



Irvine Unified School District
Community Facilities District No. 09-1
Special Tax Bonds, Series 2019 A
Finance Plan Review

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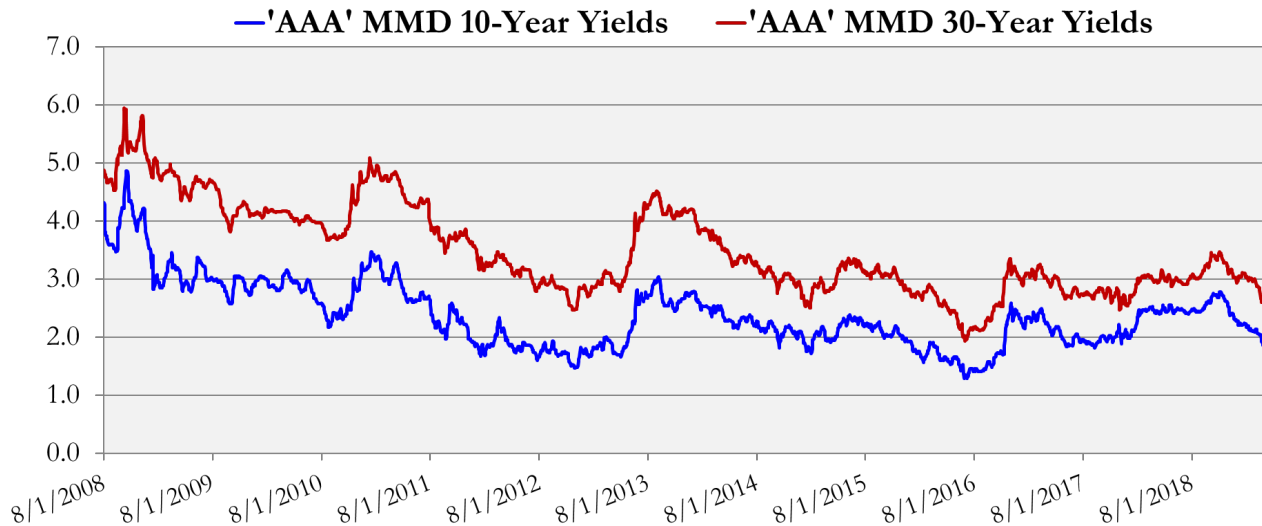
August 20, 2019

Market Update

- ❖ Long-term interest rates have fallen since November 2008 and have recently continued to decline with uncertainty over trade policy and concerns on weakening global growth
- ❖ Fed cuts its short-term rates by 0.25% on July 31, and signaled the potential for additional cuts in the months to come

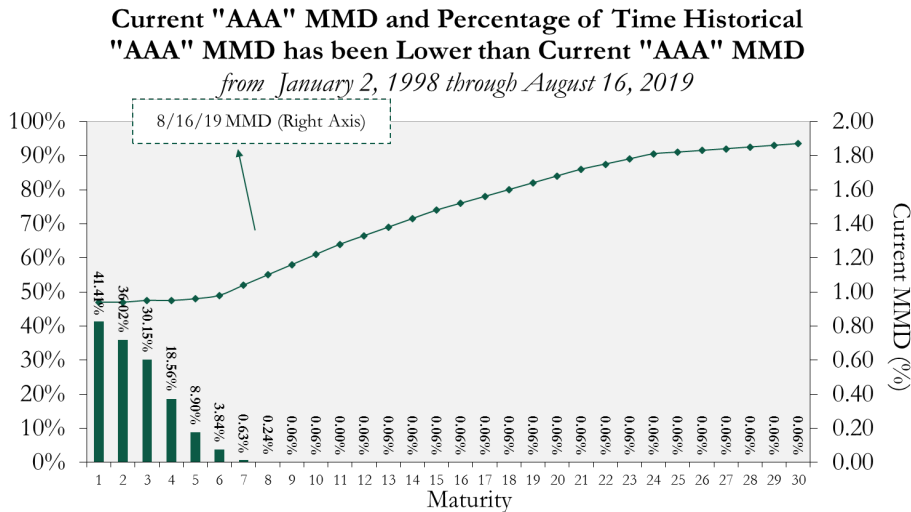
Historic Change in 'AAA' MMD Yields

(August 1, 2008 through August 16, 2019)



Market Update

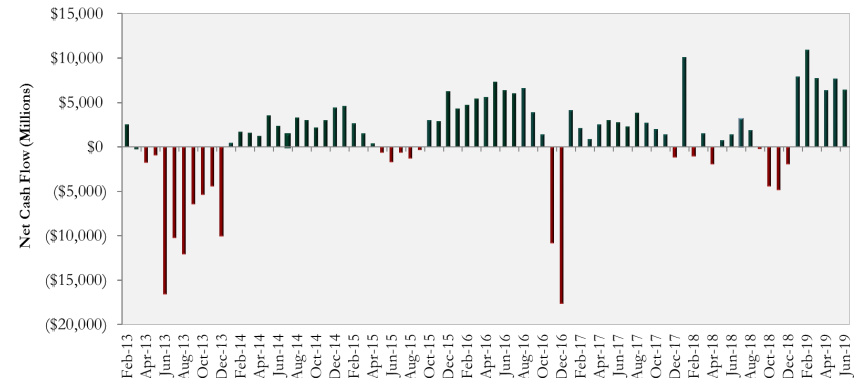
- ❖ **Municipal Market Data (MMD):** ‘AAA’ rated yield curve published daily by Thomson Reuters. All tax-exempt municipal bonds price based on a spread to MMD.



- ❖ Historical rates in the 30-year range have only been lower approximately 4.70% of the time since 1998

- ❖ U.S. municipal bond funds reported \$1.6 billion of net inflows for the week ended August 16th, marking the 32nd straight week of inflows
- ❖ New municipal issuance estimated at \$6.36 billion this week

**Monthly Flow of Funds
Municipal Bond Mutual Funds**



Executive Summary

- ❖ From March 2012 to March 2016, the District issued six series of adjustable rate bonds in the amount of \$392.4 million to be repaid by special taxes from development of CFD No. 09-1
 - Existing series of bonds were structured as adjustable rate debt with daily and weekly interest rate resets

- ❖ Beginning in 2017, the District has taken advantage of historically low long-term interest rates to amend its adjustable rate bonds to fixed rate bonds
 - Series 2012A: \$61,572,000 principal amended
 - Series 2012B: \$48,375,000 principal amended
 - Series 2014A: \$35,500,000 principal amended
 - Series 2016A: \$41,495,000 principal amended

- ❖ As a result on continued development in CFD No. 09-1 since June 30, 2018 and historically low rates, the District is preparing to amend the Series 2014C adjustable rate bonds to fixed rate mode

Summary of CFD 09-1 Debt Outstanding

CFD No. 09-1 Special Tax Bonds Outstanding

Issue	Fixed Rate Bonds Outstanding					Adjustable Rate Bonds Outstanding	
	2017 A (prev. 2012 A)	2017 B (prev. 2012 B)	2017 C (prev. 2014 A)	2017 D	2018 A (prev. 2016 A)	2014B	2014C
Dated Date	6/29/2017	6/29/2017	6/29/2017	6/29/2017	6/21/2018	10/30/2014	10/30/2014
Final Maturity	9/1/2047	9/1/2051	9/1/2053	3/1/2057	9/1/2056	9/1/2054	9/1/2054
Par Amount	\$53,040,000	\$43,010,000	\$33,325,000	\$74,440,000	\$38,465,000	\$100,965,000	\$100,825,000
Par Outstanding	\$53,040,000	\$43,010,000	\$33,325,000	\$74,440,000	\$38,465,000	\$100,965,000	\$98,106,000
Max Interest Rate Allowed	True Interest Cost: 3.03%	True Interest Cost: 4.07%	True Interest Cost: 3.95%	True Interest Cost: 4.33%	True Interest Cost: 4.46%	12%	12%
Credit Rating	BAM Insured S&P: (AA)	BAM Insured S&P: (AA)	BAM Insured S&P: (AA)	BAM Insured S&P: (AA)	BAM Insured S&P: (AA)	S&P: (A/A-1) Moody's: (A1/VMIG1)	S&P: (AA-/A-1+) Moody's: (Aa3/VMIG1)
LOC Provider	-	-	-	-	-	Sumitomo Mitsui	US Bank N.A.
LOC Expiration Date	-	-	-	-	-	10/5/2020	9/27/2019

Estimated Sources/Uses and DS Coverage*

Sources & Uses

SOURCES		Total
Bond Proceeds		
Par Amount	\$	89,410,000.00
Net Premium		12,231,785.60
	\$	101,641,785.60
Total Sources	\$	101,641,785.60
USES		
Refunding Escrow Deposits		
Cash Deposit	\$	98,199,671.07
Delivery Date Expenses		
Cost of Issuance	\$	500,000.00
Underwriter's Discount		447,050.00
Bond Insurance at 115 bps		2,223,513.67
Reserve Surety at 3.25%		271,085.76
	\$	3,441,649.43
Other Uses of Funds		
Additional Proceeds	\$	465.10
Total Uses	\$	101,641,785.60

Bond Year Ending	Net Tax Roll Revenues	Outstanding Fixed Rate and Adjustable Rate Bonds Debt Service	Series 2019 A Bonds Estimated Debt Service	Total Debt Service	Debt Service Coverage
9/1/2019	\$19,249,451	\$14,801,920	-	\$14,801,920	130.05%
9/1/2020	21,094,947	14,435,545	\$4,127,731	18,563,276	113.64%
9/1/2021	29,281,032	21,192,899	4,332,313	25,525,212	114.71%
9/1/2022	29,173,871	21,110,804	4,332,313	25,443,117	114.66%
9/1/2023	29,166,567	21,105,954	4,332,313	25,438,267	114.66%
9/1/2024	29,159,116	21,098,995	4,332,313	25,431,307	114.66%
9/1/2025	29,151,517	21,103,299	4,332,313	25,435,612	114.61%
9/1/2026	29,143,766	21,101,454	4,332,313	25,433,767	114.59%
9/1/2027	29,135,859	18,714,454	4,777,313	23,491,767	124.03%
9/1/2028	29,127,795	18,653,693	4,830,063	23,483,755	124.03%
9/1/2029	29,119,569	17,817,174	5,659,063	23,476,237	124.04%
9/1/2030	29,111,179	17,778,044	5,695,313	23,473,356	124.02%
9/1/2031	29,102,621	17,745,002	5,721,313	23,466,315	124.02%
9/1/2032	29,093,892	17,708,870	5,747,313	23,456,182	124.04%
9/1/2033	29,084,988	17,665,431	5,783,063	23,448,493	124.04%
9/1/2034	29,075,906	17,627,305	5,817,813	23,445,117	124.02%
9/1/2035	29,066,643	17,588,473	5,846,313	23,434,785	124.03%
9/1/2036	29,057,194	17,551,156	5,878,563	23,429,719	124.02%
9/1/2037	29,047,556	17,502,380	5,919,063	23,421,442	124.02%
9/1/2038	29,037,726	17,457,621	5,955,938	23,413,558	124.02%
9/1/2039	28,129,906	16,672,629	6,009,375	22,682,004	124.02%
9/1/2040	28,098,471	16,616,559	6,038,750	22,655,309	124.03%
9/1/2041	28,088,039	16,565,383	6,079,250	22,644,633	124.04%
9/1/2042	28,077,398	16,512,926	6,126,000	22,638,926	124.02%
9/1/2043	28,066,544	16,464,099	6,163,250	22,627,349	124.04%
9/1/2044	28,055,473	16,417,308	6,201,000	22,618,308	124.04%
9/1/2045	28,044,181	16,364,233	6,248,750	22,612,983	124.02%
9/1/2046	28,032,663	16,310,981	6,290,500	22,601,481	124.03%
9/1/2047	28,020,915	16,258,149	6,336,000	22,594,149	124.02%
9/1/2048	28,008,931	16,202,670	6,379,500	22,582,170	124.03%
9/1/2049	27,996,708	16,146,156	6,425,500	22,571,656	124.03%
9/1/2050	27,984,241	16,086,994	6,478,250	22,565,244	124.01%
9/1/2051	27,971,524	16,022,201	6,531,750	22,553,951	124.02%
9/1/2052	27,958,553	15,967,483	6,575,250	22,542,733	124.02%
9/1/2053	27,945,322	15,862,849	6,668,500	22,531,349	124.03%
9/1/2054	27,931,827	12,688,635	9,833,250	22,521,885	124.02%

* Preliminary and subject to change in market conditions.



Summary of Next Steps

Date	Description
Tuesday, August 20, 2019	District Board Meeting - Consider Resolution of Issuance
Wednesday, August 28, 2019	Price Bonds
Wednesday, September 18, 2019	Bond Closing and Prior Bonds Amended