Board Meeting Date: 9/14/2026

Title: Intent to Issue General Obligation Capital Notes, Facilities Maintenance and Refunding Bonds, Series 2027A

Type: Action

Presenter(s): Mert Woodard – Executive Director, Finance & Operations

Description: The District's Long-Term Facilities Maintenance (LTFM) program is financed by a combination of "pay-go" levy authority and general obligation debt. In recent years the District has issued general obligation facilities maintenance bonds on an every other fiscal year basis to meet its deferred maintenance needs. The District believes it is advantageous to continue this financing structure, as it provides the funds necessary to complete the projects approved by the Board as part of the ten-year facilities plan, ensures sufficient cash is on hand to make adequate progress on the District's deferred maintenance backlog, and allows the District to keep the debt service tax rate as flat and stable as possible for resident taxpayers.

The District administration recommends that the Board declare its intent to issue a single series of general obligation bonds serving three purposes:

1. Facilities Maintenance Portion (not to exceed $7,725,000): to finance facilities and site maintenance projects included in the District's ten-year facilities plan for fiscal year 2028 through 2037. The plan, which included this debt issuance, was last approved by the Board at its July 2026 Regular Meeting.

2. Capital Notes Portion ($1,500,000): to finance the ongoing acquisition of school buses. Financing bus purchases with general obligation capital notes continues the District's cycle-of-replacement plan for its fleet and allows the District to spread payments across the useful life of the vehicles. Because the District carries a Aaa credit rating, this approach carries materially lower interest costs than conventional vehicle financing.

3. Refunding Portion (not to exceed approximately $23,050,000): to optionally redeem and prepay all or a portion of the District's General Obligation Facilities Maintenance Bonds, Series 2019A, which are callable on or after

February 1, 2027. The refunding will be executed only if market conditions at the time of sale produce a reduction in the District's debt service costs.

The timing of this action allows the potential August 2027 interest payment on the facilities maintenance bonds to be included in the levy the Board will certify in December 2026, which funds the 2027-28 school year. Adoption of the resolution also authorizes publication of the statutory notice of intent to issue facilities maintenance bonds and preserves the District's ability to reimburse itself from bond proceeds for eligible project and equipment costs paid in advance from other sources.

The administration intends to present a full pre-sale report to the Board at a subsequent meeting. The actual issuance of the proposed debt is contingent upon proposals being within the parameters stipulated by the enclosed resolution and ratification at a future Board meeting.

Recommendation: Approve the resolution stating the intention of the District to issue General Obligation Capital Notes, Facilities Maintenance and Refunding Bonds, Series 2027A, in the maximum aggregate principal amount of approximately $32,275,000; stipulating the parameters under which the issuance is authorized; and declaring the District's intent to reimburse certain expenditures financed temporarily by other sources.

Desired Outcomes from the Board: Approval of the administration's recommended action.

Attachments:

1. Resolution - Intent to Issue General Obligation Capital Notes, Facilities Maintenance and Refunding Bonds, Series 2027A
2. Estimated Tax Rates - Capital & Debt Service Levies - 2026-2051