



# WOODLAND PUBLIC SCHOOLS



## BOND SALE RESULTS

Prepared by:

Mark Prussing  
*Senior Managing Consultant*

Public Financial Management, Inc.

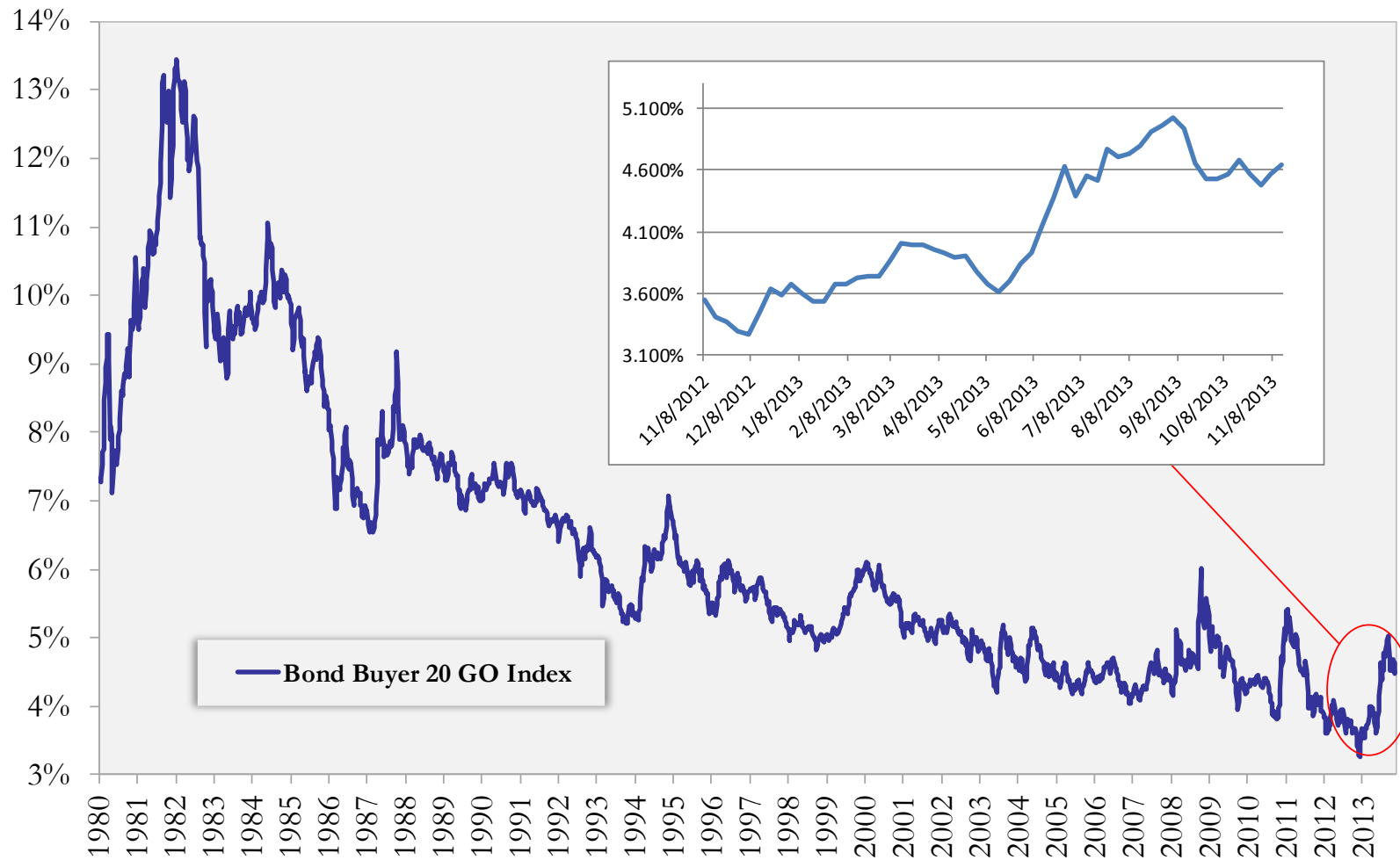
1200 Fifth Avenue, Suite 1220  
Seattle, WA 98101  
(206) 264-8900 (206) 264-9699 fax

November 19, 2013

# Bond Interest Rates

While still relatively low, bond interest rates have been volatile over the past year due to economic, political, and fiscal policy uncertainty.

## Historic Tax-Exempt Bond Rates



# Bond Issue Goals



- ✓ **Provide funds to meet construction cash flow needs**
  - ✓ Issue unlimited tax general obligation bonds to provide the remaining funding of the District's 2012 voter authorization and pay the costs related to the sale, issuance, and delivery of the Bonds
- ✓ **Maintain property tax rates which meet taxpayer expectations**
  - ✓ \$16.00 per month projected tax increase for bonds for a \$200,000 home
- ✓ **Lock in current low interest rates**, thus removing interest rate risk from the District's capital facilities plan
  - ✓ True interest cost – 4.25%
- ✓ **Maximize funds available for projects**
  - ✓ Deposit \$26,835,000 into the Capital Projects Fund
- ✓ **Maintain an appropriate balance in the Debt Service Fund**
- ✓ **Maintain the current "A1" bond rating from Moody's Investors Service**
- ✓ **Utilize the Washington School Bond Credit Enhancement Program** to additionally lower interest rates (Aa1)
- ✓ **25 year maximum term**



# Method of Sale



- After an evaluation of the market and this issue specifics, PFM recommended a negotiated sale for this bond issue. Piper Jaffray & Co. was selected through a request for proposal process to serve as underwriter. The district received proposals from seven firms and Piper Jaffray was determined to have the proposal which was the best match for the Districts financing goals.
- Proposals were received from
  - ▣ R.W. Baird & Co.
  - ▣ D.A. Davidson & Co.
  - ▣ De La Rosa & Co.
  - ▣ KeyBanc Capital Markets
  - ▣ Martin Nelson & Company
  - ▣ Piper Jaffray & Co.
  - ▣ RBC Capital Markets
- The sale was approved through a delegation of authority, as authorized by the Board on November 12, 2013.



# Projected Tax Rates



New Bonds Issued				
Date	Amount	Rate Cushion	Price	Net Interest Cost
12/10/2013	\$26,835,000.00	0.00%	106%	4.45%
Costs	177,217.50			
Cap. Int	324,747.85			
Proceeds	<b>\$ 27,336,965.35</b>			

Projected Cost vs. Election Goal	
Change in Tax Rate for Bonds	
2012-2015 (\$/\$1,000)	0.96
Cost for \$200,000 Home	\$192.00
Cost per Month	\$16.00
Election Goal	\$16.00

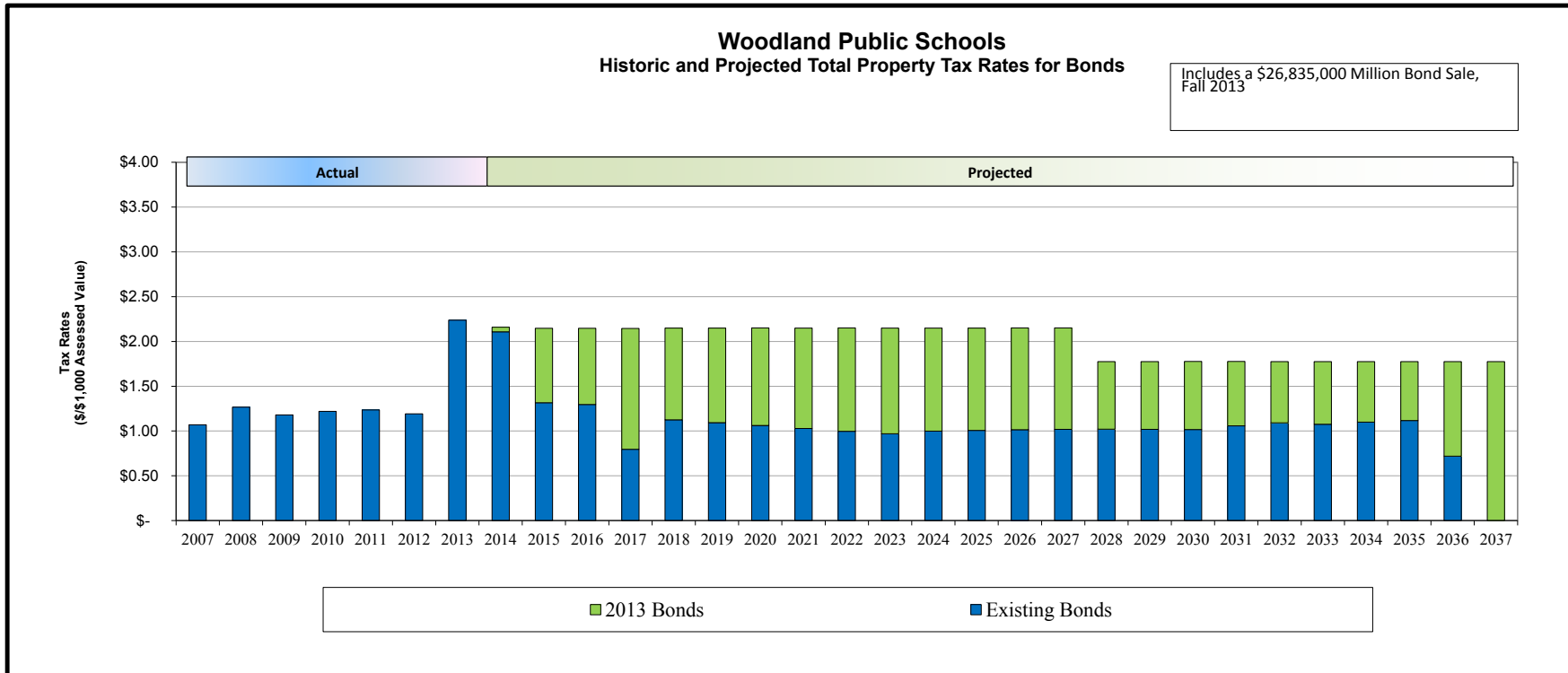
Assessed Value		
Year	Bond Assessed Value	Growth Rate
2007	\$1,165,443	16.21%
2008	1,282,974	10.08%
2009	1,396,061	8.81%
2010	1,343,756	-3.75%
2011	1,316,250	-2.05%
2012	1,299,440	-1.28%
2013	1,251,125	-3.72%
2014	1,296,431	3.62%
2015	1,322,360	2.00%
2016	1,362,031	3.00%
2017	1,402,892	3.00%
2018	1,444,979	3.00%
2019	1,488,328	3.00%
2020	1,532,978	3.00%
2021	1,578,967	3.00%
2022	1,626,336	3.00%
2023	1,675,126	3.00%
2024	1,725,380	3.00%
2025	1,777,141	3.00%
2026	1,830,456	3.00%
2027	1,885,369	3.00%
2028	1,941,930	3.00%
2029	2,000,188	3.00%
2030	2,060,194	3.00%
2031	2,122,000	3.00%
2032	2,185,660	3.00%
2033	2,251,229	3.00%
2034	2,318,766	3.00%
2035	2,388,329	3.00%
2036	2,459,979	3.00%
2037	2,533,779	3.00%
2038	2,609,792	3.00%
2039	2,688,086	3.00%
2040	2,768,728	3.00%
Actual		
Projected		

Property Tax Levies (\$1,000's)				
Debt Service		Levy Amounts		Total District Levy
Existing Bonds	2013 Bonds	Total Bonds	Operating Levy	
\$1,250	\$ -	\$1,250	\$2,246	\$3,496
1,626	-	1,626	2,403	4,029
1,647	-	1,647	2,596	4,243
1,640	-	1,640	2,803	4,443
1,625	-	1,625	2,950	4,575
1,550	-	1,550	3,100	4,650
2,800	-	2,800	3,250	6,050
2,732	68	2,800	3,400	6,200
1,740	1,100	2,840	3,950	6,790
1,766	1,159	2,925	3,950	6,875
1,116	1,894	3,009	3,950	6,959
1,627	1,478	3,105	4,069	7,173
1,627	1,573	3,200	4,191	7,390
1,627	1,669	3,296	4,316	7,612
1,625	1,767	3,392	4,446	7,838
1,623	1,875	3,497	4,579	8,076
1,624	1,977	3,601	4,717	8,317
1,724	1,983	3,707	4,858	8,565
1,789	2,031	3,821	5,004	8,824
1,856	2,080	3,936	5,154	9,090
1,920	2,134	4,054	5,308	9,363
1,981	1,467	3,448	5,468	8,916
2,039	1,511	3,550	5,632	9,182
2,094	1,565	3,660	5,801	9,460
2,245	1,526	3,770	5,975	9,745
2,387	1,493	3,880	6,154	10,034
2,422	1,573	3,995	6,339	10,334
2,549	1,567	4,116	6,529	10,645
2,668	1,572	4,240	6,725	10,964
1,768	2,598	4,366	6,926	11,292
-	4,500	4,500	7,134	11,634
-	4,636	4,636	7,348	11,984
-	-	-	7,569	7,569
-	-	-	7,796	7,796
\$ 56,687		\$ 46,794	\$ 103,481	
Authorized		(1) - Certified budget amount		
Proposed		(2) - Utilizes Debt Service Fund balance		

Tax Rates			
Year	Total Bonds	Operating Levy	Total Tax Rates
2007	\$1.07	\$1.91	\$2.98
2008	1.27	1.85	3.12
2009	1.18	1.84	3.02
2010	1.22	2.03	3.25
2011	1.23	2.17	3.40
2012	1.19	2.34	3.53
2013	2.24	2.58	4.82
2014	2.16	2.60	4.76
2015	2.15	2.96	5.11
2016	2.15	2.88	5.03
2017	2.15	2.79	4.94
2018	2.15	2.79	4.94
2019	2.15	2.79	4.94
2020	2.15	2.79	4.94
2021	2.15	2.79	4.94
2022	2.15	2.79	4.94
2023	2.15	2.79	4.94
2024	2.15	2.79	4.94
2025	2.15	2.79	4.94
2026	2.15	2.79	4.94
2027	2.15	2.79	4.94
2028	1.78	2.79	4.57
2029	1.77	2.79	4.56
2030	1.78	2.79	4.57
2031	1.78	2.79	4.57
2032	1.78	2.79	4.57
2033	1.77	2.79	4.56
2034	1.78	2.79	4.57
2035	1.78	2.79	4.57
2036	1.77	2.79	4.56
2037	1.78	2.79	4.57
2038	1.78	2.79	4.57
2039	0.00	2.79	2.79
2040	0.00	2.79	2.79



# Projected Tax Rates



# Next Steps



OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5						1	2	1	2	3	4	5	6	7
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

Date	Event
October 28	<ul style="list-style-type: none"> <li>Regular Board Meeting                             <ul style="list-style-type: none"> <li>Review of financing plans</li> </ul> </li> </ul>
November 4	<ul style="list-style-type: none"> <li>Rating agency presentation</li> </ul>
November 6-7	<ul style="list-style-type: none"> <li>Underwriter selection through RFP</li> </ul>
November 12	<ul style="list-style-type: none"> <li>Regular Board Meeting                             <ul style="list-style-type: none"> <li>Board Considers Bond Resolution for sale of bonds</li> </ul> </li> </ul>
Week of November 18	<ul style="list-style-type: none"> <li>Sale of voted bonds by negotiated sale and approval by delegation of authority</li> </ul>
November 25	<ul style="list-style-type: none"> <li>Regular Board Meeting                             <ul style="list-style-type: none"> <li>Review of bond sale results</li> </ul> </li> </ul>
December 10	<ul style="list-style-type: none"> <li>Bond closing</li> </ul>