



Board of Education Facilities Committee Meeting

Board of Education Facilities Committee Meeting

- **Board of Education Facilities Committee Members**
 - President, Lynda O'Connor
 - Vice President, Isaac Adi
 - Darbi Boddy
 - Julie Shaffer
 - Kelley Casper

- **Administration**
 - Superintendent, Matt Miller
 - Treasurer/CFO, Jenni Logan
 - Chief Operating Officer, Chris Passarge
 - Senior Director of Business Operations, Craig Hatfield
 - Director of School & Community Relations, Betsy Fuller

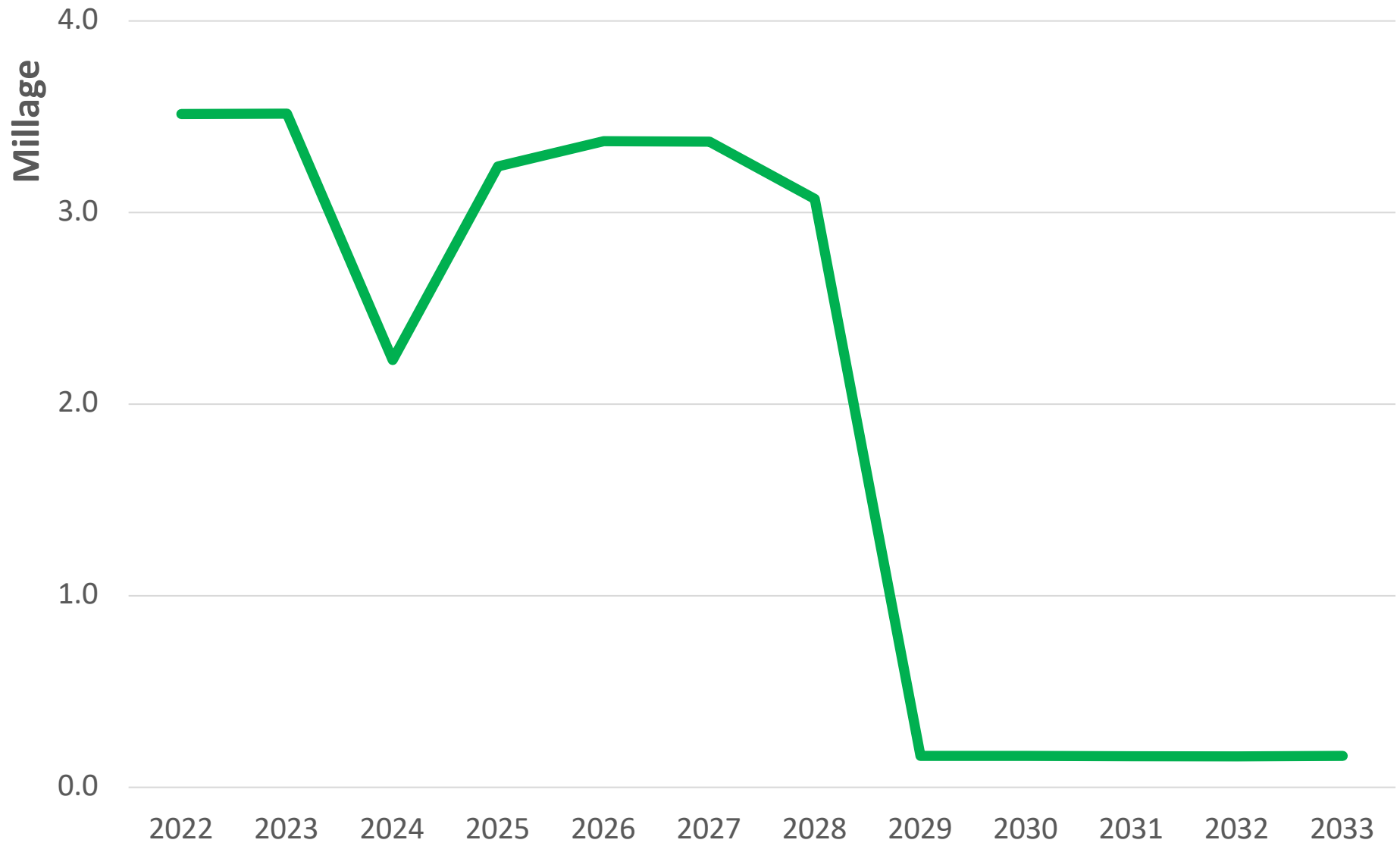
- **Municipal Advisor**
 - Bradley Payne Advisors, John Payne and Andrew Brossart (Partners)

Board of Education Facilities Committee Meeting

- Bradley Payne Advisors (BPA) – Introduction
 - Advisor to the District since 2010
 - Advised on nine financings for approximately \$145 million
- BPA invited to this Meeting by Treasurer Logan to Discuss Ballot Millage & Cost Implications of the District’s Facilities Master Plan Options.
- **In Short** – Over the Years, the Treasurer and Her Financing Team Have Put the District in the Position to Pursue a New Ballot Issue for Bonds for a Comparatively Very Low Net Millage Increase.
- We refer to this as a “**Minimized Millage Bond Levy**.” It is possible because the District’s older bonds, which it continues to pay today, and its corresponding estimated bond tax millage are falling rapidly – see table below.

UTGO Voted Bonds

Projected Existing Bond Millage



Sources: EMMA, Official Statements, OMAC

Board of Education Facilities Committee Meeting

- BPA examined Two Bond Issue Scenarios to Estimate the Impact of the Minimized Millage Opportunity:
 - Example 1: **\$420 million**, no State Participation
 - Example 2: **\$320 million**, with State Participation
- Here are the basic ballot assumptions behind our review:
 - Ballot Millage Calculations
 - 37-year bond sale at 4.00%
 - Current Year Property Values for Tax Calculation (\$3,714,454,480)
- OFCC Contribution Estimate: 25% of Qualifying Project Expenditures (rank 446 of 609)
 - BPA estimated \$100 million in State Share

UTGO Voted Bonds

Bond Millage Estimates for \$420 Million

Bond Millage Calculation Assumptions		Cost to Homeowner by Property Value						
		Appraised Value	Tax Value (35%)	Annual	Monthly	Weekly	Daily	Over 65 or Disabled*
Projected Year of Issuance	2023	\$50,000	\$17,500	\$94.12	\$7.84	\$1.81	\$0.26	\$47.06
Estimated Tax Valuation	\$3,714,454,480	\$60,000	\$21,000	\$112.95	\$9.41	\$2.17	\$0.31	\$65.89
Interest Rate	4.00%	\$70,000	\$24,500	\$131.77	\$10.98	\$2.53	\$0.36	\$84.71
Amortization (Years)	37	\$80,000	\$28,000	\$150.60	\$12.55	\$2.90	\$0.41	\$103.54
Bond Issue Size	\$420,000,000	\$90,000	\$31,500	\$169.42	\$14.12	\$3.26	\$0.46	\$122.36
Millage Calculation		\$120,000	\$42,000	\$225.90	\$18.82	\$4.34	\$0.62	\$178.84
First Year's Interest	\$16,800,000	\$130,000	\$45,500	\$244.72	\$20.39	\$4.71	\$0.67	\$197.66
Last Year's Interest	\$454,054	\$140,000	\$49,000	\$263.55	\$21.96	\$5.07	\$0.72	\$216.49
Total	\$17,254,054	\$150,000	\$52,500	\$282.37	\$23.53	\$5.43	\$0.77	\$235.31
Average Interest	\$8,627,027	\$160,000	\$56,000	\$301.20	\$25.10	\$5.79	\$0.83	\$254.14
Average Annual Principal	\$11,351,351	\$170,000	\$59,500	\$320.02	\$26.67	\$6.15	\$0.88	\$272.96
Average Annual Debt Service	\$19,978,378	\$180,000	\$63,000	\$338.85	\$28.24	\$6.52	\$0.93	\$291.79
Bond Millage	5.38	\$225,000	\$78,750	\$423.56	\$35.30	\$8.15	\$1.16	\$376.50
Permanent Improvement Levy	0.00	\$250,000	\$87,500	\$470.62	\$39.22	\$9.05	\$1.29	\$423.56
Total Estimated Millage	5.38	\$275,000	\$96,250	\$517.69	\$43.14	\$9.96	\$1.42	\$470.62
Cost Per \$100,000 Home Market Value		\$350,000	\$122,500	\$658.87	\$54.91	\$12.67	\$1.81	\$611.81
Annual Cost	\$188.25	\$400,000	\$140,000	\$753.00	\$62.75	\$14.48	\$2.06	\$705.93

* Note: to qualify for this property tax reduction the over 65 or disabled resident must have total income of under \$30,000

** Sample Ballot Millage Calculations – **Do Not Reflect the District’s Pledge to Minimize** the actual Increase in the Net Aggregate Millage to a Number Much Lower than Ballot Language Millage

Sources: EMMA, Official Statements, OMAC

UTGO Voted Bonds



Bond Millage Estimates for \$320 Million

Bond Millage Calculation Assumptions		Cost to Homeowner by Property Value						
		Appraised Value	Tax Value (35%)	Annual	Monthly	Weekly	Daily	Over 65 or Disabled*
Projected Year of Issuance	2023	\$50,000	\$17,500	\$71.71	\$5.98	\$1.38	\$0.20	\$35.86
Estimated Tax Valuation	\$3,714,454,480	\$60,000	\$21,000	\$86.06	\$7.17	\$1.65	\$0.24	\$50.20
Interest Rate	4.00%	\$70,000	\$24,500	\$100.40	\$8.37	\$1.93	\$0.28	\$64.54
Amortization (Years)	37	\$80,000	\$28,000	\$114.74	\$9.56	\$2.21	\$0.31	\$78.89
Bond Issue Size	\$320,000,000	\$90,000	\$31,500	\$129.09	\$10.76	\$2.48	\$0.35	\$93.23
Millage Calculation		\$120,000	\$42,000	\$172.11	\$14.34	\$3.31	\$0.47	\$136.26
First Year's Interest	\$12,800,000	\$130,000	\$45,500	\$186.46	\$15.54	\$3.59	\$0.51	\$150.60
Last Year's Interest	\$345,946	\$140,000	\$49,000	\$200.80	\$16.73	\$3.86	\$0.55	\$164.94
Total	\$13,145,946	\$150,000	\$52,500	\$215.14	\$17.93	\$4.14	\$0.59	\$179.28
Average Interest	\$6,572,973	\$160,000	\$56,000	\$229.48	\$19.12	\$4.41	\$0.63	\$193.63
Average Annual Principal	\$8,648,649	\$170,000	\$59,500	\$243.83	\$20.32	\$4.69	\$0.67	\$207.97
Average Annual Debt Service	\$15,221,622	\$180,000	\$63,000	\$258.17	\$21.51	\$4.96	\$0.71	\$222.31
Bond Millage	4.10	\$225,000	\$78,750	\$322.71	\$26.89	\$6.21	\$0.88	\$286.86
Permanent Improvement Levy	0.00	\$250,000	\$87,500	\$358.57	\$29.88	\$6.90	\$0.98	\$322.71
Total Estimated Millage	4.10	\$275,000	\$96,250	\$394.43	\$32.87	\$7.59	\$1.08	\$358.57
Cost Per \$100,000 Home Market Value		\$350,000	\$122,500	\$502.00	\$41.83	\$9.65	\$1.38	\$466.14
Annual Cost	\$143.43	\$400,000	\$140,000	\$573.71	\$47.81	\$11.03	\$1.57	\$537.85

* Note: to qualify for this property tax reduction the over 65 or disabled resident must have total income of under \$30,000

** Sample Ballot Millage Calculations – **Do Not Reflect the District’s Pledge to Minimize** the actual Increase in the Net Aggregate Millage to a Number Much Lower than Ballot Language Millage

Sources: EMMA, Official Statements, OMAC

UTGO Voted Bonds

Sample Ballot Language

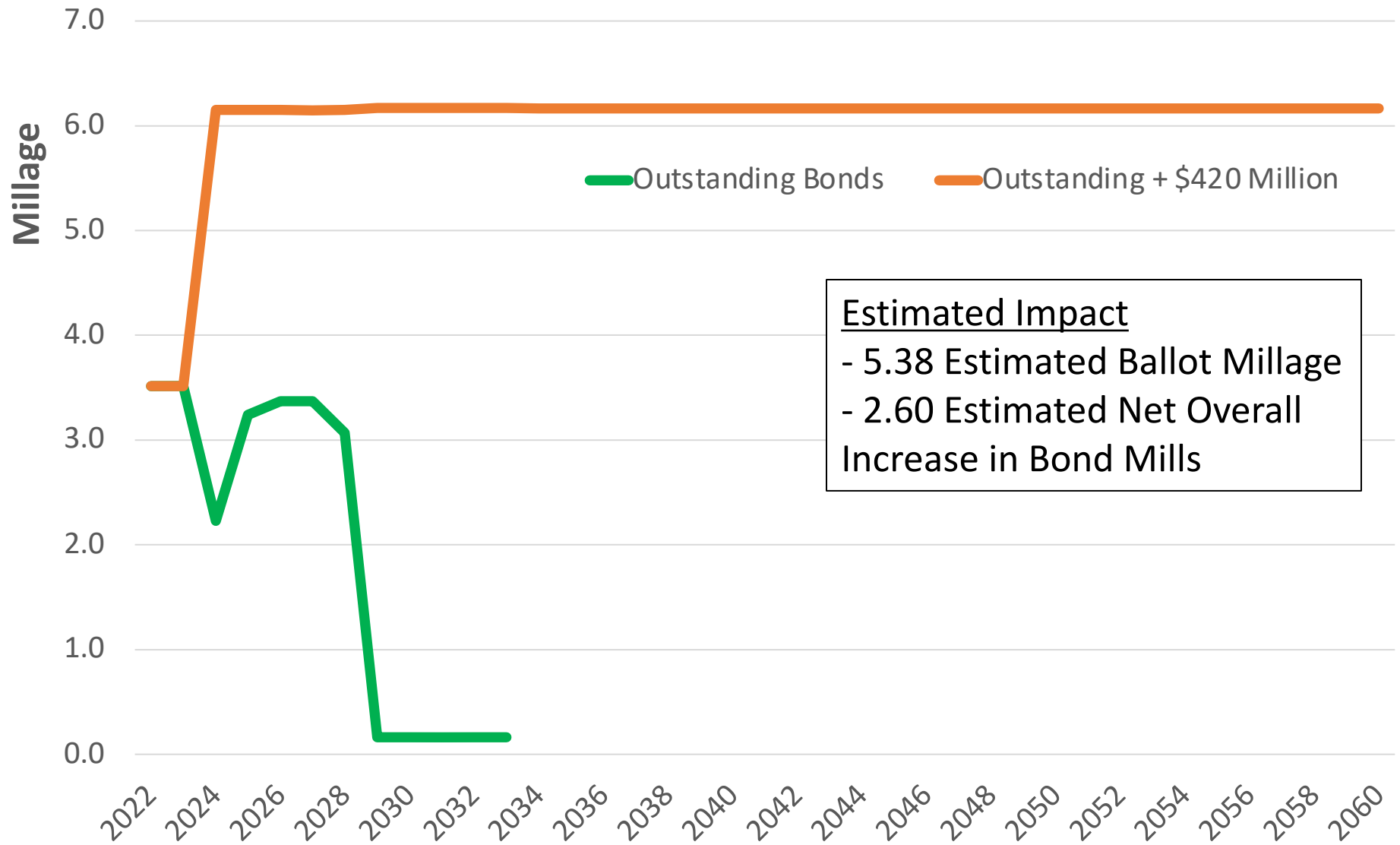
- **SAMPLE BALLOT (Consult Bond Counsel on all Matters of Bond Law)**
- **R.C. 133.18** (Voted Bonds)
- **AFFIRMATIVE VOTE IS NECESSARY FOR PASSAGE**
- Shall bonds be issued by the XYZ School District, XYZ County, Ohio for the purpose of [insert purpose clause, in boldface type] in the principal amount of four-hundred and twenty million dollars (\$420,000,000), to be repaid annually over a maximum period of thirty-seven (37) years, and an annual levy of property taxes be made outside the ten-mill limitation, estimated by the county auditor to average over the repayment period of the bond issue five and thirty-eight hundredths (5.38) mills for each one dollar of tax valuation, which amounts to nineteen cents (\$0.19) for each one hundred dollars of tax valuation, commencing in 202_, first due in calendar year 202_, to pay the annual debt charges on the bonds, and to pay debt charges on any notes issued in anticipation of those bonds?

_____ FOR THE BOND ISSUE

_____ AGAINST THE BOND ISSUE

UTGO Voted Bonds

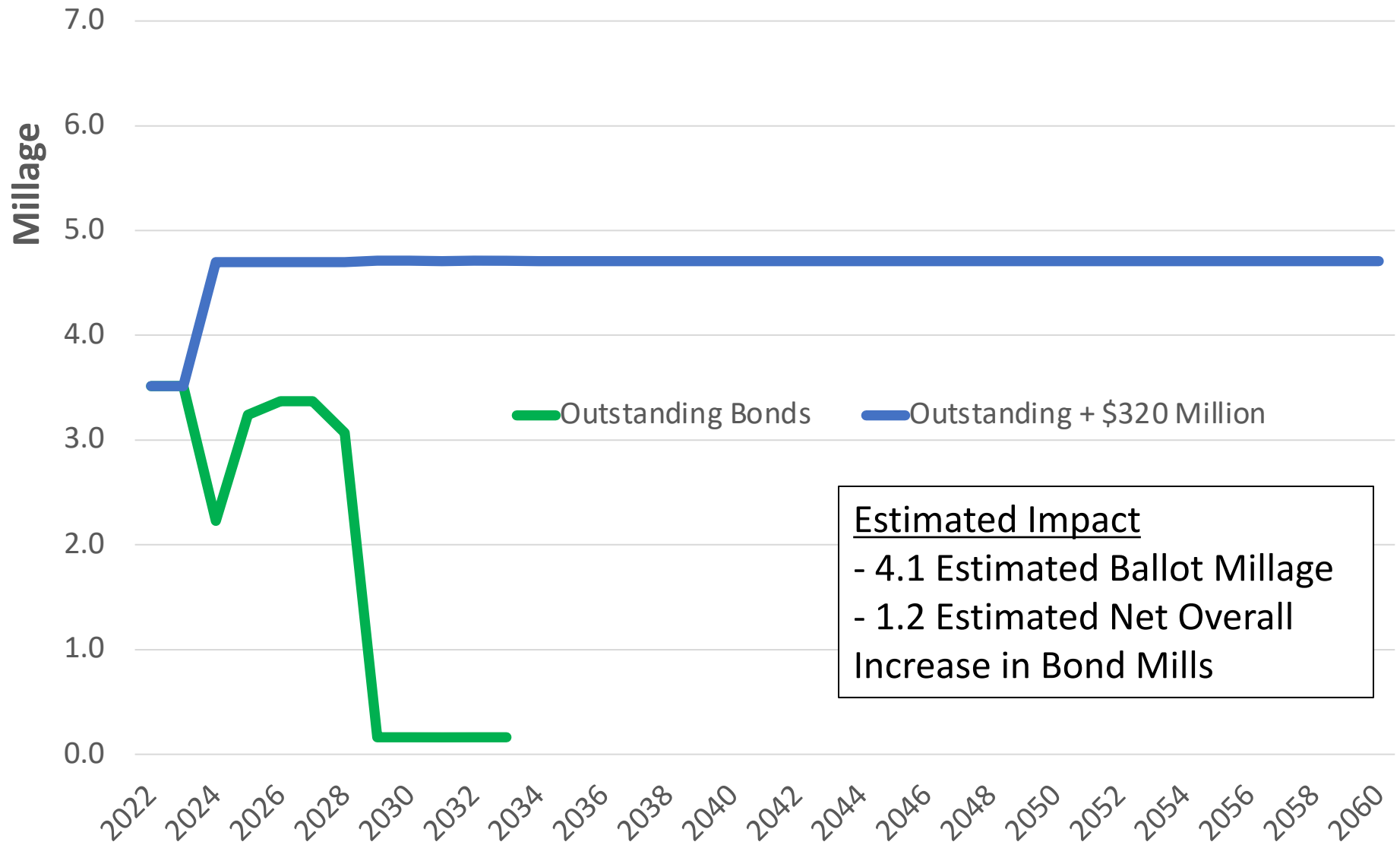
Minimized Bond Millage Estimates for \$420 Million



Sources: EMMA, Official Statements, OMAC

UTGO Voted Bonds

Minimized Bond Millage Estimates for \$320 Million



Sources: EMMA, Official Statements, OMAC

Other Considerations

- Levy Campaign – *Sample Message*



BOND ISSUE BALLOT MILLAGE ESTIMATE IS _____
MILLS BUT BECAUSE PAYMENTS ON OUR OLDER
BONDS WILL SOON BE PAID MOSTLY IN FULL, THE
DISTRICT CAN MINIMIZE BOND MILLAGE
INCREASES OVER CURRENT TAXES TO
APPROXIMATELY _____ MILLS.

Other Considerations

- Minimized Millage Target – Estimated Cost Per Residential Market Values
- ½ mill requirement – funded along with the bond levy, or funded when the state money becomes available.
- Bond w/ PI Option
- 2/3 OFCC Rule and its Impact on the Size of the Bond Levy
- \$420 million Project Size w/ Full State Share of \$100 million = \$320 million ballot amount (estimated)
- \$400 million Project Size w/ \$39 million Reduced State Share for Non-Qualifying Renovation Expenditures - \$361 million ballot amount (estimated).
- Timing

OFCC EXPEDITED LOCAL PARTNERSHIP PROGRAM

- The Expedited Local Partnership Program (ELPP) is designed to give districts not yet participating in the Classroom Facilities Assistance Program the opportunity to move ahead with portions of their project.
- The program allows school districts to pass a resolution requesting to enter ELPP. The Commission then performs an assessment of the district's facilities and enters into an agreement with the district on a Facility Master Plan that covers the entire needs of the district. The district then chooses a "distinct portion" of their Master Plan to fund through local efforts. When the district's turn later arises in the Classroom Facilities Assistance Program, the money spent by the district on the distinct portion is credited against the local share of the entire Master Plan projects.
- Districts wishing to participate in ELPP must submit both the Program Application and the Resolution to Participate.
- From: <https://ofcc.ohio.gov/Services-Programs/K-12-Schools/Expedited-Local-Partnership-Program-ELPP>
- Full Program Description: <https://ofcc.ohio.gov/Portals/0/PL-01%20ELPP%20Program%20Guidelines%2011.6.19.pdf?ver=2019-11-06-095357-097>

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