



Review of Preliminary Financing Plan – Initial Bond Sale from 2018 Bond Program

Tuesday, July 24, 2018

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Recent Savings from District's Debt Management Practices

- ❑ Consistent with its debt management policy, Denton Independent School District (the “District”) has actively deployed various debt management practices to lower its overall borrowing cost. In total over the last 10 years, the District’s actions have directly reduced the cost of taxpayers by more than \$171 million, as summarized below:

- ❖ \$137,713,728 – Bond Refundings/Prepayment of Bonds

- ❖ \$ 24,387,768 – Lower Interest Rates from Prudent Use of Variable Rate Bonds

- ❖ \$ 8,934,147 – Synthetic Debt Structures

\$171,035,643 – Total Savings to Taxpayers



Recent Savings from District's Debt Management Practices

- **Bond Refundings and Prepayment of Bonds:** The District has implemented 7 refunding programs and prepaid \$47.105 million of existing bonds, generating more than \$137.7 million of savings.

Summary of Interest Cost Savings Achieved by the District – Bond Refunding Programs / Prepayment of Bonds

Issue / Description	Series Refunded / Redeemed	Principal Amount Refunded / Redeemed	Total Savings
Unlimited Tax Refunding Bonds, Series 2011 [June 2011]	1998, 1999, 2001, 2004	\$ 24,940,000	\$ 1,838,589
Unlimited Tax Refunding Bonds, Series 2012-B [May 2012]	2002, 2004, 2005-C	64,614,784	13,196,404
Unlimited Tax Refunding Bonds, Taxable Series 2012-C [November 2012]	2004, 2005-C	25,030,000	2,551,494
Unlimited Tax Refunding Bonds, Series 2012-D [November 2012]	2004	40,155,000	8,937,721
Unlimited Tax Refunding Bonds, Series 2014-C [December 2014]	2006-A	15,010,000	1,252,934
Unlimited Tax Refunding Bonds, Series 2015 [April 2015]	2007, 2008	125,110,000	17,203,964
Unlimited Tax Refunding Bonds, Series 2016 [May 2016]	2006, 2007, 2008, 2009	118,749,192	51,970,247
Total - Bond Refunding Programs at a Lower Interest Rate	---	\$ 413,608,976	\$ 96,951,353
Prepayment of Series 2000 Bonds [February 2009]	2000	\$ 625,000	\$ 609,375
Prepayment of Series 2012-A Bonds [August 2015]	2012-A	5,120,000	5,529,600
Prepayment of Series 2013 Bonds [August 2016]	2013	7,000,000	7,507,600
Prepayment of Series 2012-A Bonds [February 2017]	2012-A	8,800,000	7,937,000
Prepayment of Series 2012-A Bonds [February 2018]	2012-A	17,700,000	13,962,000
Prepayment of Series 2012-A Bonds [August 2018]	2012-A	7,860,000	5,216,800
Total - Prepayment of Bonds Prior to Scheduled Maturity	---	\$ 47,105,000	\$ 40,762,375
Totals	---	\$ 460,713,976	\$ 137,713,728



Recent Savings from District's Debt Management Practices

- **Variable Rate Debt:** The District's prudent use of variable rate bonds has produced approximately \$24.4 million of savings by lowering its borrowing cost. As summarized below, the District's current interest rates on its variable rate bonds are 1.14% - 1.59%.

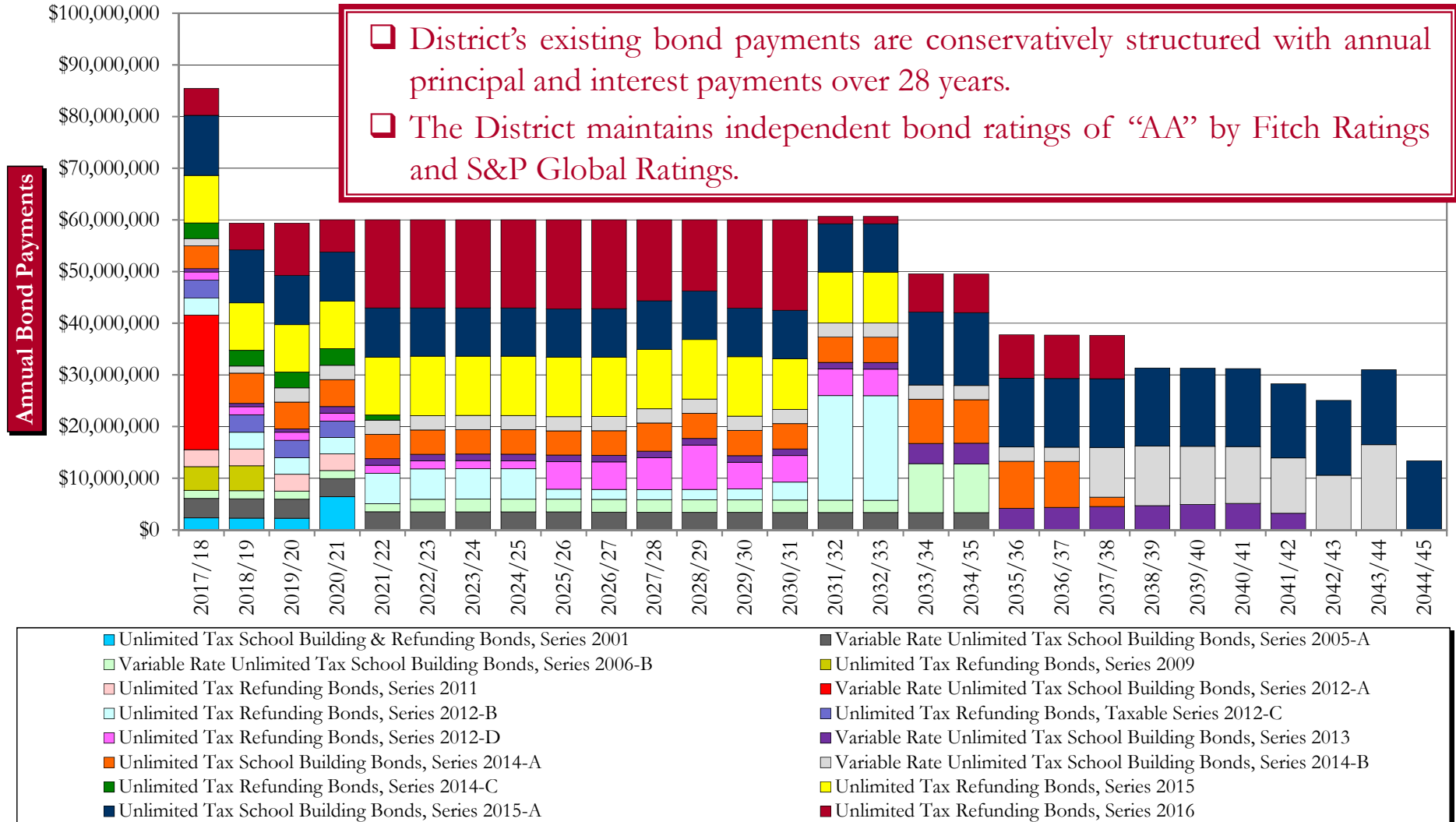
Review of the District's Existing Variable Rate Put Bonds				
Issue Description	Principal Amount Outstanding	Current Interest Rate	Estimated Fixed Rate Alternative	Estimated Savings
Variable Rate Unlimited Tax School Building Bonds, Series 2012-A	\$ 7,860,000 ^(A)	1.30%	4.32%	\$ 6,392,087
Variable Rate Unlimited Tax School Building Bonds, Series 2013	31,980,000	1.14%	4.83%	9,090,123
Variable Rate Unlimited Tax School Building Bonds, Series 2014-B	69,075,000	1.59%	4.23%	8,905,558
Totals	\$ 108,915,000	---	---	\$ 24,387,768

^(A) The District will redeem the remaining Series 2012-A Bonds on August 1, 2018.

- **Synthetic Debt Structures:** The District has implemented two “synthetic fixed rate debt structures” (i.e. Series 2005-A and 2006-B Bonds) to potentially reduce the District's interest cost – To date, these structures have reduced the District's interest cost by more than \$8.9 million.



Dollar Amount and Structure of District's Existing Bonds



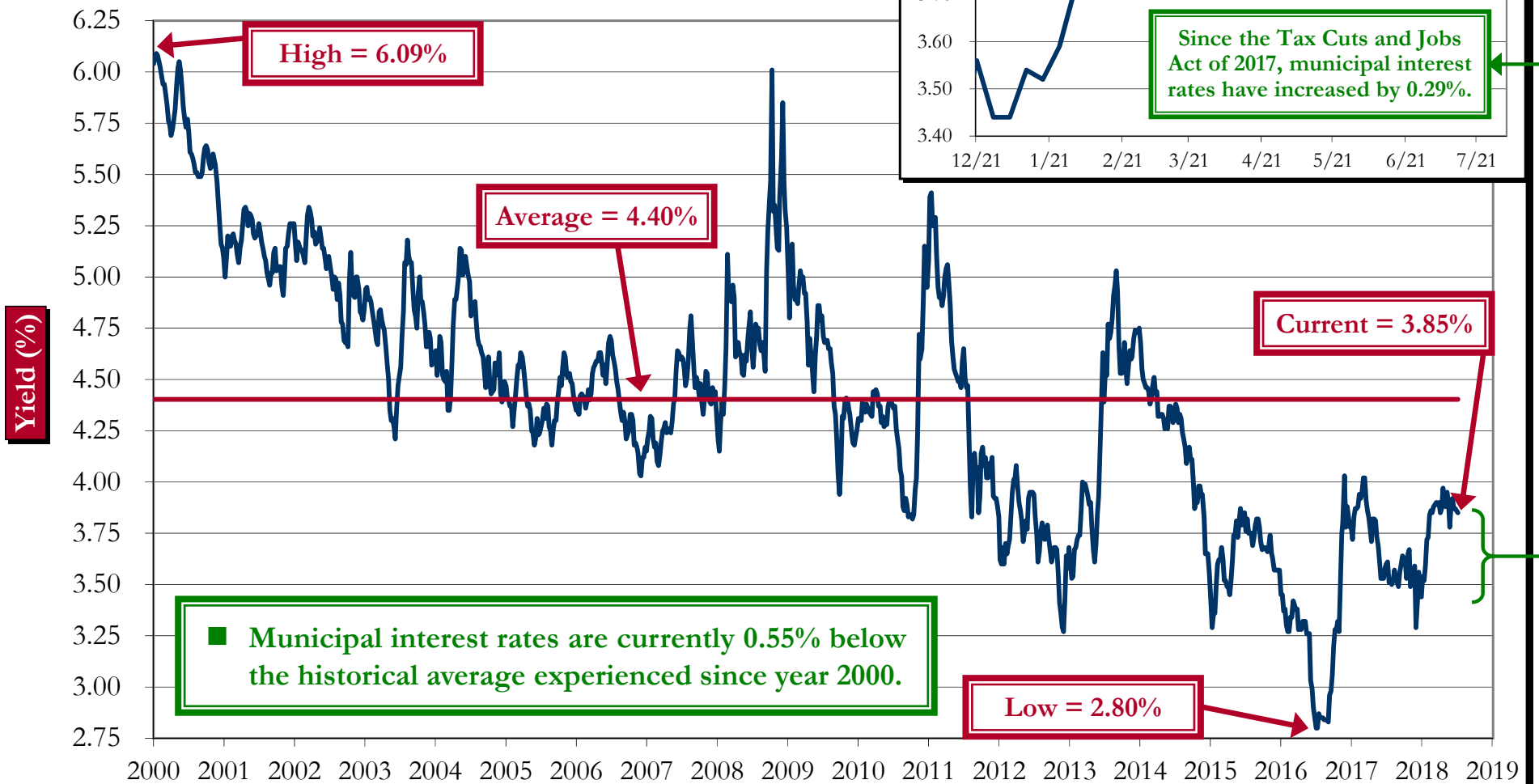
Note: Debt service payments reflect payments from September 1 through August 31. In addition, the District's projected bond payment in year 2017/18 includes a \$17,700,000 and \$7,860,000 prepayment of the District's Series 2012-A Variable Rate Bonds on February 1, 2018 and August 1, 2018, respectively.

The District has a total principal amount of existing bonds equal to \$799,994,104 as of July 24, 2018.



Current Market, Fixed Interest Rates

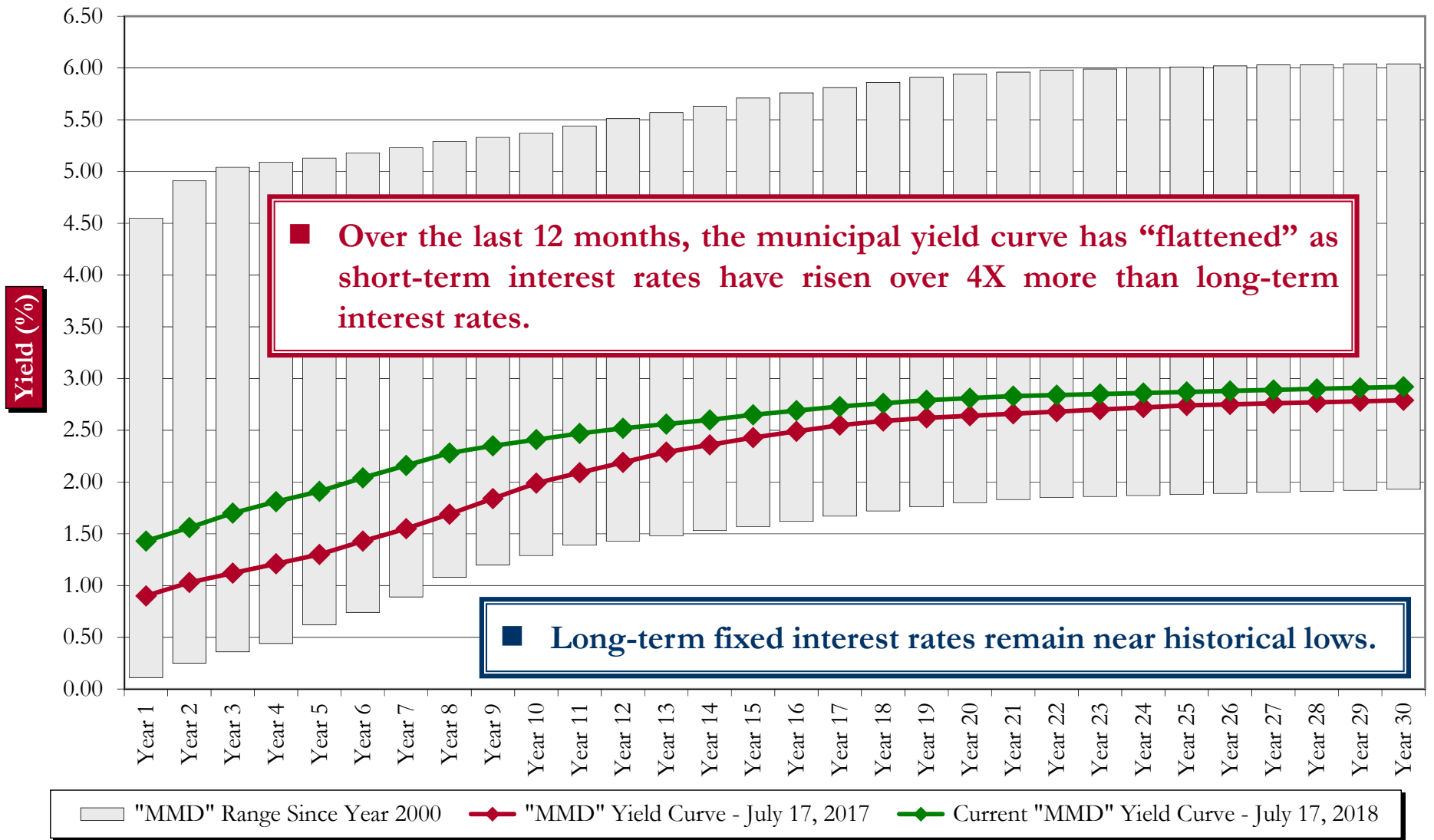
**The Bond Buyer 20-Bond Index –
A Tax-Exempt General Obligation Bond Yield Index
January 1, 2000 To The Present**





Comparison of Municipal Market Data (“MMD”) Interest Rate Curves

Comparison of Tax-Exempt “MMD” Interest Rates – Yield Curves





Goals of Financing Plan – 2018 Bond Program

- ❑ Meet or exceed expectations of taxpayers – Fully implement the 2018 Bond Program within the projected cost communicated to voters during the May 2018 Bond Election:
 - Interest & Sinking Fund (“I&S”) tax rate will remain at its current level of 48.0 cents – No I&S rate increase.
- ❑ Meet the school facility needs of the District’s growing student enrollment;
- ❑ Maximize the District’s future bond capacity for capital improvements;
- ❑ Maintain bond repayment period of 30 years or less;
- ❑ As the District has previously utilized to strategically lower its borrowing costs, the use of variable rate bonds is limited to no more than 25% of the District’s total debt portfolio;
- ❑ Incorporate ongoing flexibility to prepay outstanding bonds to reduce the interest cost of taxpayers; and
- ❑ Structure repayment of bonds to comply with the State mandated “50-Cent Debt” limitation and do not use costly Capital Appreciation Bonds (“CABs”).



Projects Included Within 2018 Bond Program

2018 Bond Program – Summary of Projects

<u>Project</u>	Phase I – September 2018 \$442.430 Million Bond Sale	Phase II – June 2020 \$226.835 Million Bond Sale	Phase III – August 2022 \$81.235 Million Bond Sale	Total 2018 Bond Program
Middle School No. 9	\$ 7,200,000	\$ 74,125,000	\$ ---	\$ 81,325,000
Elementary School No. 25	---	37,815,000	4,535,000	42,350,000
East Transportation Facility	8,685,000	---	---	8,685,000
West Transportation Facility	665,000	6,845,000	---	7,510,000
Total - Growth	\$ 16,550,000	\$ 118,785,000	\$ 4,535,000	\$ 139,870,000
Denton High School – Replacement Campus	183,450,000	11,410,000	---	194,860,000
Denton High School – Renovation to become Calhoun Middle	---	---	30,140,000	30,140,000
Newton Rayzor Elementary School – Replacement Campus	---	---	42,725,000	42,725,000
Woodrow Wilson Elementary School – Replacement Campus	37,270,000	5,360,000	---	42,630,000
Strickland Middle School – Renovate/Rebuild	48,060,000	4,850,000	---	52,910,000
Capital Improvements – Various Facilities	60,885,000	13,495,000	460,000	74,840,000
Capital Improvements at Sisk Annex & Technology Building	---	435,000	---	435,000
Natorium Repairs	1,400,000	---	---	1,400,000
Total - Aging Facilities	\$ 331,065,000	\$ 35,550,000	\$ 73,325,000	\$ 439,940,000
LaGrone Advanced Technology Complex – Program Additions	---	15,345,000	---	15,345,000
Agricultural Science Center	---	9,620,000	---	9,620,000
Culinary Programs – Renovations (Guyer & Ryan HS)	---	2,670,000	---	2,670,000
CTE Programs & Classrooms – Renovation & Expansion (Ryan HS)	---	2,965,000	---	2,965,000
Total - Career & Technical Education	\$ ---	\$ 30,600,000	\$ ---	\$ 30,600,000
Technology – Replace fiber	9,430,000	3,100,000	600,000	13,130,000
Building Control Systems – Replace Systems at 22 Facilities	7,325,000	---	---	7,325,000
Secure Vestibules – Add Security Features	130,000	---	---	130,000
Total - Infrastructure & Safety	\$ 16,885,000	\$ 3,100,000	\$ 600,000	\$ 20,585,000
High School Athletics – Additions & Renovations (Guyer & Ryan HS)	54,320,000	5,435,000	---	59,755,000
High School Fine Arts – Additions & Renovations (Guyer & Ryan HS)	23,610,000	2,470,000	---	26,080,000
Middle School Fine Arts – Updates at Various Campuses	---	1,895,000	---	1,895,000
Carrico Athletic Complex	---	28,365,000	2,775,000	31,140,000
C.H. Collins Athletic Complex – Various Updates	---	635,000	---	635,000
Total - Extracurricular	\$ 77,930,000	\$ 38,800,000	\$ 2,775,000	\$ 119,505,000
Total Anticipated Expenditures	\$ 442,430,000	\$ 226,835,000	\$ 81,235,000	\$ 750,500,000



Preliminary Financing Plan – Series 2018 Bond Sale

The Preliminary Financing Plan is based upon the assumptions summarized herein. To the extent the District's actual results differ from the assumptions herein, the financial impact to the District will correspondingly change.

□ Scenario Presented

- Denton ISD issues \$442,430,000 of fixed rate bonds from the 2018 Bond Program (the “Series 2018 Bonds”) in September 2018.
- The timing of future bond sales will be based upon the District's future taxable values and capital needs within the District. Based upon preliminary cash flow projections, the District anticipates implementing the remainder of the 2018 Bond Program as summarized below:
 - June 2020: \$76,835,000 Bond Sale – Utilize Fixed Rates of Interest;
 - August 2020: \$150,000,000 Bond Sale – Utilize Variable Rates of Interest; and
 - August 2022: \$81,235,000 Bond Sale – Utilize Fixed Rates of Interest.



Preliminary Financing Plan – Series 2018 Bond Sale

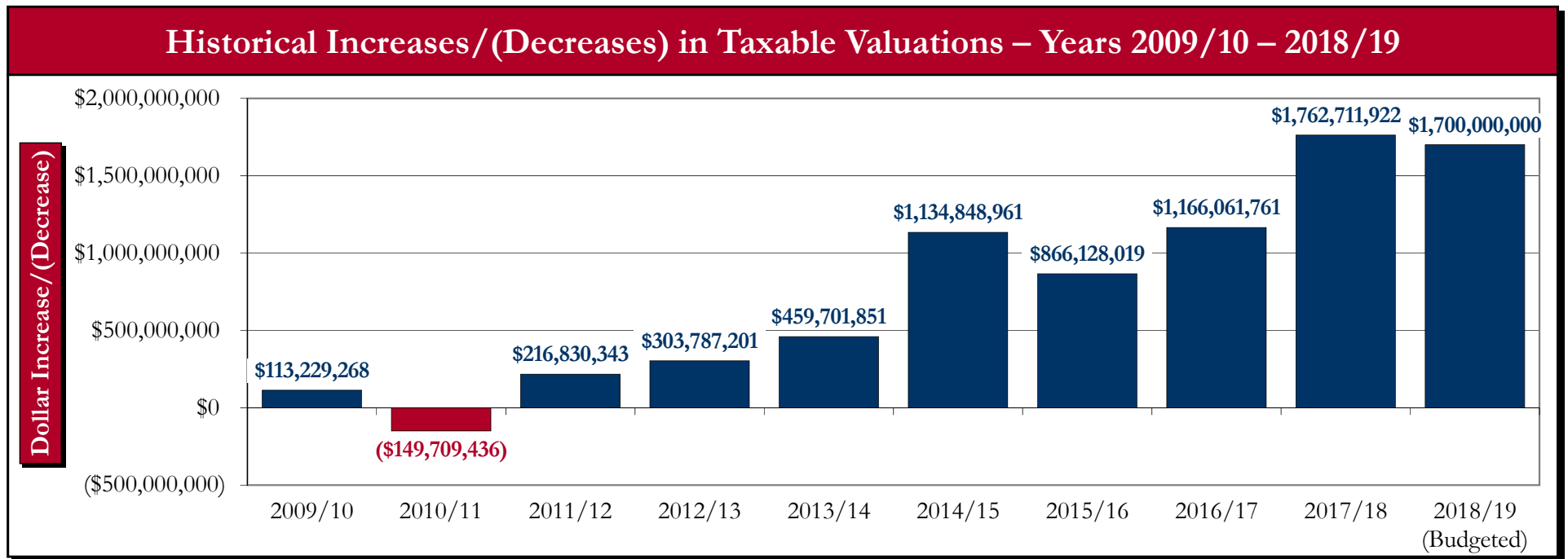
□ Assumptions

- The Series 2018 Bonds will be issued without an I&S tax rate increase.
- The estimated interest rate on the Series 2018 Bonds is 4.11%.
- The Series 2018 Bonds will initially be structured with annual principal payments over the next 30 years with a final maturity of August 15, 2048. However, the District will have the flexibility to prepay the bonds prior to scheduled maturity, without penalty.
- District will not receive any State assistance for the repayment of bonds.
- District will annually have \$7,948,673 of “Other Available Revenues” available for bond payments. “Other Available Revenues” consist of frozen levy I&S tax collections, interest earnings on I&S tax collections, delinquent tax collections and other available revenues.
- Tax collection rate of 99.0%.



Summary of District's Historical Taxable Assessed Valuation

- ❑ The District's taxable assessed valuation (net of frozen values) is budgeted to be \$16,220,925,244 for fiscal year 2018/19.
- ❑ The following summarizes certain taxable value growth statistics over the last decade:
 - Maximum tax base increase occurred in Year 2017/18: \$1,762,711,922;
 - Maximum tax base decline occurred in Year 2010/11: (\$149,709,436); and
 - Average tax base increase last 10 years: \$757,358,989.

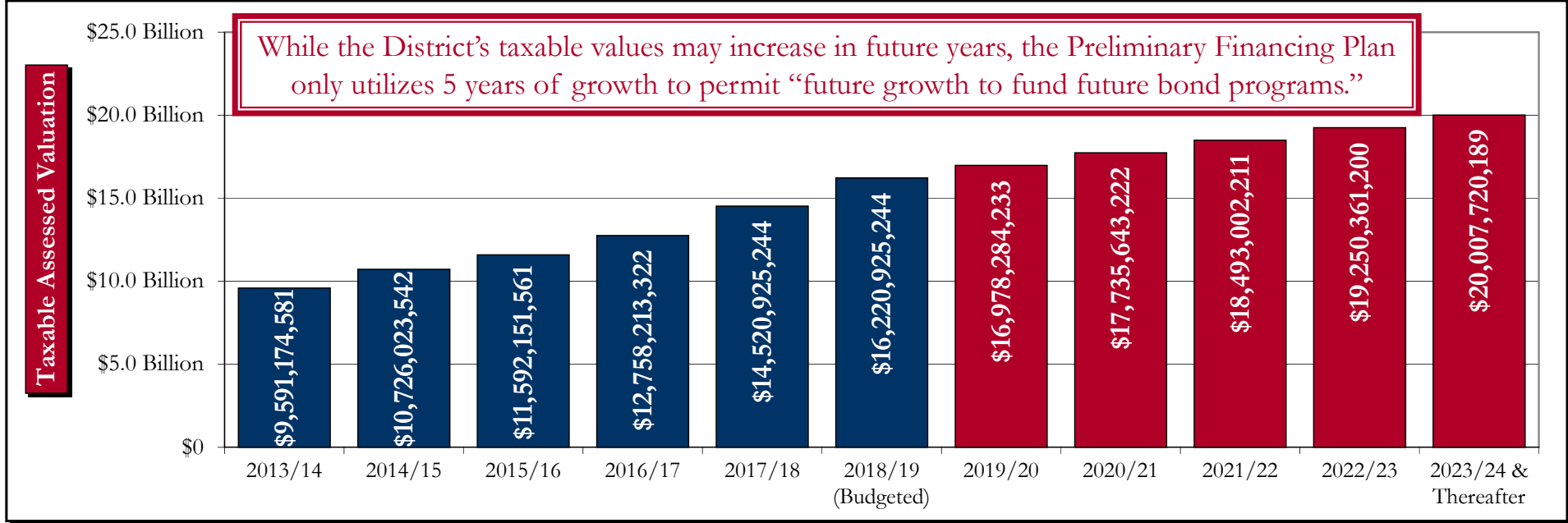


- ❑ The Preliminary Financing Plan assumes District's taxable values will increase by the historical 10-year average of \$757,358,989 in each of the next 5 years.



Preliminary Financing Plan – Series 2018 Bond Sale

Historical and Assumed Taxable Valuations (Net of Frozen Values)



Fiscal Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 (Budgeted)	Average Annual Increase – Years 2014/15 – 2018/19
Taxable Assessed Valuation	\$9,591,174,581	\$10,726,023,542	\$11,592,151,561	\$12,758,213,322	\$14,520,925,244	\$16,220,925,244	---
Dollar Change	\$---	\$1,134,848,961	\$866,128,019	\$1,166,061,761	\$1,762,711,922	\$1,700,000,000	\$1,325,950,133
Percentage Change	---	11.83%	8.08%	10.06%	13.82%	11.71%	11.08%

Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24 & Thereafter	Average Annual Increase – Years 2019/20 – 2023/24
Taxable Assessed Valuation	\$16,978,284,233	\$17,735,643,222	\$18,493,002,211	\$19,250,361,200	\$20,007,720,189	---
Dollar Change	\$757,358,989	\$757,358,989	\$757,358,989	\$757,358,989	\$757,358,989	\$757,358,989
Percentage Change	4.67%	4.46%	4.27%	4.10%	3.93%	4.19%



Preliminary Financing Plan – Series 2018 Bond Sale

- ❑ Based upon the Preliminary Financing Plan herein, the Series 2018 Bonds are projected to be implemented with no tax rate increase.

Summary of Preliminary Financing Plan – Series 2018 Bond Sale	
Description	Preliminary Financing Plan
Dollar Amount of Bonds to be Issued – Series 2018 Bonds	\$ 442,430,000
I&S Tax Rate – Prior to 2018 Bond Program	48.0 Cents
Plus: Projected I&S Tax Rate Increase – Series 2018 Bonds	<u>0.0 Cents</u>
Anticipated Maximum I&S Tax Rate	48.0 Cents
Projected Interest Rate – Series 2018 Bonds	4.11%
Projected Net Bond Payments – Series 2018 Bonds	\$ 810,208,856
Final Maturity	2048



Preliminary Financing Plan – Series 2018 Bond Sale

Preliminary Financing Plan - Sale of \$442,430,000 From 2018 Bond Program - Projected Results									
A	B	C	D	E	F	G	H	I	J
Year	Total Existing Bond Payments	Plus: September-18 Fixed Rate Series 2018 \$442,430,000 @ 4.11%	Total Combined Bond Payments	Less: Projected State Funding Assistance	Less: Frozen Levy, Delinquent Tax Collections & Interest Earnings	Net Combined Bond Payments	Taxable Assessed Valuation (Net of Frozen)	Projected I&S Tax Rate	I&S Tax Rate Difference
2017/18	\$85,430,921	\$0	\$85,430,921	\$0	\$6,850,000	\$78,580,921	\$14,520,925,244	0.4800	
2018/19	59,370,316	25,656,456	85,026,771	0	7,948,673	77,078,099	16,220,925,244	0.4800	\$0.0000
2019/20	59,384,336	29,242,850	88,627,186	0	7,948,673	80,678,513	16,978,284,233	0.4800	
2020/21	60,020,368	19,659,250	79,679,618	0	7,948,673	71,730,946	17,735,643,222	0.4085	
2021/22	60,024,762	23,254,050	83,278,812	0	7,948,673	75,330,140	18,493,002,211	0.4115	
2022/23	60,025,947	21,095,250	81,121,197	0	7,948,673	73,172,525	19,250,361,200	0.3839	
2023/24	60,026,698	24,698,500	84,725,198	0	7,948,673	76,776,526	20,007,720,189	0.3876	
2024/25	60,025,728	24,700,500	84,726,228	0	7,948,673	76,777,555	20,007,720,189	0.3876	
2025/26	60,025,605	24,697,000	84,722,605	0	7,948,673	76,773,932	20,007,720,189	0.3876	
2026/27	60,026,467	24,697,500	84,723,967	0	7,948,673	76,775,294	20,007,720,189	0.3876	
2027/28	60,023,275	24,701,000	84,724,275	0	7,948,673	76,775,603	20,007,720,189	0.3876	
2028/29	60,022,081	21,731,500	81,753,581	0	7,948,673	73,804,909	20,007,720,189	0.3726	
2029/30	60,020,616	21,731,750	81,752,366	0	7,948,673	73,803,693	20,007,720,189	0.3726	
2030/31	60,026,291	21,729,750	81,756,041	0	7,948,673	73,807,368	20,007,720,189	0.3726	
2031/32	60,688,943	21,065,000	81,753,943	0	7,948,673	73,805,270	20,007,720,189	0.3726	
2032/33	60,682,833	21,070,000	81,752,833	0	7,948,673	73,804,160	20,007,720,189	0.3726	
2033/34	49,575,360	22,277,250	71,852,610	0	7,948,673	63,903,938	20,007,720,189	0.3226	
2034/35	49,528,941	22,326,000	71,854,941	0	7,948,673	63,906,268	20,007,720,189	0.3226	
2035/36	37,746,800	34,105,500	71,852,300	0	7,948,673	63,903,627	20,007,720,189	0.3226	
2036/37	37,707,100	34,138,250	71,845,350	0	7,948,673	63,896,677	20,007,720,189	0.3226	
2037/38	37,664,000	34,186,250	71,850,250	0	7,948,673	63,901,577	20,007,720,189	0.3226	
2038/39	31,319,000	30,626,250	61,945,250	0	7,948,673	53,996,577	20,007,720,189	0.2726	
2039/40	31,272,300	30,676,000	61,948,300	0	7,948,673	53,999,627	20,007,720,189	0.2726	
2040/41	31,219,350	22,596,250	53,815,600	0	7,948,673	45,866,927	20,007,720,189	0.2316	
2041/42	28,273,350	25,546,000	53,819,350	0	7,948,673	45,870,677	20,007,720,189	0.2316	
2042/43	25,060,250	28,756,500	53,816,750	0	7,948,673	45,868,077	20,007,720,189	0.2316	
2043/44	30,979,750	12,935,750	43,915,500	0	7,948,673	35,966,827	20,007,720,189	0.1816	
2044/45	13,350,750	30,565,250	43,916,000	0	7,948,673	35,967,327	20,007,720,189	0.1816	
2045/46	0	43,914,500	43,914,500	0	7,948,673	35,965,827	20,007,720,189	0.1816	
2046/47	0	43,917,750	43,917,750	0	7,948,673	35,969,077	20,007,720,189	0.1816	
2047/48	0	43,911,000	43,911,000	0	7,948,673	35,962,327	20,007,720,189	0.1816	
Total	\$1,389,522,138	\$810,208,856	\$2,199,730,993	\$0	\$245,310,177	\$1,954,420,816			



Preliminary Financing Plan – 2018 Bond Program

Preliminary Financing Plan - 2018 Bond Program - Projected Results

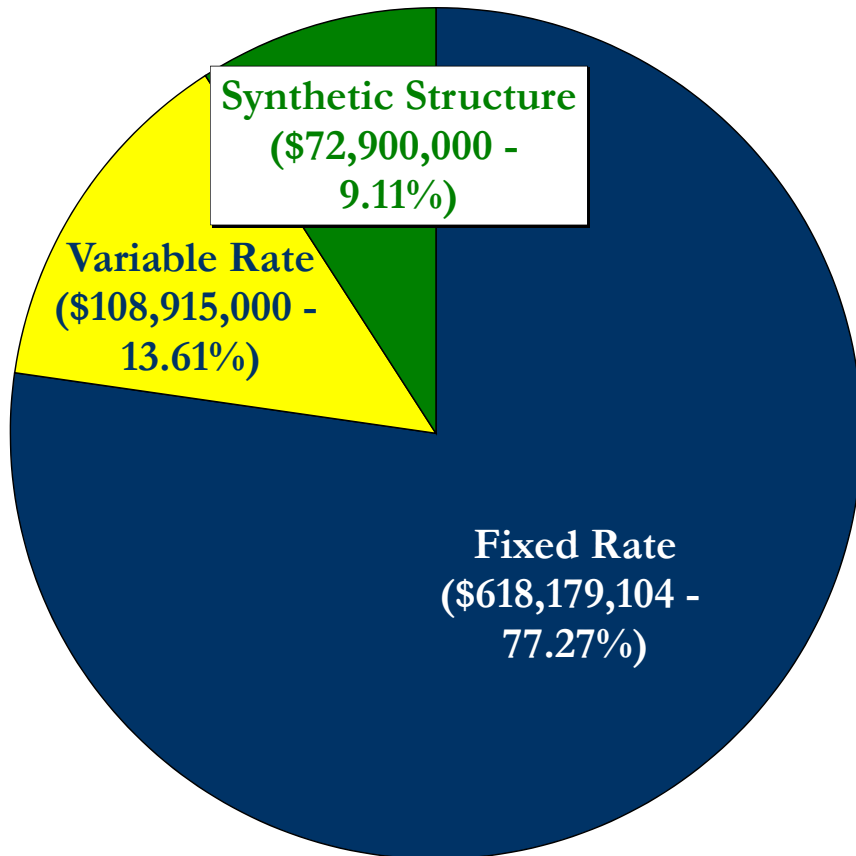
A	B	C	D	E	F	G	H	I	J	K	L	M
Year	Total Existing Bond Payments	Plus: September-18 Fixed Rate Series 2018 \$442,430,000 @ 4.11%	Plus: June-20 Fixed Rate Series 2020-A \$76,835,000 @ 5.00%	Plus: August-20 Variable Rate Series 2020-B \$150,000,000 @ 5.00%	Plus: August-22 Fixed Rate Series 2022 \$81,235,000 @ 5.50%	Total Combined Bond Payments	Less: Projected State Funding Assistance	Less: Frozen Levy, Delinquent Tax Collections & Interest Earnings	Net Combined Bond Payments	Taxable Assessed Valuation (Net of Frozen)	Projected I&S Tax Rate	I&S Tax Rate Difference
2017/18	\$85,430,921	\$0	\$0	\$0	\$0	\$85,430,921	\$0	\$6,850,000	\$78,580,921	\$14,520,925,244	0.4800	
2018/19	59,370,316	25,656,456	0	0	0	85,026,771	0	7,948,673	77,078,099	16,220,925,244	0.4800	\$0.0000
2019/20	59,384,336	29,242,850	0	0	0	88,627,186	0	7,948,673	80,678,513	16,978,284,233	0.4800	
2020/21	60,020,368	19,659,250	5,044,428	7,500,000	0	92,224,047	0	7,948,673	84,275,374	17,735,643,222	0.4800	
2021/22	60,024,762	23,254,050	5,044,500	7,500,000	0	95,823,312	0	7,948,673	87,874,640	18,493,002,211	0.4800	
2022/23	60,025,947	21,095,250	5,048,250	7,500,000	5,752,925	99,422,372	0	7,948,673	91,473,700	19,250,361,200	0.4800	
2023/24	60,026,698	24,698,500	5,043,750	7,500,000	5,752,250	103,021,198	0	7,948,673	95,072,526	20,007,720,189	0.4800	
2024/25	60,025,728	24,700,500	5,046,250	7,500,000	5,752,725	103,025,203	0	7,948,673	95,076,530	20,007,720,189	0.4800	
2025/26	60,025,605	24,697,000	5,045,250	7,500,000	5,754,075	103,021,930	0	7,948,673	95,073,257	20,007,720,189	0.4800	
2026/27	60,026,467	24,697,500	5,045,750	7,500,000	5,751,025	103,020,742	0	7,948,673	95,072,069	20,007,720,189	0.4800	
2027/28	60,023,275	24,701,000	5,047,500	7,500,000	5,753,575	103,025,350	0	7,948,673	95,076,678	20,007,720,189	0.4800	
2028/29	60,022,081	21,731,500	5,045,250	7,500,000	5,751,175	100,050,006	0	7,948,673	92,101,334	20,007,720,189	0.4650	(\$0.015)
2029/30	60,020,616	21,731,750	5,044,000	7,500,000	5,753,825	100,050,191	0	7,948,673	92,101,518	20,007,720,189	0.4650	
2030/31	60,026,291	21,729,750	5,043,500	7,500,000	5,750,975	100,050,516	0	7,948,673	92,101,843	20,007,720,189	0.4650	
2031/32	60,688,943	21,065,000	5,043,500	7,500,000	5,752,625	100,050,068	0	7,948,673	92,101,395	20,007,720,189	0.4650	
2032/33	60,682,833	21,070,000	5,043,750	7,500,000	5,753,225	100,049,808	0	7,948,673	92,101,135	20,007,720,189	0.4650	
2033/34	49,575,360	22,277,250	5,044,000	7,500,000	5,752,500	90,149,110	0	7,948,673	82,200,438	20,007,720,189	0.4150	(\$0.050)
2034/35	49,528,941	22,326,000	5,044,000	7,500,000	5,750,175	90,149,116	0	7,948,673	82,200,443	20,007,720,189	0.4150	
2035/36	37,746,800	34,105,500	5,043,500	7,500,000	5,750,975	90,146,775	0	7,948,673	82,198,102	20,007,720,189	0.4150	
2036/37	37,707,100	34,138,250	5,047,250	7,500,000	5,754,350	90,146,950	0	7,948,673	82,198,277	20,007,720,189	0.4150	
2037/38	37,664,000	34,186,250	5,044,750	7,500,000	5,754,750	90,149,750	0	7,948,673	82,201,077	20,007,720,189	0.4150	
2038/39	31,319,000	30,626,250	5,046,000	7,500,000	5,751,900	80,243,150	0	7,948,673	72,294,477	20,007,720,189	0.3650	(\$0.050)
2039/40	31,272,300	30,676,000	5,045,500	7,500,000	5,750,525	80,244,325	0	7,948,673	72,295,652	20,007,720,189	0.3650	
2040/41	31,219,350	22,596,250	5,048,000	15,630,000	5,750,075	80,243,675	0	7,948,673	72,295,002	20,007,720,189	0.3650	
2041/42	28,273,350	25,546,000	5,043,000	15,628,500	5,755,000	80,245,850	0	7,948,673	72,297,177	20,007,720,189	0.3650	
2042/43	25,060,250	28,756,500	5,045,500	15,626,750	5,754,475	80,243,475	0	7,948,673	72,294,802	20,007,720,189	0.3650	
2043/44	30,979,750	12,935,750	5,044,750	15,628,750	5,753,225	70,342,225	0	7,948,673	62,393,552	20,007,720,189	0.3150	(\$0.050)
2044/45	13,350,750	30,565,250	5,045,500	15,628,250	5,750,700	70,340,450	0	7,948,673	62,391,777	20,007,720,189	0.3150	
2045/46	0	43,914,500	5,047,250	15,629,250	5,751,350	70,342,350	0	7,948,673	62,393,677	20,007,720,189	0.3150	
2046/47	0	43,917,750	5,044,500	15,625,500	5,754,350	70,342,100	0	7,948,673	62,393,427	20,007,720,189	0.3150	
2047/48	0	43,911,000	5,047,000	15,626,000	5,753,875	70,337,875	0	7,948,673	62,389,202	20,007,720,189	0.3150	
2048/49	0	0	5,044,000	38,929,250	5,754,375	49,727,625	0	7,948,673	41,778,952	20,007,720,189	0.2109	(\$0.104)
2049/50	0	0	5,045,250	38,928,750	5,755,025	49,729,025	0	7,948,673	41,780,352	20,007,720,189	0.2109	
Total	\$1,389,522,138	\$810,208,856	\$151,355,428	\$352,881,000	\$161,076,025	\$2,865,043,447	\$0	\$261,207,522	\$2,603,835,925			



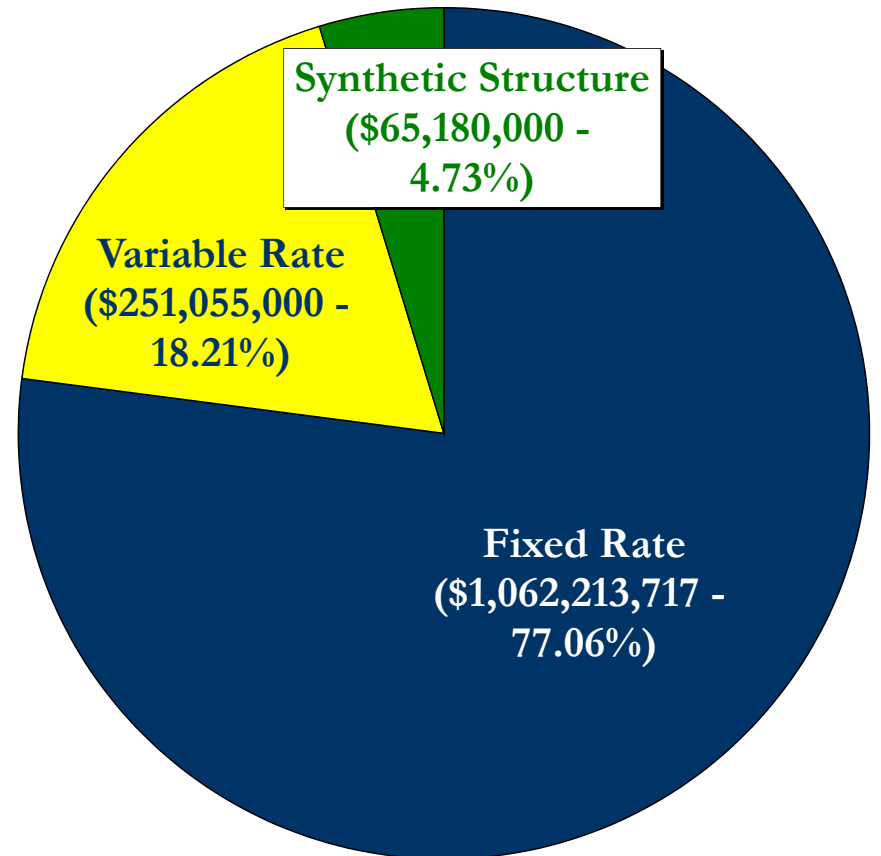
Composition of Existing and Future Bond Portfolio

- Upon completion of the 2018 Bond Program in year 2022, variable rate bonds are expected to comprise 18.21% of the District's total debt portfolio. Pursuant to the District's Debt Management Policy, the maximum percentage of variable rate debt within the District's debt portfolio is 25% - 30%.

Composition of Existing Bond Portfolio



Estimated Composition of Bond Portfolio Upon Completion of 2018 Bond Program





Overview of Parameters Bond Order – Series 2018 Bond Sale

- ❑ As previously utilized for prior bond sales, the District’s Board of Trustees may adopt a “Parameters Bond Order” designating the ability to approve the issuance of the Series 2018 Bonds to the District’s Administration.
- ❑ The Board of Trustees will consider a “Parameters Bond Order” at its Tuesday, July 24, 2018 Board Meeting and the following is a representative listing of the primary parameters we recommend for the Series 2018 Bonds:
 - 1) Maximum principal amount to be issued – \$450,000,000;
 - 2) Maximum “All-In” True Interest Rate (must not exceed) – 4.50%;
 - 3) Final maturity of the Series 2018 Bonds – August 15, 2048; and
 - 4) Sale must be completed prior to December 31, 2018.
- ❑ Unless each parameter listed above can be achieved, the Series 2018 Bonds will not be issued unless additional direction is received from the District.



Preliminary Timetable – Series 2018 Bond Sale

July 2018						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August 2018						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September 2018						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						



Board Meeting



Closing – Receipt of Funds

Preliminary Timetable – Sale of the Series 2018 Bonds

Date*	Action Necessary
July 24, 2018	Board Meeting – Discuss Preliminary Financing Plan and Consider “Parameters Bond Order” Authorizing Issuance of Unlimited Tax School Building Bonds, Series 2018 (the “Series 2018 Bonds”).
By August 6, 2018	Completion of All Items Necessary to Sell the Series 2018 Bonds (i.e. Preliminary Official Statement Completed, Permanent School Fund Guarantee Received, Ratings Received, etc.).
To Be Determined.	Bond Sale – Pricing of the Series 2018 Bonds Pursuant to Specified Parameters and District’s Administration Approves the Legal Documents and Interest Rates to Complete the Sale.
September 13, 2018	Closing – Proceeds of the Series 2018 Bonds are Delivered to the District.

* Preliminary, subject to change.



Questions

