

Measure "S" CBOC meeting notes
MUSD Technology Room ~ December 9, 2013

Creig Nicks called the Measure S meeting to order at approximately 6:40 p.m. and welcomed those members present: Andy Bloom, Jolene Escalante, Steve Griffin, Mark Van Dam, Scott Krutilek, Rick Lagowski and Ginny Lee-Lipson.
Staff present included: Creig Nicks and Mike Winters.

Presentation of Measure S project status updates

Creig presented a list of expenditures to date for Measure S funds for construction and modernization. (see list attached)

Much discussion centered on technology purchases and what the direction of student computers would be, ipads, tablets, netbooks, Chrome Books, etc. Mike shared that many of these platforms will be used. There is a desire from the MUSD Board to purchase ipads, yet they do not fit well in an enterprise environment. While some will be purchased to start, a multi-platform plan will be put into effect.

Measure S Third Issuance Information Update

Information shared at the last meeting was reviewed and an update on the next steps for the third issuance was shared with the group.

New Business

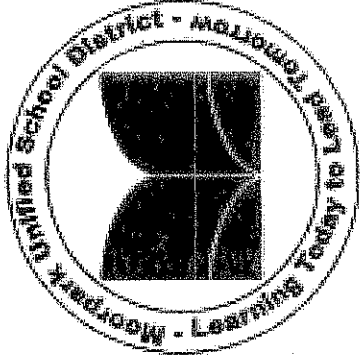
It was discussed at length that the committee has lost some of its focus, and now with only the responsibility of Measure S, perhaps it's time to reexamine the purpose and roles of the committee. We will bring information to the next meeting to begin this process. One of the first places to start will be with the By Laws of the group.

The meeting was adjourned at 8:00 p.m. The next meeting will be scheduled for:
February 18, 2014, 6:30 p.m. at the MUSD District Office.

MOORPARK UNIFIED SCHOOL DISTRICT
STATUS OF BOND PROJECTS
MEASURE "S" - FUND 214
AS OF DECEMBER 9, 2013

SITE	DESCRIPTION	BUDGET	1ST ISSUANCE	2ND ISSUANCE	2008/2009 EXPENSES	2009/2010 EXPENSES	2010/2011 EXPENSES	2011/2012 EXPENSES	2012/2013 EXPENSES	2013/2014 EXPENSES	2013/2014 ENCUMBRANCES	BALANCE OF ISSUANCES
	Moopark High School Renovation (25%)	10,000,000.00	2,750,134.14	4,999,893.95	1,350,364.17	1,160,308.36	93,615.56	892,488.33	3,390,994.93	762,929.23	104,010.47	(4,682.99)
	Technology Improvements/Enhancements (56%)	22,000,000.00	6,160,300.47	11,199,762.45	3,045,799.69	1,616,101.13	788,573.99	3,348,454.02	3,052,081.41	659,586.25	261,305.09	4,580,161.34
	District Wide Projects (19%)	7,500,000.00	2,090,101.94	3,799,919.40	467,732.41	780,135.94	780,135.94	2,982,174.44	1,579,200.15	757,875.59	310,125.33	(987,222.52)
	Totals	39,500,000.00	11,000,536.55	19,999,575.80	4,396,163.86	3,244,141.90	1,662,325.49	7,223,116.79	8,022,276.49	2,180,391.07	675,440.89	3,596,255.86
											Year-To-Date Interest	1,179,685.83
											Total Available	4,775,941.69

12/9/13



Moorpark Unified School District

General Obligation Bond Refinancing Opportunity Update For 2005 General Obligation Bonds

October 2014

PiperJaffray.

Overview of Outstanding District Debt

Outstanding Issues (Principal) As of October 23, 2014	Sale Date	Name of Bond Issue	Savings Availability	Notes
\$1,725,676	June 5, 2002	Election of 2002 General Obligation Bonds, Series A	Not Prepayable	1
\$6,200,000	May 3, 2005	Election of 2002 General Obligation Bonds, Series B	Savings Available	2
\$9,455,000	May 3, 2005	2005 General Obligation Bonds	Savings Available	2
\$171,510	June 29, 2006	Election of 2002 General Obligation Bonds, Series C	Not Prepayable	1
\$11,000,537	February 25, 2009	Election of 2008 General Obligation Bonds, Series A	Not Prepayable	1
\$18,999,576	October 20, 2011	Election of 2008 General Obligation Bonds, Series B	Not Prepayable until 2021	3
\$3,000,000	December 12, 2013	Election of 2008 General Obligation Bonds, Series C	Not Prepayable	1
\$5,305,000	December 12, 2013	2013 General Obligation Bonds	Not Prepayable until 2023	4

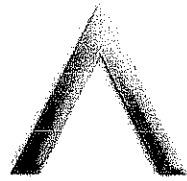
Notes

1. Bonds are Not Prepayable Due to Legal Limitations.
2. Bonds are Not Prepayable Until August 1, 2015. However, Can be Refinanced Now to Produce Savings May 2015.
3. Bonds are Not Prepayable Until August 1, 2021.
Could be Refinanced Now, but Escrow Account Investment Period is Too Long to Produce Savings.
4. Bonds are Not Prepayable Until August 1, 2023.

Our Strategy to Refinance the 2005 General Obligation Bonds

	Prior Bonds Refinanced	Taxpayer Savings
Stage 1: What We Achieved (November 2013)	\$5,305,000	\$224,828
Stage 2: Can Be Locked-In Now (December 2014)	\$14,495,000	\$1,215,297
Total	\$19,800,000	\$1,440,125

**Staff Delivers
\$1,440,125
In Savings**



**Board Expectation
\$1,245,000
In Savings**

Overview of Refinancing Opportunity

- Similar to Refinancing a Home Mortgage (High Interest Rates → Low Interest Rates)
- Average Interest Rate: 4.70% on Old Bonds vs. 3.38% on New Bonds
- Does NOT Increase Length of Old Bonds (No Extension of Bond Term)
- Amount of Existing Bonds Eligible to be Refinanced: \$14,495,000
- Estimated Savings to Local Taxpayers (Net of Costs): \$1,215,297 (6.06% NPV)
- All Transaction Fees are Contingent
- No Capital Appreciation Bonds

Interest Rate Comparisons

Maturity Date	Old Interest Rates Election of 2002, Series B General Obligation Bonds	Old Interest Rates 2005 General Obligation Bonds	Current Market Interest Rates
2016	3.875%	5.000%	3.380%
2017	4.000%	5.000%	3.380%
2018	4.000%	5.000%	3.380%
2019	4.125%	5.000%	3.380%
2020	4.125%	5.000%	3.380%
2021	4.250%	5.000%	3.380%
2022	4.250%	5.000%	3.380%
2023	4.375%	5.000%	3.380%
2024	4.375%	5.000%	3.380%
2025	4.400%	5.000%	3.380%
2026	4.500%	5.000%	3.380%
2027	4.500%	5.000%	3.380%
2028	4.625%	5.000%	3.380%

Refinancing Results For Equal Annual Savings

Tax Year	Estimated		Estimated		Estimated Tax Rate Savings Per \$100,000
	Old Bonds Debt Service	New Bonds Debt Service	Savings To Taxpayers	Tax Rate Savings	
2014-2015	\$345,363	\$345,363	\$0	\$0.00	
2015-2016	\$1,540,726	\$1,447,213	\$93,514	\$1.80	
2016-2017	\$1,589,295	\$1,499,173	\$90,122	\$1.74	
2017-2018	\$1,648,395	\$1,553,261	\$95,135	\$1.83	
2018-2019	\$1,702,495	\$1,609,306	\$93,189	\$1.80	
2019-2020	\$1,756,351	\$1,662,056	\$94,295	\$1.82	
2020-2021	\$1,814,926	\$1,721,595	\$93,331	\$1.80	
2021-2022	\$1,877,464	\$1,782,501	\$94,963	\$1.83	
2022-2023	\$1,943,726	\$1,849,604	\$94,123	\$1.81	
2023-2024	\$507,883	\$415,326	\$92,557	\$1.78	
2024-2025	\$704,976	\$614,594	\$90,382	\$1.74	
2025-2026	\$742,756	\$648,201	\$94,555	\$1.82	
2026-2027	\$2,052,331	\$1,959,049	\$93,283	\$1.80	
2027-2028	\$1,511,831	\$1,420,068	\$91,764	\$1.77	
Total	\$19,738,519	\$18,527,307	\$1,211,213	\$23.34	

Total Savings to District Taxpayers (Net of All Fees): **\$1,211,213**

\$175,000
Total Estimated Transaction Costs of New Refinancing Bond Issue

\$1,211,213
Estimated Taxpayer Savings

VS.

Moorpark Unified School District
Summary of New 2014 G.O. Bond Refinancing Opportunity

On August 12, 2013, the Moorpark Unified School District Board of Education approved a Resolution authorizing the issuance and sale of the refinancing of two existing bond issues. When the District went into the marketplace with the sale of the refinancing, interest rates determined that it was in our best interest to execute the refinancing in two stages and finance existing bond issues worth \$5,305,000 in Stage One and wait for more favorable market conditions to proceed with Stage Two of the refinancing for the remaining \$14,495,000. Our contacts at Piper Jaffray have informed us that the recent drop in interest rates now presents a favorable opportunity to proceed with the refinancing of that remaining \$14,495,000 in existing bonds. The \$224,828 in savings locked-in after Stage One of the refinancing and the expected savings from Stage Two of the refinancing could result in total savings of \$1,440,548 to local taxpayers. The attached one-page summary is an estimate of the benefits to local taxpayers of proceeding with the refinancing at this time.

In order to effectuate the refinancing, District Staff's plan is to bring before the Board at its meeting of November or December an updated Resolution and other associated financings documents for the 2014 Refinancing. The timeline would then call for us to work with our bond team to try to lock-in the interest rate at the earliest possible opportunity to take advantage of the current favorable interest rate climate.

Moorpark Unified School District
Summary of New 2014 G.O. Bond Refinancing Opportunity



Amount of Bonds to be Refinanced	\$14,495,000
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Old vs. New Interest Rates	4.70% (Old Rate) vs. 3.38% (New Rate)
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Estimated Savings (Net of Costs)	\$1,215,297
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Savings as NPV % of Bonds Refinanced	6.055% (Approximate)
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Savings vs. Transaction Costs	Savings are 7 Times Greater Than the Costs
	(\$1,215,297 in Savings vs. \$175,000 in Estimated Transaction Costs)