

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF	)	RESOLUTION NO. 92-1571
REAUTHORIZING PROCEEDINGS TO	)	
ADVANCE REFUND SERIES 1987	)	Introduced by Executive
GENERAL OBLIGATION CONVENTION	)	Officer Rena Cusma
CENTER BONDS	)	

WHEREAS, The Metropolitan Service District adopted Resolution No. 87-767 authorizing the issuance and sale of \$65 million of general obligation bonds on June 11, 1987 to finance the acquisition and construction of the regional convention and trade show center; and


WHEREAS, A "call" provision was designed in terms of that bond issue to permit advance refunding of the bonds in the event of a significant decrease in interest rates for tax-exempt bonds; and

WHEREAS, At current interest rates for tax-exempt bonds, a significant financial savings will accrue to the taxpayers of the Metropolitan Service District if the 1987 Convention Center Bonds are advance refunded; now, therefore,

BE IT RESOLVED,

That the Director of Finance and Management Information is authorized to proceed with development of all documents necessary to advance refund the Series 1987 Metropolitan Service District Convention Center Bonds, and that Bond Counsel prepare the necessary Bond Resolution and related exhibits for submission to, consideration of, and approval by the Council of the Metropolitan Service District at a subsequent meeting thereof.

ADOPTED by the Council of the Metropolitan Service District  
this 27th day of February, 1992.

  
\_\_\_\_\_  
Jim Gardner, Presiding Officer

**PRELIMINARY  
ADVANCE REFUNDING PLAN**

**METROPOLITAN  
SERVICE DISTRICT**

**Proposed Advance Refunding of  
Series 1987 General Obligation  
Convention Center Bonds**

**February 1992**

**Public Financial Management, Inc.  
1300 SW Fifth Avenue, Suite 2929  
Portland, OR 97201  
(503) 223-3383**

**1. Request and Authorization for an Advance Refunding Bond Sale.**

**METROPOLITAN SERVICE DISTRICT**

State Treasury Form 1/86

**REQUEST AND AUTHORIZATION FOR AN ADVANCE  
REFUNDING BOND SALE**

Date of Application	February 14, 1992
Issuer	Metropolitan Service District
Contact Person	Mr. Christopher Scherer 221-1646 ext. 124
Financial Consultant	Public Financial Management, Inc. (Chip Pierce, Brad Farrar)
Bond Counsel	To be determined
Escrow Agent	First Interstate Bank of Oregon (Alice Garrett)

**REFUNDING ISSUE**

Par Amount	Approximately \$66,545,000
Type of Bonds	General Obligation Bonds
Date of Sale	March 25, 1992
Date of Issue	March 15, 1992
Maturity Dates	December 1, 1992 - 2012
Purpose of Issue	Debt Service Savings
Par Amount of Bonds to be Refunded	\$60,680,000
Number of Bond Issues	1
Total call premiums	\$0
Transferred Funds	\$0
Projected Present Value Savings	\$2,935,729
Date of Present Value	April 21, 1992
True Interest Cost (TIC)	6.0952%
Savings Ratio	4.4116%
Escrow Funds Invested at Unrestricted Yield	\$0
<b>TOTAL PRESENT VALUE SAVINGS</b>	<b>\$2,935,729</b>
<b>SAVINGS RATIO</b>	<b>4.4116%</b>

2. **Copy of the Resolution or Ordinance of the Governing Body Authorizing Submission of the Plan to the Treasurer.**

# DRAFT

## BEFORE THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF REAUTHORIZING) RESOLUTION NO. 92-1571  
PROCEEDINGS TO ADVANCE REFUND )  
SERIES 1987 GENERAL OBLIGATION ) INTRODUCED BY RENA CUSMA,  
CONVENTION CENTER BONDS ) EXECUTIVE OFFICER

WHEREAS, the Metropolitan Service District adopted Resolution No. 87-767 authorizing the issuance and sale of \$65 million of general obligation bonds on June 11, 1987 to finance the acquisition and construction of the a regional convention and trade show center; and

WHEREAS, a "call" provision was designed into the terms of that bond issue to permit advance refunding of the bonds in the event of a significant decrease in interest rates for tax-exempt bonds; and

WHEREAS, at current interest rates for tax-exempt bonds, a significant financial savings will accrue to the taxpayers of the Metropolitan Service District if the 1987 Convention Center Bonds are advance refunded; now therefore,

BE IT RESOLVED, that,

the Director of Finance and Management Information is authorized to proceed with development of all documents necessary to advance refund the Series 1987 Metropolitan Service District Convention Center Bonds, and that Bond Counsel prepare the necessary Bond Resolution and related exhibits for submission to, consideration of, and approval by the Council of the Metropolitan Service District at a subsequent meeting thereof.

ADOPTED by the Council of the Metropolitan Service District this \_\_\_\_\_ day of \_\_\_\_\_, 1992.

\_\_\_\_\_  
Jim Gardner, Presiding Officer

**3. A Statement of the Purpose(s) of the Sale.**

***THE PURPOSE OF THIS REFUNDING IS TO EFFECT A DEBT SERVICE SAVINGS.***

**4. A Description of the Bonds to be Refunded:**

- a) **Date the Bonds to be Refunded are First Callable;**  
***THE SERIES 1987 BONDS ARE CALLABLE AT PAR ON DECEMBER 1, 1997.***
- b) **Semi-annual Debt Service to Final Maturity;**
- c) **Present value of each semi-annual payment.**



Metropolitan Service District  
General Obligation Convention Center Bonds  
Full Refunding Scenario

DEBT SERVICE SCHEDULE

DATE	PRINCIPAL	COUPON	INTEREST	DEBT SERVICE
12/01/1991	-	-	-	-
6/01/1992	-	-	2,210,788.75	2,210,788.75
12/01/1992	1,250,000.00	8.20000%	2,210,788.75	3,460,788.75
6/01/1993	-	-	2,159,538.75	2,159,538.75
12/01/1993	1,335,000.00	5.75000%	2,159,538.75	3,494,538.75
6/01/1994	-	-	2,121,157.50	2,121,157.50
12/01/1994	1,425,000.00	6.00000%	2,121,157.50	3,546,157.50
6/01/1995	-	-	2,078,407.50	2,078,407.50
12/01/1995	1,530,000.00	6.20000%	2,078,407.50	3,608,407.50
6/01/1996	-	-	2,030,977.50	2,030,977.50
12/01/1996	1,640,000.00	6.40000%	2,030,977.50	3,670,977.50
6/01/1997	-	-	1,978,497.50	1,978,497.50
12/01/1997	1,760,000.00	6.60000%	1,978,497.50	3,738,497.50
6/01/1998	-	-	1,920,417.50	1,920,417.50
12/01/1998	1,890,000.00	6.80000%	1,920,417.50	3,810,417.50
6/01/1999	-	-	1,856,157.50	1,856,157.50
12/01/1999	2,040,000.00	6.90000%	1,856,157.50	3,896,157.50
6/01/2000	-	-	1,785,777.50	1,785,777.50
12/01/2000	2,195,000.00	7.00000%	1,785,777.50	3,980,777.50
6/01/2001	-	-	1,708,952.50	1,708,952.50
12/01/2001	2,370,000.00	7.10000%	1,708,952.50	4,078,952.50
6/01/2002	-	-	1,624,817.50	1,624,817.50
12/01/2002	2,560,000.00	7.20000%	1,624,817.50	4,184,817.50
6/01/2003	-	-	1,532,657.50	1,532,657.50
12/01/2003	2,770,000.00	7.30000%	1,532,657.50	4,302,657.50
6/01/2004	-	-	1,431,552.50	1,431,552.50
12/01/2004	2,995,000.00	7.40000%	1,431,552.50	4,426,552.50
6/01/2005	-	-	1,320,737.50	1,320,737.50
12/01/2005	3,240,000.00	7.40000%	1,320,737.50	4,560,737.50
6/01/2006	-	-	1,200,857.50	1,200,857.50
12/01/2006	3,510,000.00	7.50000%	1,200,857.50	4,710,857.50
6/01/2007	-	-	1,069,232.50	1,069,232.50
12/01/2007	3,805,000.00	7.50000%	1,069,232.50	4,874,232.50
6/01/2008	-	-	926,545.00	926,545.00
12/01/2008	4,120,000.00	7.50000%	926,545.00	5,046,545.00
6/01/2009	-	-	772,045.00	772,045.00
12/01/2009	4,465,000.00	7.60000%	772,045.00	5,237,045.00
6/01/2010	-	-	602,375.00	602,375.00
12/01/2010	4,840,000.00	7.60000%	602,375.00	5,442,375.00
6/01/2011	-	-	418,455.00	418,455.00
12/01/2011	5,250,000.00	7.65000%	418,455.00	5,668,455.00
6/01/2012	-	-	217,642.50	217,642.50
12/01/2012	5,690,000.00	7.65000%	217,642.50	5,907,642.50
<b>TOTAL</b>	<b>60,680,000.00</b>	<b>-</b>	<b>61,935,180.00</b>	<b>122,615,180.00</b>

Public Financial Management, Inc.  
Financial and Investment Advisors

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YIELD STATISTICS

Accrued Interest from 12/01/1991 to 12/01/1991...	-
Average Life.....	13.714 YEARS
Bond Years.....	832,165.00
Average Coupon.....	7.4426562%
Net Interest Cost (NIC).....	7.4411144%
Bond Yield for Arbitrage Purposes.....	7.3992995%
True Interest Cost (TIC).....	7.3992995%
Effective Interest Cost (EIC).....	7.3992995%

Metropolitan Service District  
General Obligation Convention Center Bonds  
Full Refunding Scenario

PROOF OF TIC @ 6.0951657%

DATE	DEBT SERVICE	PV FACTOR	PRESENT VALUE
4/02/1992	-	1.0000000x	-
6/01/1992	2,210,788.75	0.9902081x	2,189,141.04
12/01/1992	3,460,788.75	0.9609232x	3,325,552.26
6/01/1993	2,159,538.75	0.9325044x	2,013,779.33
12/01/1993	3,494,538.75	0.9049260x	3,162,298.99
6/01/1994	2,121,157.50	0.8781633x	1,862,722.57
12/01/1994	3,546,157.50	0.8521920x	3,022,007.03
6/01/1995	2,078,407.50	0.8269888x	1,718,819.78
12/01/1995	3,608,407.50	0.8025310x	2,895,858.98
6/01/1996	2,030,977.50	0.7787966x	1,581,718.28
12/01/1996	3,670,977.50	0.7557640x	2,774,392.72
6/01/1997	1,978,497.50	0.7334127x	1,451,055.12
12/01/1997	3,738,497.50	0.7117223x	2,660,772.17
6/01/1998	1,920,417.50	0.6906735x	1,326,381.45
12/01/1998	3,810,417.50	0.6702472x	2,553,921.48
6/01/1999	1,856,157.50	0.6504249x	1,207,291.08
12/01/1999	3,896,157.50	0.6311889x	2,459,211.40
6/01/2000	1,785,777.50	0.6125218x	1,093,827.65
12/01/2000	3,980,777.50	0.5944068x	2,366,201.06
6/01/2001	1,708,952.50	0.5768275x	985,770.74
12/01/2001	4,078,952.50	0.5597681x	2,283,267.37
6/01/2002	1,624,817.50	0.5432132x	882,622.31
12/01/2002	4,184,817.50	0.5271479x	2,206,017.87
6/01/2003	1,532,657.50	0.5115578x	784,042.87
12/01/2003	4,302,657.50	0.4964287x	2,135,962.69
6/01/2004	1,431,552.50	0.4817471x	689,646.21
12/01/2004	4,426,552.50	0.4674996x	2,069,411.64
6/01/2005	1,320,737.50	0.4536735x	599,183.67
12/01/2005	4,560,737.50	0.4402564x	2,007,893.74
6/01/2006	1,200,857.50	0.4272360x	513,049.55
12/01/2006	4,710,857.50	0.4146007x	1,953,124.82
6/01/2007	1,069,232.50	0.4023391x	430,194.02
12/01/2007	4,874,232.50	0.3904401x	1,903,095.81
6/01/2008	926,545.00	0.3788930x	351,061.43
12/01/2008	5,046,545.00	0.3676874x	1,855,551.21
6/01/2009	772,045.00	0.3568133x	275,475.89
12/01/2009	5,237,045.00	0.3462607x	1,813,382.76
6/01/2010	602,375.00	0.3360202x	202,410.16
12/01/2010	5,442,375.00	0.3260825x	1,774,663.51
6/01/2011	418,455.00	0.3164388x	132,415.40
12/01/2011	5,668,455.00	0.3070803x	1,740,670.79
6/01/2012	217,642.50	0.2979985x	64,857.15
12/01/2012	5,907,642.50	0.2891854x	1,708,403.79
<b>TOTAL</b>	<b>122,615,180.00</b>	<b>-</b>	<b>69,027,127.80</b>

Public Financial Management, Inc.  
Financial and Investment Advisors

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DERIVATION OF TARGET AMOUNT

Par Amount of Bonds..... \$60,680,000.00

**5. A Description of the Proposed Advance Refunding Issue:**

a) **Debt Service to Maturity**

b) **Present Value of Debt Service to Maturity**

c) **Call Date on Refunding Bonds**

***THE REFUNDING BONDS WILL BE SUBJECT TO REDEMPTION AT PAR PLUS ACCRUED INTEREST ON DECEMBER 1, 2002 AND ANY INTEREST PAYMENT DATE THEREAFTER.***

Metropolitan Sevice District  
 General Obligation 1987 Convention Center  
 Series 1992 Refunding Bonds  
 Full Refunding  
 DEBT SERVICE SCHEDULE

DATE	PRINCIPAL	COUPON	INTEREST	DEBT SERVICE
6/01/1992	-	-	798,339.89	798,339.89
12/01/1992	2,865,000.00	3.65000%	1,890,805.00	4,755,805.00
6/01/1993	-	-	1,838,518.75	1,838,518.75
12/01/1993	1,875,000.00	4.10000%	1,838,518.75	3,713,518.75
6/01/1994	-	-	1,800,081.25	1,800,081.25
12/01/1994	1,955,000.00	4.35000%	1,800,081.25	3,755,081.25
6/01/1995	-	-	1,757,560.00	1,757,560.00
12/01/1995	2,040,000.00	4.55000%	1,757,560.00	3,797,560.00
6/01/1996	-	-	1,711,150.00	1,711,150.00
12/01/1996	2,130,000.00	4.75000%	1,711,150.00	3,841,150.00
6/01/1997	-	-	1,660,562.50	1,660,562.50
12/01/1997	2,230,000.00	4.95000%	1,660,562.50	3,890,562.50
6/01/1998	-	-	1,605,370.00	1,605,370.00
12/01/1998	2,345,000.00	5.20000%	1,605,370.00	3,950,370.00
6/01/1999	-	-	1,544,400.00	1,544,400.00
12/01/1999	2,465,000.00	5.35000%	1,544,400.00	4,009,400.00
6/01/2000	-	-	1,478,461.25	1,478,461.25
12/01/2000	2,595,000.00	5.50000%	1,478,461.25	4,073,461.25
6/01/2001	-	-	1,407,098.75	1,407,098.75
12/01/2001	2,740,000.00	5.60000%	1,407,098.75	4,147,098.75
6/01/2002	-	-	1,330,378.75	1,330,378.75
12/01/2002	2,895,000.00	5.70000%	1,330,378.75	4,225,378.75
6/01/2003	-	-	1,247,871.25	1,247,871.25
12/01/2003	3,060,000.00	5.80000%	1,247,871.25	4,307,871.25
6/01/2004	-	-	1,159,131.25	1,159,131.25
12/01/2004	3,235,000.00	5.95000%	1,159,131.25	4,394,131.25
6/01/2005	-	-	1,062,890.00	1,062,890.00
12/01/2005	3,425,000.00	6.05000%	1,062,890.00	4,487,890.00
6/01/2006	-	-	959,283.75	959,283.75
12/01/2006	3,635,000.00	6.15000%	959,283.75	4,594,283.75
6/01/2007	-	-	847,507.50	847,507.50
12/01/2007	3,860,000.00	6.15000%	847,507.50	4,707,507.50
6/01/2008	-	-	728,812.50	728,812.50
12/01/2008	4,095,000.00	6.20000%	728,812.50	4,823,812.50
6/01/2009	-	-	601,867.50	601,867.50
12/01/2009	4,350,000.00	6.25000%	601,867.50	4,951,867.50
6/01/2010	-	-	465,930.00	465,930.00
12/01/2010	4,620,000.00	6.30000%	465,930.00	5,085,930.00
6/01/2011	-	-	320,400.00	320,400.00
12/01/2011	4,910,000.00	6.30000%	320,400.00	5,230,400.00
6/01/2012	-	-	165,735.00	165,735.00
12/01/2012	5,220,000.00	6.35000%	165,735.00	5,385,735.00
TOTAL	66,545,000.00	-	50,075,164.89	116,620,164.89

Public Financial Management, Inc.  
 Financial and Investment Advisors

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YIELD STATISTICS

Accrued Interest from 03/15/1992 to 04/02/1992...	178,576.03
Average Life.....	12.483 YEARS
Bond Years.....	830,705.89
Average Coupon.....	6.0280257%
Net Interest Cost (NIC).....	6.1041270%
Bond Yield for Arbitrage Purposes.....	5.9785117%
True Interest Cost (TIC).....	6.0951657%

Metropolitan Sevice District  
 General Obligation 1987 Convention Center  
 Series 1992 Refunding Bonds  
 Full Refunding  
 PROOF OF TIC @ 6.0951657%

DATE	DEBT SERVICE	PV FACTOR	PRESENT VALUE
4/02/1992	-	1.0000000x	-
6/01/1992	798,339.89	0.9902081x	790,522.66
12/01/1992	4,755,805.00	0.9609232x	4,569,963.44
6/01/1993	1,838,518.75	0.9325044x	1,714,426.78
12/01/1993	3,713,518.75	0.9049260x	3,360,459.68
6/01/1994	1,800,081.25	0.8781633x	1,580,765.20
12/01/1994	3,755,081.25	0.8521920x	3,200,050.18
6/01/1995	1,757,560.00	0.8269888x	1,453,482.48
12/01/1995	3,797,560.00	0.8025310x	3,047,659.73
6/01/1996	1,711,150.00	0.7787966x	1,332,637.73
12/01/1996	3,841,150.00	0.7557640x	2,903,002.97
6/01/1997	1,660,562.50	0.7334127x	1,217,877.57
12/01/1997	3,890,562.50	0.7117223x	2,769,000.23
6/01/1998	1,605,370.00	0.6906735x	1,108,786.50
12/01/1998	3,950,370.00	0.6702472x	2,647,724.24
6/01/1999	1,544,400.00	0.6504249x	1,004,516.24
12/01/1999	4,009,400.00	0.6311889x	2,530,688.81
6/01/2000	1,478,461.25	0.6125218x	905,589.74
12/01/2000	4,073,461.25	0.5944068x	2,421,292.90
6/01/2001	1,407,098.75	0.5768275x	811,653.21
12/01/2001	4,147,098.75	0.5597681x	2,321,413.46
6/01/2002	1,330,378.75	0.5432132x	722,679.29
12/01/2002	4,225,378.75	0.5271479x	2,227,399.65
6/01/2003	1,247,871.25	0.5115578x	638,358.25
12/01/2003	4,307,871.25	0.4964287x	2,138,550.94
6/01/2004	1,159,131.25	0.4817471x	558,408.08
12/01/2004	4,394,131.25	0.4674996x	2,054,254.71
6/01/2005	1,062,890.00	0.4536735x	482,205.08
12/01/2005	4,487,890.00	0.4402564x	1,975,822.16
6/01/2006	959,283.75	0.4272360x	409,840.55
12/01/2006	4,594,283.75	0.4146007x	1,904,793.25
6/01/2007	847,507.50	0.4023391x	340,985.39
12/01/2007	4,707,507.50	0.3904401x	1,837,999.68
6/01/2008	728,812.50	0.3788930x	276,141.97
12/01/2008	4,823,812.50	0.3676874x	1,773,655.26
6/01/2009	601,867.50	0.3568133x	214,754.30
12/01/2009	4,951,867.50	0.3462607x	1,714,637.00
6/01/2010	465,930.00	0.3360202x	156,561.88
12/01/2010	5,085,930.00	0.3260825x	1,658,433.02
6/01/2011	320,400.00	0.3164388x	101,387.00
12/01/2011	5,230,400.00	0.3070803x	1,606,152.74
6/01/2012	165,735.00	0.2979985x	49,388.79
12/01/2012	5,385,735.00	0.2891854x	1,557,475.78
<b>TOTAL</b>	<b>116,620,164.89</b>	<b>-</b>	<b>66,091,398.51</b>

Public Financial Management, Inc.  
 Financial and Investment Advisors

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DERIVATION OF TARGET AMOUNT

Par Amount of Bonds.....	\$66,545,000.00
Accrued Interest from 03/15/1992 to 04/02/1992...	178,576.03
Total Underwriter's Discount (0.950%).....	\$632,177.50
<b>Total Purchase Price</b>	<b>\$66,091,398.53</b>

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Metropolitan Sevice District  
General Obligation 1987 Convention Center  
Series 1992 Refunding Bonds  
Full Refunding  
SOURCES AND USES

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Dated 3/15/1992 Delivery 4/02/1992

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Par Amount of Bonds..... \$66,545,000.00  
Accrued Interest from 03/15/1992 to 04/02/1992... 178,576.03

Total Sources \$66,723,576.03

Total Underwriter's Discount (0.950%)..... \$632,177.50  
Costs of Issuance..... 100,000.00  
Deposit to Debt Service Fund..... 178,576.03  
Deposit to Escrow Fund..... 65,810,861.29  
Contingency..... 1,961.21

Total Uses \$66,723,576.03

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Public Financial Management, Inc.  
Financial and Investment Advisors

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- 6. A Description of the Escrow Account:**
  - a) Confirmation of Escrow Securities**
  - b) Cost of Escrow Securities**
  - c) Escrow Cash Balancing Report**

Metropolitan Sevice District  
 General Obligation 1987 Convention Center  
 Series 1992 Refunding Bonds  
 Full Refunding  
 SLGS PRINCIPAL AND INTEREST

DATE	PRINCIPAL	COUPON	INTEREST	SLGS P+I
4/02/1992	-	-	-	-
6/01/1992	1,626,400.00	-	584,386.88	2,210,786.88
12/01/1992	1,678,400.00	-	1,782,379.99	3,460,779.99
6/01/1993	377,200.00	-	1,782,379.99	2,159,579.99
12/01/1993	1,712,100.00	-	1,782,379.99	3,494,479.99
6/01/1994	338,800.00	-	1,782,379.99	2,121,179.99
12/01/1994	1,763,800.00	-	1,782,379.99	3,546,179.99
6/01/1995	296,000.00	-	1,782,379.99	2,078,379.99
12/01/1995	1,826,000.00	0.44300%	1,782,379.99	3,608,379.99
6/01/1996	252,700.00	5.88000%	1,778,335.40	2,031,035.40
12/01/1996	1,900,000.00	6.10000%	1,770,906.02	3,670,906.02
6/01/1997	265,600.00	6.27000%	1,712,956.02	1,978,556.02
12/01/1997	53,773,800.00	6.34000%	1,704,629.46	55,478,429.46
<b>TOTAL</b>	<b>65,810,800.00</b>	<b>-</b>	<b>20,027,873.71</b>	<b>85,838,673.71</b>

Public Financial Management, Inc.  
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**RESTRICTED PORTFOLIO INFORMATION**

Cost of Primary SLGS Investments.....	65,810,800.00
Cost of Alternate Restricted Investments.....	-
Cost of Restricted Escrow Investments.....	65,810,800.00



Metropolitan Sevice District  
 General Obligation 1987 Convention Center  
 Series 1992 Refunding Bonds  
 Full Refunding  
 SLGS PROOF OF YIELD @ 5.9784948%

DATE	NET SLGS P+I	PV FACTOR	PRESENT VALUE
4/02/1992	-	1.0000000x	-
6/01/1992	2,210,786.88	0.9903920x	2,189,545.55
12/01/1992	3,460,779.99	0.9616460x	3,328,045.16
6/01/1993	2,159,579.99	0.9337343x	2,016,474.02
12/01/1993	3,494,479.99	0.9066329x	3,168,210.35
6/01/1994	2,121,179.99	0.8803180x	1,867,312.86
12/01/1994	3,546,179.99	0.8547669x	3,031,157.18
6/01/1995	2,078,379.99	0.8299574x	1,724,966.84
12/01/1995	3,608,379.99	0.8058680x	2,907,877.98
6/01/1996	2,031,035.40	0.7824778x	1,589,240.12
12/01/1996	3,670,906.02	0.7597665x	2,789,031.44
6/01/1997	1,978,556.02	0.7377144x	1,459,609.26
12/01/1997	55,478,429.46	0.7163023x	39,739,329.25
<b>TOTAL</b>	<b>85,838,673.71</b>	<b>-</b>	<b>65,810,800.00</b>

Public Financial Management, Inc.  
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DERIVATION OF TARGET AMOUNT

Cost of Restricted Escrow Investments.....	65,810,800.00
Adjusted SLGS Purchase Price.....	\$65,810,800.00

Metropolitan Sevice District  
 General Obligation 1987 Convention Center  
 Series 1992 Refunding Bonds  
 Full Refunding  
 ESCROW FUND CASHFLOW

DATE	PRINCIPAL	COUPON	INTEREST	RECEIPTS	DISBURSEMENTS	CASH BALANCE
4/02/1992	-	-	-	61.29	-	61.29
6/01/1992	1,626,400.00	-	584,386.88	2,210,786.88	2,210,788.75	59.42
12/01/1992	1,678,400.00	-	1,782,379.99	3,460,779.99	3,460,788.75	50.66
6/01/1993	377,200.00	-	1,782,379.99	2,159,579.99	2,159,538.75	91.90
12/01/1993	1,712,100.00	-	1,782,379.99	3,494,479.99	3,494,538.75	33.14
6/01/1994	338,800.00	-	1,782,379.99	2,121,179.99	2,121,157.50	55.63
12/01/1994	1,763,800.00	-	1,782,379.99	3,546,179.99	3,546,157.50	78.12
6/01/1995	296,000.00	-	1,782,379.99	2,078,379.99	2,078,407.50	50.61
12/01/1995	1,826,000.00	0.44300%	1,782,379.99	3,608,379.99	3,608,407.50	23.10
6/01/1996	252,700.00	5.88000%	1,778,335.40	2,031,035.40	2,030,977.50	81.00
12/01/1996	1,900,000.00	6.10000%	1,770,906.02	3,670,906.02	3,670,977.50	9.52
6/01/1997	265,600.00	6.27000%	1,712,956.02	1,978,556.02	1,978,497.50	68.04
12/01/1997	53,773,800.00	6.34000%	1,704,629.46	55,478,429.46	55,478,497.50	-
<b>TOTAL</b>	<b>65,810,800.00</b>	<b>-</b>	<b>20,027,873.71</b>	<b>85,838,735.00</b>	<b>85,838,735.00</b>	<b>-</b>

Public Financial Management, Inc.  
 Financial and Investment Advisors

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**ESCROW INFORMATION**

Escrow Target.....	\$65,810,797.96
Escrow Arbitrage.....	(2.04)
Cost of Restricted Escrow Investments.....	65,810,800.00
Cash Deposit to Escrow.....	61.29
Total Cost of Escrow Investments.....	\$65,810,861.29
Restricted Escrow Portfolio Yield.....	5.9784948%
Yield on Escrow Investments.....	5.9784731%

**7. A Copy of the Present Value Savings Table:**

- a) Savings Report**
- b) Present Value Savings Calculation**

Metropolitan Sevice District  
 General Obligation 1987 Convention Center  
 Series 1992 Refunding Bonds  
 Full Refunding  
 PRESENT VALUE SAVINGS @ 6.0951657%

DATE	PRIOR D/S	NEW D/S	SAVINGS	PV FACTOR	PRESENT VALUE	CUMULATIVE PV
4/02/1992	-	-	-	1.0000000x	-	-
6/01/1992	2,210,788.75	798,339.89	1,412,448.86	0.9902081x	1,398,618.37	1,398,618.37
12/01/1992	3,460,788.75	4,755,805.00	(1,295,016.25)	0.9609232x	(1,244,411.18)	154,207.19
6/01/1993	2,159,538.75	1,838,518.75	321,020.00	0.9325044x	299,352.55	453,559.74
12/01/1993	3,494,538.75	3,713,518.75	(218,980.00)	0.9049260x	(198,160.70)	255,399.05
6/01/1994	2,121,157.50	1,800,081.25	321,076.25	0.8781633x	281,957.36	537,356.41
12/01/1994	3,546,157.50	3,755,081.25	(208,923.75)	0.8521920x	(178,043.15)	359,313.26
6/01/1995	2,078,407.50	1,757,560.00	320,847.50	0.8269888x	265,337.30	624,650.56
12/01/1995	3,608,407.50	3,797,560.00	(189,152.50)	0.8025310x	(151,800.75)	472,849.81
6/01/1996	2,030,977.50	1,711,150.00	319,827.50	0.7787966x	249,080.56	721,930.37
12/01/1996	3,670,977.50	3,841,150.00	(170,172.50)	0.7557640x	(128,610.25)	593,320.11
6/01/1997	1,978,497.50	1,660,562.50	317,935.00	0.7334127x	233,177.56	826,497.67
12/01/1997	3,738,497.50	3,890,562.50	(152,065.00)	0.7117223x	(108,228.06)	718,269.61
6/01/1998	1,920,417.50	1,605,370.00	315,047.50	0.6906735x	217,594.96	935,864.57
12/01/1998	3,810,417.50	3,950,370.00	(139,952.50)	0.6702472x	(93,802.76)	842,061.80
6/01/1999	1,856,157.50	1,544,400.00	311,757.50	0.6504249x	202,774.84	1,044,836.65
12/01/1999	3,896,157.50	4,009,400.00	(113,242.50)	0.6311889x	(71,477.41)	973,359.24
6/01/2000	1,785,777.50	1,478,461.25	307,316.25	0.6125218x	188,237.90	1,161,597.14
12/01/2000	3,980,777.50	4,073,461.25	(92,683.75)	0.5944068x	(55,091.85)	1,106,505.29
6/01/2001	1,708,952.50	1,407,098.75	301,853.75	0.5768275x	174,117.53	1,280,622.83
12/01/2001	4,078,952.50	4,147,098.75	(68,146.25)	0.5597681x	(38,146.09)	1,242,476.73
6/01/2002	1,624,817.50	1,330,378.75	294,438.75	0.5432132x	159,943.01	1,402,419.75
12/01/2002	4,184,817.50	4,225,378.75	(40,561.25)	0.5271479x	(21,381.78)	1,381,037.97
6/01/2003	1,532,657.50	1,247,871.25	284,786.25	0.5115578x	145,684.62	1,526,722.59
12/01/2003	4,302,657.50	4,307,871.25	(5,213.75)	0.4964287x	(2,588.26)	1,524,134.33
6/01/2004	1,431,552.50	1,159,131.25	272,421.25	0.4817471x	131,238.14	1,655,372.47
12/01/2004	4,426,552.50	4,394,131.25	32,421.25	0.4674996x	15,156.92	1,670,529.39
6/01/2005	1,320,737.50	1,062,890.00	257,847.50	0.4536735x	116,978.59	1,787,507.98
12/01/2005	4,560,737.50	4,487,890.00	72,847.50	0.4402564x	32,071.58	1,819,579.56
6/01/2006	1,200,857.50	959,283.75	241,573.75	0.4272360x	103,209.00	1,922,788.56
12/01/2006	4,710,857.50	4,594,283.75	116,573.75	0.4146007x	48,331.56	1,971,120.12
6/01/2007	1,069,232.50	847,507.50	221,725.00	0.4023391x	89,208.63	2,060,328.75
12/01/2007	4,874,232.50	4,707,507.50	166,725.00	0.3904401x	65,096.13	2,125,424.88
6/01/2008	926,545.00	728,812.50	197,732.50	0.3788930x	74,919.46	2,200,344.34
12/01/2008	5,046,545.00	4,823,812.50	222,732.50	0.3676874x	81,895.94	2,282,240.29
6/01/2009	772,045.00	601,867.50	170,177.50	0.3568133x	60,721.59	2,342,961.87
12/01/2009	5,237,045.00	4,951,867.50	285,177.50	0.3462607x	98,745.75	2,441,707.63
6/01/2010	602,375.00	465,930.00	136,445.00	0.3360202x	45,848.27	2,487,555.90
12/01/2010	5,442,375.00	5,085,930.00	356,445.00	0.3260825x	116,230.49	2,603,786.40
6/01/2011	418,455.00	320,400.00	98,055.00	0.3164388x	31,028.41	2,634,814.80
12/01/2011	5,668,455.00	5,230,400.00	438,055.00	0.3070803x	134,518.06	2,769,332.86
6/01/2012	217,642.50	165,735.00	51,907.50	0.2979985x	15,468.36	2,784,801.22
12/01/2012	5,907,642.50	5,385,735.00	521,907.50	0.2891854x	150,928.01	2,935,729.23
<b>TOTAL</b>	<b>122,615,180.00</b>	<b>116,620,164.89</b>	<b>5,995,015.11</b>	<b>-</b>	<b>2,935,729.23</b>	<b>-</b>

Public Financial Management, Inc.  
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PV COMPARISON METHOD	NET TO NET
Daycount Method.....	30/360
Compounding Frequency to use for PV calculations..	2 PER YEAR

**8. A Breakdown of the Administrative Costs, Expenses, and Fees**

**METROPOLITAN SERVICE DISTRICT**

**BREAKDOWN OF COSTS**

State Treasurer's Fee		\$5,000
Bond Counsel		35,000
Rating Fee		15,000
CPA Verification		2,500
Escrow Agent Fee		2,000
Registration Set-up		2,000
Financial Consulting Fee		30,000
Official Statement:		
	Typing	500
	Printing	2,500
Miscellaneous		2,000
Publication		<u>3,500</u>
	<b>TOTAL</b>	<b>\$100,000</b>

**9. A Copy of the Contract Between the Issuer and the Financial Consultant.**

**CONTRACT CHANGE FOR FINANCIAL ADVISORY SERVICES RELATED TO SERIES 1987 GENERAL  
OBLIGATION BOND REFUNDING**

Public Financial Management, Inc. ("PFM") serves as financial advisor to the Metropolitan Service District ("Metro") under a long-term contract. In its capacity as financial advisor to Metro, PFM will perform the scope of services specified below on Metro's behalf with respect to the issuance of the Series 1992 General Obligation Convention Center Refunding Bonds.

PFM, in consideration of the non-contingent fees established in Metro's contract with PFM, agrees to exercise its best efforts on Metro's behalf and will not be a purchaser of the refunding bonds at a negotiated sale.

**SCOPE OF SERVICES**

Public Financial Management, Inc., (hereafter, "PFM"), will provide financial advisory services to Metro sufficient to complete the contemplated financing set forth in the foregoing Agreement in a satisfactory and efficient manner including the following specific tasks:

1. Conduct a preliminary refunding analyses, and assist Metro in setting goals for the refunding.
2. Coordinate the participation of all parties in the preparation of documents and execution of tasks necessary for the sale of bonds. This will include the preparation of a financing schedule which will be updated over the course of the project to reflect changes in tasks and/or timing.
3. Assist Metro, through presentations to the Metro Council (the Council).
4. Prepare a term sheet describing the characteristics of the refunding bonds.
5. Prepare the official statement.
6. Notify the State Treasury of Metro's plans to sell bonds.
7. Represent Metro before bond rating agencies, bond insurers and investors.
8. Negotiate on Metro's behalf the interest rates and underwriter compensation in the course of the negotiated pricing, verify the interest costs, and calculate the final principal amounts and maturities.
9. Procure US Government securities required for the escrow account.
10. Coordinate all aspects of the closing, including CPA verification, printing and registration of the bonds, trustee contracts, investment of the bond proceeds and legal and tax opinions of bond counsel.
11. Arrange, attend and participate in meetings with Metro staff, bond counsel, and other parties to consider the time, terms and conditions of the financing and bond issue alternatives.



State of Oregon  
Permanent Administrative Rule

Procedure for Submission, Review and Approval of  
An Advance Refunding Plan

Section 1. Components of Plan An Advance Refunding Plan shall consist of:

1. A completed "Request and Authorization for an Advance Refunding Bond Sale", substantially in the form of Treasury Form AR 1/86.
2. A copy of the resolution or ordinance of the governing body authorizing submission of the plan to the Treasurer.
3. A statement of the purpose(s) of the advance refunding sale.

Bonds issued for a favorable reorganization of debt, will require submission of a study conducted by qualified authorities elaborating upon the anticipated benefits to the issuer.

4. A description of the bonds to be refunded, including (a) the date each is first callable; (b) semi-annual debt service to final maturity for each issue and (c) the present value of each semi-annual payment.
5. A description of the proposed advance refunding issue, (a) including the semi-annual debt service; (b) the present value of each semi-annual payment; and (c) the call date, if any. The true interest rate (TIC) which was used to calculate this debt service and the issue date, or date of closing, of the advance refunding bonds should be utilized in all present value calculations throughout the plan.
6. A description of the escrow account, including the type of securities to be utilized and the redemption date of the account.
7. A copy of the Present Value Savings Table. The subtraction of the annual present value debt service payments provides the projected present value savings. This total must be entered on the application form and shall be utilized in the review process. Note that this amount is the total debt service savings.
  - (A) Any bond issuance expenses not included in either the advance refunding proceeds or the escrow account shall be subtracted from the savings total. Any expenses due at a future date may be discounted to present value.
  - (B) Any cash, other than bond proceeds, which is added to the advance refunding to complete the escrow account shall be subtracted from the total savings.
8. A breakdown of the administrative costs, expenses or fees and their allocation to either the advance refunding issue or to the escrow account. The Treasurer shall review administrative costs to determine whether they are comparable with similar offerings.
9. A copy of the contract between the issuer and the financial consultant.

Items required in 1 - 9 must be received prior to preliminary approval.

Considered to be a part of the application but which may be submitted when available are the following:

10. The Official Statement.
11. The issuer's certification relating to arbitrage; including any supporting documentation.
12. A copy of the indenture.
13. A copy of bond counsel's approving opinion.
14. A copy of the escrow agreement and copy of the escrow verification report demonstrating the ability of the escrow account to meet all future debt service and related costs relative to the refunded bonds.

**Section 3. Financial Consultant Required** The issuer shall employ an independent financial consultant whose sole function shall be to advocate the interests of and advise the issuer in the refinancing transaction. ORS 200.320 requires that the issuer assume a reasonable, non-contingent fee obligation to the consultant for services rendered.

The financial consultant shall be retained by the issuer prior to the start of negotiations between the issuer and potential underwriter. The financial consultant shall, after evaluation of the various alternatives, recommend the desirability or undesirability of doing an advance refunding. The contract between issuer and financial consultant shall include the following language:

"The financial consultant, in consideration of the fees contracted for herein, agrees to exercise its best efforts on the issuer's behalf and will not be a purchaser of the refunding bonds at a negotiated sale."

The contract shall also reflect the obligations of the parties for the contingency of a sale not consummated as planned.

Any report prepared by a financial consultant regarding the pricing and terms and conditions of the bonds shall be submitted in writing both to the municipality as well as to the State Treasurer as soon as it is available. No final approval shall be given by the State Treasurer until this report and all other documentation is received and evaluated by the Treasury.

**Section 4. Significant Savings Tests** To facilitate the review of issues designed to provide a savings, three tests have been developed. Equating or surpassing any one of the three shall indicate that the significant savings test is met. Advance refundings designed for other purposes may require a lengthier review and consideration. In order to receive State Treasury approval, the forecast savings must equal one of the following:

1. Present value savings of \$5,000,000 or more; or
  2. A savings ratio of 3% or more; or
  3. An annual "tax rate impact" of \$.15 per \$1,000 or more.
- A. Savings Ratio: This ratio is calculated by dividing the total present value savings by the par amount of the advance refunding issue, the result being expressed as a percent.
- B. Tax Rate Impact: This test is intended to reflect the potential favorable impact on the taxpayer of the smaller jurisdictions. It is not intended as a precise calculation of the real tax rate effect, but rather, using readily available figures, will approximate that tax rate impact. It is calculated as follows:

$$\text{Annual savings estimate} = \frac{\text{Total Present Value Savings}}{\text{Number of Maturities of Advance Refunding Issue}}$$

$$\text{Tax Rate Impact} = \frac{\text{Annual Savings Estimate}}{\text{Issuer Assessed Valuation}/1000}$$

**Section 5. Authorization Procedure** Following a review of the plan (Component items 1 - 9), the Treasurer may issue a preliminary authorization. It will state an intention to issue a final authorization following the sale, provided that:

- A. Items 10 - 15 of the plan are submitted and approved.
- B. And the TIC of the sale is within the parameters set forth in the preliminary authorization.

Section 7. Several Proposals Recommended Issuers are urged, when considering advance refunding, to review several proposals.

The Treasury has found wide variations in proposals, both in the fees charged and the savings presented. A list of consultants may be obtained from the Municipal Debt Advisory Commission, Room 60A State Capitol, Salem, Oregon 97310; telephone: 378-4930.

Section 8. Ongoing Evaluation The State Treasurer intends to evaluate the statewide impact of advance refunding through a benchmarking process. Current bond interest rates are compiled into an "Oregon Index", similar to the Bond Buyer national index. Adverse trends associated with advance refunding bond sales may result in a review and revision of the savings tests, thereby diminishing any undesirable impact upon the higher priority "new money" bond issues.

Section 9. Redemption Notice Publication The issuer shall cause a "Notice of Redemption" of the refunded bonds to be published in one or more newspapers of general circulation throughout the state of Oregon and in a business and financial newspaper published in Portland, Oregon; 30 to 60 days prior to the redemption of the bonds. For registered bonds, the last interest payment of a bond to be redeemed, mailed to the bondholder of record, shall include a "notice of redemption".

Section 10. Waiver of Certain Provisions The Treasurer may, in the Treasurer's discretion, waive certain provisions of this rule to accommodate unusual circumstances.

FINANCE COMMITTEE REPORT

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RESOLUTION NO. 92-1571, REAUTHORIZING PROCEEDINGS TO ADVANCE REFUND SERIES 1987 GENERAL OBLIGATION CONVENTION CENTER BONDS

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Date: February 24, 1992                      Presented By: Councilor Van Bergen

**COMMITTEE RECOMMENDATION:** At its February 20, 1992 meeting the Committee voted unanimously to recommend Council approval of Resolution No. 92-1571. Present and voting were Councilors Devlin, Gardner, Hansen and Van Bergen. Councilor Wyers was excused.

**COMMITTEE DISCUSSION/ISSUES:** Jennifer Sims, Director of Finance presented the Staff Report. She indicated the purpose of the resolution is to authorize the Director of Finance to file the necessary documents with the State Treasurer which will lead to the refinancing of the 1987 Convention Center General Obligation Bonds. Ms. Sims pointed out that the current interest rates for tax-exempt bonds are at a historic low and it would be financially advantageous to the District and its tax payers to undertake an advance refunding at this time. She pointed out that the resolution also directs Bond Counsel to prepare the necessary resolution and related exhibits authorizing the sale of refunding bonds for Council consideration at a subsequent meeting.

In response to a question from Council Staff, Ms. Sims indicated that the document titled "Advance Refunding Plan" is an attachment to Resolution No. 92-1571 and is the information to be filed with the State Treasurer.

**STAFF REPORT ON RESOLUTION NO. 92-1571 FOR THE PURPOSE OF  
REAUTHORIZING PROCEEDINGS TO ADVANCE REFUND THE SERIES  
1987 GENERAL OBLIGATION CONVENTION CENTER BONDS.**

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**Date: February 11, 1992**

**Presented by: Jennifer Sims**

**Background**

In 1987 the Council authorized the issuance of \$65 million General Obligation Convention Center Bonds Series 1987 (the 1987 Bonds) to acquire and construct a regional convention and trade show center. These bonds were issued at a total interest cost of 7.28% with average annual debt service of approximately \$5,700,000.

The financial structure for the 1987 Bonds included "call" dates in advance of the final bond maturities that would allow Metro to redeem the bonds if it becomes deemed financial beneficial. Current interest rates for tax-exempt financing are at historic lows and it would be financially advantageous to undertake an advance refunding now.

It is estimated that an advance refunding would generate the following savings:

1. Gross savings:	\$5,823,189
2. Present value savings:	3,455,606
3. Approximate annual savings:	277,000
4. PV savings as a % of refunded bonds	5.69%

The State Treasurer office, which must approve the refinancing, requires a present value savings equal to 3%. Our estimate of current savings exceeds this amount.

The steps required to undertake this refinancing include:

1. Adoption of Resolution No. 92-1571.
2. Development of the plan of refinance and redemption (attached for information).
3. Approval of the plan and refinance and redemption by the State Treasurer's office.
4. Development of the necessary bond documents including a resolution of the Council authorizing issuance and sale of the bonds.
5. Pricing, issuance, and sale of the refunding bonds.

**Executive Officer Recommendation**

The Executive Officer recommends approval of Resolution 92-1571.