Costa Mesa Public Financing Authority Bonds

2003 Refunding Certificates of Participation

On October 1, 2003, the Costa Mesa Public Financing Authority issued a $14,340,000 refunding Certificates of Participation (COP), Series 2003 to refund the $18,970,000 Refunding Revenue Bonds, Series 1993A, to advance refund $640,000 of outstanding 1966 Bonds and $16,430,000 of outstanding 1988 Lease Revenue Bonds. The 1966 Bonds were issued to finance construction of the Municipal Center and the 1988 Lease Revenue Bonds were issued to finance the acquisition of right-of-way property on Victoria Street. The certificates issued start maturing on 2004 to 2018 in semi-annual installments ranging from $805,000 to $1,210,000. Interest is payable on April 1 and October 1, commencing on April 1, 2004 at rates ranging from 2.0% to 4.2%. Certificates maturing on or after October 1, 2014 are subject to optional redemption, in whole or in part from among maturities as selected by the Authority on October 1, 2013. The certificates are subject to mandatory redemption on any date from the net proceeds deposited in the prepayment fund.

The amount required for the bond reserve for the 2003 Refunding Certificate of Participation is $1,273,314. The City has $1,273,314 on reserve with the fiscal agent at June 30, 2015. The principal balance outstanding at June 30, 2015 is $4,545,000.

2006 Revenue Refunding Bonds

On June 1, 2006, Costa Mesa Public Financing Authority issued $2,365,000 of Revenue Refunding Bonds, Series 2006A, to advance refund the outstanding portion of the $3,225,000 of the 1991 Lease Revenue Bonds issued on November 1, 1991. The bonds were issued to provide monies to enable the Authority to acquire the City of Costa Mesa Community Facilities District 91-1 (Plaza Tower Public Improvements) 1991 Special Tax Bonds, issued under the Mello-Roos Community Facilities Act of 1982. The $2,365,000 Revenue Refunding Bonds which consists of $1,955,000 of serial bonds and $410,000 of term bonds. The serial bonds mature from August 1, 2007 through August 1, 2019 in annual installments ranging from $120,000 to $190,000. The term bonds mature from August 1, 2020 through August 1, 2021 in annual installments ranging from $200,000 to $210,000. Interest is payable semi-annually on February 1 and August 1 of each year, commencing on February 1, 2007 at rates ranging from 3.85% to 5.10%.

There is a reserve requirement of $224,755 on the 2006 Revenue Refunding Bonds. The City has $224,755 on reserve with the fiscal agent at June 30, 2015. The principal balance outstanding at June 30, 2015 is $1,285,000.

The bonds are secured by special tax levied within CFD 91-1 Plaza Tower Public Improvements. The special taxes are levied and collected for debt service on the bonds are required to be remitted to the fiscal agent for the bonds within ten days of receipt. The County remitted taxes on December 19, 2014 and April 24, 2015; the City remitted payment 17 and 11 days later, respectively.

2007 Certificates of Participation

On January 18, 2007, the Costa Mesa Public Financing Authority issued $29,960,000 of 2007 Certificates of Participation. The Certificates are to provide funding for the construction and equipping of certain improvements to the Civic Center complex particularly the expansion of the police facility. The Certificates mature from October 1, 2007 through October 1, 2026 in annual installments ranging from $745,000 to $2,180,000. Interest is payable semi-annually on April 1 and October 1 of each year, commencing on April 1, 2007 at a rate ranging from 3.75% to 4.30%.

There is a reserve requirement of $2,297,321 on the 2007 Certificate of Participation. The City has $2,297,321 on reserve with the fiscal agent at June 30, 2015. The principal balance outstanding at June 30, 2015 is $21,195,000.