



Issuing the First Series of Measure B Bonds

March 12, 2019

Alpine County Unified School District

Measure B Approved in November 2018!

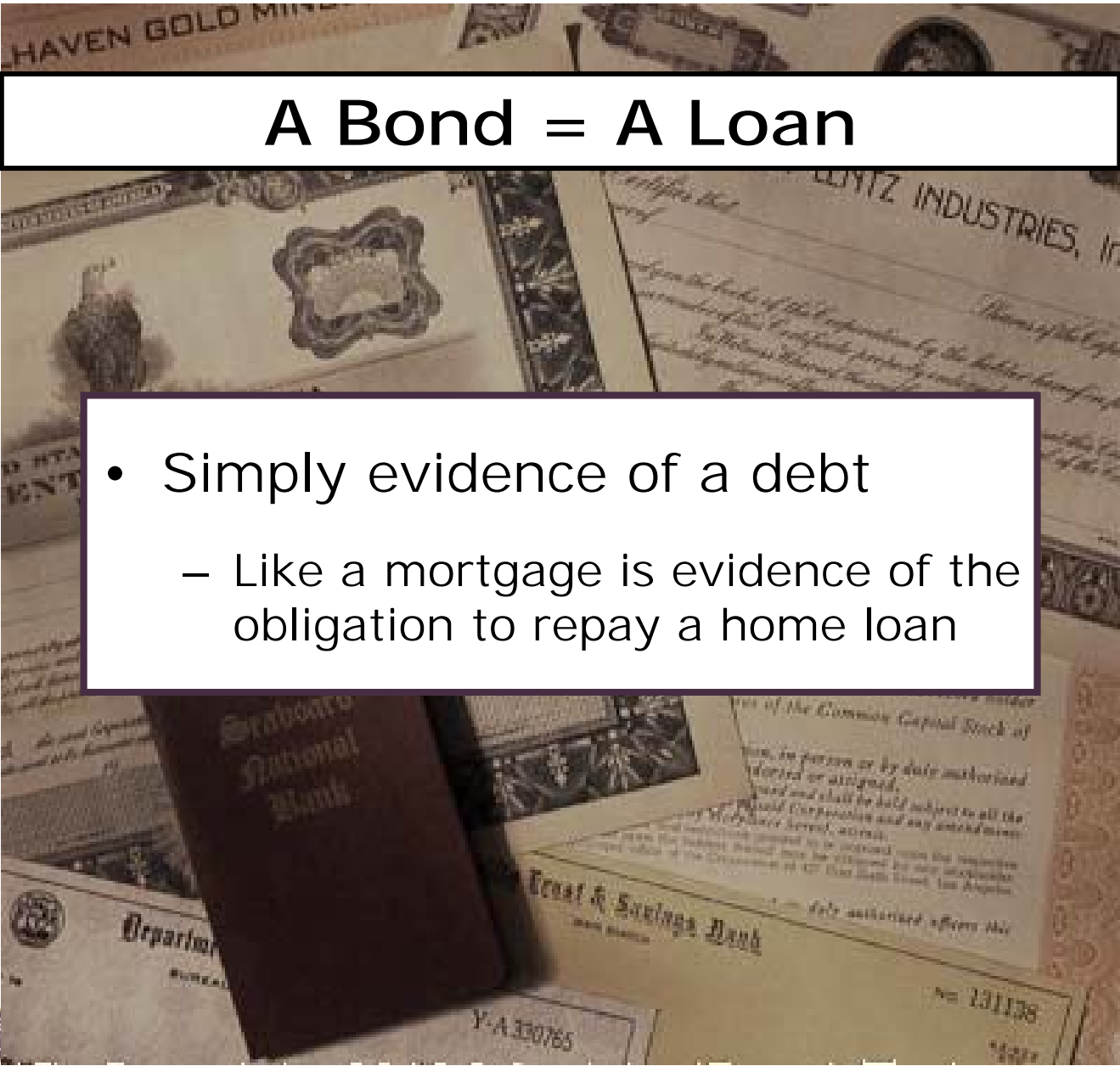
Authorized \$4.9 Million

- *Estimated average tax rate of \$28 per \$100,000 of assessed value*
- *Estimated maximum tax rate of \$39 per \$100,000 of assessed value*



Review of GO Bonds





A Bond = A Loan

- Simply evidence of a debt
 - Like a mortgage is evidence of the obligation to repay a home loan



General Obligation (“GO”) Bonds



Loans issued by a public agency and repaid from an *ad valorem* tax on property within the agency's boundaries

Voter approved

- Traditionally requires a 2/3 vote
- Schools can authorize with 55% approval under Prop. 39

Bond proceeds must be spent on real property

- Land, buildings, permanent improvements
- Furniture and equipment permitted under Prop. 39



GO Bond Taxes

- Once approved by the voters, taxes are imposed based on *actual* debt service of bonds issued
 - Repaid from a tax on all assessed value ("AV") in a district's boundaries

$$\text{Tax Rates Per \$100,000 of AV} = \text{Bond Debt Service} / \text{AV} * \$100,000$$

Bonds for Alpine County USD



A Bond Plan is Based on Several Assumptions

Assessed Value Growth

- 2% annual growth rate

Bond Interest Rates

- 4.42% on first series

Bond Term

- No longer than 30 years

Tax Rate Limitations

- Avg. \$28/\$100,000 of a.v., max. \$39/\$100,000 if a.v. per tax rate statement



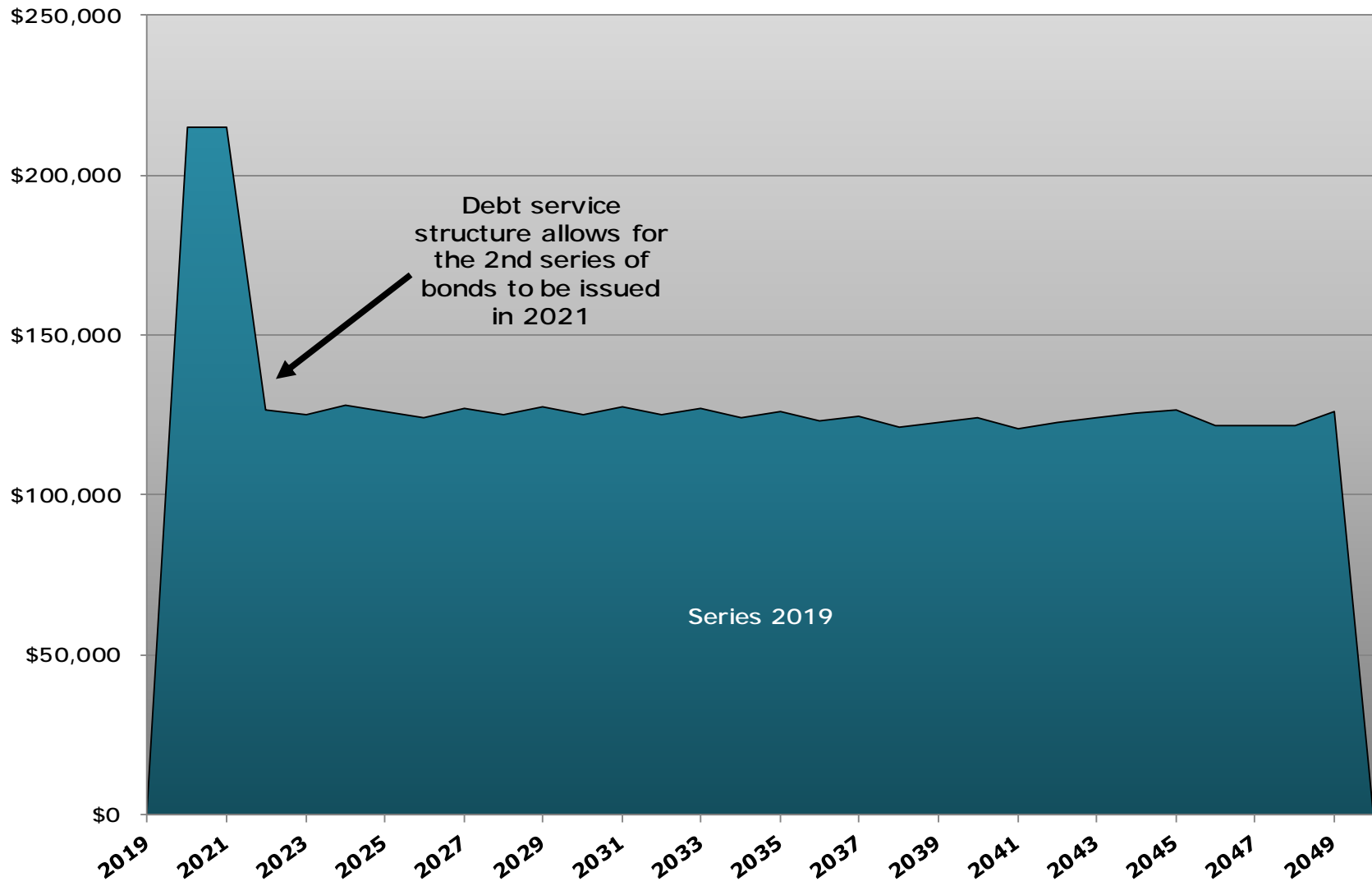
Measure B Bond Issuance Summary

Issuance		
Bond Series	Year	Total Bonds
Series A	2019	\$2,300,000
Series B	2021	\$2,600,000
Total		\$4,900,000

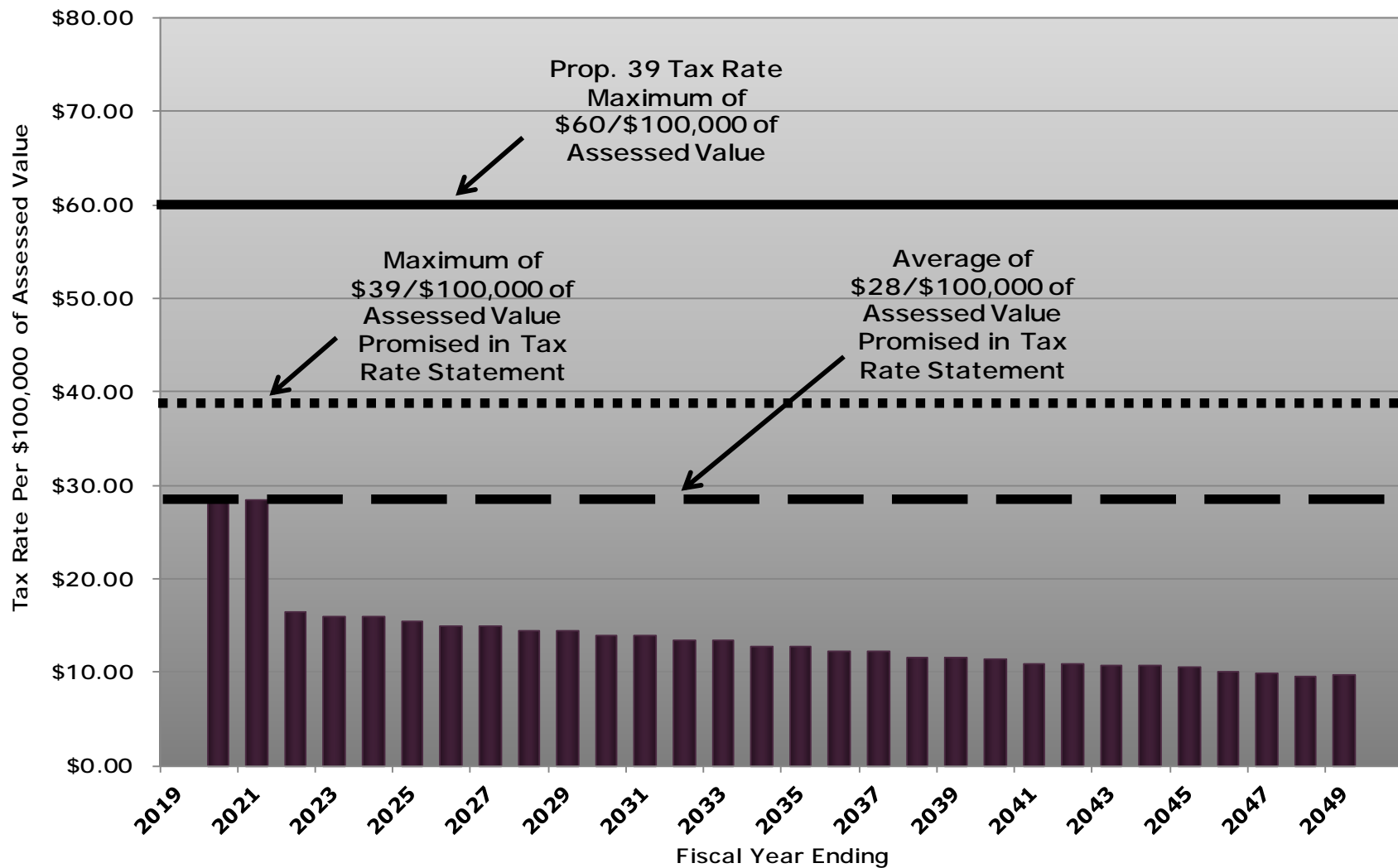
Series 2019 Bond Sources and Uses

Sources of Funds	Estimated Amount
Par Amount of Bonds	\$2,300,000
Bond Premium	\$250,000
Total Sources of Funds	\$2,550,000
Uses of Funds	Estimated Amount
Project Fund	\$2,180,000
Cost of Issuance	\$120,000
Underwriter's Discount	\$34,500
Bond Insurance	\$17,000
Debt Service Fund	\$198,500
Total Uses of Funds	\$2,550,000

The First Series of Measure B Bonds Can Be Structured to be Financially Efficient, with "Front Loaded" Principal Repayment, Then Fully Amortized, Thus Reducing Overall Interest Costs



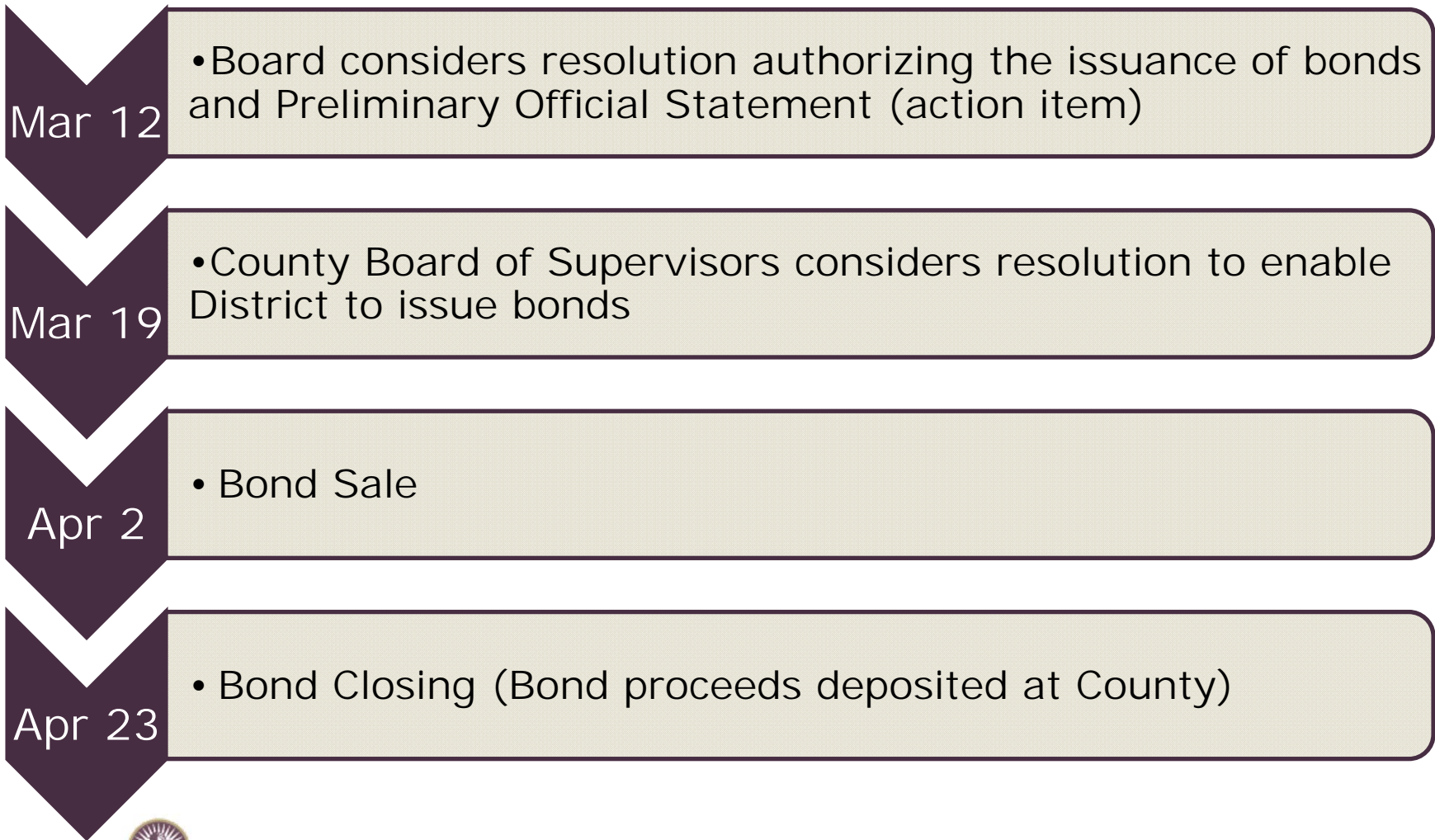
Tax Rates on the Series 2019 Bonds Are Structured to Meet the \$28/\$100,000 of AV Promise Made to the Voters for Two Years, Then Drop Down to Allow for the Second Series of Bonds to be Issued in 2021



Approvals Required to Issue Bonds

- District Resolution Authorizing the Issuance of Bonds
 - Preliminary Official Statement
 - Bond Purchase Agreement
 - Paying Agent Agreement
 - Continuing Disclosure Certificate
- Alpine County Approval

Schedule for Moving Forward



Board Questions and Discussion

