



Presentation to Board of Trustees



2021 General Obligation
Refunding Bonds (Federally Taxable)

*\$17,420,000**

March 9, 2021

**Preliminary and subject to change*



Summary of Market Conditions

- ❖ During the middle of March to early April 2020, there was extreme volatility in the financial markets, including municipal and treasury interest rates
- ❖ While Treasury rates have risen, pricing spreads have narrowed by an even greater degree which makes advance refundings still advantageous for the District

Historic Change in UST Yields (January 1, 2019 through February 5, 2021)



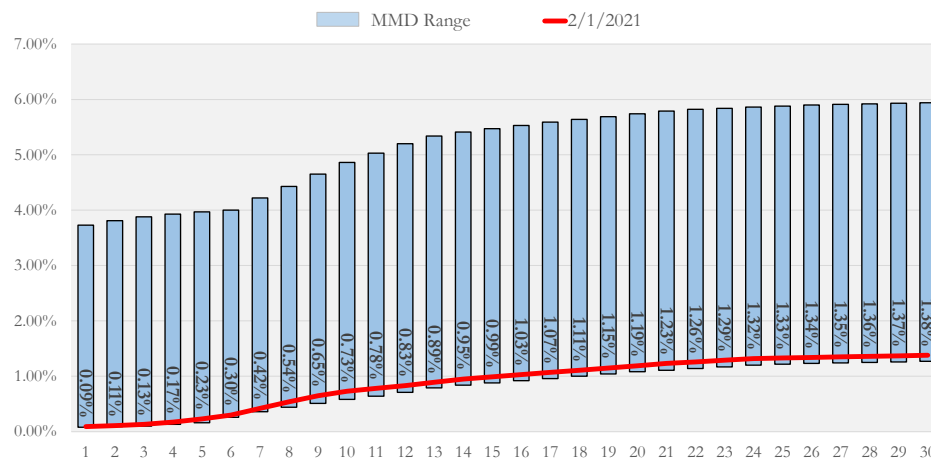
Source: U.S. Department of the Treasury



Summary of Market Conditions

- ❖ **Municipal Market Data (MMD):** 'AAA' rated yield curve index published daily by Thomson Reuters. All tax-exempt municipal bonds price based on a spread to MMD.

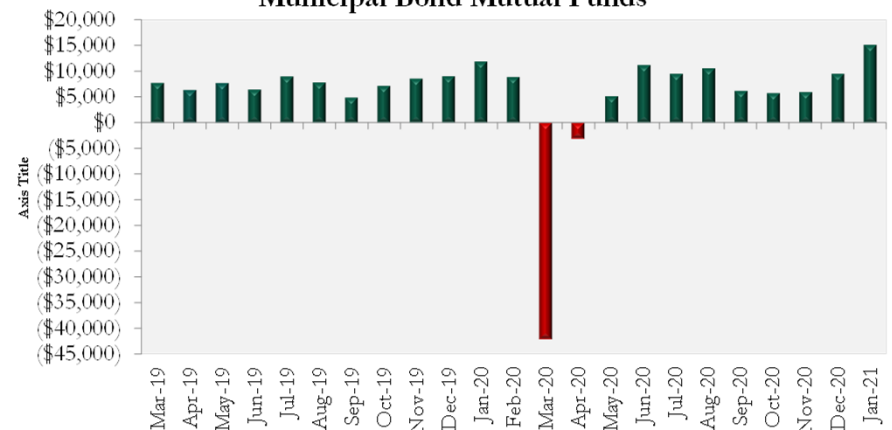
Historical MMD Yield Curve Range: 2005 to Present Day



- ❖ The MMD yield curve throughout all maturities as of February 1st is still considered historically low over the past fifteen years

- ❖ For the week ended February 5th, municipal inflows were \$1.58 billion
- ❖ Monthly inflows have continued since May 2020

Monthly Flow of Funds
Municipal Bond Mutual Funds





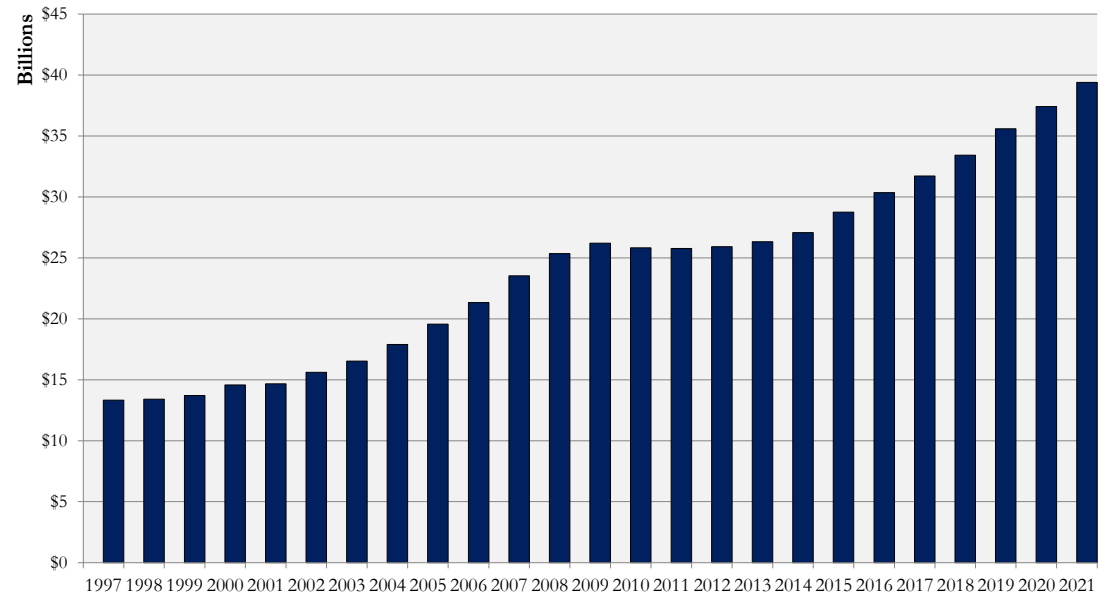
Historical Assessed Valuation

- ❖ After 2 years of assessed valuation decline in 2010 and 2011, the School District has had ten consecutive years of growth in Assessed Value

Historical Assessed Valuation

Fiscal Year Ending	L.A. County	Orange County	Total A.V.	% Change in Total A.V.
1997	\$1,102,770,815	\$12,232,106,309	\$13,334,877,124	-1.20%
1998	1,105,346,085	12,295,383,885	13,400,729,970	0.49%
1999	1,128,411,252	12,574,329,276	13,702,740,528	2.25%
2000	1,161,649,200	13,415,926,643	14,577,575,843	6.38%
2001	1,255,765,116	13,410,854,631	14,666,619,747	0.61%
2002	1,325,385,335	14,284,741,064	15,610,126,399	6.43%
2003	1,411,438,306	15,126,327,885	16,537,766,191	5.94%
2004	1,508,033,385	16,386,688,343	17,894,721,728	8.21%
2005	1,616,745,331	17,943,641,894	19,560,387,225	9.31%
2006	1,768,874,492	19,559,358,789	21,328,233,281	9.04%
2007	1,979,817,867	21,545,545,089	23,525,362,956	10.30%
2008	2,109,177,811	23,235,159,131	25,344,336,942	7.73%
2009	2,196,450,370	23,997,507,290	26,193,957,660	3.35%
2010	2,180,737,272	23,639,899,682	25,820,636,954	-1.43%
2011	2,110,979,072	23,663,933,178	25,774,912,250	-0.18%
2012	2,158,962,680	23,763,473,477	25,922,436,157	0.57%
2013	2,217,732,839	24,101,068,803	26,318,801,642	1.53%
2014	2,307,136,219	24,769,048,188	27,076,184,407	2.88%
2015	2,418,460,340	26,340,861,589	28,759,321,929	6.22%
2016	2,533,713,215	27,815,616,006	30,349,329,221	5.53%
2017	2,643,086,303	29,069,805,213	31,712,891,516	4.49%
2018	2,773,288,053	30,645,356,809	33,418,644,862	5.38%
2019	2,953,557,188	32,628,777,448	35,582,334,636	6.47%
2020	3,098,672,986	34,308,470,855	37,407,143,841	5.13%
2021	3,217,786,998	36,183,486,865	39,401,273,863	5.33%
			25-Year Average:	4.43%
			10-Year Average:	4.35%

Historical Change in Total Assessed Value





General Obligation Bond Debt Outstanding

General Obligation Bonds

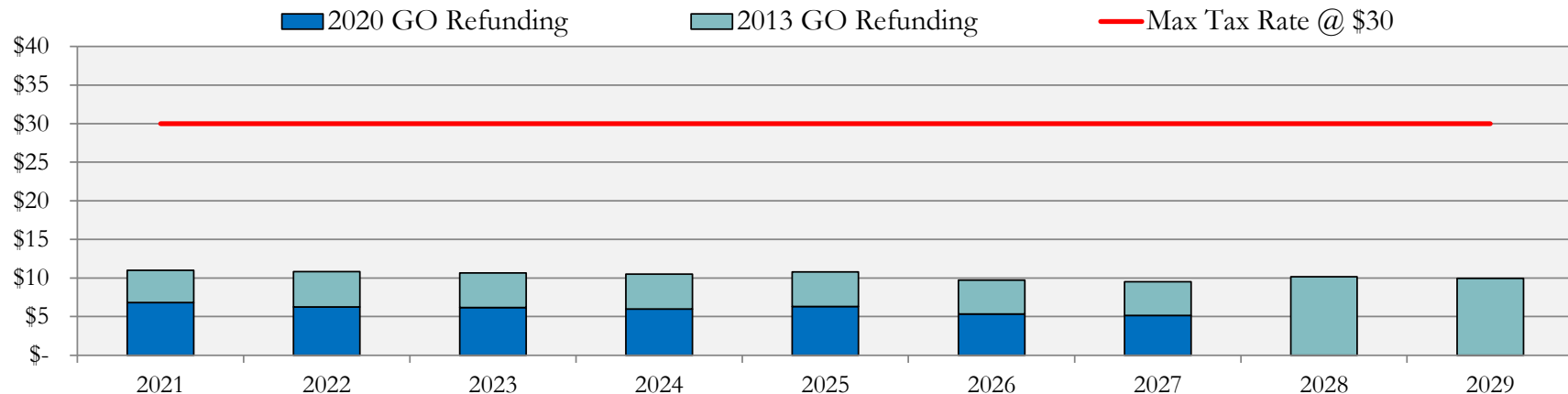
Issue	Dated Date	Final Maturity	Original Principal	Principal Outstanding as of 3-1-21	Next Call Date
2013 GO Refunding	5/14/13	8/1/29	21,700,000	18,025,000	Callable 8/1/23 @ 100% any date
Election of 2014, Series A (2015)	10/28/15	8/1/40	42,500,000	35,010,000	Callable 8/1/25 @ 100% any date
Election of 2014, Series B (2017)	4/26/17	8/1/41	40,000,000	32,945,000	Callable 8/1/27 @ 100% any date
Election of 2014, Series C (2018)	4/25/18	8/1/42	48,000,000	46,500,000	Callable 2/1/28 @ 100% any date
Election of 2014, Series D (2019)	2/27/19	8/1/42	21,000,000	20,820,000	Callable 2/1/28 @ 100% any date
Election of 2014, Series E (2020)	6/10/20	8/1/43	23,500,000	23,500,000	Callable 8/1/29 @ 100% any date
2020 GO Refunding	6/10/20	8/1/27	15,295,000	15,040,000	Not Callable
Total:				\$191,840,000	



Election of 2002 Debt Outstanding

- ❖ The District has two series of GO Bonds outstanding under the March 5, 2002 Prop 39 Election
 - Not-to-exceed authorization of \$67,940,000; no unissued authorization remains
 - Bond refinancings were completed in 2010, 2013 and 2020 for taxpayer savings

Election of 2002 - Projected Tax Rates ⁽¹⁾



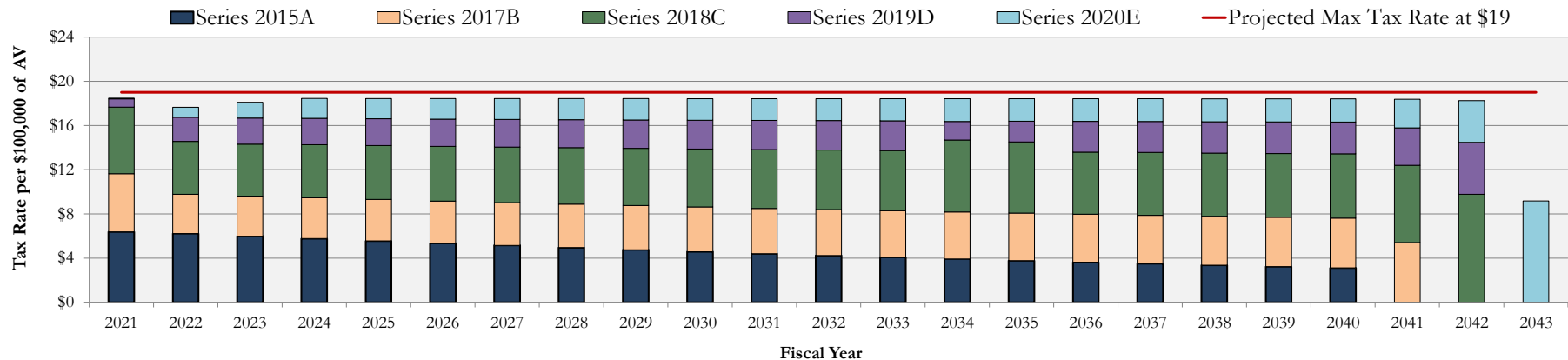
⁽¹⁾ Assumes 4.00% growth for FY 21-22 and every year thereafter.



2014 Measure I Projected Tax Rates

- ❖ The School District's voters approved Measure I, a \$175 million bond measure on the November 4, 2014 ballot with an approval rate of 59%
- ❖ Tax rate projection of \$19 per \$100,000 of AV throughout the life of the bonds
- ❖ In June 2020 the District issued its fifth and final series of bonds for Measure I in the amount of \$23.5 million
- ❖ No remaining authorization left for Measure I

Election of 2014 - Projected Tax Rates



(1) Assumes 4.00% growth for FY 21-22 and every year thereafter.



2021 General Obligation Refunding Bonds Overview*

- ❖ The School District's 2013 General Obligation Refunding Bonds can be refinanced with taxable rates to provide approximately \$1.7 million in taxpayer savings

Key Refunding Highlights	
Call Date	8/1/2023
Call Price	100%
Gross Savings	\$1,741,626
NPV Savings (\$)	\$1,652,339
NPV Savings (%)	10.85%
Annual Savings	\$217,492
Negative Arbitrage	\$404,624

Refunding Savings of 2013 Refunding Bonds*

Payment Date	Prior Debt Service	Refunding Debt Service	Gross Savings	NPV Savings @ 3.6765674%
8/1/2021	\$380,625	\$378,936	\$1,689	\$1,682
8/1/2022	761,250	546,194	215,056	213,290
8/1/2023	761,250	545,324	215,926	211,534
8/1/2024	1,956,250	1,739,277	216,973	209,960
8/1/2025	2,026,500	1,807,860	218,640	208,822
8/1/2026	2,065,250	1,847,590	217,660	205,194
8/1/2027	2,143,750	1,923,654	220,096	204,779
8/1/2028	5,164,750	4,949,020	215,730	198,122
8/1/2029	5,265,750	5,045,892	219,858	198,955
Total	\$20,525,375	\$18,783,749	\$1,741,626	\$1,652,339

* Preliminary and subject to change.

Note: Assumes market conditions as of January 2021.



Financing Schedule*

Date	Activity
3/9/2021	Board Meeting to Introduce Refunding Plan
3/29/2021	Rating Presentation
4/9/2021	Rating Received
4/13/2021	Board Meeting to Consider Resolution of Issuance
4/21/2021	Hold Competitive Sale
5/5/2021	Closing

* Preliminary, subject to change.