



HOOD RIVER COUNTY SCHOOL DISTRICT

Finance Advisory and Bond Oversight Committee

September 15, 2016, 4:00-5:30 p.m.

Coe Building Conference Room 3, 1011 Eugene St., Hood River, OR

Finance Advisory Committee Members

Dan Goldman, Superintendent	Sheri Holloway, OSEA
Sandra Buchanan, Chief Financial Officer	Mikka Irusta, HREA
Kelly Beard, Principal, May Street ES	Rich Polkinghorn, Principal HRVHS
Liz Whitmore, Community Member	Dr. David Russo, Board Member
Patricia Ortega-Cooper, Vice Principal, Wy'East MS	Heather Staten, Community Member
Julia Garcia-Ramirez, Board Member	Rich Truax, Community Member
Chrissy Reitz, Board Member	
Dale Kuykendall and Dave Fishel with the Wenaha Group	

Start Time: 4:05 p.m.

End Time: 5:05 p.m.

Absent: Heather Staten and Patricia Cooper

3. Meeting Schedule. The Committee is scheduled to meet from 4:00-5:30 pm, Coe Building Conference Room 3, located at 1009 Eugene St, Hood River, Oregon for fiscal year 2016-17 as follows:

September 15, 2016	February 16, 2017
October 20, 2016	March 16, 2017
November 17, 2016	April 20, 2017
December 15, 2016	May 18, 2017
January 19, 2017	June 15, 2017

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Hood River County School District
Report of Issuance of General Obligation and Refunding Bonds, Series 2016
September 13, 2016

In June 2016, the Board adopted the authorizing resolution to issue \$57,175,000 of general obligation bonds and to refund the callable portion of the outstanding series 2008 general obligation bonds in the amount of \$8,755,000.

Advanced Refunding Bonds

The purpose of the advanced refunding is to realize a debt service savings for the District and its taxpayers. Due to favorable market conditions, the net present value (NPV) debt service savings are \$694,230.02 or 7.36% of the refunding proceeds assuming a bond yield (and discount rate) of 1.9685%. (This exceeded our prior estimate of NPV debt service savings of 6.97% in the estimated amount of \$659,115.) For the District's taxpayers, this means they will pay \$694,230.02 less in bond levy taxes for principal and interest of the \$8,755,000 of refunded bonds from the outstanding series 2008 bond issue.

From the proceeds of the refunding bonds, the District will purchase certain United States government obligations that are deposited in the custody of the escrow agent, Zions Bank. The maturing principal of the United States government obligations and interest earned will provide payment of interest and remaining principal on June 15, 2019. The escrow account is funded on the date of closing, September 13, 2016.

General Obligation Bonds

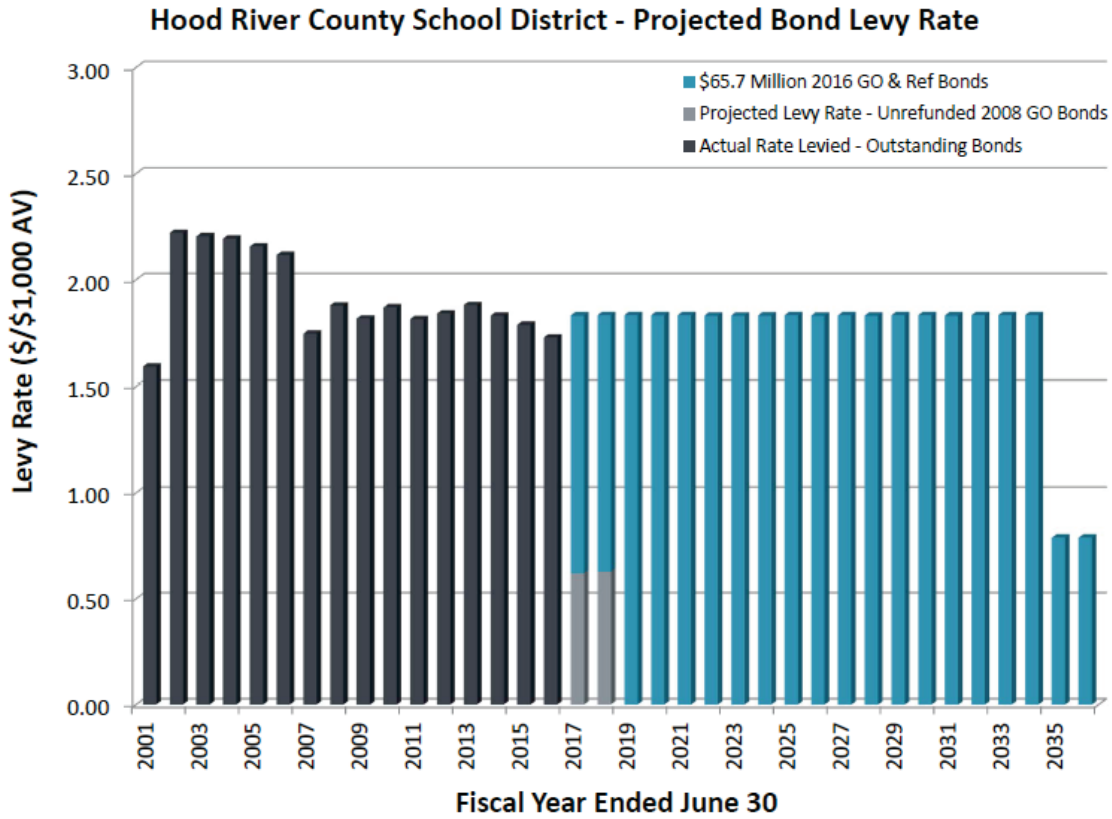
Ratings

S&P Global Ratings, a Division of Standard & Poor's Financial Services LLC, has assigned its underlying rating of "A+" to the Bonds. S&P Global Ratings has also assigned its rating of "AA+" to the Bonds based on the District's participation in the Oregon School Bond Guaranty program.

Bond Structure

Favorable market conditions on the date of the bond pricing on August 30 resulted in a bond structure that provides a step down of the estimated levy rate in the last two years of the 20 year

bond issue from \$1.83 (in fiscal years ending from June 2017 through June 2034) to \$0.79 in fiscal years 2035 and 2036.



Bond Yields

Bond yields to bond holders range from 0.55% for the bonds maturing in 2017 to 2.46% for the final bonds maturing in 2036. Coupon interest rates over the series range from a low of 1.5% to 5.0%. By paying bond premium, the effective yield to bond holders reflects market yields for municipal bonds.

Bond Proceeds

Bond proceeds for the \$57,175,000 general obligation bonds authorized by District voters on May 17, 2016, include the par amount of the bonds and bond premium of \$8,601,731.75 totaling \$65,776,731.75. After deducting the costs of issuance, underwriter's discount and the Oregon School Bond Guaranty Program, the District will receive \$65,420,413.26 available for projects.

Sources of data within this report:

Final Numbers and Levy Rates chart, Piper Jaffray

Municipal Advisor Report of Advance Refunding Plan, SDAO Advisory Services LLC

Official Statement dated August 30, 2016 of HRCSD General Obligation and Refunding Bonds, Series 2016