



Presentation to Board of Trustees



General Obligation Bonds Election of 2014, Series D (2019)

*\$20,385,000**

January 8, 2019

**Preliminary and subject to change*

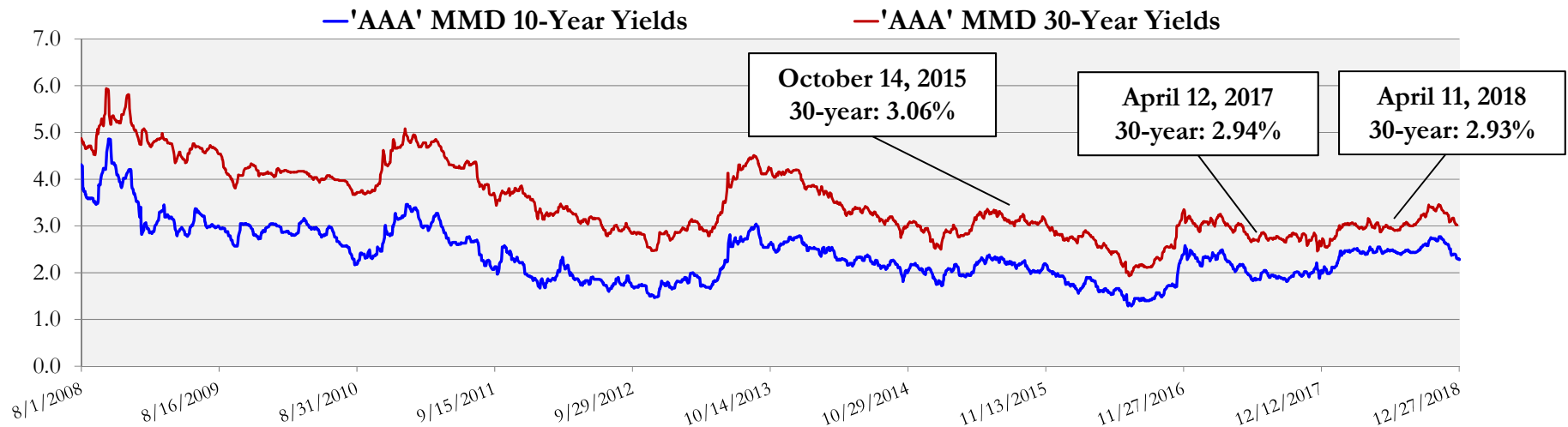


Summary of Market Conditions

- ❖ **Municipal Market Data (MMD):** 'AAA' rated yield curve published daily by Thomsen Reuters. All tax-exempt municipal bonds price based on a spread to MMD.
- ❖ Interest rates are at relatively low historical levels and have rallied recently with the volatile equity market over concerns on trade war and global tech stocks

Historical Change in 'AAA' MMD Yields

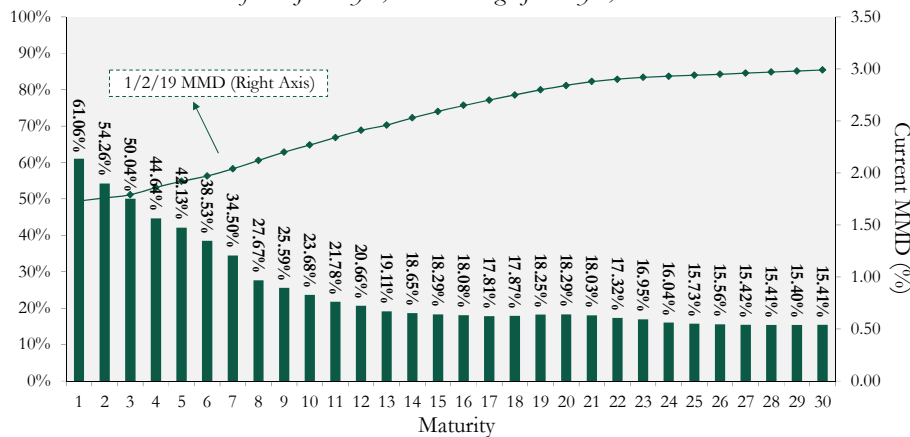
(August 1, 2008 through January 2, 2019)





Summary of Market Conditions

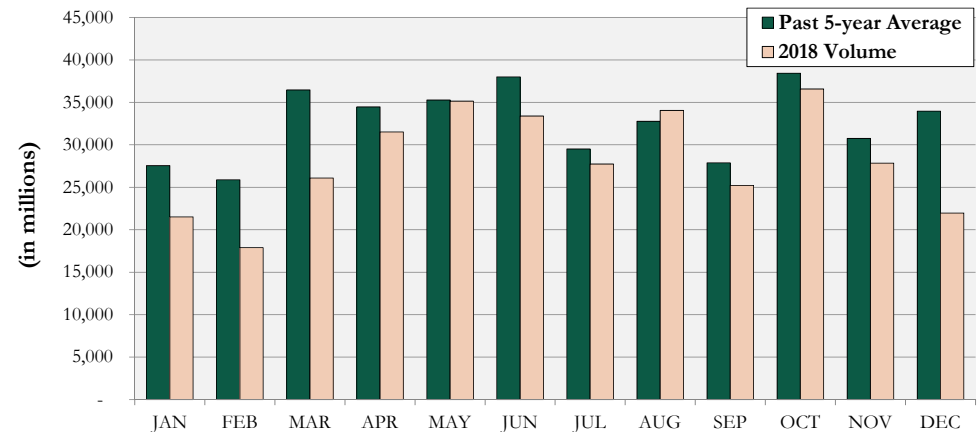
Current "AAA" MMD and Percentage of Time Historical "AAA" MMD has been Lower than Current "AAA" MMD
from January 2, 1998 through January 2, 2019



❖ Tax-exempt rates have only been lower 25% of the time along the entire yield curve

- ❖ 2018 volume was 25% lower compared to historical levels
- ❖ Lack of supply has kept interest rates near historically low levels

Long-Term Bond Sales





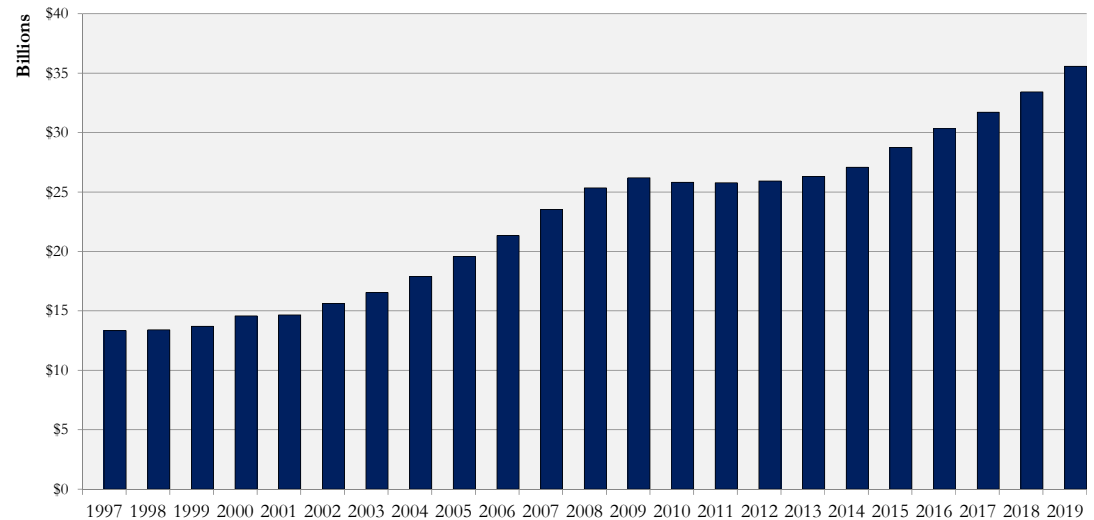
Historical Assessed Valuation

- ❖ After 2 years of assessed valuation decline in 2010 and 2011, the School District has had eight consecutive years of growth in Assessed Value

Historical Assessed Valuation

Fiscal Year Ending	L.A. County	Orange County	Total A.V.	% Change in Total A.V.
1997	\$1,102,770,815	\$12,232,106,309	\$13,334,877,124	-1.20%
1998	1,105,346,085	12,295,383,885	13,400,729,970	0.49%
1999	1,128,411,252	12,574,329,276	13,702,740,528	2.25%
2000	1,161,649,200	13,415,926,643	14,577,575,843	6.38%
2001	1,255,765,116	13,410,854,631	14,666,619,747	0.61%
2002	1,325,385,335	14,284,741,064	15,610,126,399	6.43%
2003	1,411,438,306	15,126,327,885	16,537,766,191	5.94%
2004	1,508,033,385	16,386,688,343	17,894,721,728	8.21%
2005	1,616,745,331	17,943,641,894	19,560,387,225	9.31%
2006	1,768,874,492	19,559,358,789	21,328,233,281	9.04%
2007	1,979,817,867	21,545,545,089	23,525,362,956	10.30%
2008	2,109,177,811	23,235,159,131	25,344,336,942	7.73%
2009	2,196,450,370	23,997,507,290	26,193,957,660	3.35%
2010	2,180,737,272	23,639,899,682	25,820,636,954	-1.43%
2011	2,110,979,072	23,663,933,178	25,774,912,250	-0.18%
2012	2,158,962,680	23,763,473,477	25,922,436,157	0.57%
2013	2,217,732,839	24,101,068,803	26,318,801,642	1.53%
2014	2,307,136,219	24,769,048,188	27,076,184,407	2.88%
2015	2,418,460,340	26,340,861,589	28,759,321,929	6.22%
2016	2,533,713,215	27,815,616,006	30,349,329,221	5.53%
2017	2,643,086,303	29,069,805,213	31,712,891,516	4.49%
2018	2,773,288,053	30,645,356,809	33,418,644,862	5.38%
2019	2,953,557,188	32,628,777,448	35,582,334,636	6.47%
			23-Year Average:	4.36%
			10-Year Average:	3.15%

Historical Change in Total Assessed Value



Fiscal Year	Assessed Value	Factor	Statutory Bonding Capacity	Outstanding Principal as of 1/8/19	Net Statutory Bonding Capacity
2018-19	\$35,582,334,636	1.25%	\$444,779,183	\$162,465,000	\$282,314,183

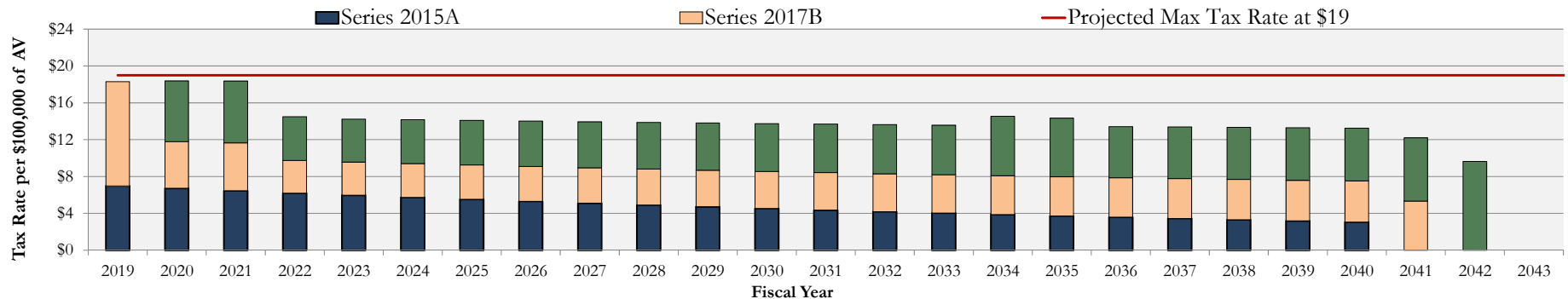
Source: California Municipal Statistics, Inc.



2014 Measure I

- ❖ The School District's voters approved Measure I, a \$175 million bond measure on the November 4, 2014 ballot with an approval rate of 59%
- ❖ Tax rate projection of \$19 per \$100,000 of AV throughout the life of the bonds
- ❖ The School District is preparing to issue its fourth series of General Obligation Bonds under Measure I in February 2019 in the amount of \$20.4 million
 - Series A: \$42,500,000 issued in October 2015
 - Series B: \$40,000,000 issued in April 2017
 - Series C: \$48,000,000 issued in April 2018

Election of 2014 - Current Projected Tax Rates ⁽¹⁾



⁽¹⁾ Assumes 4.00% growth for FY 19-20 and every year thereafter.



GO Bonds, Election of 2014, Series D (2019) Overview*

Sources	
Bond Proceeds	
Par Amount	\$20,385,000.00
Net Premium	2,313,601.20
Total	\$22,698,601.20
Uses	
Project Fund Deposits	
Project Fund	\$20,000,000.00
Other Fund Deposits	
Debt Service Fund	\$2,313,601.20
Delivery Date Expenses	
Cost of Issuance	\$201,535.00
Underwriter's Discount	183,465.00
	\$385,000.00
Total	\$22,698,601.20

	Principal	Interest	Debt Service Fund	Net Debt Service
8/1/2019	-	\$413,618	\$413,618	-
8/1/2020	\$225,000	966,900	966,900	\$225,000
8/1/2021	220,000	957,900	933,083	244,817
8/1/2022	-	949,100		949,100
8/1/2023	45,000	949,100		994,100
8/1/2024	100,000	947,300		1,047,300
8/1/2025	165,000	943,300		1,108,300
8/1/2026	230,000	936,700		1,166,700
8/1/2027	310,000	925,200		1,235,200
8/1/2028	390,000	909,700		1,299,700
8/1/2029	475,000	890,200		1,365,200
8/1/2030	575,000	866,450		1,441,450
8/1/2031	680,000	837,700		1,517,700
8/1/2032	790,000	803,700		1,593,700
8/1/2033	900,000	772,100		1,672,100
8/1/2034	400,000	736,100		1,136,100
8/1/2035	600,000	720,100		1,320,100
8/1/2036	1,240,000	693,100		1,933,100
8/1/2037	1,390,000	637,300		2,027,300
8/1/2038	1,550,000	574,750		2,124,750
8/1/2039	1,725,000	505,000		2,230,000
8/1/2040	1,915,000	418,750		2,333,750
8/1/2041	2,545,000	323,000		2,868,000
8/1/2042	3,915,000	195,750		4,110,750
Total	\$20,385,000	\$17,872,818	\$2,313,601	\$35,944,217

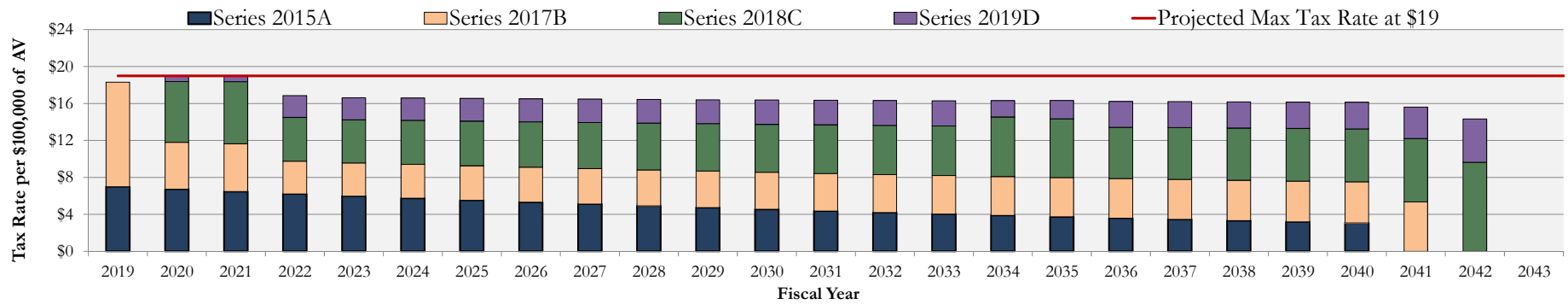
* Preliminary and subject to change.
 Note: Assumes market conditions as of December 2018.



Measure I Post-Issuance Projected Tax Rates

- ❖ The District will have tax rate capacity beginning in 2022 and have unissued Measure I authorization of \$24,115,000

Election of 2014 - Projected Tax Rates ⁽¹⁾⁽²⁾



	Series 2015	Series 2017	Series 2018	Series 2019	Total
Issue Date	10/28/2015	4/26/2017	4/25/2018	2/27/2019	-
Par Amount	\$42,500,000	\$40,000,000	\$48,000,000	\$20,385,000	\$150,885,000
Project Amount	41,945,000	39,676,709	47,368,000	20,000,000	148,989,709
Final Maturity Date	8/1/2040	8/1/2041	8/1/2042	8/1/2042	8/1/2042
Percentage of CIBs	100%	100%	100%	100%	100%
Percentage of CABs	0%	0%	0%	0%	0%
Repayment Ratio	1.29	1.54	1.65	1.76	1.53

⁽¹⁾ Assumes 4.00% growth for FY 19-20 and every year thereafter.

⁽²⁾ Series 2019 scale assumes current market rates as of December 2018.



Financing Schedule*

Date	Activity
1/23/2019	Rating Presentation
2/1/2019	Rating Received
2/5/2019	Board Meeting to Consider Resolution of Issuance
2/13/2019	Hold Competitive Sale
2/27/2019	Closing

* Preliminary, subject to change.



Questions and Answers

