6.1M
  - Frees up total = \$33.5M (FY27 - FY32)
  - Annual = \$6.7M for ongoing
- Series 2016B
  - Interest Savings: \$2.8M
  - Frees up \$19.5M (FY27 - FY32)
  - Annual = \$3.9M for ongoing

**Total Interest Savings: \$9.3M**

**Total reallocated funds towards ongoing operations= \$53.1M**



# City of Goodyear Public Improvement Corporation Recommendation

- Board approval requested to proceed with prepayment.
- City Council approval requested to direct Board approval to defease the bonds.



# City of Goodyear Public Improvement Corporation Questions

