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\$150,000,000 Series 2022A Bond Parameter Order

October 17, 2022

*Northwest Independent School District*

## Presentation Topics

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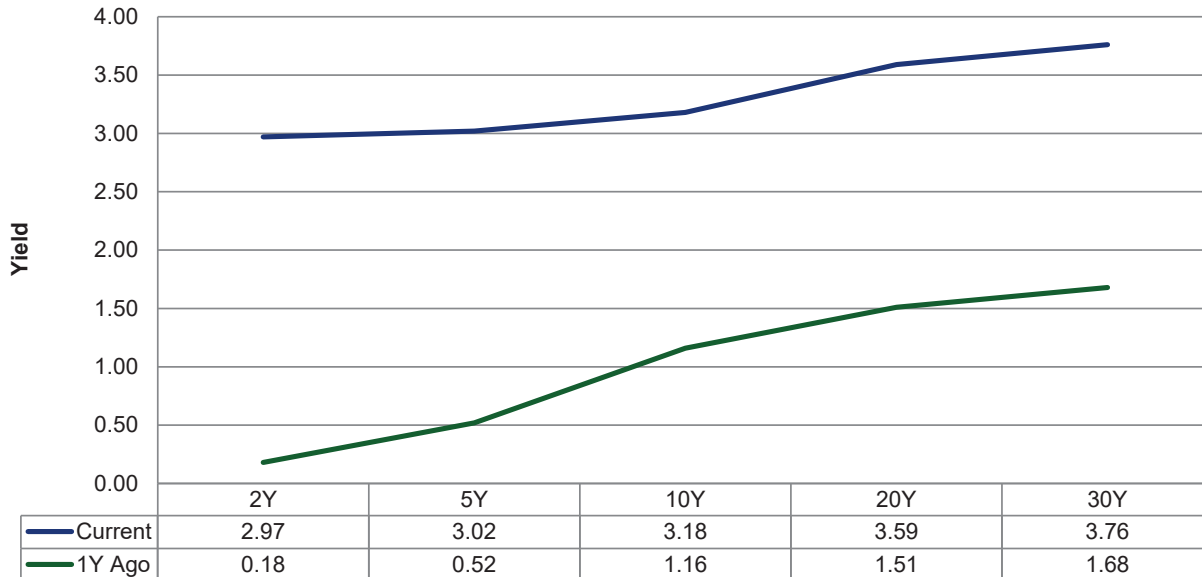


- Tax Exempt Interest Rates – MMD & BBI
- Bond Issuance Summary/Projections
- Parameter Order Info
- Proposed Parameters

# Tax Exempt Interest Rates – Municipal Market Data



**MMD Yields as of 10/7/22**

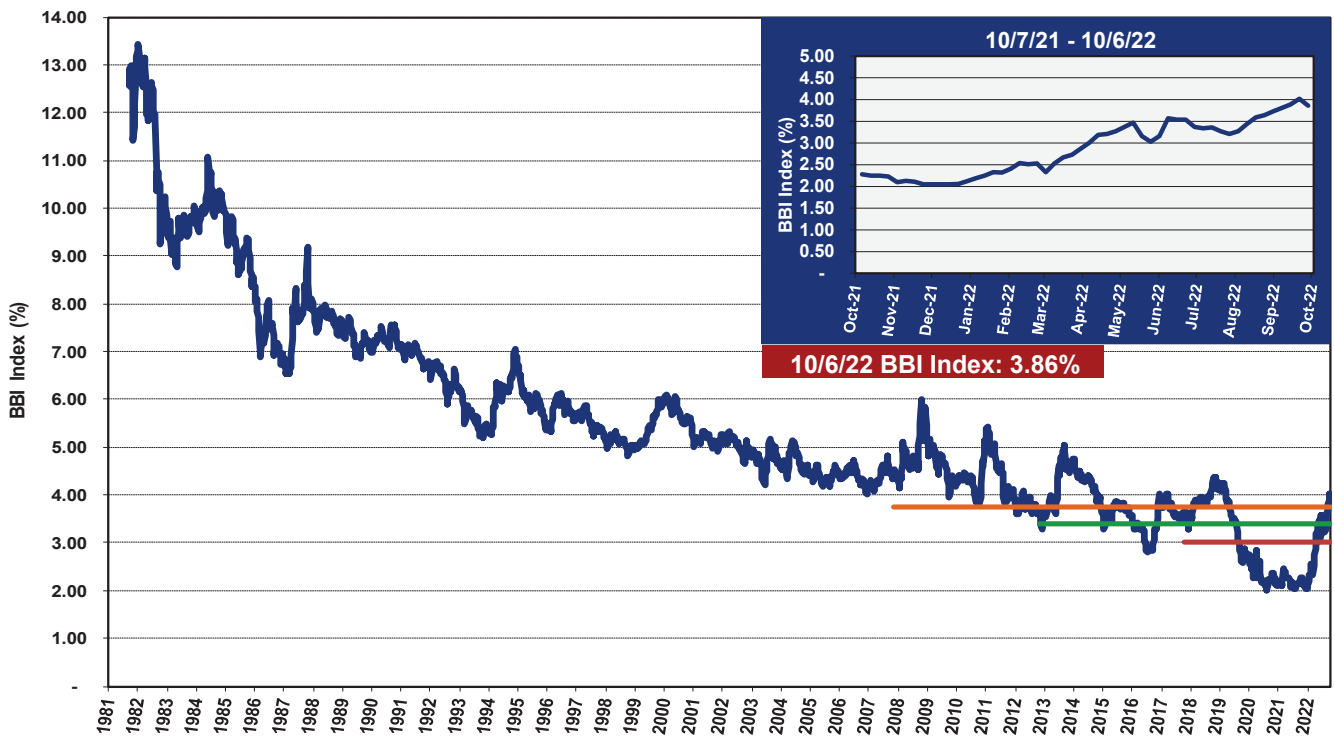


NORTHWEST INDEPENDENT SCHOOL DISTRICT

# Tax Exempt Interest Rates – Bond Buyer 20 Yr GO Index



**Bond Buyer 20 Year GO Index  
September 1981 - October 6, 2022**



NORTHWEST INDEPENDENT SCHOOL DISTRICT

Bond Buyer 20 Year GO Index is a weekly index estimating the composite yield on 20 general obligation bonds rated "A" or better.

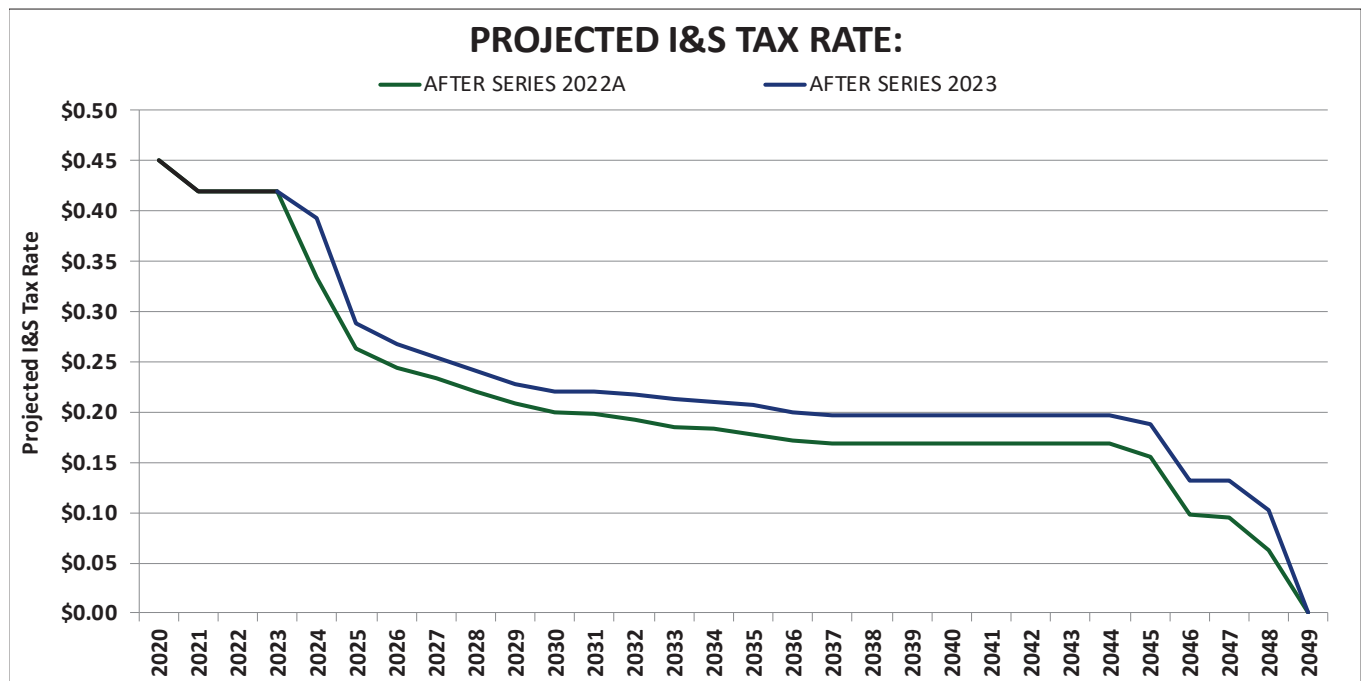
*This graph depicts historical interest rates. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, the supply and demand of short term securities, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of changes in such factors individually or in any combination could materially affect the relationships and effective interest rates. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the short term market or no market may exist at all.*

# Bond Issuance Summary/Projections



1 2 3 4 5 6 7 8

May-21 Election Size	<i>FINAL</i> Series 2021 25 Yr @ 2.367%	<i>FINAL</i> Series 2022 25 Yr @ 3.717%	<i>PROJECTED</i> Series 2022A 25 Yr @ 4.85%	<i>PROJECTED</i> Series 2023 25 Yr @ 5.00%	Maximum I&S Tax Rate	Current I&S Tax Rate	I&S Tax Rate Increase
<b>\$ 737,500,000</b>	<b>\$200,000,000</b>	<b>\$200,000,000</b>	<b>\$150,000,000</b>	<b>\$187,500,000</b>	<b>\$ 0.4200</b>	<b>\$ 0.4200</b>	<b>\$ -</b>



NORTHWEST INDEPENDENT SCHOOL DISTRICT

## Parameter Bond Order



- Allowed Under Section 1371 Texas Government Code
- Board delegates final pricing authority to Board selected Pricing Officers – *Superintendent, Interim Superintendent, Chief Financial Officer or Executive Director of Financial Services*
- Board establishes and approves bond sale parameters within Parameter Order:
  - Maximum Interest Rate – *True Interest Cost (TIC)*
  - Maximum Principal Amount of Issue – *Not-to-exceed amount*
  - Final Maturity Date
  - Expiration of Delegated Authority
- **Delegated Pricing Officers can only approve bond issue if Board parameters are met**

## Proposed Ser 2022A Parameters Included in Bond Order



- Delegated Pricing Officers: **Superintendent, Interim Superintendent, CFO or Executive Director of Financial Services**
- Maximum Principal Amount : **\$150,000,000 (All Prop A)**
- Maximum True Interest Cost: **5.50%**
- Final Maturity Date: **2/15/48**
- Delegation Expiration: **365 Days**

**Delegated Pricing Officers can only approve transaction if these parameters are met**