



To Whom It May Concern:

I have the honor of serving Magnolia ISD as their municipal advisor. The firm I represent is Live Oak Public Finance and we proudly serve over 140 Texas school districts. At 54 deals in 2021, we ranked 3rd in Texas K-12 municipal advisor transactions – only one deal short of ranking 2nd.

Magnolia ISD has one of the strongest financial standings of all of our clients! With an underlying bond rating of Aa2 by Moody's, this is the highest of all clients and one of the best ratings in the entire state. The rating is a reflection of clean audit reports, healthy fund reserves, and a very diverse and growing tax base. At the State level, the Texas Education Agency (TEA) recognizes these same financial traits through the financial accountability system known as FIRST. The TEA awards their highest recognition, Superior Achievement, to MISD year-after-year for strong financial performance and management oversight.

Due to strategic planning and financial stewardship, Magnolia ISD has been proactive by paying off bonds prior to their stated maturity. For example, the 2016 bond sale was sold with a 25-year term and in 6 years, this has already been reduced by two years! As such, they have improved their [already] strong financial standing.

After careful listening and consideration of community feedback on current and future capital needs, the District's Board of Trustees called a bond election for November 8, 2022. Due to all the aforementioned financial actions of MISD, this bond election is able to occur without a tax rate increase! Had leaders of Magnolia ISD not paid off bonds early and been great stewards of the monies entrusted to them, this would not have been possible.

While all of this is impressive, I applaud MISD for not cutting corners when repaying their bonds. The majority of Texas school districts finance out capital projects for 30 years. Magnolia ISD prides itself on going out no further than 25 years and ensuring all assets are repaid within their useful lives through fixed rate bonds.

Respectfully,

Lucas Janda
Managing Director