

Executive Summary

Prepared for Board of Trustees Meeting

June 23, 2020

Review of Preliminary Financing Plan for 2020 Bond Program

-Remaining \$308,070,000 from the 2018 Bond Program-

Board Goal:

Growth & Management

- Demonstrate effective and efficient management of district resources
- Provide leadership and/or oversight to ensure District meets all fiscal, legal and regulatory requirements

Purpose of Report

Present proposed financing plan for the remaining Series 2020 Bonds to fund the construction and renovation of various facilities as detailed in the Bond Program.

Objectives

- Comply with the “50 Cent Debt Test”, without the use of Capital Appreciation Bonds
- Meet the needs of the District’s growing student enrollment for school facilities and the expectations of taxpayers
- Minimize the District’s total interest cost within approved Debt Management strategies
- Maximize the District’s future bond capacity for capital improvements

Operational Impact

- Bonds will be sold based upon current market, fixed rates of interest plus 0.30%
- Bonds will be structured to maintain an I & S tax rate of 48 cents
- Bonds will initially be structured with annual principal payments and a final maturity of August 2048. However, the District will have the flexibility to prepay the bonds prior to schedule maturity, without penalty.
- After the issuance of the Series 2020 Bonds, the District will have no remaining bonds to be sold from the 2018 Bond Program

Results

The following is a representative listing of the primary parameters recommended to be used for the sale of the District’s Series 2020 Bonds:

1. A maximum of \$308,070,000 may be issued;
2. The true interest cost rate does not exceed 4.00%;
3. The final maturity may not exceed August 15, 2048; and
4. The District must complete the sale on or prior to December 20, 2020