

Presentation to Board of Education



School Facilities Improvement District No. 1 of the Irvine Unified School District

General Obligation Bonds, 2016 Election, Series 2016A

\$95,000,000*

September 13, 2016

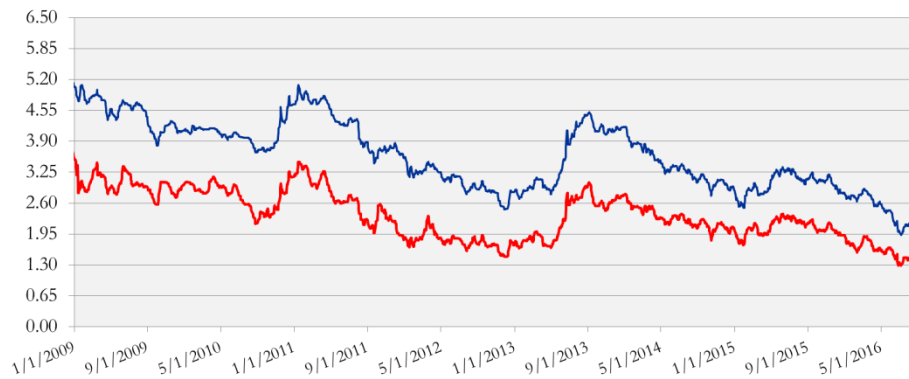
*Preliminary and subject to change

Market Update

Change in 'AAA' MMD Yields

(August 1, 2008 through September 9, 2016)

— 'AAA' MMD 10-Year Yields — 'AAA' MMD 30-Year Yields

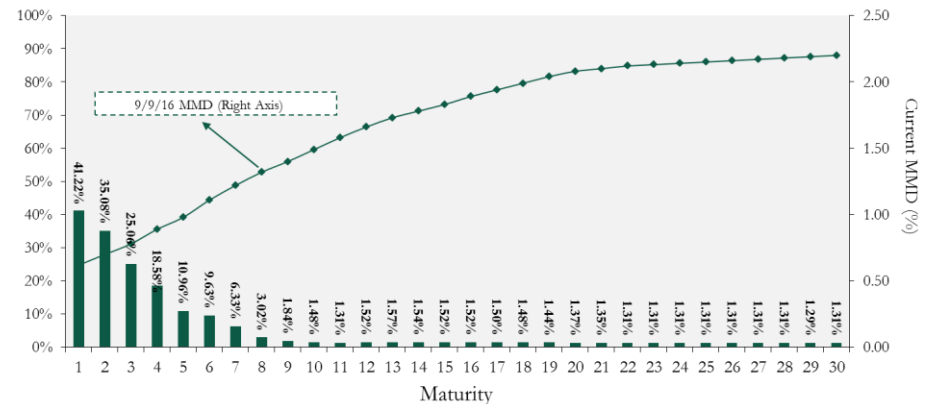


Tax-exempt rates have steadily maintained near all-time historic lows in the months following Brexit



Tax-exempt rates have only been lower 6% of the time along the entire yield curve

Current "AAA" MMD and Percentage of Time Historical "AAA" MMD has been Lower than Current "AAA" MMD from January 2, 1998 through September 9, 2016

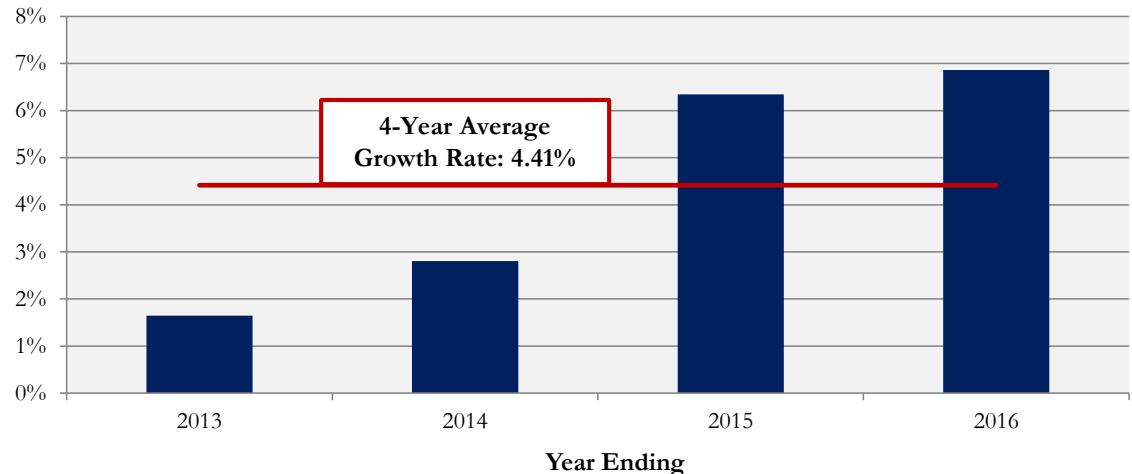


SFID Historical Assessed Valuation

- ❖ The SFID's 4-year average growth rate: 4.41%
- ❖ District-wide 11-year average growth rate: 6.87%
- ❖ SFID total bonding capacity: \$593 million

Fiscal Year Ending	Total A.V.	% Change in A.V.
2012	19,982,610,097	-
2013	20,311,476,006	1.65%
2014	20,880,889,496	2.80%
2015	22,206,028,185	6.35%
2016	23,729,727,500	6.86%
4-Year Average		4.41%

SFID No. 1 Historical % Change in Assessed Value



2016 Measure E Bond Election Overview

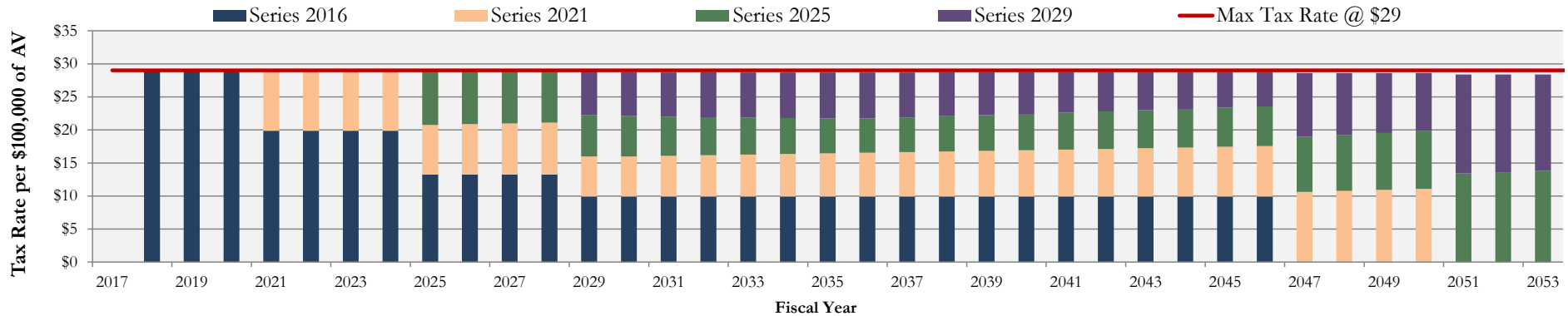
- ❖ The School Facilities Improvement District No. 1 (“SFID”) recently passed its Measure E Proposition 39 Election on June 7, 2016 authorizing \$319 million in General Obligation Bonds (60.2% voter approval)
- ❖ Projected tax rate limit of \$29 per \$100,000 of Assessed Value throughout the life of all Measure E Bonds
- ❖ 30-year maximum term per bond series
- ❖ First bond sale expected in October 2016 via competitive sale to fund \$95 million*

Election of 2016 Proposed Bond Issuance (3.00% Growth)

❖ The SFID could fund \$95 million in late 2016 and have remaining tax rate capacity to fund an additional \$155 million in the next 12 years

☐ *Only Current Interest Bonds and 3.00% annual growth in Assessed Valuation*

**2016 GO Bond Election
Estimated Tax Rates⁽¹⁾⁽²⁾**



	Series 2016	Series 2021	Series 2025	Series 2029	Total
Issue Date	10/18/2016	3/1/2021	3/1/2025	3/1/2029	-
Par Amount	95,000,000	50,555,000	50,555,000	56,415,000	252,525,000
Project Amount	95,000,000	50,000,000	50,000,000	55,800,000	250,800,000
Final Maturity Date	9/1/2046	9/1/2050	9/1/2053	9/1/2053	9/1/2053
Repayment Ratio	1.51	2.04	2.09	1.86	1.81
Percentage of CIBs	100%	100%	100%	100%	100%
Percentage of CABs	0%	0%	0%	0%	0%

⁽¹⁾Assumes 3.00% growth in AV for FY 16-17 and every year thereafter.

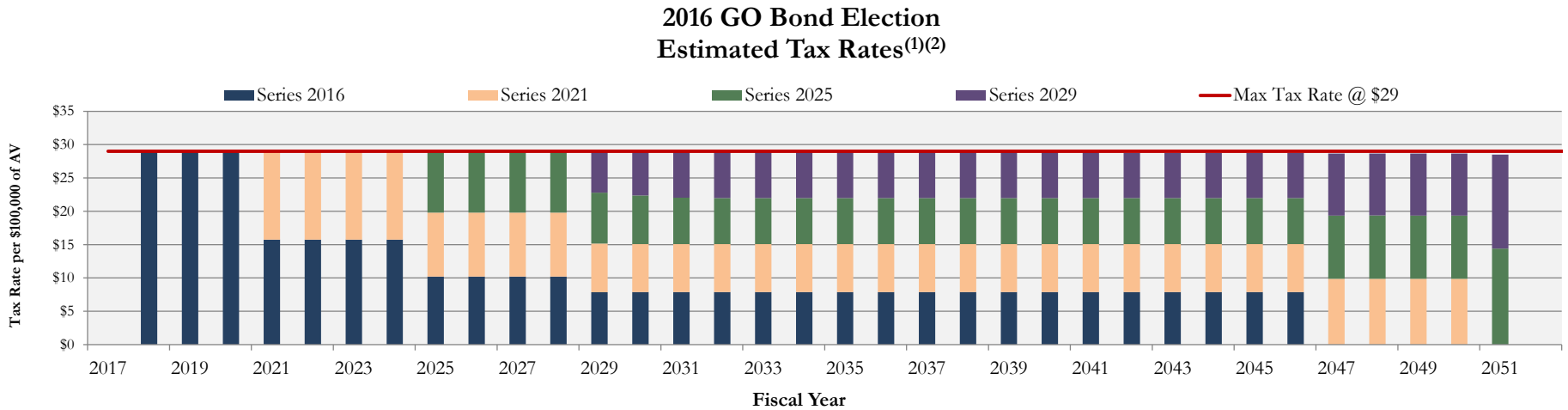
⁽²⁾ Series 2016 scale assumes August 2016 market conditions. Series 2021, 2025 and 2029 assumes MMD 10-year average 'AA' scale per maturity.



Election of 2016 Proposed Bond Issuance (4.50% Growth)

❖ The SFID could fund \$95 million in late 2016 and have remaining tax rate capacity to issue the remaining \$319 million authorization within 12 years

☐ *Only Current Interest Bonds and 4.50% annual growth in Assessed Valuation*



	Series 2016	Series 2021	Series 2025	Series 2029	Total
Issue Date	10/18/2016	3/1/2021	3/1/2025	3/1/2029	-
Par Amount	95,000,000	75,000,000	74,000,000	75,000,000	319,000,000
Project Amount	95,000,000	74,275,000	73,282,000	72,525,000	315,082,000
Final Maturity Date	9/1/2046	9/1/2050	9/1/2051	9/1/2051	9/1/2051
Repayment Ratio	1.56	2.02	1.97	1.74	1.81
Percentage of CIBs	100%	100%	100%	100%	100%
Percentage of CABs	0%	0%	0%	0%	0%

⁽¹⁾Assumes 3.00% growth in AV for FY 16-17 and every year thereafter.

⁽²⁾ Series 2016 scale assumes August 2016 market conditions. Series 2021, 2025 and 2029 assumes MMD 10-year average 'AA' scale per maturity.



Financing Schedule*

Date	Description
September 8, 2016	Credit Presentation
September 13, 2016	School Board Meeting to Approve Financing
September 16, 2016	Rating Received
October 4, 2016	Hold Competitive Sale
October 18, 2016	Closing

* Preliminary and subject to change