



2019 Bond Oversight Committee

June 11, 2019

Welcome



Charge of Committee

The Bond Oversight Committee will serve in an advisory capacity to the Seguin ISD School Board and administration to ensure project work remains faithful to the priorities and planning of the 2019 Bond projects.



SPECIALIZED PUBLIC FINANCE INC.
FINANCIAL ADVISORY SERVICES

Seguin Independent School District

**Financing Plan for the Issuance of
\$34,700,000 Unlimited Tax School Building Bonds, Series 2019**

June 18, 2019



Austin

Dallas

Amarillo

San Antonio

Current Interest Rate Environment

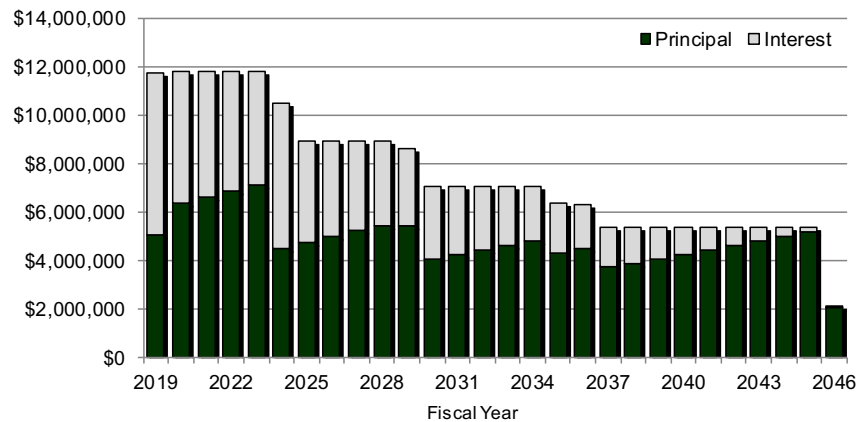


Unlimited Tax Bonds Outstanding

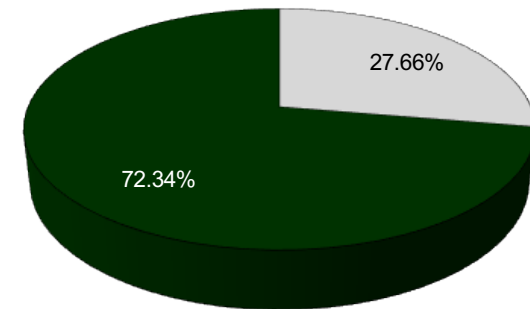
Issue	Delivery	Purpose	Original Principal	Outstanding as of 12/31/18		Final Maturity	Callable	Callable Coupon(s)
				Total	Callable			
U/L Tax Refunding Bonds, Series 2006	10/19/06	Refunding	\$ 8,894,858	\$ 9,858	\$ -	8/1/23	n/a	n/a
U/L Tax Refunding Bonds, Series 2010	8/4/10	Refunding	9,725,000	4,555,000	2,045,000	8/1/22	8/1/20	4.00%
U/L Tax Refunding Bonds, Txbl Series 2013	4/17/13	Refunding	10,135,000	6,920,000	1,445,000	4/1/23	4/1/22	2.55%
U/L Tax Sch Bldg Bonds, Series 2014	3/12/14	New Money	44,770,000	44,770,000	44,770,000	8/15/44	8/15/23	4.00% - 5.00%
U/L Tax Sch Bldg Bonds, Series 2015	9/29/15	New Money	37,065,000	34,815,000	29,030,000	8/15/45	8/15/25	3.375% - 5.00%
U/L Tax Refunding Bonds, Series 2016	3/30/16	Refunding	33,375,000	33,215,000	14,325,000	8/15/35	8/15/25	3.125% - 5.00%
U/L Tax Refunding Bonds, Series 2016A	6/8/16	Refunding	7,045,000	6,960,000	3,325,000	8/1/27	8/1/25	3.00% - 4.00%
			\$ 151,009,858	\$ 131,244,858	\$ 94,940,000			

Source: Municipal Advisory Council of Texas

Outstanding Debt Service Requirements (Fiscal Year Basis)



Outstanding Principal Amount by Call Feature



Callable	\$ 94,940,000	Noncallable	\$ 36,304,858
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Source: Municipal Advisory Council of Texas

\$64,700,000 Bond Program – Voter Communication

Facility Additions, Renovations and Improvements:

- Briesemeister Middle School Renovation
- Stadium rebuild at the current Matador Stadium site
- Jefferson Elementary School partial renovation
- Playscape improvements for all elementary schools
- Land purchase to replace McQueeney Elementary School
- Various campus improvements

I&S Tax Impact for the 2019 Bond Program:

- 5¢ Tax Rate Increase
- For a \$150,000 taxable value home, the annual impact from 5¢ is \$75 or \$6.25/month

\$64,700,000 Bond Program – Bond Sale Plan

- ❑ The tax impact of 5¢ for the 2019 Bond Program was based two-year bond sale installment strategy with respective incremental tax rate increases

Sale Date:	Bond Amount:	Tax Impact:
Summer 2019	\$34,700,000	2.5¢
Summer 2020	<u>\$30,000,000</u>	<u>2.5¢</u>
Total:	\$64,700,000	5.0¢

Financing Goals

- Issue a \$34,700,000 Bond with a 30-year repayment term
- Lock-in a fixed interest rate on Wednesday, July 17, 2019
- Close the transaction on Wednesday, August 14, 2019
- Remaining bond authorization to be sold in Summer 2020

Preliminary I&S Tax Rate Model (For Illustration Purposes)

(A)	(B)	(C)	(D)	(E)		(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
FYE 6/30	Freeze-Adj. Assessed Valuation	Est. Growth	Existing U/L Tax D/S	\$64,700,000 Bond Program				Projected Total D/S	Less: D/S Fund Balance	Less: Est. State Assistance	Less: Est. Frozen Tax Revenues	Projected Total Net D/S	Est. I&S Tax Rate	Change
				\$34,700,000 Series 2019 8/15 3.62%	\$30,000,000 Series 2020 8/15 3.95%									
2019	\$ 3,063,381,139		\$ 11,708,440	\$ -	\$ -	\$ 11,708,440	\$ -	\$ -	\$ (1,047,181)	\$ 10,661,259	\$ 0.3600	\$ -		
2020	3,357,343,063	9.60%	11,826,198	1,959,825	-	13,786,023	-	-	(1,246,781)	12,539,241	0.3850	0.0250		
2021	3,424,489,924	2.00%	11,822,498	1,682,000	1,421,475	14,925,973	-	-	(1,305,176)	13,620,796	0.4100	0.0250		
2022	3,492,979,723	2.00%	11,823,483	1,676,500	1,425,000	14,924,983	-	-	(1,287,747)	13,637,236	0.4025			
2023	3,562,839,317	2.00%	11,774,448	1,725,500	1,424,600	14,924,548	-	-	(1,270,488)	13,654,060	0.3951			
2024	3,562,839,317	0.00%	10,503,225	1,921,250	1,754,000	14,178,475	-	-	(1,222,503)	12,955,972	0.3749			
2025	3,562,839,317	0.00%	8,913,225	1,921,250	1,750,000	12,584,475	-	-	(1,115,636)	11,468,839	0.3319			
2026	3,562,839,317	0.00%	8,910,975	1,919,750	1,750,500	12,581,225	-	-	(1,115,412)	11,465,813	0.3318			
2027	3,562,839,317	0.00%	8,916,775	1,921,750	1,754,750	12,593,275	-	-	(1,116,243)	11,477,032	0.3321			
2028	3,562,839,317	0.00%	8,920,300	1,922,000	1,752,500	12,594,800	-	-	(1,116,348)	11,478,452	0.3321			
2029	3,562,839,317	0.00%	8,638,775	1,920,500	1,754,000	12,313,275	-	-	(1,096,839)	11,216,436	0.3246			
2030	3,562,839,317	0.00%	7,064,475	1,922,250	1,754,000	10,740,725	-	-	(984,109)	9,756,616	0.2823			
2031	3,562,839,317	0.00%	7,062,125	1,922,000	1,752,500	10,736,625	-	-	(983,807)	9,752,818	0.2822			
2032	3,562,839,317	0.00%	7,056,650	1,919,750	1,754,500	10,730,900	-	-	(983,384)	9,747,516	0.2820			
2033	3,562,839,317	0.00%	7,056,591	1,920,500	1,754,750	10,731,841	-	-	(983,453)	9,748,387	0.2821			
2034	3,562,839,317	0.00%	7,042,931	1,924,000	1,753,250	10,720,181	-	-	(982,593)	9,737,588	0.2818			
2035	3,562,839,317	0.00%	6,329,847	1,924,800	1,755,000	10,009,647	-	-	(929,435)	9,080,212	0.2627			
2036	3,562,839,317	0.00%	6,324,963	1,924,000	1,754,750	10,003,713	-	-	(928,985)	9,074,727	0.2626			
2037	3,562,839,317	0.00%	5,386,713	1,921,600	1,752,500	9,060,813	-	-	(856,209)	8,204,603	0.2374			
2038	3,562,839,317	0.00%	5,381,638	1,922,600	1,753,250	9,057,488	-	-	(855,948)	8,201,539	0.2373			
2039	3,562,839,317	0.00%	5,373,513	1,921,800	1,751,750	9,047,063	-	-	(855,129)	8,191,934	0.2370			
2040	3,562,839,317	0.00%	5,389,913	1,924,200	1,753,000	9,067,113	-	-	(856,704)	8,210,408	0.2376			
2041	3,562,839,317	0.00%	5,386,513	1,919,600	1,751,750	9,057,863	-	-	(855,978)	8,201,885	0.2373			
2042	3,562,839,317	0.00%	5,374,538	1,923,200	1,753,000	9,050,738	-	-	(855,418)	8,195,320	0.2371			
2043	3,562,839,317	0.00%	5,373,513	1,919,600	1,751,500	9,044,613	-	-	(854,936)	8,189,676	0.2370			
2044	3,562,839,317	0.00%	5,369,638	1,924,000	1,752,250	9,045,888	-	-	(855,036)	8,190,851	0.2370			
2045	3,562,839,317	0.00%	5,367,606	1,921,000	1,750,000	9,038,606	-	-	(854,464)	8,184,142	0.2368			
2046	3,562,839,317	0.00%	2,091,000	1,920,750	1,754,750	5,766,500	-	-	(580,283)	5,186,217	0.1501			
2047	3,562,839,317	0.00%	-	1,921,750	1,751,000	3,672,750	-	-	(385,323)	3,287,427	0.0951			
2048	3,562,839,317	0.00%	-	1,923,750	1,754,000	3,677,750	-	-	(385,809)	3,291,941	0.0953			
2049	3,562,839,317	0.00%	-	1,921,500	1,753,250	3,674,750	-	-	(385,518)	3,289,232	0.0952			
2050	3,562,839,317	0.00%	-	-	1,758,750	1,758,750	-	-	(191,922)	1,566,828	0.0453			
			\$ 212,190,503	\$ 57,012,975	\$ 51,606,325	\$ 320,809,803	\$ -	\$ -	\$ (29,344,797)	\$ 291,465,006		\$ 0.0500		

Series 2019 Term Sheet

- Sale Date: July 17, 2019
- Dated Date: August 1, 2019
- Delivery Date: August 14, 2019
- Project Fund Deposit: \$34,700,000
- Interest Rate Mode: Fixed rate to be locked-in on the Sale Date, July 17, 2019
- Interest Payment Dates: Semi-annually on February 15th and August 15th of each year, commencing on February 15, 2020
- Principal Payment Dates: Annually on February 15th, beginning February 15, 2020 through February 15, 2049 (30 Year Term)
- Call Option: Bonds callable beginning February 15, 2029 at par
- Rating: Application to be made to S&P Global Ratings
- Credit Enhancement: "AAA" with the TEA PSF Bond Guarantee Program
- Sale Method: Negotiated

Parameter Sale Order

❑ The Parameter Sale Bond Order under consideration at this Board meeting allows the Administration and consultants to proceed with the financing contingent on certain parameters being met:

- 1) Maximum Interest Rate = 5.00%
- 2) Maximum Term = 8/15/2050
- 3) Maximum Bond Amounts for New Projects = \$64,700,000

(Based on the initial tax impact planning model, the Administration anticipates issuing \$34,700,000 in 2019, the Parameter Sale Bond Order would allow for additional flexibility)

❑ If the parameters are met, the District has the option to lock-in an interest rate and delegates the authority to sign final documents to Dr. Gutierrez without having to convene at a future board meeting for further action.



1. \$ 39,000,000 - AJ Briesemeister Middle School renovation on the current campus site - including infill, parking and drives
2. \$ 17,300,000 - Matador Stadium rebuild at the current Matador Stadium site (no new/additional scoreboard will be included)
3. \$ 3,900,000 - Jefferson Elementary School partial renovation of South building



4. \$ 1,800,000 - Outdoor ADA playscapes, multi sensory play areas and shade canopies for all Seguin ISD elementary schools (Jefferson, Koennecke, McQueeney, Patlan, Rodriguez, Vogel and Weinert)
5. \$ 1,000,000 - Land purchase to replace McQueeney Elementary
6. \$ 1,700,000 - Various campus Improvements - including drainage, HVAC, plumbing and furniture.

Long Range Plan



Seguin exceptional students to exceptional citizens
INDEPENDENT SCHOOL DISTRICT

ADMINISTRATION

SCHOOLS

DEPARTMENTS

EMPLOYMENT

PARENTS & STUDENTS

STAFF

COMMUNITY

BOND 2019

Bond 2019

HOME

LONG RANGE PLAN AND FACILITY
PRIORITIES

CONSTRUCTION UPDATES

TAX INFORMATION

BOND OVERSIGHT COMMITTEE

PRE-BOND RESOURCES

www.seguinisd.net



Long Range Plan Update

Campus Attendance Zones



Current Projects

Stadium

AJB

Jefferson

Playgrounds

Land

Other Projects



Selection of Co –Chair

Another contact for the committee

Assist with building agenda

Assist with meeting management



Year 1:

June 11, 2019

September 17, 2019

December 10, 2019

March 17, 2020



Agenda items for Future Meetings

Review the financial status

Review the progress

Review the expenditure of bond proceeds

Tours

What additional information is needed to carry out the charge of the committee?



Standing Agenda Item:
Topics/Questions for Future Meetings

Adjournment. Take your bonders with you.