



Introduction of General Obligation Bonds,
Election of 2016, Series 2018
\$188,000,000*

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Section 1



Program Cash Flow and Expenditure Program



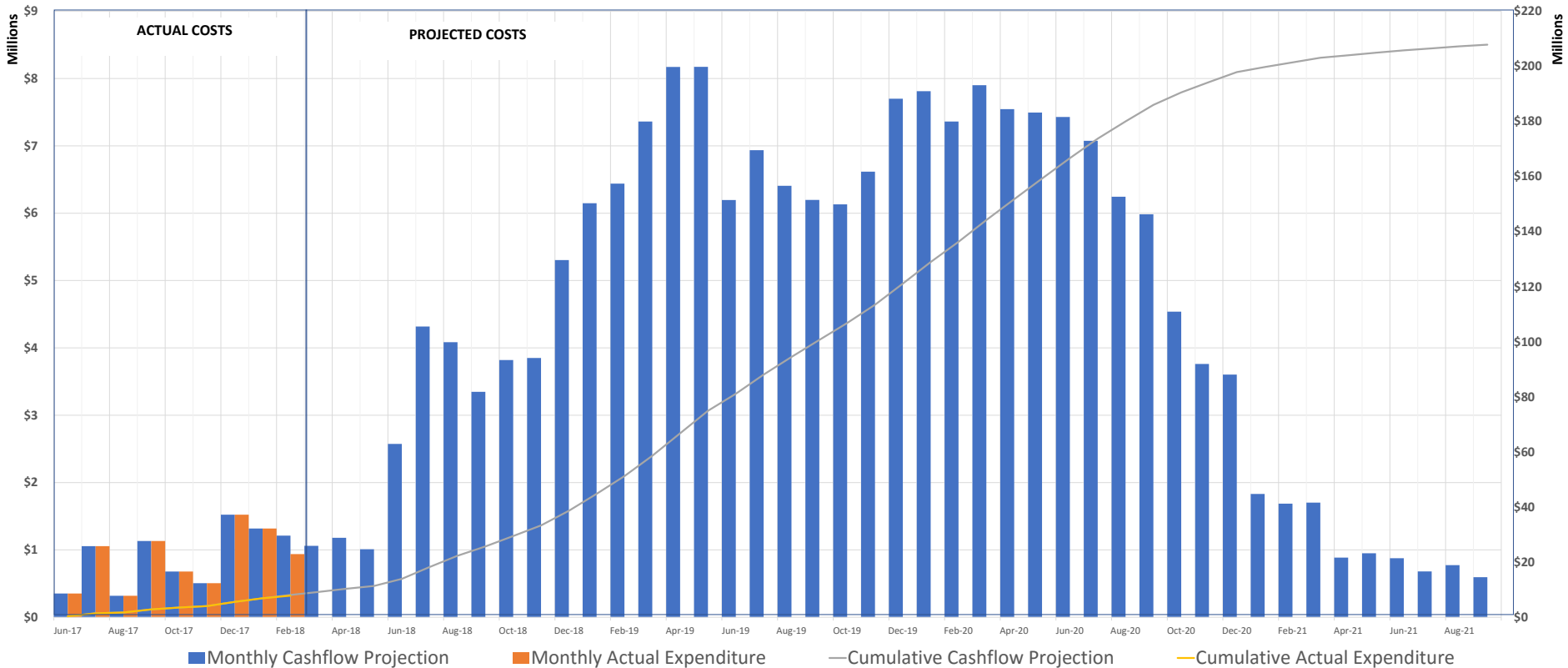
Program Cash Flow



MEASURE S BOND PROGRAM - SCIENCE CENTER CASH FLOW PROJECTION

Actual Costs thru February 28, 2018

Projected Costs thru September 30, 2021





Expenditure Program

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Monthly Cash Flow Projection	\$352,744	\$1,055,850	\$318,891	\$1,132,180	\$678,966	\$505,752	\$1,523,203	\$1,317,281	\$1,212,566	\$1,060,870	\$1,179,218	\$1,009,556	\$2,574,145	\$4,317,838	\$4,084,755	\$3,347,828	\$3,819,349	\$3,850,606	\$5,303,240
Monthly Actual Expenditure	\$352,744	\$1,055,850	\$318,891	\$1,132,180	\$678,966	\$505,752	\$1,523,203	\$1,317,281	\$937,477										
Cumulative Cash Flow Projection	\$352,744	\$1,408,594	\$1,727,485	\$2,859,665	\$3,538,630	\$4,044,382	\$5,567,585	\$6,884,866	\$8,097,432	\$9,158,301	\$10,337,519	\$11,347,075	\$13,921,220	\$18,239,058	\$22,323,813	\$25,671,640	\$29,490,989	\$33,341,595	\$38,644,835
Cumulative Actual Expenditure	\$352,744	\$1,408,594	\$1,727,485	\$2,859,665	\$3,538,630	\$4,044,382	\$5,567,585	\$6,884,866	\$7,822,343										
Cumulative Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$275,089										

Phase I Timeline	Phase I Design, DSA Review/Approval (DSA Approval for Canyon anticipated December 2018)										Phase I Construction											
Phase II Timeline ⁵											Phase II Programming			Phase II Design Agreements			Phase II Design					
											1st Bond Sale - \$188m											

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Notes:
Monthly Cash Flow Projection	\$6,147,363	\$6,439,668	\$7,360,940	\$8,172,214	\$8,172,638	\$6,195,044	\$6,935,386	\$6,406,193	\$6,196,927	\$6,130,450	\$6,616,525	\$7,699,793	1) Cashflow Projection is based on earned value following the current Project Schedule for STEM Bldg only.
Monthly Actual Expenditure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2) Amount shown for June 2017 thru January 2018 are Actual Check Payments
Cumulative Cash Flow Projection	\$44,792,198	\$51,231,866	\$58,592,806	\$66,765,020	\$74,937,657	\$81,132,702	\$88,068,088	\$94,474,281	\$100,671,208	\$106,801,659	\$113,418,183	\$121,117,976	3) Purchase for IT Infrastructure is allocated at the beginning of Construction; FF&E purchase is towards the end of Construction
Cumulative Actual Expenditure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Cumulative Variance													

Phase I Timeline	Phase I Construction										Phase II Design		Phase II DSA Review/Approval		4) Unallocated Funds of \$80,154,601 is not included in the Cashflow Projection
Phase II Timeline ⁵															5) Phase II Costs not yet loaded into cash flow projection

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Monthly Cash Flow Projection	\$7,811,740	\$7,361,275	\$7,900,967	\$7,545,895	\$7,495,163	\$7,428,298	\$7,074,965	\$6,244,562	\$5,984,078	\$4,538,115	\$3,761,471	\$3,603,297
Monthly Actual Expenditure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cumulative Cash Flow Projection	\$128,929,716	\$136,290,991	\$144,191,958	\$151,737,853	\$159,233,016	\$166,661,314	\$173,736,279	\$179,980,840	\$185,964,918	\$190,503,033	\$194,264,504	\$197,867,801
Cumulative Actual Expenditure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cumulative Variance												

Phase I Timeline	Phase I Construction													
Phase II Timeline ⁵	Phase II DSA Review			Phase II Bid & Award			Mobilize		Phase II Construction					
							2nd Bond Sale - \$100m							

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Monthly Cash Flow Projection	\$1,831,026	\$1,686,894	\$1,701,473	\$884,817	\$949,331	\$875,790	\$680,318	\$773,325	\$594,624			
Monthly Actual Expenditure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Cumulative Cash Flow Projection	\$199,698,827	\$201,385,721	\$203,087,194	\$203,972,011	\$204,921,341	\$205,797,132	\$206,477,450	\$207,250,775	\$207,845,399			
Cumulative Actual Expenditure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Cumulative Variance												

Phase I Timeline	Phase I Construction											
Phase II Timeline ⁵	Phase II Construction											

Measure S Bond Funds		
	Allocated	Unallocated
Canyon HS	\$69,500,000	\$2,500,000
El Modena HS	\$40,756,811	\$31,243,189
Orange HS	\$52,388,588	\$19,611,412
Villa Park HS	\$45,200,000	\$26,800,000
	\$207,845,399	\$80,154,601



Section 1



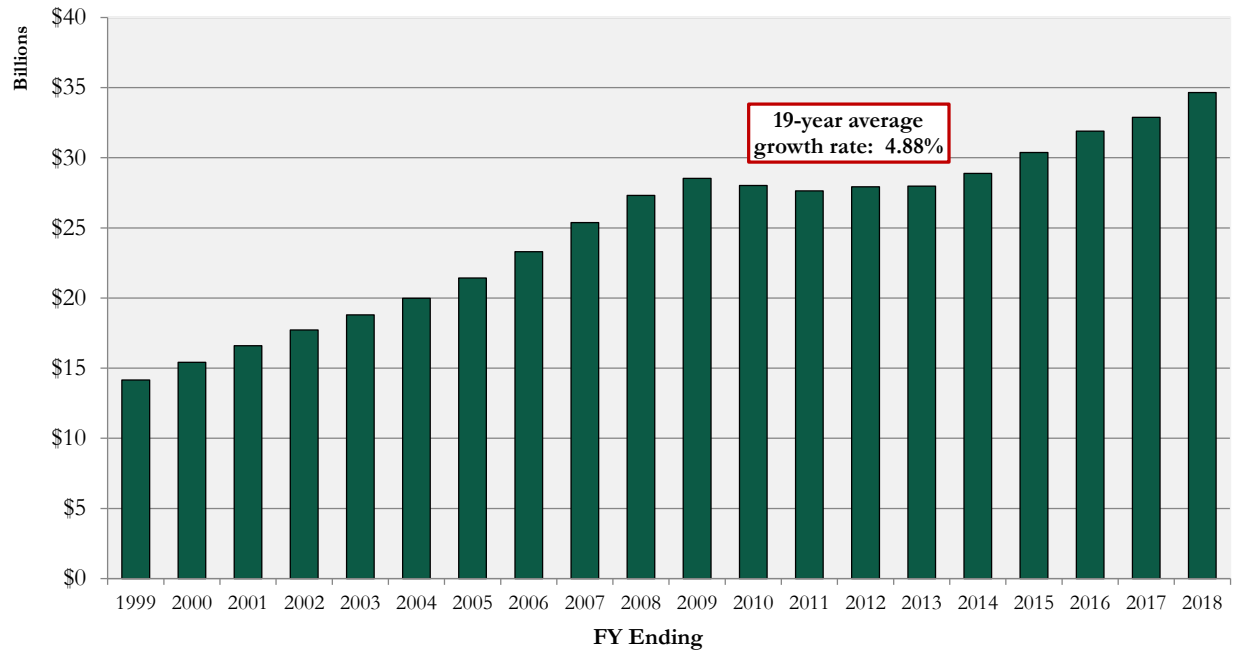
Historical Trends: Assessed Value and Market Update



Historical Assessed Valuation

FY Ending	Assessed Valuation	% Change
1999	\$14,152,629,727	-
2000	15,409,525,117	8.88%
2001	16,597,662,928	7.71%
2002	17,723,489,960	6.78%
2003	18,793,818,430	6.04%
2004	19,985,449,794	6.34%
2005	21,420,374,760	7.18%
2006	23,308,734,152	8.82%
2007	25,378,248,083	8.88%
2008	27,309,125,732	7.61%
2009	28,536,462,843	4.49%
2010	28,023,466,959	-1.80%
2011	27,636,013,478	-1.38%
2012	27,923,280,855	1.04%
2013	27,975,902,675	0.19%
2014	28,886,875,779	3.26%
2015	30,369,591,805	5.13%
2016	31,897,492,312	5.03%
2017	32,888,003,819	3.11%
2018	34,651,173,838	5.36%
15-year average		4.22%
19-year average		4.88%

Historical Change in Total Assessed Value



Fiscal Year	Assessed Value	Factor	Statutory Bonding Capacity	(Less) Outstanding Principal as of 4-12-18	Net Statutory Bonding Capacity
2017-18	\$34,651,173,838	2.50%	\$866,279,346	-	\$866,279,346



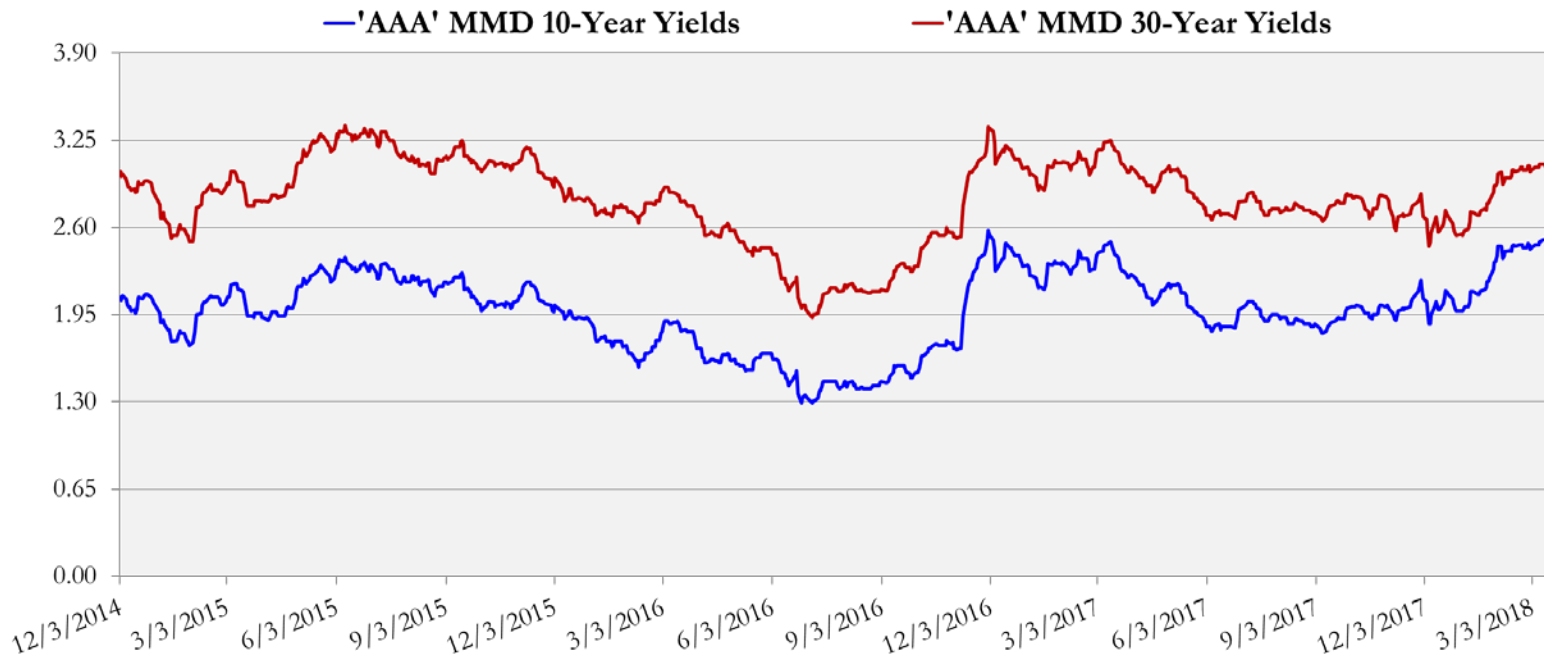


Historical Interest Rates

- ❖ After a sharp rise in rates during the month of January, rates have remained fairly stable over the last month

Historic Change in 'AAA' MMD Yields

(December 1, 2014 through April 6, 2018)

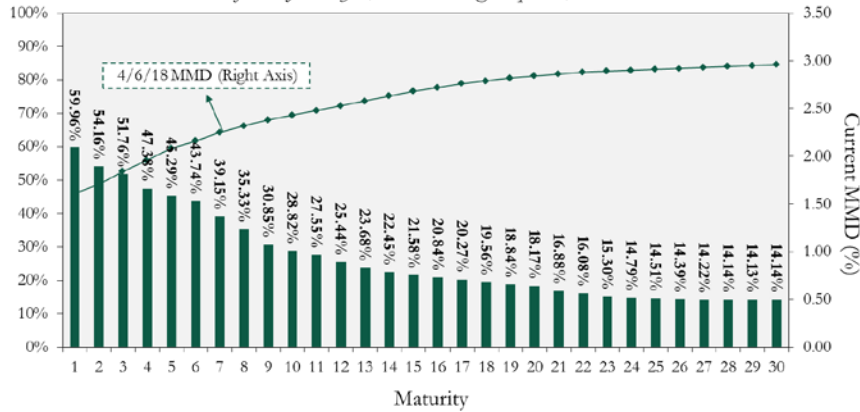




Historical Interest Rates

- ❖ **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.

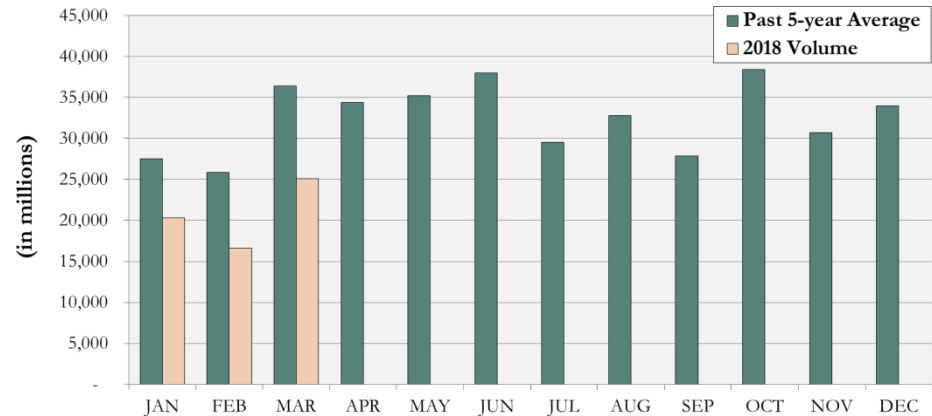
Current "AAA" MMD and Percentage of Time Historical "AAA" MMD has been Lower than Current "AAA" MMD from January 2, 1998 through April 6, 2018



- ❖ Rates have only been lower approximately 27% of the time since 1998

- ❖ Due to the large supply in December 2017, supply in January is much lower compared to previous years
- ❖ 2018 volume expected to be 20-25% lower than average

Long-Term Bond Sales



Section 2



Review of Bond Sale Process



Review of Bond Sale Process

❑ Identify Goals of Financing

- Lock in long-term tax-exempt rates at currently low levels
- Determine size of bond offering (85% reasonable spend-down)

❑ Achieve Highest Credit Rating Possible

- In-person meeting with Rating Agencies
- Current GO Rating of 'AA+' , one level below highest 'AAA'

❑ Board Approval

- Approves not-to-exceed par amount of Series 2018 Bonds

❑ Bond Sale & Pricing

- Sold via competitive sale on Parity
- Winning bid provides the lowest True Interest Cost to the District



Considerations for Debt Issuance

- ❑ Need for funds: Once GO Bonds are issued, the taxpayers begin paying interest
- ❑ District has been prudent with its own funds and has the money to start the planning process thus saving the taxpayers interest
- ❑ Interest Rate Environment
- ❑ Assessed Value Projections
- ❑ Expected Timing of Second Bond Issuance (phased approach)
- ❑ Tax Exempt Bond constriction fund spend down requirements

Section 3

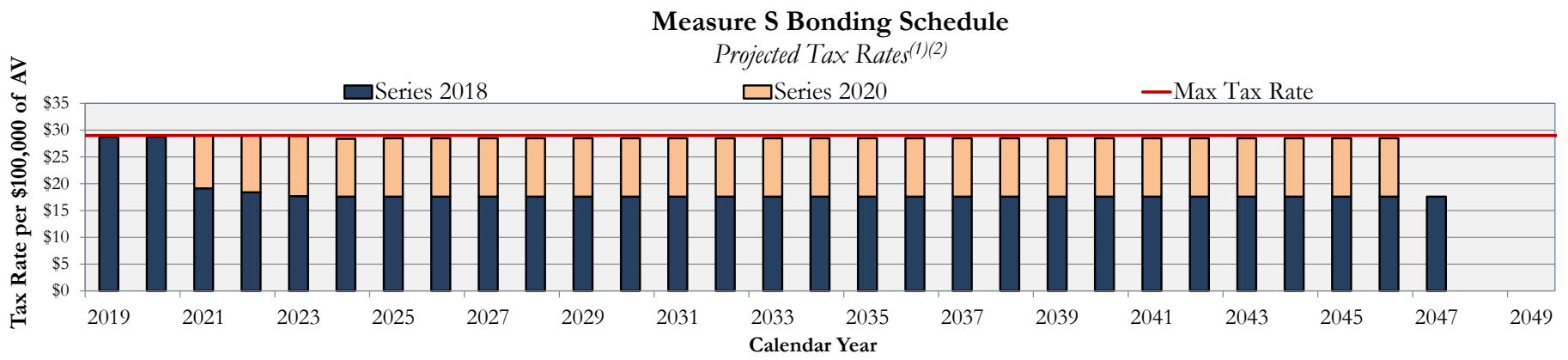


Updated Measure S Finance Plan



Measure S Bonding Schedule (\$188M Series A)

- ❑ The School District could fund \$188 million in June 2018 and issue the remaining \$100 million in Measure S authorization in late 2020 assuming Current Interest Bonds only



	Series 2018	Series 2020	Total
Issue Date	6/21/2018	12/1/2020	-
Par Amount	\$188,000,000	\$100,000,000	\$288,000,000
Project Amount	\$188,000,000	\$100,000,000	\$288,000,000
Final Maturity Date	8/1/2047	8/1/2046	8/1/2047
Percentage of CIBs	100%	100%	100%
Percentage of CABs	0%	0%	0%
Repayment Ratio	1.81	1.85	1.82
Maximum Repayment Ratio Allowed	4.00	4.00	4.00

⁽¹⁾Assumes 4.00% growth for FY 18-19 and 4.00% every year thereafter.

⁽²⁾Series 2018 assumes current market conditions as of April 2018. Series 2020 assumes 5.00% coupons and MMD 10-year average 'AA' yields.

⁽³⁾ Principal and interest are paid semiannually and fully repaid by 2047.





Overview of Series 2018 Bonds (\$188M Series A)⁽¹⁾

Sources & Uses

SOURCES		Series A
Bond Proceeds		
Par Amount		\$ 188,000,000.00
Premium		15,769,101.30
Total		\$ 203,769,101.30
USES		
Project Fund Deposits		
Project Fund		\$ 188,000,000.00
Other Fund Deposits		
Debt Service Fund		\$ 15,111,101.30
Delivery Date Expenses		
Underwriter's Discount		\$ 658,000.00
Total		\$ 203,111,101.30

Debt Service

Date	Principle	Interest	Debt Service Fund	Net Debt Service
8/1/2019	\$10,200,000	\$9,028,833	\$9,028,833	\$10,200,000
8/1/2020	9,000,000	7,717,950	6,082,268	10,635,682
8/1/2021	-	7,357,950	-	7,357,950
8/1/2022	-	7,357,950	-	7,357,950
8/1/2023	-	7,357,950	-	7,357,950
8/1/2024	245,000	7,357,950	-	7,602,950
8/1/2025	560,000	7,345,700	-	7,905,700
8/1/2026	905,000	7,317,700	-	8,222,700
8/1/2027	1,280,000	7,272,450	-	8,552,450
8/1/2028	1,685,000	7,208,450	-	8,893,450
8/1/2029	2,125,000	7,124,200	-	9,249,200
8/1/2030	2,605,000	7,017,950	-	9,622,950
8/1/2031	3,120,000	6,887,700	-	10,007,700
8/1/2032	3,675,000	6,731,700	-	10,406,700
8/1/2033	4,275,000	6,547,950	-	10,822,950
8/1/2034	4,880,000	6,376,950	-	11,256,950
8/1/2035	5,525,000	6,181,750	-	11,706,750
8/1/2036	6,210,000	5,960,750	-	12,170,750
8/1/2037	6,945,000	5,712,350	-	12,657,350
8/1/2038	7,730,000	5,434,550	-	13,164,550
8/1/2039	8,565,000	5,125,350	-	13,690,350
8/1/2040	9,460,000	4,782,750	-	14,242,750
8/1/2041	10,500,000	4,309,750	-	14,809,750
8/1/2042	11,620,000	3,784,750	-	15,404,750
8/1/2043	12,815,000	3,203,750	-	16,018,750
8/1/2044	14,095,000	2,563,000	-	16,658,000
8/1/2045	15,325,000	1,999,200	-	17,324,200
8/1/2046	16,635,000	1,386,200	-	18,021,200
8/1/2047	18,020,000	720,800	-	18,740,800
	\$188,000,000	\$167,174,283	\$15,111,101	\$340,063,182

⁽¹⁾Preliminary, subject to change in market conditions.



Section 4



Next Steps



Next Steps*

Date	Activity
4/12/2018	Introduction of Finance Plan
5/14/2018	Rating Meeting with S&P Global Ratings/Fitch
5/23/2018	Receive Credit Rating
5/24/2018	School Board meeting to Consider Issuance
6/7/2018	Hold Competitive Sale
6/21/2018	Closing

*Preliminary, subject to change.

