



DJUSD Bond Program Financing and Sequencing

DJUSD Board of Education 3.5.2020

The logo of Travis Joint Unified School District is a circular emblem. It features a light blue outer ring with the text "Travis Joint Unified" at the top and "Building Our Future" at the bottom. Inside the ring, there are four square icons: a puzzle piece, a padlock, a person's head profile with a brain, and a group of three people.

Bond Financing and Project Sequencing

Purpose

- To have the Board of Education engage in a discussion regarding Bond program financing, specifically future Bond sales date(s) and the sequencing of future Bond projects.
- This discussion will inform a staff recommendation, which will be provided to the Board of Education for action on March 19, 2020 meeting.



Bond Sales Timing

- Considerations

- Timing of projects (cash spending needs)
- Project planning, management and construction capacities
 - If construction window is accelerated, more capacity will be needed.
- Construction cost inflation
 - Currently projected at 7% per year, projected to decline to 5% in 2022 and beyond
- Future bond interest rate(s)
 - Potential savings to taxpayers



Sequencing Workshop

In preparation for the March 19, 2020 BOE meeting, staff seeks Board input on sequencing priorities.

Considerations for sequencing:

- School site and student needs
- Cashflow
- Project duration and cost
- Community interests
- Economy of scale for construction/design
- Other projects (DJUSD, City of Davis, UCD, etc.)
- Other considerations?

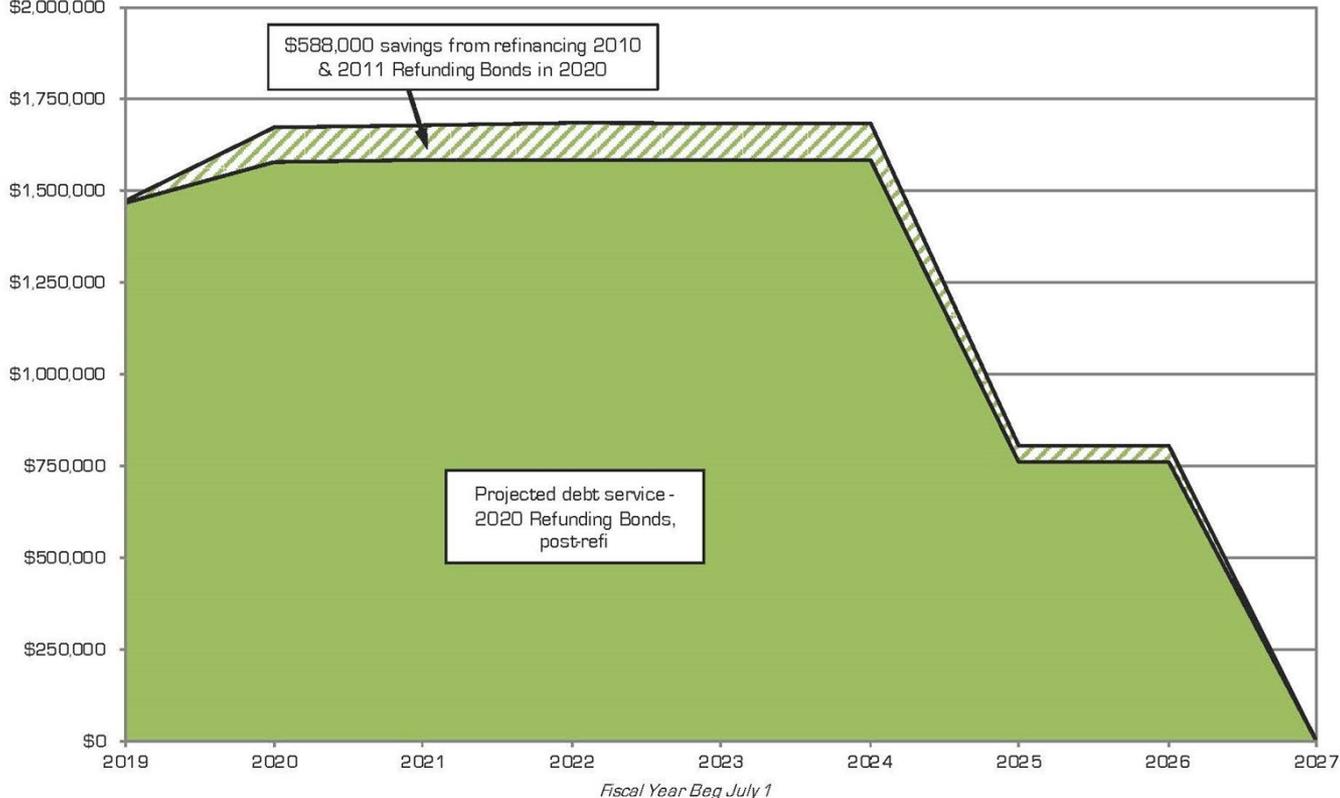
The logo for Cavalis Joint Unified School District is a circular emblem. The top arc contains the text "Cavalis Joint Unified" and the bottom arc contains "Building Our Future". The center of the logo is divided into four quadrants by a cross. The top-left quadrant shows a puzzle piece, the top-right shows a padlock, the bottom-left shows a profile of a head with neural connections, and the bottom-right shows three stylized human figures.

Series 2010 and 2011 Bond Refinancing

BOND REFINANCING

Debt Service
Collection

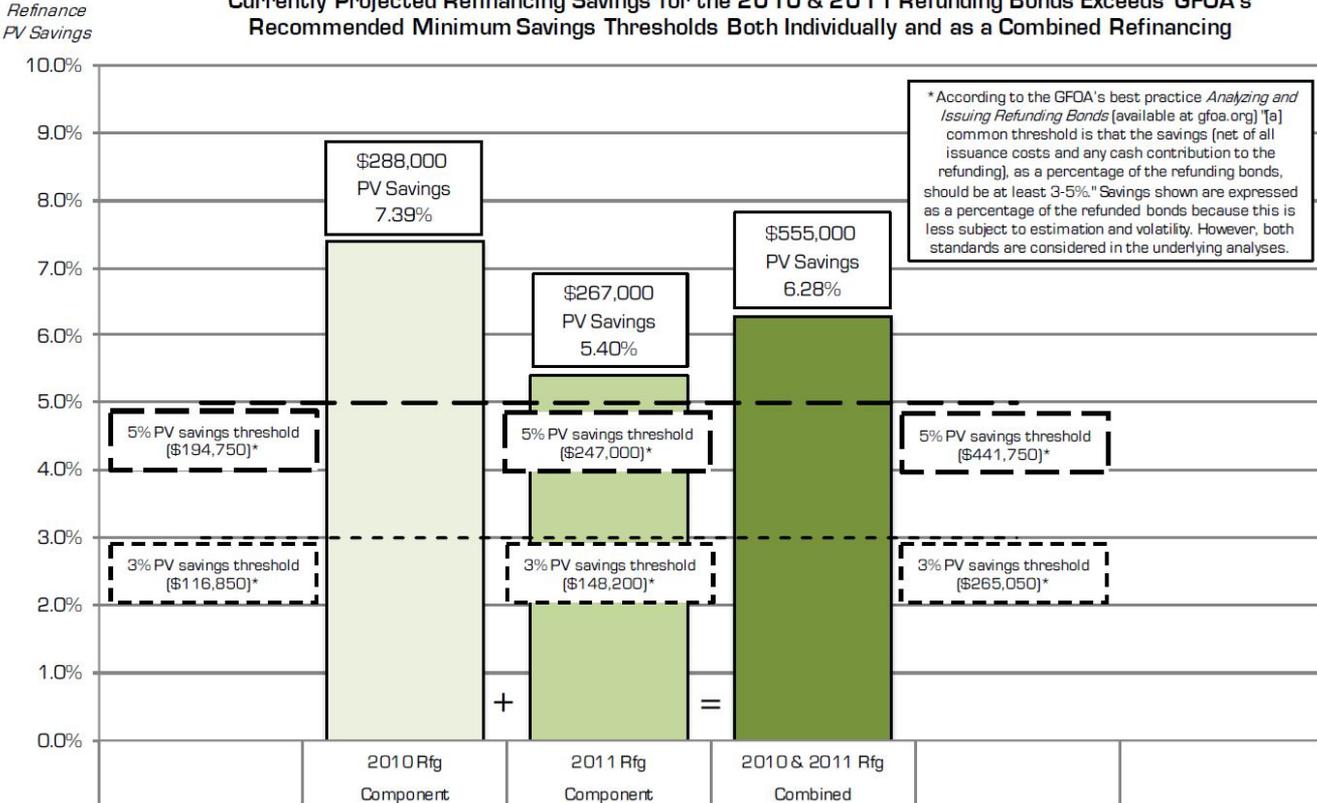
Refinancing 2010 & 2011 Refunding Bonds Together in 2020 Projected to Save Taxpayers \$588,000, Which is \$555,000 in PV, or 6.28% of Refinanced Principal



Debt service from District's *Official Statements*. For cash flow purposes, debt service collection is equal to the following calendar year debt service. Refinancing based on MMD "AAA" rates as of Feb 21, 2020 + 40bp.

BOND REFINANCING

Currently Projected Refinancing Savings for the 2010 & 2011 Refunding Bonds Exceeds GFOA's Recommended Minimum Savings Thresholds Both Individually and as a Combined Refinancing

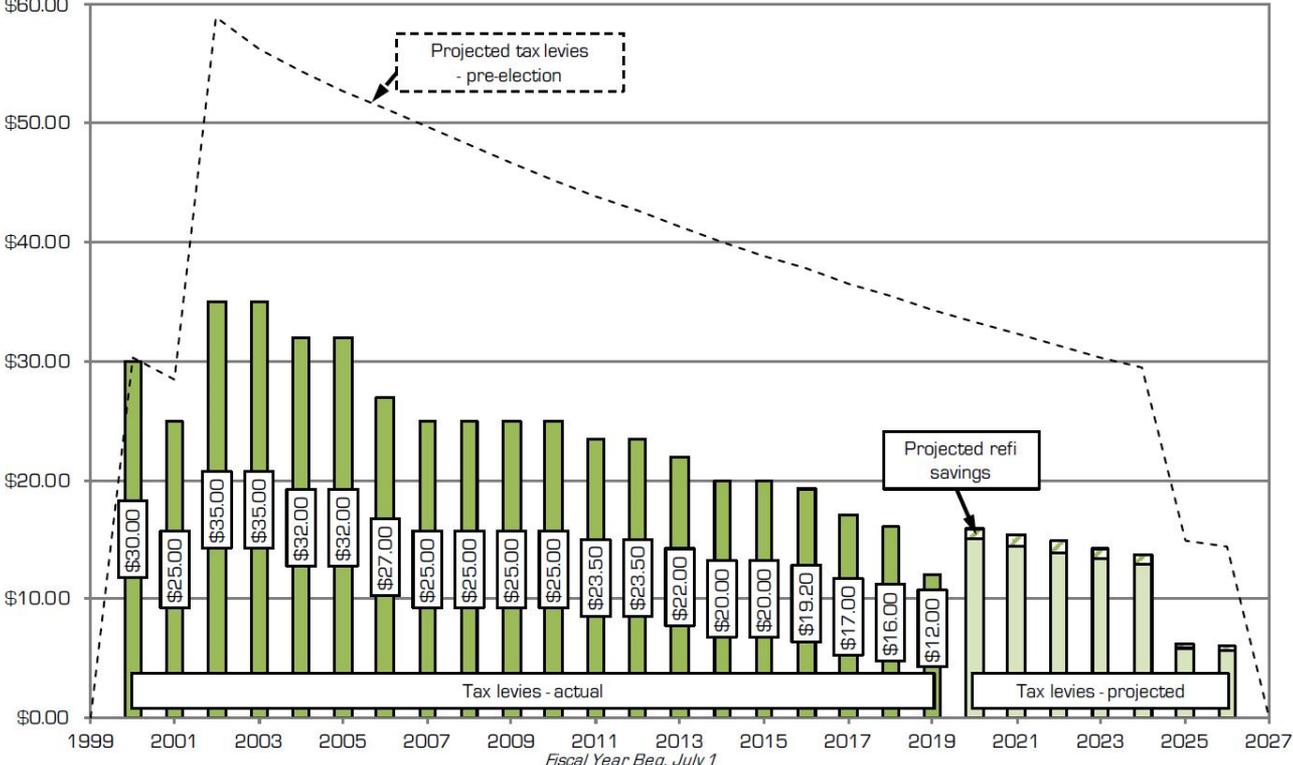


Projected savings based on public offering rates as of Feb 21, 2020. Values rounded.

BOND REFINANCING

Tax Levy per \$100K of AV

Refinancing Measure K's 2010 & 2011 Refunding Bonds is Projected to Reduce Tax Levies by an Average of \$0.72 per \$100,000 of AV from 2020-21 to 2026-27



Tax levies through 2019-20 are actual levies provided by Yolo County Auditor-Controller's Department. Future levies based on assumed changes to net local secured AV of 4% annually, while all other AV types are assumed to remain unchanged. Debt service from District's *Official Statements*.



Share Your Thoughts and Learn More

- Additional feedback can be sent to FacilityPlanning@djUSD.net
- Webpage by project with Key Aspects of the Project, milestones and FAQs www.djUSD.net/bond
- Subscribe to the DJUSD Bond Program e-newsletter by visiting the website or leaving your email today