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2012 Bond Authorization Issuance and Refunding Information

February 4, 2013

Cedar Hill Independent School District



Presentation Topics

- Plan of Finance - Proposed Transactions
- Tax Exempt Rate History: Bond Buyer Index
- Bond Issues to be Refunded
- Refunding Information - Projected Savings
- Tax Base & Refined ADA Assumptions
- Projected I&S Pro Forma
- Parameter Order Information



CHISD Plan of Finance / Proposed Transactions

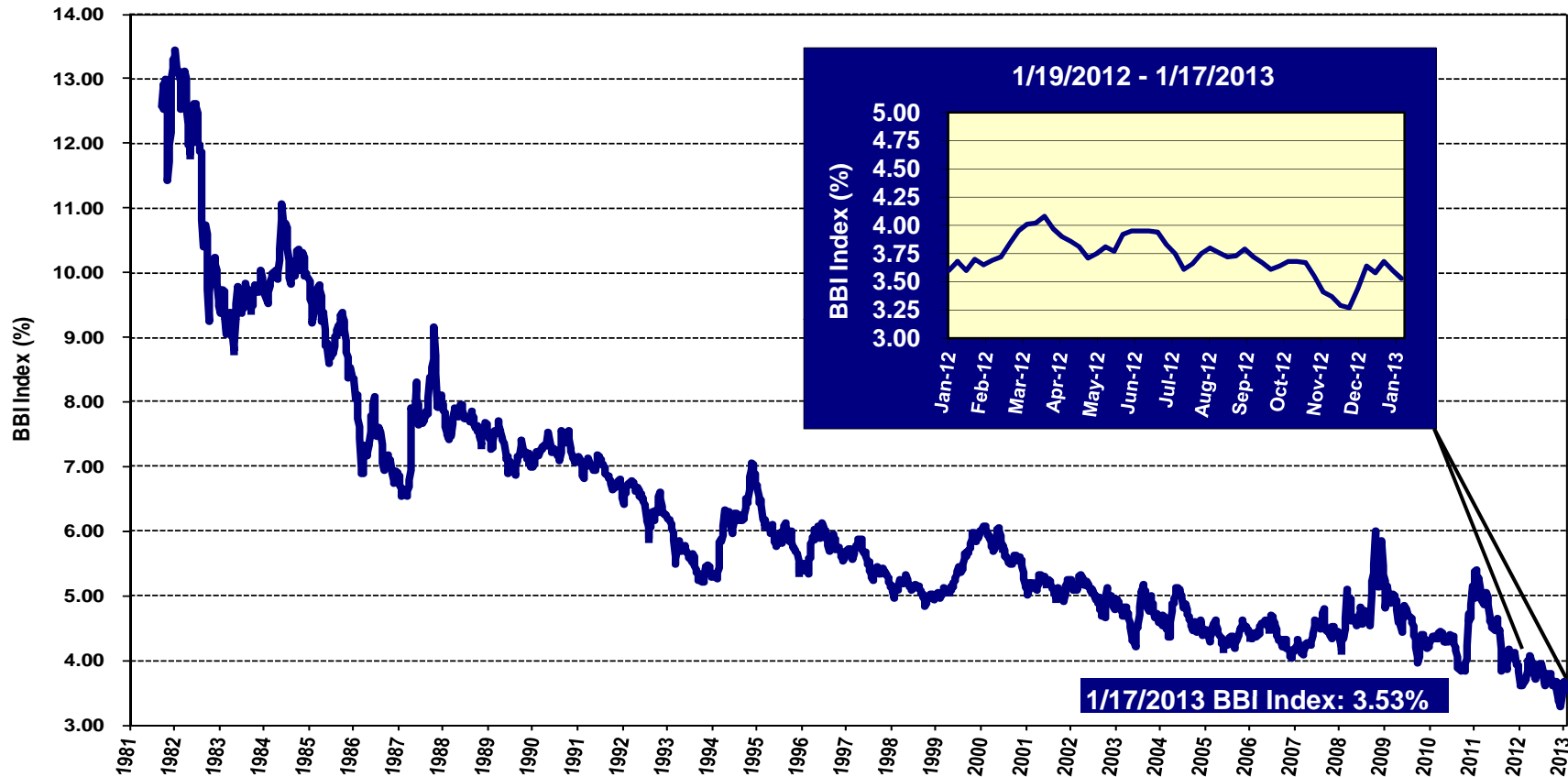
Transactions:

1. \$ 8,940,000 Unlimited Tax Qualified School Construction Bonds
2. \$ 36,060,000 Unlimited Tax School Building Bonds
3. \$ 27,500,000 Unlimited Tax Refunding Bonds



Tax Exempt Rate History-Bond Buyer Index

Bond Buyer 20 Year GO Index
September 1981 - January 17, 2013



Bond Buyer 20 Year GO Index is a weekly index estimating the composite yield on 20 general obligation bonds rated "A" or better.

This graph depicts historical interest rates. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, the supply and demand of short term securities, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of changes in such factors individually or in any combination could materially affect the relationships and effective interest rates. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the short term market or no market may exist at all.

CEDAR HILL INDEPENDENT SCHOOL DISTRICT



Bond Issues to be Refunded

- ❑ Maturities from Series 2004 & 2005: **\$27,060,000**
- ❑ Principal Maturity Dates: **2016 through 2034**
- ❑ Interest Rates: **4.00% - 5.42%**
- ❑ Final Maturity Date: **August 15, 2034**



CHISD Series 2013 Refunding Projected* Savings

CYE 12/31	Prior Debt Service	Refunding Debt Service	Savings
2013	525,013	522,579	2,433
2014	1,050,025	826,100	223,925
2015	1,050,025	826,100	223,925
2016	3,075,025	2,686,100	388,925
2017	3,085,625	2,696,100	389,525
2018	3,095,625	2,706,100	389,525
2019	3,109,325	2,716,100	393,225
2020	3,117,350	2,726,100	391,250
2021	2,774,475	2,381,100	393,375
2022	2,790,925	2,401,100	389,825
2023	3,146,475	2,756,100	390,375
2024	3,156,125	2,766,100	390,025
2025	3,164,875	2,773,500	391,375
2026	1,469,875	1,077,500	392,375
2027	1,479,875	1,091,100	388,775
2028	1,489,875	1,098,500	391,375
2029	1,504,875	1,114,900	389,975
2030	1,513,625	1,124,900	388,725
2031	1,520,625	1,128,700	391,925
2032	1,535,875	1,146,500	389,375
2033	9,536,919	9,147,700	389,219
2034	9,635,106	9,239,100	396,006
	\$ 62,827,538	\$ 54,952,079	\$ 7,875,458

- Par Amount of Refunded Bonds: **\$27,060,000**
- Projected Debt Service Savings*: **\$7,875,458**
- Net PV Savings: **\$5,885,628**
- PV Savings as a % of Refunded Principal: **16.626%**
- All-in True Interest Cost/Rate: **2.915%**
- Average Rate on Refunded Bonds: **5.109%**
- Final Maturity NOT Extended
- Savings are AFTER any and all transaction costs (i.e. no 'out of pocket' costs)

* - Based on PSF Interest rate scale as of January 24, 2013 plus 0.20%; subject to change

CEDAR HILL INDEPENDENT SCHOOL DISTRICT

Cedar Hill Independent School District

Tax Base & Enrollment Assumptions

CYE 31-Dec	TAX BASE ASSUMPTIONS		Refined ADA ASSUMPTIONS		IFA / EDA FUNDING PERCENTAGES	
	Net Taxable Value	Tax Base Growth Rate	Refined ADA	ADA Growth Rate	State Share	Local Share
2011	\$ 2,609,573,052	-5.33%	7,735.00	0.00%	0.00%	100.00%
2012	2,582,934,787	-1.02%	7,812.35	1.00%	0.91%	99.09%
2013	2,582,805,640	-0.01%	7,890.47	1.00%	2.85%	97.15%
2014	2,608,633,697	1.00%	7,969.38	1.00%	3.82%	96.18%
2015	2,660,806,371	2.00%	8,049.07	1.00%	3.85%	96.15%
2016	2,714,022,498	2.00%	8,129.56	1.00%	2.97%	97.03%
2017	2,768,302,948	2.00%	8,210.86	1.00%	2.08%	97.92%
2018	2,823,669,007	2.00%	8,292.97	1.00%	1.18%	98.82%
2019	2,880,142,387	2.00%	8,375.90	1.00%	0.27%	99.73%
2020	2,937,745,235	2.00%	8,459.66	1.00%	0.00%	100.00%
2021	2,996,500,140	2.00%	8,544.25	1.00%	0.00%	100.00%
2022	3,056,430,142	2.00%	8,629.69	1.00%	0.00%	100.00%
2023	3,117,558,745	2.00%	8,715.99	1.00%	0.00%	100.00%
2024	3,179,909,920	2.00%	8,803.15	1.00%	0.00%	100.00%
2025	3,243,508,118	2.00%	8,891.18	1.00%	0.00%	100.00%
2026	3,275,943,200	1.00%	8,980.09	1.00%	0.00%	100.00%
2027	3,308,702,632	1.00%	9,069.90	1.00%	0.00%	100.00%
2028	3,341,789,658	1.00%	9,160.59	1.00%	0.00%	100.00%
2029	3,375,207,555	1.00%	9,252.20	1.00%	0.00%	100.00%
2030	3,408,959,630	1.00%	9,344.72	1.00%	0.00%	100.00%
2031	3,443,049,226	1.00%	9,438.17	1.00%	0.00%	100.00%
2032	3,477,479,719	1.00%	9,532.55	1.00%	0.00%	100.00%
2033	3,512,254,516	1.00%	9,627.88	1.00%	0.00%	100.00%
2034	3,547,377,061	1.00%	9,724.16	1.00%	0.00%	100.00%
2035	3,582,850,832	1.00%	9,821.40	1.00%	0.00%	100.00%
2036	3,618,679,340	1.00%	9,919.61	1.00%	0.00%	100.00%
2037	3,654,866,133	1.00%	10,018.81	1.00%	0.00%	100.00%
2038	3,691,414,795	1.00%	10,119.00	1.00%	0.00%	100.00%
2039	3,728,328,943	1.00%	10,220.19	1.00%	0.00%	100.00%
2040	3,765,612,232	1.00%	10,322.39	1.00%	0.00%	100.00%
2041	3,803,268,354	1.00%	10,425.61	1.00%	0.00%	100.00%
2042	3,841,301,038	1.00%	10,529.87	1.00%	0.00%	100.00%
2043	3,879,714,048	1.00%	10,635.17	1.00%	0.00%	100.00%
2044	3,918,511,189	1.00%	10,741.52	1.00%	0.00%	100.00%
2045	3,957,696,301	1.00%	10,848.93	1.00%	0.00%	100.00%

Cedar Hill Independent School District

\$45,000,000 Bond Election & Refunding of Series 2004 & 2005 Issues - Tax Rate Impact/Projection Analysis
1/24/2013

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
						QUALIFIED SCHOOL CONSTRUCTION BOND			CONVENTIONAL TAX EXEMPT BOND**							
CYE 31-Dec	Net Taxable Valuation ⁽¹⁾	Existing Debt Service	PROJECTED Effect of Refunding**	LESS: Existing Debt Allotment	Net Existing Debt Service	\$8,940,000 - 0.00% - 2/13/2013 - 19 Year			\$ 34,320,000* - 4.25% - 2/11/2013 - 30 Year			LESS: I&S Fund Contribution	Total CHISD I&S Levy	Calculated I&S Rate ⁽²⁾	CYE 31-Dec	
						Principal	Interest	Total P&I	Principal	Interest	Total P&I					
2010	\$ 2,756,530,693	\$ 10,421,048		\$ -	\$ 10,421,048									\$ 10,421,048	\$ 0.3600	2010
2011	2,609,573,052	10,507,681		-	10,507,681									10,507,681	0.4000	2011
2012	2,582,934,787	10,606,334		71,773	10,533,188									10,534,560	0.4000	2012
2013	2,582,805,640	10,703,338	\$ (2,433)	228,320	10,472,584								\$ 347,524	10,125,060	0.4000	2013
2014	2,608,633,697	9,476,544	(223,925)	308,783	8,943,836				\$ 1,065,000	\$ 2,130,327	\$ 3,195,327			12,139,163	0.4748	2014
2015	2,660,806,371	9,574,394	(223,925)	314,770	9,035,698				1,920,000	1,430,400	3,350,400			12,386,098	0.4750	2015
2016	2,714,022,498	10,660,994	(388,925)	245,168	10,026,901				1,205,000	1,399,150	2,604,150			12,631,051	0.4749	2016
2017	2,768,302,948	11,079,894	(389,525)	173,356	10,517,013				990,000	1,377,200	2,367,200			12,884,213	0.4749	2017
2018	2,823,669,007	11,182,644	(389,525)	99,283	10,693,836				425,000	1,363,050	1,788,050			12,481,886	0.4511	2018
2019	2,880,142,387	11,290,544	(393,225)	22,895	10,874,424				470,000	1,354,100	1,824,100			12,698,524	0.4499	2019
2020	2,937,745,235	11,405,944	(391,250)	-	11,014,694				120,000	1,348,200	1,468,200			12,482,894	0.4336	2020
2021	2,996,500,140	11,510,919	(393,375)	-	11,117,544				105,000	1,345,950	1,450,950			12,568,494	0.4280	2021
2022	3,056,430,142	11,625,844	(389,825)	-	11,236,019				85,000	1,343,625	1,428,625			12,664,644	0.4228	2022
2023	3,117,558,745	11,726,919	(390,375)	-	11,336,544				75,000	1,341,225	1,416,225			12,752,769	0.4174	2023
2024	3,179,909,920	11,846,694	(390,025)	-	11,456,669				40,000	1,339,300	1,379,300			12,835,969	0.4119	2024
2025	3,243,508,118	11,957,606	(391,375)	-	11,566,231				195,000	1,334,600	1,529,600			13,095,831	0.4120	2025
2026	3,275,943,200	12,275,988	(392,375)	-	11,883,613				-	1,330,700	1,330,700			13,214,313	0.4116	2026
2027	3,308,702,632	12,389,563	(388,775)	-	12,000,788				25,000	1,330,200	1,355,200			13,355,988	0.4119	2027
2028	3,341,789,658	12,503,938	(391,375)	-	12,112,563				50,000	1,328,700	1,378,700			13,491,263	0.4120	2028
2029	3,375,207,555	12,630,594	(389,975)	-	12,240,619				55,000	1,326,600	1,381,600			13,622,219	0.4118	2029
2030	3,408,959,630	12,742,750	(388,725)	-	12,354,025				80,000	1,323,900	1,403,900			13,757,925	0.4118	2030
2031	3,443,049,226	12,860,250	(391,925)	-	12,468,325				105,000	1,320,200	1,425,200			13,893,525	0.4118	2031
2032	3,477,479,719	12,984,125	(389,375)	-	12,594,750				125,000	1,315,600	1,440,600			14,035,350	0.4118	2032
2033	3,512,254,516	12,250,419	(389,219)	-	11,861,200				260,000	1,307,250	1,567,250			13,428,450	0.3901	2033
2034	3,547,377,061	12,375,606	(396,006)	-	11,979,600				285,000	1,294,988	1,579,988			13,559,588	0.3900	2034
2035	3,582,850,832					\$ 8,940,000		\$ 8,940,000	245,000	1,283,063	1,528,063			10,468,063	0.2981	2035
2036	3,618,679,340								2,650,000	1,217,925	3,867,925			3,867,925	0.1091	2036
2037	3,654,866,133								2,810,000	1,095,075	3,905,075			3,905,075	0.1090	2037
2038	3,691,414,795								2,980,000	964,800	3,944,800			3,944,800	0.1090	2038
2039	3,728,328,943								3,165,000	818,625	3,983,625			3,983,625	0.1090	2039
2040	3,765,612,232								3,365,000	655,375	4,020,375			4,020,375	0.1089	2040
2041	3,803,268,354								3,575,000	481,875	4,056,875			4,056,875	0.1088	2041
2042	3,841,301,038								3,805,000	297,375	4,102,375			4,102,375	0.1090	2042
2043	3,879,714,048								4,045,000	101,125	4,146,125			4,146,125	0.1090	2043
		<u>\$ 288,590,569</u>	<u>\$ (7,875,458)</u>	<u>\$ 1,464,348</u>	<u>\$ 279,249,391</u>	<u>\$ 8,940,000</u>	<u>\$ -</u>	<u>\$ 8,940,000</u>	<u>\$ 34,320,000</u>	<u>\$ 35,900,502</u>	<u>\$ 70,220,502</u>	<u>\$ 347,524</u>	<u>\$ 358,063,741</u>			

* - Issue projected to be priced with a premium structure which will result in \$36,060,000 deposit into CHISD project fund.

** - Interest Rates as of 1/24/13 PLUS 0.20%.

- Denotes at least \$5,600,000 of principal associated with short-life assets (e.g. technology) being amortized over a 5 year period.

(1) 2010-2013 Net Taxable Values per District Staff; assumptions thereafter detailed on separate page

(2) 2010-2013 I&S Rates are actual; calculated at 98% collections thereafter.



Parameter Bond Order

- ❑ Allowed under Section 1207 (*Refundings*) & Section 1371 (*New Money*) of Texas Government Code
- ❑ Board delegates final pricing authority to Board selected Pricing Officer
- ❑ Board establishes and approves bond sale parameters within Parameter Order:
 - Minimum Savings Threshold for Refundings
 - Maximum Interest Rate
 - Maximum Aggregate Principal Amount of Issue
 - Final Maturity Date
 - Expiration of Delegated Authority (180 Days maximum)
- ❑ **Pricing Officer can only approve sale if Board established parameters are met**



Proposed Parameters

Unlimited Tax Qualified School Construction Bonds - Taxable

- ❑ Maximum Principal: **\$ 8,940,000**
- ❑ Maximum TIC: **5.00%**
- ❑ Final Maturity: **February 15, 2035**

Unlimited Tax School Building Bonds - Tax Exempt

- ❑ Maximum Principal: **\$ 36,060,000**
- ❑ Maximum TIC: **4.75%**
- ❑ Final Maturity: **February 15, 2043**

Unlimited Tax Refunding Bonds - Tax Exempt

- ❑ Maximum Principal: **\$ 27,500,000**
- ❑ Minimum Savings: **8.00% Present Value**
- ❑ Maximum TIC: **3.75%**
- ❑ Final Maturity: **August 15, 2034**