

Washington Community Schools

Preliminary Determination Hearings

June 20, 2019
and
June 24, 2019



now joined with
Springsted and Umbaugh

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WASHINGTON COMMUNITY SCHOOLS

SCHEDULE OF EXISTING DEBT SERVICE/LEASE RENTAL PAYMENTS

(Unaudited)



Note: Excludes Amended Taxable General Obligation Pension Bonds of 2004.

WASHINGTON COMMUNITY SCHOOLS

SCHEDULE OF EXISTING DEBT SERVICE/LEASE RENTAL PAYMENTS

(Unaudited)

Payable Year	First Mortgage Refunding Bonds, Series 2008	Ad Valorem Property Tax First Mortgage Bonds, Series 2010 (QSCB Direct Payment)	Ad Valorem Property Tax First Mortgage Bonds, Series 2014	Ad Valorem Property Tax First Mortgage Refunding And Improvement Bonds, Series 2015 (Refunding)	Ad Valorem Property Tax First Mortgage Refunding And Improvement Bonds, Series 2015 (New Project)	General Obligation Bonds Of 2016	General Obligation Bonds Of 2019	Totals
		(1)						
2018	\$520,000	\$254,000	\$227,000	\$1,348,000	\$52,000	\$132,725		\$2,533,725
2019	520,000	254,000	229,000	1,348,000	52,000	165,241		2,568,241
2020	260,000	254,000	231,000	1,348,000	52,000	236,661	\$183,439	2,565,100
2021		254,000	231,000	1,348,000	52,000	505,250	142,200	2,532,450
2022		254,000	236,000	1,348,000	52,000	498,990	145,050	2,534,040
2023		254,000	236,000	1,348,000	52,000		645,350	2,535,350
2024		254,000		1,348,000	52,000		891,750	2,545,750
2025		254,000		1,348,000	52,000		182,700	1,836,700
2026		254,000		1,348,000	52,000			1,654,000
2027				1,348,000	52,000			1,400,000
2028				1,348,000	52,000			1,400,000
2029				966,000	433,000			1,399,000
2030					1,400,000			1,400,000
Totals	\$1,300,000	\$2,286,000	\$1,390,000	\$15,794,000	\$2,405,000	\$1,538,867	\$2,190,489	\$26,904,356
Call Dates:	Non-Callable	15-Jul-20	Non-Callable	15-Jan-23	15-Jan-23	Non-Callable		

(1) Amounts shown are the gross lease rental payments.

Note: Excludes Amended Taxable General Obligation Pension Bonds of 2004.

Washington Community Schools
Proposed Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2020

ESTIMATED PROJECT SOURCES AND USES

Estimated Project Sources

Proposed First Mortgage Bonds, Series 2020	<u>\$38,000,000.00</u>
Total Estimated Project Sources	<u><u>\$38,000,000.00</u></u>

Estimated Project Uses

Estimated Funds Available for Construction	\$37,460,000.00
Allowance for Costs of Issuance (1)	350,000.00
Allowance for Underwriter's Discount (0.50%)	<u>190,000.00</u>
Total Estimated Project Costs	<u><u>\$38,000,000.00</u></u>

(1) Includes estimated fees for local counsel, bond counsel, municipal advisor, trustee, registrar and paying agent, rating, appraisals, printing, and other miscellaneous expenses.

Washington Community Schools

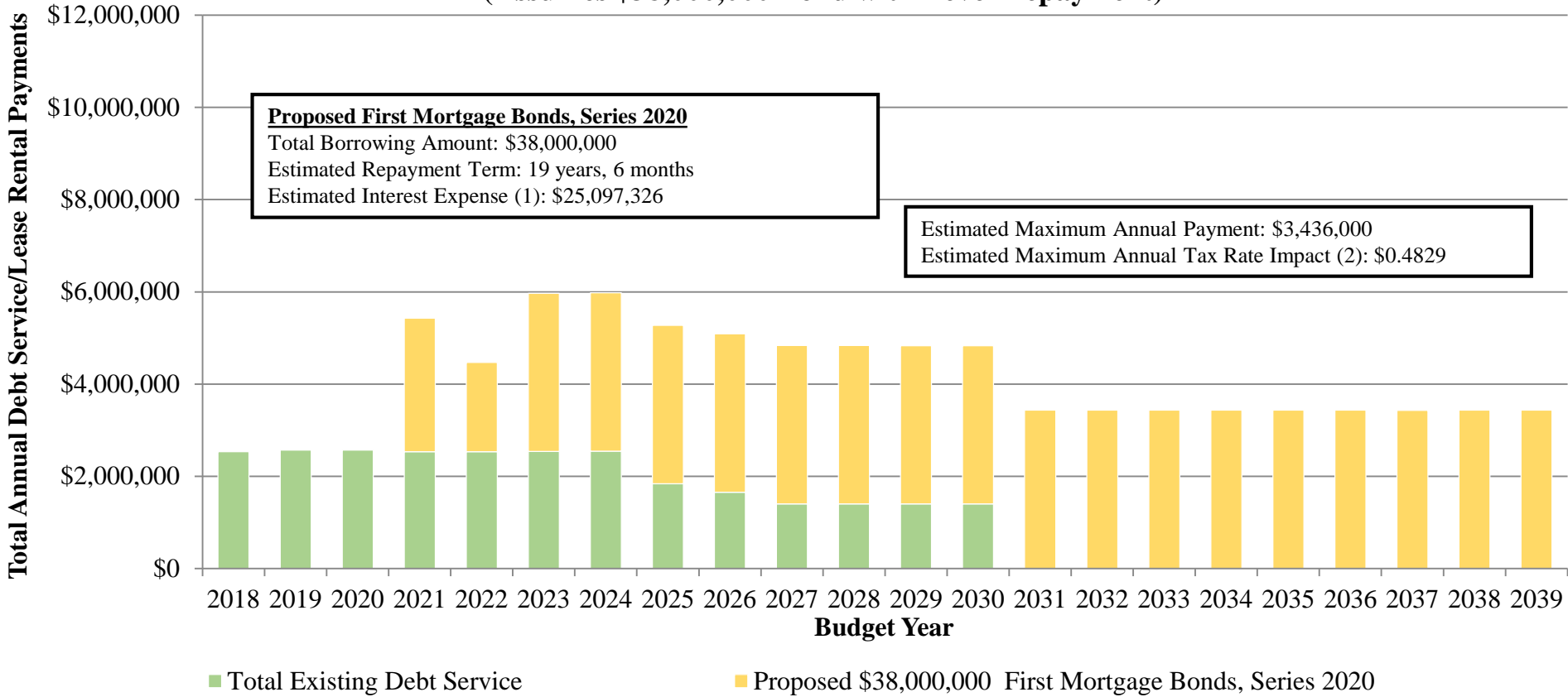
Summary of Proposed \$38 Million First Mortgage Bonds, Series 2020

Proposed First Mortgage Bonds, Series 2020	
Borrowing Amount	\$38,000,000
Maximum Repayment Term (1)	20 Years
Total Estimated Interest Expense (2)	\$25,097,326
Maximum Annual Lease Rental Payment (2)	\$3,436,000
Estimated Maximum Tax Rate Impact (3)	\$0.4829

- (1) Maximum Lease Term is 22 years to provide the School Corporation flexibility to adjust bond sale structure based upon market conditions.
- (2) Assumes market interest rates plus 1.0% to account for interest rate risk.
- (3) Represents the maximum estimated tax rate allocable to the Project based upon a 20 year repayment schedule and the 2019 certified NAV of \$590,893,589, plus TIF AV of \$85,081,526. Assumes miscellaneous revenue of 5.0%.

WASHINGTON COMMUNITY SCHOOLS
SCHEDULE OF EXISTING AND PROPOSED DEBT SERVICE / LEASE RENTAL
PAYMENTS

(Assumes \$38,000,000 Bond with Level Repayment)



Note: Preliminary, subject to change. The timing and amount of principal will be dependent upon the timing, scope and other factors related to the projects. Assumes bonds issued in July 2020.

- (1) Based upon estimated market interest rates, plus 1.00%, as of the date of this presentation. The actual interest rates will depend on the market conditions at the time of the bond sale and may vary materially from the rates assumed in this analysis. Assumes two years of interest only payments.
- (2) Based on the 2019 certified net assessed value of \$590,893,589, plus TIF assessed value of \$85,081,526 (total of \$675,975,115). Assumes financial institutions/license excise factor of 5%. Per \$100 of assessed value.

**SCHEDULE OF EXISTING AND PROPOSED DEBT SERVICE/LEASE RENTAL
PAYMENTS**
(Unaudited)

Payment Year	Total Existing Debt Service	Proposed \$38,000,000 First Mortgage Bonds, Series 2020	Total Debt Service
	(1)	(2)	
2018	\$2,533,725		\$2,533,725
2019	2,568,241		2,568,241
2020	2,565,100		2,565,100
2021	2,532,450	\$2,896,000	5,428,450
2022	2,534,040	1,932,000	4,466,040
2023	2,535,350	3,434,000	5,969,350
2024	2,545,750	3,433,000	5,978,750
2025	1,836,700	3,436,000	5,272,700
2026	1,654,000	3,433,000	5,087,000
2027	1,400,000	3,434,000	4,834,000
2028	1,400,000	3,434,000	4,834,000
2029	1,399,000	3,431,000	4,830,000
2030	1,400,000	3,432,000	4,832,000
2031		3,434,000	3,434,000
2032		3,434,000	3,434,000
2033		3,436,000	3,436,000
2034		3,435,000	3,435,000
2035		3,434,000	3,434,000
2036		3,433,000	3,433,000
2037		3,431,000	3,431,000
2038		3,432,000	3,432,000
2039		3,436,000	3,436,000
Total	\$26,904,356	\$63,200,000	\$90,104,356

(1) Refer to Slide 3.

(2) Based upon current market rates, plus 1.00%.

Washington Community Schools

Illustrative Maximum Annual and Monthly Impact on Taxpayers

Borrowing Amount		\$38,000,000	
Estimated Total Interest Expense		\$25,097,326	
Estimated Costs of Issuance (1)		\$350,000	
Estimated Underwriter's Discount (0.50%)		\$190,000	
Estimated Proceeds Available for Project (2)		\$37,460,000	
Estimated Maximum Annual Payment		\$3,436,000	
Estimated Maximum Project Tax Rate (3)		\$0.4829	
<u>Market Value of Home</u>	<u>Net Assessed Value (4)</u>	<u>Monthly Tax Impact</u>	<u>Annual Tax Impact</u>
\$50,000	\$10,000	\$4.02	\$48.29
75,000	16,500	6.64	79.68
98,900 (5)	32,035	12.89	154.70
125,000	49,000	19.72	236.62
150,000	65,250	26.26	315.09
200,000	97,750	39.34	472.03
250,000	130,250	52.41	628.98
1 Acre of Agriculture Land for 2018 Pay 2019 (6)		\$0.65	\$7.77
1 Acre of Agriculture Land for 2019 Pay 2020 (6)		\$0.63	\$7.53
\$100,000 Commercial/Rental Property		\$40.24	\$482.90

- (1) Includes fee allowances for local counsel, bond counsel, municipal advisor, registrar/paying agent, ratings, printing and other miscellaneous costs.
- (2) Represents estimated proceeds available for hard construction costs.
- (3) Based on the 2019 certified net assessed value of \$590,893,589, plus TIF assessed value of \$85,081,526 (total of \$675,975,115). Assumes financial institutions/license excise factor of 5%. Per \$100 of assessed value.
- (4) Includes the standard deduction at the lessor of \$45,000 or 60% of home value, the 35% supplemental homestead deduction, and \$3,000 mortgage deduction.
- (5) Median home value within the School Corporation, per the U.S. Census Bureau.
- (6) Assumes the agricultural land is assessed at \$1,610 per acre for 2018 pay 2019 and \$1,560 per acre for 2019 pay 2020 per the Indiana Department of Local Government Finance. Actual impact will vary based on productivity.

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