



## Bond Program Overview and 2017 Financing Plan

February 8, 2017



# Bond Program Overview

- The District voters have authorized 5 bond measures for a total of \$150.2 million.
- All bonds authorized under the 1994, 1996 and 2006 measures have been issued.
- Measure H1 has \$66,000,000 unissued authorization remaining.

Measure	Election Date	Voter Approval Rate	Authorization Amount	Authorized but Unissued
Election of 1994 (Measure H)	April 1994	84.0%	\$18,800,000	-
Election of 1994 (Measure I)	April 1994	81.2%	\$4,900,000	-
Election of 1996 (Measure B)	March 1996	80.1%	\$4,500,000	-
Election of 2006 (Measure E)	March 2006	58.2%	\$56,000,000	-
Election of 2016 (Measure H1)	November 2016	73.2%	\$66,000,000	\$66,000,000
<b>Total</b>			<b>\$150,200,000</b>	<b>\$66,000,000</b>



# Outstanding Debt

- Below is a summary of the District's outstanding debt.

Series	Issue Date	Par Amount	Final Maturity	Outstanding Par	Call Feature	Original Repayment Ratio	Current Repayment Ratio
<b>Election of 2006</b>							
Series C	10/14/2009	\$19,000,000	8/1/2034	\$16,160,000	8/1/2019	1.98	1.78
Series D (QSCBs)	5/4/2011	\$10,000,000	5/1/2026	\$10,000,000	Non-Callable	1.07	1.05
Series E (2010 BAN Takeout)	8/21/2013	\$11,998,678	8/1/2043	\$11,998,678	8/1/2023	5.33	5.33
<i>Total Measure E Outstanding</i>				<b>\$38,158,678</b>			
<b>Refundings</b>							
2009 Refunding Bonds	10/14/2009	\$13,145,000	8/1/2018	\$4,040,000	Non-Callable	1.14	1.03
2014 Refunding Bonds	11/26/2014	\$9,965,000	8/1/2020	\$7,225,000	Non-Callable	1.12	1.08
2015 Refunding Bonds	3/24/2015	\$16,075,000	8/1/2031	\$16,075,000	8/1/2024	1.39	1.33
<i>Total Refundings Outstanding</i>				<b>\$27,340,000</b>			
<b>Total Bond Outstanding</b>				<b>\$65,498,678</b>			



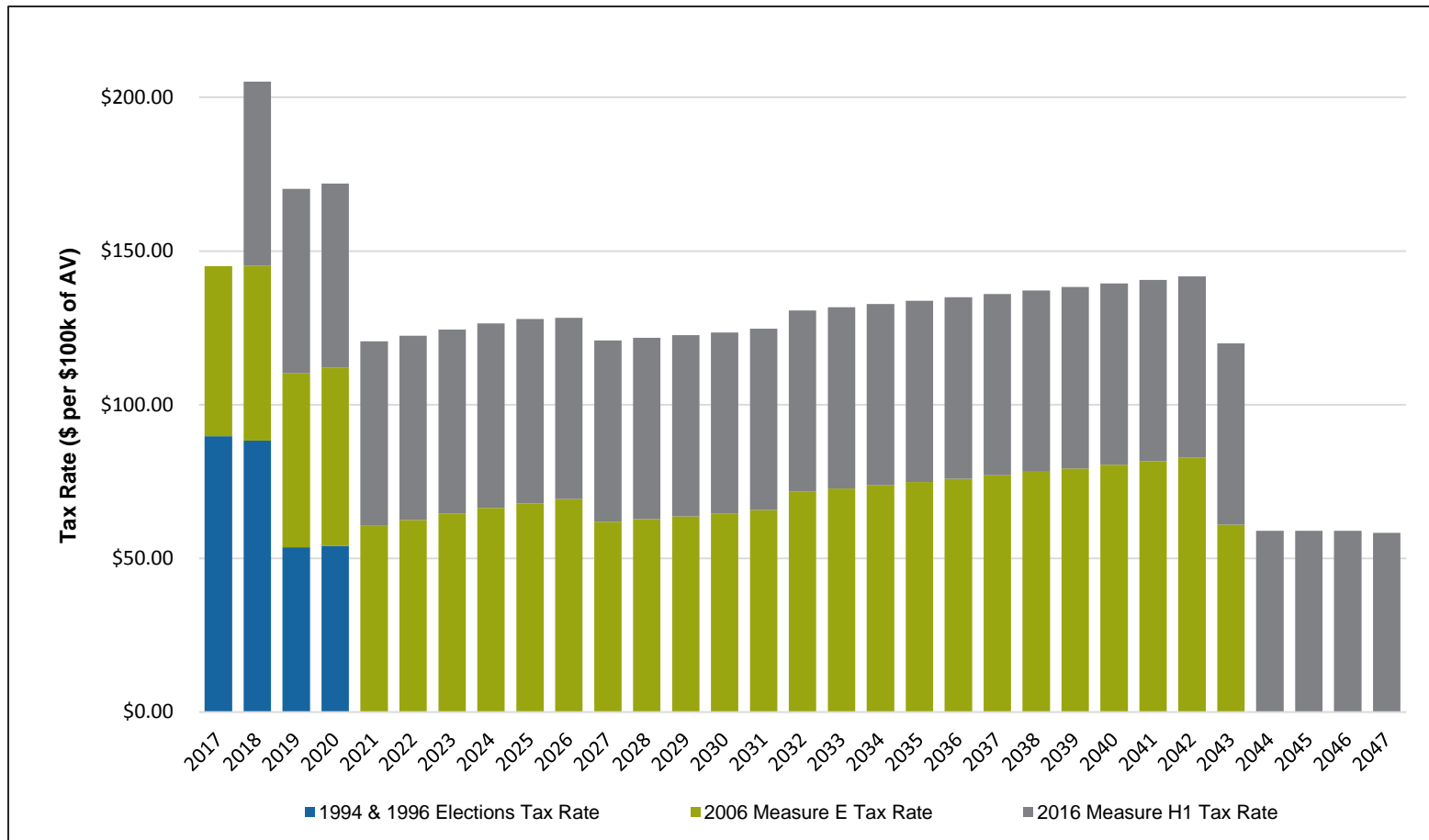
# Total Debt Service & Tax Rates

Actual and Projected AV			Combined 1994 & 1996 Elections		2006 Measure E		2016 Measure H1			
FY Ending	AV Growth Rate	District AV	Combined Tax Per \$100,000 of AV	Combined Total Debt Service	2006 Election Tax Per \$100,000 of AV	2006 Election Total Debt Service	2016 Election Tax Per \$100,000 of AV	2016 Election Total Debt Service	Combined Tax Per \$100,000 of AV	Combined Total Debt Service
2017	5.70%	\$4,065,039,032	\$89.77	\$3,649,050	\$55.31	\$2,248,200			\$145.08	\$5,897,250
2018	3.50%	4,207,315,398	\$88.30	3,715,200	\$56.86	2,392,300	\$59.90	\$2,520,000	\$205.06	8,627,500
2019	3.50%	4,354,571,437	\$53.60	2,333,850	\$56.64	2,466,300	\$59.95	2,610,531	\$170.19	7,410,681
2020	3.50%	4,506,981,437	\$54.16	2,441,100	\$57.93	2,610,700	\$59.89	2,699,250	\$171.98	7,751,050
2021	3.50%	4,664,725,788			\$60.60	2,826,900	\$59.97	2,797,616	\$120.57	5,624,516
2022	3.50%	4,827,991,190			\$62.50	3,017,650	\$59.93	2,893,419	\$122.43	5,911,069
2023	3.50%	4,996,970,882			\$64.61	3,228,400	\$59.84	2,990,150	\$124.45	6,218,550
2024	3.50%	5,171,864,863			\$66.47	3,437,900	\$59.99	3,102,750	\$126.46	6,540,650
2025	3.50%	5,352,880,133			\$67.85	3,631,700	\$59.99	3,211,250	\$127.84	6,842,950
2026	3.50%	5,540,230,938			\$69.30	3,839,500	\$59.00	3,269,000	\$128.30	7,108,500
2027	3.50%	5,734,139,020			\$61.92	3,550,300	\$59.00	3,383,250	\$120.92	6,933,550
2028	3.50%	5,934,833,886			\$62.78	3,725,900	\$58.99	3,501,000	\$121.77	7,226,900
2029	3.50%	6,142,553,072			\$63.70	3,912,850	\$58.96	3,621,750	\$122.66	7,534,600
2030	3.50%	6,357,542,430			\$64.54	4,102,850	\$58.99	3,750,000	\$123.53	7,852,850
2031	3.50%	6,580,056,415			\$65.74	4,325,450	\$58.97	3,880,000	\$124.71	8,205,450
2032	3.50%	6,810,358,389			\$71.66	4,880,250	\$58.97	4,016,250	\$130.63	8,896,500
2033	3.50%	7,048,720,933			\$72.70	5,124,250	\$58.99	4,158,000	\$131.69	9,282,250
2034	3.50%	7,295,426,165			\$73.81	5,384,750	\$58.93	4,299,500	\$132.74	9,684,250
2035	3.50%	7,550,766,081			\$74.83	5,650,000	\$58.94	4,450,250	\$133.77	10,100,250
2036	3.50%	7,815,042,894			\$75.94	5,935,000	\$58.98	4,609,250	\$134.92	10,544,250
2037	3.50%	8,088,569,395			\$77.02	6,230,000	\$58.98	4,770,500	\$136.00	11,000,500
2038	3.50%	8,371,669,324			\$78.18	6,545,000	\$58.99	4,938,250	\$137.17	11,483,250
2039	3.50%	8,664,677,751			\$79.29	6,870,000	\$58.99	5,111,500	\$138.28	11,981,500
2040	3.50%	8,967,941,472			\$80.45	7,215,000	\$58.98	5,289,250	\$139.43	12,504,250
2041	3.50%	9,281,819,423			\$81.61	7,575,000	\$58.94	5,470,500	\$140.55	13,045,500
2042	3.50%	9,606,683,103			\$82.81	7,955,000	\$58.96	5,664,250	\$141.77	13,619,250
2043	3.50%	9,942,917,012			\$61.00	6,065,000	\$58.98	5,864,000	\$119.98	11,929,000
2044	3.50%	10,290,919,107					\$58.97	6,068,500	\$58.97	6,068,500
2045	3.50%	10,651,101,276					\$58.98	6,281,500	\$58.98	6,281,500
2046	3.50%	11,023,889,821					\$58.98	6,501,500	\$58.98	6,501,500
2047	3.50%	11,409,725,964					\$58.34	6,657,000	\$58.34	6,657,000
2048	3.50%	11,809,066,373								
2049	3.50%	12,222,383,696								
2050	3.50%	12,650,167,126								
2051	3.50%	13,092,922,975								
<b>Total Debt Service:</b>			<b>\$12,139,200</b>		<b>\$124,746,150</b>		<b>\$128,379,966</b>		<b>\$265,265,316</b>	

# Total Debt Service & Tax Rates



Combined Debt Service & Tax Rates

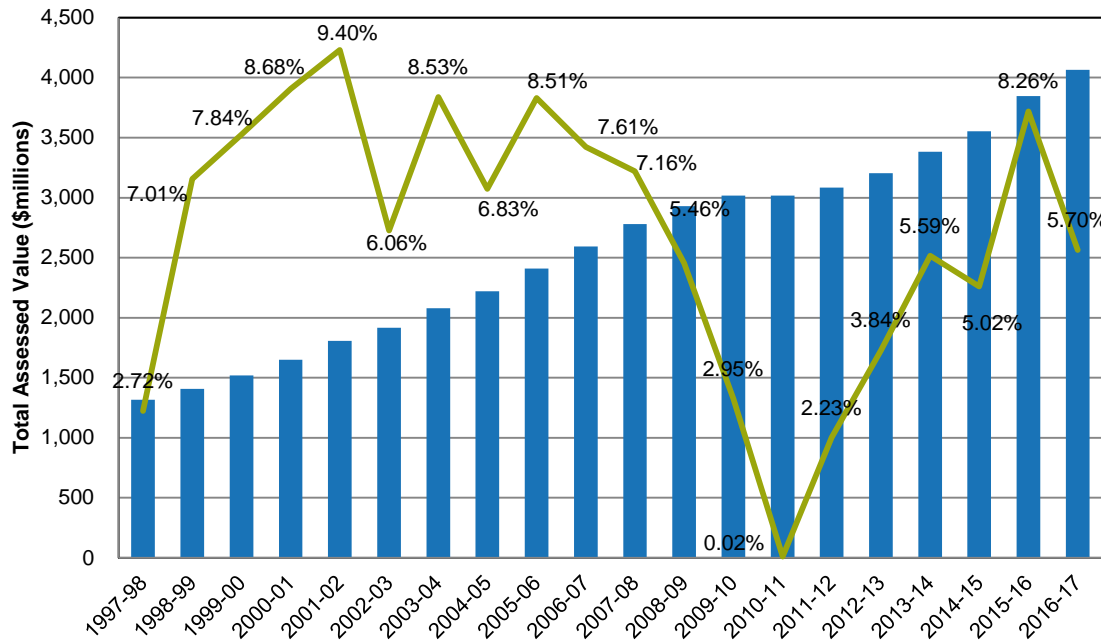




# Historical Assessed Valuation

Compounded Annual Growth Rate	
5 - Year	5.67%
10 - Year	4.60%
15 - Year	5.56%
20 - Year	5.94%

Fiscal Year	Total Assessed Value	% Change
1996-97	1,281,615,166	~
1997-98	1,316,454,143	2.72%
1998-99	1,408,755,476	7.01%
1999-00	1,519,155,592	7.84%
2000-01	1,651,044,708	8.68%
2001-02	1,806,228,176	9.40%
2002-03	1,915,675,726	6.06%
2003-04	2,079,030,823	8.53%
2004-05	2,221,072,447	6.83%
2005-06	2,410,142,798	8.51%
2006-07	2,593,513,145	7.61%
2007-08	2,779,118,963	7.16%
2008-09	2,930,786,907	5.46%
2009-10	3,017,147,362	2.95%
2010-11	3,017,794,860	0.02%
2011-12	3,084,958,201	2.23%
2012-13	3,203,429,186	3.84%
2013-14	3,382,469,394	5.59%
2014-15	3,552,419,665	5.02%
2015-16	3,845,936,400	8.26%
2016-17	4,065,039,032	5.70%





# Bonding Capacity

- The California Education Code provides that a unified school district cannot issue bonds if doing so causes the overall amount of bonds outstanding to exceed 2.5% of its current assessed value.
- The District's remaining bonding capacity for fiscal year 2016-17 is approximately \$36.13 million.

<b>Total Assessed Valuation (FY 2016-17)</b>	<b>\$4,065,039,032</b>
Bonding Capacity % (Ed. Code 15334.5)	2.50%
Total Statutory Bonding Capacity	\$101,625,976
Less Bonds Outstanding	(\$65,498,678)
<b>Remaining Bonding Capacity</b>	<b>\$36,127,298</b>

- The District's bonding capacity will increase based on future Assessed Valuation (AV) growth and repayment of existing bond principal.



# Measure H1 - Preliminary Issuance Schedule

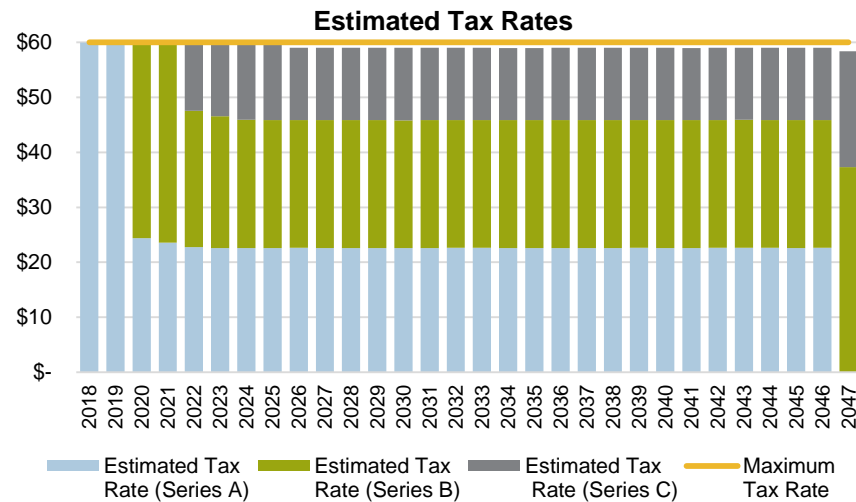
- Below is a preliminary issuance schedule for Measure H1 based on a tax rate of \$60 per \$100,000 of assessed value and projected AV growth of 3.5%.
- Actual issuance amount will be based on the anticipated cash flow needs for the first phase of facility improvement projects.

## Assumptions:

- Current interest bonds only
- Interest rates:
  - Series A: 4.45%
  - Series B: 4.60%
  - Series C: 4.71%
- Financing term:
  - Series A: 30 years
  - Series B: 28 years
  - Series C: 26 years
- 3.5% annual AV growth rates

## Proposed Issuance Schedule

Issue	Issue Date	Proceeds
Series A	4/21/2017	\$26,000,000
Series B	8/1/2019	26,000,000
Series C	8/1/2021	14,000,000
<b>Total</b>		<b>\$66,000,000</b>





# Bond Capacity @ 3.5% Annual AV Growth



Fiscal Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total A.V.*	\$4,065,039,032	\$4,207,315,398	\$4,354,571,437	\$4,506,981,437	\$4,664,725,788
Statutory Bonding Capacity @ 2.5%	\$101,625,976	\$105,182,885	\$108,864,286	\$112,674,536	\$116,618,145
Less Current Outstanding Bonds as of Aug. 1**	\$65,498,678	\$62,158,678	\$58,663,678	\$55,988,678	\$53,023,678
Less 2016 Election (Measure H1), Series A***	\$26,000,000	\$23,565,000	\$21,055,000	\$20,960,000	\$20,960,000
Less 2016 Election (Measure H1), Series B***			\$26,000,000	\$24,445,000	\$23,255,000
Less 2016 Election (Measure H1), Series C***					\$14,000,000
<b>Remaining Capacity</b>	<b>\$10,127,297</b>	<b>\$19,459,207</b>	<b>\$3,145,608</b>	<b>\$11,280,858</b>	<b>\$5,379,466</b>

Fiscal Year	2021-22	2022-23	2023-24	2024-25
Total A.V.*	\$4,827,991,190	\$4,996,970,882	\$5,171,864,863	\$5,352,880,133
Statutory Bonding Capacity @ 2.5%	\$120,699,780	\$124,924,272	\$129,296,622	\$133,822,003
Less Current Outstanding Bonds as of Aug. 1**	\$52,338,678	\$39,555,000	\$50,643,678	\$49,613,678
Less 2016 Election (Measure H1), Series A***	\$20,960,000	\$20,930,000	\$18,600,000	\$18,490,000
Less 2016 Election (Measure H1), Series B***	\$23,255,000	\$23,255,000	\$23,250,000	\$23,200,000
Less 2016 Election (Measure H1), Series C***	\$13,450,000	\$13,295,000	\$13,290,000	\$13,260,000
Less potential refunding of 2006 Series E Bonds (CABs to CIBs)***		\$22,755,000 <sup>(1)</sup>		
<b>Remaining Capacity</b>	<b>\$10,696,101</b>	<b>\$5,134,272</b>	<b>\$23,512,943</b>	<b>\$29,258,325</b>

\*A.V. assumes a 3.50% annual growth rate

\*\*Sinking Fund Deposits are not considered for capacity sizing

\*\*\*Subject to change based on market rate at time of sale

<sup>(1)</sup> The anticipated par amount of the refunding bonds take into consideration the accreted interest of the 2006 Series E CABs

# Measure H1 Series A – Approximately \$26M



- A 30-year amortization for the Series A bonds will provide capacity to issue future series of bonds and stay at or below the maximum tax rate.

## Assumptions:

- Current interest bonds only
- 3.50% annual AV growth rate
- 30-year bond structure

## Estimated Debt Service and Tax Rate

	Principal	Interest	Total Debt Service	Capitalized Interest Fund (CAPI) *	Net Debt Service	Estimated Series A Tax Rate
8/1/2017	-	393,611	393,611	(393,611)	-	-
8/1/2018	2,520,000	1,300,000	3,820,000	(1,300,000)	2,520,000	59.90
8/1/2019	1,495,000	1,174,000	2,669,000	(58,469)	2,610,531	59.95
8/1/2020	-	1,099,250	1,099,250		1,099,250	24.39
8/1/2021	-	1,099,250	1,099,250		1,099,250	23.57
8/1/2022	-	1,099,250	1,099,250		1,099,250	22.77
8/1/2023	30,000	1,099,250	1,129,250		1,129,250	22.60
8/1/2024	70,000	1,097,750	1,167,750		1,167,750	22.58
8/1/2025	115,000	1,094,250	1,209,250		1,209,250	22.59
8/1/2026	165,000	1,088,500	1,253,500		1,253,500	22.63
8/1/2027	215,000	1,080,250	1,295,250		1,295,250	22.59
8/1/2028	270,000	1,069,500	1,339,500		1,339,500	22.57
8/1/2029	330,000	1,056,000	1,386,000		1,386,000	22.56
8/1/2030	395,000	1,039,500	1,434,500		1,434,500	22.56
8/1/2031	465,000	1,019,750	1,484,750		1,484,750	22.56
8/1/2032	545,000	996,500	1,541,500		1,541,500	22.63
8/1/2033	625,000	969,250	1,594,250		1,594,250	22.62
8/1/2034	710,000	938,000	1,648,000		1,648,000	22.59
8/1/2035	805,000	902,500	1,707,500		1,707,500	22.61
8/1/2036	905,000	862,250	1,767,250		1,767,250	22.61
8/1/2037	1,010,000	817,000	1,827,000		1,827,000	22.59
8/1/2038	1,125,000	766,500	1,891,500		1,891,500	22.59
8/1/2039	1,250,000	710,250	1,960,250		1,960,250	22.62
8/1/2040	1,380,000	647,750	2,027,750		2,027,750	22.61
8/1/2041	1,520,000	578,750	2,098,750		2,098,750	22.61
8/1/2042	1,670,000	502,750	2,172,750		2,172,750	22.62
8/1/2043	1,830,000	419,250	2,249,250		2,249,250	22.62
8/1/2044	2,000,000	327,750	2,327,750		2,327,750	22.62
8/1/2045	2,180,000	227,750	2,407,750		2,407,750	22.61
8/1/2046	2,375,000	118,750	2,493,750		2,493,750	22.62
<b>Total</b>	<b>26,000,000</b>	<b>25,595,111</b>	<b>51,595,111</b>	<b>1,752,080</b>	<b>49,843,031</b>	

\* Funding of the Capitalized Interest Fund comes from anticipated premium generated at time of sale

# Measure H1 Series A Bond Proceeds\*



<b>Sources:</b>	
Bond Proceeds:	
Par Amount	\$26,000,000
Premium	1,882,080
<b>Total</b>	<b>\$27,882,080</b>
<b>Uses:</b>	
Project Fund Deposits:	
Project Fund	\$25,843,428
Other Fund Deposits:	
Capitalized Interest Fund	1,752,080
Delivery Date Expenses:	
Cost of Issuance	156,572
Underwriter's Discount	130,000
	285,572
<b>Total</b>	<b>\$27,882,080</b>

\* The premium generated, underwriter's Discount and Cost of Issuance are preliminary and subject to change at time of sale.

# Cost of Issuance



<b>Service</b>	<b>Provider</b>	<b>Election of 2016, Series A</b>
Bond and Disclosure Counsel	Jones Hall	\$45,000
Reimbursable Expenses	Jones Hall	\$1,548
Official Notice	The Bond Buyer	\$929
Rating Agency	Standard & Poor's	\$17,333
Rating Agency	Moody's	\$16,714
Financial Advisor	KNN Public Finance	\$65,000
Reimbursable Expenses	KNN Public Finance	\$1,500
Paying Agent Fees	US Bank	\$1,500
COI Administration	US Bank	\$500
Parity Bidding Platform	I-Deal Prospectus	\$929
Printing & Mailing OS	Royce Printing	\$619
Contingency	Bond Debt Service Fund	\$5,000
<b>Total Estimated Cost of Issuance</b>		<b>\$156,572</b>

# Financing Schedule



Date	Activity
Thursday, January 5	District staff meets with KNN to discuss Measure H1 planning & issuance
Wednesday, January 11	Board adopt District's Debt Policy
Wednesday, February 8	Board Presentation – Overview of Measure H1 & Series A Financing
Week of February 13	Financing Team “Kick-off” call
Week of March 13	Meeting with Rating Agencies
Wednesday, March 22	Board approval of resolution, legal documents, and preliminary official statement
Thursday, March 23	Preliminary official statement posted and delivered to investors
Week of March 27	Investor outreach
Wednesday, March 29	Pricing
Week of April 10	Closing