

HOLLIDAYSBURG AREA SCHOOL DISTRICT

2023-2024 BUDGET INFORMATION SESSIONS

#1 Debt Service

COMMONLY USED TERMS-BOND ISSUES

- ▶ **GENERAL OBLIGATION BOND ISSUE** - direct debt issued by a school district that is secured by the school district's taxing power.
- ▶ **LEVEL DEBT** - a debt repayment schedule where annual debt payments are equal. Interest amounts are highest early on and decrease over time while principal payments increase.
- ▶ **WRAP-AROUND DEBT SERVICE** - a debt repayment schedule where amortized principal and interest are wrapped around the outstanding payments so that remaining payments are equal.
- ▶ **CALL PROVISIONS** - the earliest date debt can be repaid on an outstanding bond.
- ▶ **BOND COUNSEL** - provides legal advice, assists with bond structure, assures state and federal tax compliance, prepares legal documents, and coordinates settlement.
- ▶ **PAYING AGENT** - typically a bank, responsible for maintaining current record of bondholders and making principal/interest payments to the bond holders.
- ▶ **BOND REFINANCING** - outstanding bond issue refinanced by a new bond to reduce interest costs or to remove restrictions under the current bond issue.
- ▶ **BOND REFINANCING - CURRENT REFUNDING** - funds are borrowed sufficient to pay off the existing bonds and to pay the costs of issuing the refunding bonds.
- ▶ **BOND REFINANCING- ADVANCE REFUNDING** - new funds are borrowed to pay principal and interest on old, outstanding debt through the call date in addition to the new bond issue costs.

2021 Series
\$8,650,000
Current Refunding Portion 2016A Series

2017A Series
\$13,555,000
Current Refunding Portion 2007C Series

2016 Series A
\$10,000,000
Advance Refunding Portion 2007C Series

2020 Series
\$9,145,000
Current Refunding 2015 Series A&B and Replace Maint. Garage

2007C Series
\$31,885,000
Construction & Equipping Additions & Alterations of the Senior High School/ Various Improvements of Other School District Facilities/Funding Deposit to Capitalized Interest Fund

2015 Series A
\$9,970,000
Advance Refunding Portion 2007C Series
All 2007 B Series

2015 Series B
\$1,625,000
Current Refunding 2010 Series

2007B Series
\$1,095,000
Current Refunding of 1997A Series/Energy Savings Equipment

2010 Series
\$2,135,000
Current Refunding 2005 Series

1997A Series
\$12,170,000
Advance Refunding of 1994 Series/Advanced Refunding of 1991B Series

2005 Series
\$2,430,000
Advance Refunding 2001 Series

1991B Series
\$2,265,000
Refund 1986A & B Series

1994 Series
\$10,975,000
New Construction Foot of Ten Elementary School/Junior High Alterations

2001 Series
\$2,500,000
Senior High Locker & Classroom Additions & Renovations/Various Districtwide Capital Improvement Projects

1986A & B Series
\$7,600,000
Refund 1983 Series/
Refund 1985 Series

1985 Series
\$2,605,000
Junior & Senior High Boilers/Roof Repairs/
Administrative Computers

1983 Series
\$4,010,000
Advance Refunding of 1981 Series

1981 Series
\$3,460,000
Construction of CWL Elementary

HOLLIDAYSBURG AREA SCHOOL DISTRICT OUTSTANDING BOND ISSUE STRUCTURE AS OF JANUARY 2022

HOLLIDAYSBURG AREA SCHOOL DISTRICT DEBT SERVICE SCHEDULE

YEAR ISSUED	2017 A	2020	2021	
PURPOSE	Refinance 2007C Sr. High Renovations	Refinance 2015A SrHi Renovations & 2015B Refinance 2010 SrHiLockerRm Dist Capital Proj	Refinance 2016A Sr. High Renovations	Total Debt Service
LEASE NUMBER	17-3355	20-3355	21-3355	
PAYING AGENT	Wilmington Trust	Wilmington Trust	Wilmington Trust	
UNDERWRITER	RBC Capital Markets	RBC Capital Markets	RBC Capital Markets	
ORIGINAL ISSUE	\$13,555,000	\$9,145,000	\$8,650,000	
REIM PERCENT	0.2776	0.2191	0.2776	
MV Aid Ratio	0.4911	0.4911	0.4911	
STATE REIMBURSABLE	YES	YES	YES	
2023-24	\$317,850	\$3,124,425	\$258,025	\$3,700,300
2024-25	\$317,725	\$170,850	\$3,087,975	\$3,576,550
2025-26	\$317,525	\$158,863	\$3,181,575	\$3,657,963
2026-27	\$912,325	\$181,350	\$2,599,975	\$3,693,650
2027-28	\$3,858,325			\$3,858,325
2028-29	\$3,756,225			\$3,756,225
2029-30	\$1,708,788			\$1,708,788
TOTALS	\$11,188,763	\$3,635,488	\$9,127,550	\$23,951,800
CALL DATES	2025-March	Non-Callable	Non-Callable	

HOLLIDAYSBURG AREA SCHOOL DISTRICT PROJECTED NET DEBT SERVICE COSTS

FISCAL YEAR	DEBT SERVICE PAYMENT	STATE SUBSIDY REIMBURSEMENT	NET DEBT SERVICE PAYMENT
2023-24	\$3,700,300	\$414,697	\$3,285,603
2024-25	\$3,576,550	\$482,680	\$3,093,870
2025-26	\$3,657,963	\$494,124	\$3,163,839
2026-27	\$3,693,650	\$498,343	\$3,195,307
2027-28	\$3,858,325	\$526,003	\$3,332,322
2028-29	\$3,756,225	\$512,084	\$3,244,141
2029-30	\$1,708,788	\$232,958	\$1,475,830
TOTAL	\$23,951,800	\$3,160,888	\$20,790,912