



San Marcos Unified School District

Post-Issuance Board Presentation

General Obligation Bonds, 2010 Election, Series C

JUNE 23, 2014



Proposition K Program

- » On November 2, 2010, the San Marcos Unified School District ("District") received authorization ("Proposition K") to issue not to exceed \$287 million in general obligation bonds ("GO Bonds") through an affirmative vote of over 63%.
- » Subsequently, the District issued its Series A Bonds on June 22, 2011, in the amount of \$142 million.
- » On May 8, 2012, the District issued its Series B GO Bonds in the amount of \$65 million.
- » The Governing board has previously received, presented and discussed information concerning the Series C Bonds at public meetings, which includes having multiple workshops and meetings, on the dates noted below:

July 29, 2013

Governing Board
Workshop

August 26, 2013

Governing Board
Workshop

September 9, 2013

Governing Board
Workshop

October 15, 2013

Governing Board
Workshop

January 21, 2014

Governing Board
Workshop

February 10, 2014

First Reading
of the Resolution of
Issuance

March 10, 2014

Adopt Resolution of
Issuance

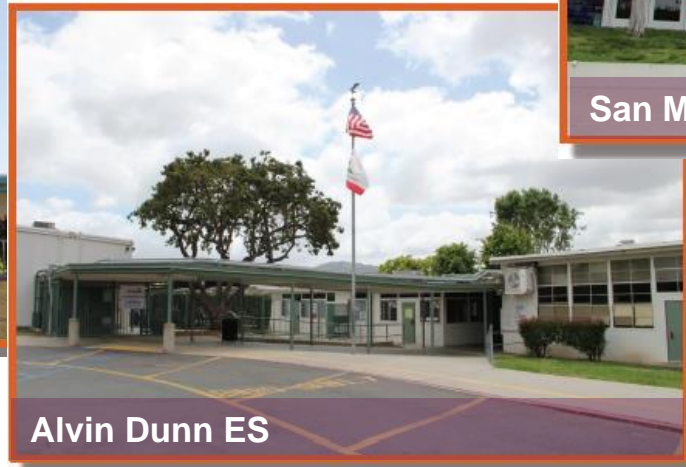
- » On May 15, 2014, the District successfully issued the Series C Bonds in the amount of \$74.7 million.
- » As of today, the amount of remaining authorization under Proposition K is approximately \$5 million.



Proposed Prop. K Facilities Projects

- » La Costa Meadows ES
- » San Marcos MS
- » Alvin Dunn ES
- » Richland ES
- » Various Sites

Total Budget	\$85,864,000
Less: Unallocated Series A & B	<u>-\$5,906,000</u>
Remaining Facilities Needs	\$79,958,000



**Preliminary; subject to Board approval. Source: District.*

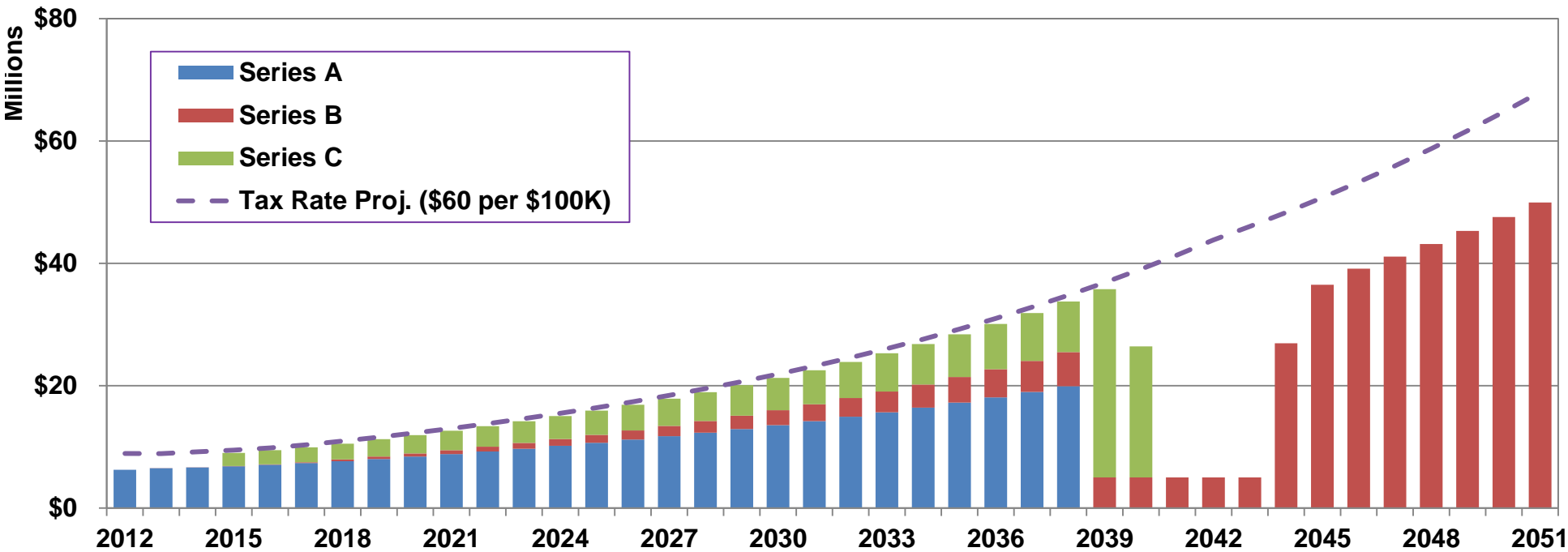


Aggregate Debt Service Profile Updated

Bond Series	Issuance Year	Bond Principal			Overall Bond Repayment		
		CIBs	CABs	Total Principal	Total Debt Service	Ratio	Term
Series A	2011	\$116,700,000	\$25,346,476	\$142,046,476	\$310,611,675	2.19:1	28 Years
Series B	2012	\$0	\$64,995,522	\$64,995,522	\$403,040,634	6.20:1	40 Years
Series C	2014	\$51,650,000	\$23,052,799	\$74,702,799	\$167,728,883	2.25:1	26 Years [1]
Total	N/A	\$168,350,000	\$113,394,797	\$281,744,797	\$881,381,192	3.13:1	N/A

[1] Repayment term of Capital Appreciation Bonds ("CABs") is 24 years; repayment term of Current Interest Bonds ("CIBs") is 26 years.

Aggregate Debt Service and Tax Rate Profile



Series C Sources and Uses of Funds

STIFEL

SOURCES AND USES OF FUNDS
San Marcos Unified School District
(San Diego County, California)
Election of 2010, General Obligation Bonds, Series C

Final Numbers

Dated Date 05/15/2014
Delivery Date 05/15/2014

Sources:

Bond Proceeds:

Par Amount 74,702,798.80
Premium 4,411,461.50

79,114,260.30

Uses:

Project Fund Deposits:

Project Fund 74,336,798.80

Other Fund Deposits:

Capitalized Interest Fund 3,993,125.83

Delivery Date Expenses:

Cost of Issuance 366,000.00
Underwriter's Discount 418,335.67
784,335.67

79,114,260.30

**Bond premium deposited in the Debt Service Fund established by the County to pay Series C Bond interest payments, as well as to pay underwriter's discount.*

**District is currently rated Aa3 (Stable Outlook) by Moody's and AA- (Stable Outlook) by S&P.*



Series C Debt Service Repayment Schedule

Date	Principal	Interest	Total
8/1/2014	\$0	\$539,083	\$539,083
8/1/2015	\$2,145,000	\$2,553,550	\$4,698,550
8/1/2016	\$750,000	\$2,467,750	\$3,217,750
8/1/2017	\$0	\$2,437,750	\$2,437,750
8/1/2018	\$129,661	\$2,448,089	\$2,577,750
8/1/2019	\$352,435	\$2,480,315	\$2,832,750
8/1/2020	\$476,398	\$2,521,352	\$2,997,750
8/1/2021	\$595,308	\$2,582,442	\$3,177,750
8/1/2022	\$702,613	\$2,655,137	\$3,357,750
8/1/2023	\$807,048	\$2,745,702	\$3,552,750
8/1/2024	\$904,160	\$2,853,590	\$3,757,750
8/1/2025	\$997,658	\$2,980,092	\$3,977,750
8/1/2026	\$1,071,390	\$3,131,360	\$4,202,750
8/1/2027	\$1,141,318	\$3,306,432	\$4,447,750
8/1/2028	\$1,202,714	\$3,505,036	\$4,707,750
8/1/2029	\$1,262,905	\$3,719,845	\$4,982,750
8/1/2030	\$1,320,025	\$3,947,725	\$5,267,750
8/1/2031	\$1,369,556	\$4,203,194	\$5,572,750
8/1/2032	\$1,420,192	\$4,477,558	\$5,897,750
8/1/2033	\$1,454,195	\$4,788,555	\$6,242,750
8/1/2034	\$1,496,235	\$5,106,515	\$6,602,750
8/1/2035	\$1,532,938	\$5,449,812	\$6,982,750
8/1/2036	\$1,570,685	\$5,822,065	\$7,392,750
8/1/2037	\$1,604,854	\$6,212,896	\$7,817,750
8/1/2038	\$1,640,510	\$6,632,240	\$8,272,750
8/1/2039	\$28,350,000	\$2,437,750	\$30,787,750
8/1/2040	\$20,405,000	\$1,020,250	\$21,425,250
Total	\$74,702,799	\$93,026,084	\$167,728,883

Bond Terms

Series C CIBs:	26 Years
Series C CABs:	24 Years
Total Series C:	26 Years
Repayment Ratio:	2.25 to 1

Bond Statistics

Arbitrage Yield:	4.351659%
True Interest Cost (TIC):	4.585415%
All-In TIC:	4.616904%

Decoder

Arbitrage Yield is the method of calculating an issuer's borrowing cost.

True Interest Cost (TIC) is similar to Arbitrage Yield, except that it is adjusted by the underwriter's discount.

All-In TIC is similar to Arbitrage Yield except that it is adjusted by the underwriter's discount and costs of issuance.

*Yellow indicates Capital Appreciation Bonds.

Series C Costs of Issuance



Series C Par Amount

\$74,702,798.80

Costs of Issuance ^[1]	Firm	Amount	% Par Amount
Bond Counsel	BAWG	\$43,000.00	0.0576%
Disclosure Counsel	Best, Best & Krieger	\$40,000.00	0.0535%
District Counsel	Best, Best & Krieger	\$5,000.00	0.0067%
Financial Advisor	Dolinka Group	\$188,227.94	0.2520%
Rating Fee	Standard & Poor's	\$30,000.00	0.0402%
Rating Fee	Moody's	\$29,000.00	0.0388%
Paying Agent	County of San Diego	\$1,500.00	0.0020%
COI Custodian	U.S. Bank	\$300.00	0.0004%
Demographic Data	Cal Muni	\$2,000.00	0.0027%
Printing	Royce Printing	\$2,500.00	0.0033%
Contingency	N/A	\$24,472.06	0.0328%
Total	NA	\$366,000.00	0.4899%

Other Issuance Expenses	Firm	Amount	% Par Amount
Underwriter's Discount ^[2]	Stifel	\$418,335.67	0.5600%
Total	NA	\$418,335.67	0.5600%

[1] All costs of issuance are based on the final par amount.

[2] Calculated based on 0.560% of the final par amount.



Prop. K Aggregate Debt Service Profile

Compound Annual Assessed Valuation Growth Rate			
Duration	From	To	%
10 Years	2014	2023	5.29%
15 Years	2014	2028	5.53%
27 Years	2014	2040	5.72%
35 Years	2014	2048	5.61%
38 Years	2014	2051	5.56%

Fiscal Year Ending	District-wide Assessed Valuation		Existing Debt Service				Existing Debt Service				Combined Total	Combined Estimated
	Total	Growth %	Series A	Series B	Total	Estimated Tax Rate ^[1]	Series C	Less: CAP I	Total	Estimated Tax Rate ^[1]	\$281,744,797	Tax Rate ^[1]
			\$142,046,476	\$64,995,522	\$207,041,998		\$74,702,799	N/A	\$74,702,799		\$281,744,797	
2011	\$14,793,183,167	-1.23%	2011 Issuance		\$0	\$0.00			\$0	\$0.00	\$0	\$0.00
2012	\$14,885,444,599	0.62%	\$6,260,200	2012 Issuance	\$6,260,200	\$42.06			\$0	\$0.00	\$6,260,200	\$42.06
2013	\$14,833,072,840	-0.35%	\$6,508,938	\$30,000	\$6,538,938	\$44.08	2014 Issuance		\$0	\$0.00	\$6,538,938	\$44.08
2014	\$15,314,487,006	3.25%	\$6,633,938	\$35,000	\$6,668,938	\$43.55	\$539,083	(\$539,083)	\$0	\$0.00	\$6,668,938	\$43.55
2015	\$15,773,921,616	3.00%	\$6,828,938	\$40,000	\$6,868,938	\$43.55	\$4,698,550	(\$2,553,550)	\$2,145,000	\$13.60	\$9,013,938	\$57.14
2016	\$16,404,878,481	4.00%	\$7,093,938	\$50,000	\$7,143,938	\$43.55	\$3,217,750	(\$900,493)	\$2,317,257	\$14.13	\$9,461,194	\$57.67
2017	\$17,225,122,405	5.00%	\$7,368,938	\$130,000	\$7,498,938	\$43.53	\$2,437,750		\$2,437,750	\$14.15	\$9,936,688	\$57.69
2018	\$18,250,017,188	5.95%	\$7,653,938	\$295,000	\$7,948,938	\$43.56	\$2,577,750		\$2,577,750	\$14.12	\$10,526,688	\$57.68
2019	\$19,335,893,211	5.95%	\$8,023,938	\$405,000	\$8,428,938	\$43.59	\$2,832,750		\$2,832,750	\$14.65	\$11,261,688	\$58.24
2020	\$20,486,378,857	5.95%	\$8,412,738	\$520,000	\$8,932,738	\$43.60	\$2,997,750		\$2,997,750	\$14.63	\$11,930,488	\$58.24
2021	\$21,705,318,399	5.95%	\$8,822,738	\$645,000	\$9,467,738	\$43.62	\$3,177,750		\$3,177,750	\$14.64	\$12,645,488	\$58.26
2022	\$22,996,784,844	5.95%	\$9,255,738	\$780,000	\$10,035,738	\$43.64	\$3,357,750		\$3,357,750	\$14.60	\$13,393,488	\$58.24
2023	\$24,365,093,542	5.95%	\$9,705,738	\$935,000	\$10,640,738	\$43.67	\$3,552,750		\$3,552,750	\$14.58	\$14,193,488	\$58.25
2024	\$25,814,816,608	5.95%	\$10,175,738	\$1,105,000	\$11,280,738	\$43.70	\$3,757,750		\$3,757,750	\$14.56	\$15,038,488	\$58.26
2025	\$27,350,798,196	5.95%	\$10,675,738	\$1,280,000	\$11,955,738	\$43.71	\$3,977,750		\$3,977,750	\$14.54	\$15,933,488	\$58.26
2026	\$28,978,170,689	5.95%	\$11,195,738	\$1,480,000	\$12,675,738	\$43.74	\$4,202,750		\$4,202,750	\$14.50	\$16,878,488	\$58.25
2027	\$30,702,371,845	5.95%	\$11,745,738	\$1,690,000	\$13,435,738	\$43.76	\$4,447,750		\$4,447,750	\$14.49	\$17,883,488	\$58.25
2028	\$32,529,162,970	5.95%	\$12,320,738	\$1,920,000	\$14,240,738	\$43.78	\$4,707,750		\$4,707,750	\$14.47	\$18,948,488	\$58.25
2029	\$34,464,648,167	5.95%	\$12,925,738	\$2,170,000	\$15,095,738	\$43.80	\$4,982,750		\$4,982,750	\$14.46	\$20,078,488	\$58.26
2030	\$36,515,294,733	5.95%	\$13,556,363	\$2,445,000	\$16,001,363	\$43.82	\$5,267,750		\$5,267,750	\$14.43	\$21,269,113	\$58.25
2031	\$38,687,954,770	5.95%	\$14,222,175	\$2,740,000	\$16,962,175	\$43.84	\$5,572,750		\$5,572,750	\$14.40	\$22,534,925	\$58.25
2032	\$40,989,888,079	5.95%	\$14,925,500	\$3,055,000	\$17,980,500	\$43.87	\$5,897,750		\$5,897,750	\$14.39	\$23,878,250	\$58.25
2033	\$43,428,786,420	5.95%	\$15,655,500	\$3,400,000	\$19,055,500	\$43.88	\$6,242,750		\$6,242,750	\$14.37	\$25,298,250	\$58.25
2034	\$46,012,799,212	5.95%	\$16,426,000	\$3,775,000	\$20,201,000	\$43.90	\$6,602,750		\$6,602,750	\$14.35	\$26,803,750	\$58.25
2035	\$48,750,560,765	5.95%	\$17,240,000	\$4,175,000	\$21,415,000	\$43.93	\$6,982,750		\$6,982,750	\$14.32	\$28,397,750	\$58.25
2036	\$51,651,219,131	5.95%	\$18,087,000	\$4,610,000	\$22,697,000	\$43.94	\$7,392,750		\$7,392,750	\$14.31	\$30,089,750	\$58.26
2037	\$54,724,466,669	5.95%	\$18,976,750	\$5,085,000	\$24,061,750	\$43.97	\$7,817,750		\$7,817,750	\$14.29	\$31,879,500	\$58.25
2038	\$57,980,572,436	5.95%	\$19,913,250	\$5,590,000	\$25,503,250	\$43.99	\$8,272,750		\$8,272,750	\$14.27	\$33,776,000	\$58.25
2039	\$61,430,416,496	5.95%		\$5,000,000	\$5,000,000	\$8.14	\$30,787,750		\$30,787,750	\$50.12	\$35,787,750	\$58.26
2040	\$65,085,526,278	5.95%		\$5,000,000	\$5,000,000	\$7.68	\$21,425,250		\$21,425,250	\$32.92	\$26,425,250	\$40.60
2041	\$68,958,115,092	5.95%		\$5,000,000	\$5,000,000	\$7.25			\$0	\$0.00	\$5,000,000	\$7.25
2042	\$73,061,122,940	5.95%		\$5,000,000	\$5,000,000	\$6.84			\$0	\$0.00	\$5,000,000	\$6.84
2043	\$76,714,179,087	5.00%		\$5,000,000	\$5,000,000	\$6.52			\$0	\$0.00	\$5,000,000	\$6.52
2044	\$80,549,888,041	5.00%		\$26,936,440	\$26,936,440	\$33.44			\$0	\$0.00	\$26,936,440	\$33.44
2045	\$84,577,382,443	5.00%		\$36,511,777	\$36,511,777	\$43.17			\$0	\$0.00	\$36,511,777	\$43.17
2046	\$88,806,251,565	5.00%		\$39,121,304	\$39,121,304	\$44.05			\$0	\$0.00	\$39,121,304	\$44.05
2047	\$93,246,564,143	5.00%		\$41,095,000	\$41,095,000	\$44.07			\$0	\$0.00	\$41,095,000	\$44.07
2048	\$97,908,892,350	5.00%		\$43,150,403	\$43,150,403	\$44.07			\$0	\$0.00	\$43,150,403	\$44.07
2049	\$102,804,336,968	5.00%		\$45,310,552	\$45,310,552	\$44.07			\$0	\$0.00	\$45,310,552	\$44.07
2050	\$107,944,553,816	5.00%		\$47,575,158	\$47,575,158	\$44.07			\$0	\$0.00	\$47,575,158	\$44.07
2051	\$113,341,781,507	5.00%		\$49,955,000	\$49,955,000	\$44.07			\$0	\$0.00	\$49,955,000	\$44.07
Total		N/A	\$310,611,675	\$403,040,634	\$713,652,309	N/A	\$167,728,883	(\$3,993,126)	\$163,735,757	N/A	\$877,388,066	N/A

Debt Service to Par Ratio:	2.19:1	6.20:1	2.25:1	N/A	2.19:1	3.11:1
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[1] Represents the estimated tax rate per \$100,000 of taxable AV without consideration of the special reserve fund established at the County or any additional administrative fees levied by the County.

Questions

