

BOND REFINANCE UPDATE



Twin Falls School District 411 Finance Department

MOODY'S A1 BOND RATING

The District's "A1" bond rating from Moody's helped the District achieve a historically low interest rate on outstanding bond refinancing. Moody's cited the following in its written credit report:

- History of strong voter approval for operating and capital levies
- Responsive governance that can capably adjust expenses midyear
- Strong bond fund policy supports segregation of funds, an important credit strength for timely repayment of debt
 - Practice:
 - Separate bank and investment accounts for bond funds

ABOUT THE ORIGINAL 2014 BONDS

- \$62.46 million in bonds
- Voter approved at 67.6%
- Interest rate of 4.36%
- Uses:
 - New buildings
 - Pillar Falls Elementary School
 - Rock Creek Elementary School
 - South Hills Middle School
 - An addition to Canyon Ridge High School
 - Other various updates to aging buildings in the district

BOND REFUNDING SAVINGS SUMMARY

- Interest Cost: 1.65%
- Cash Flow Savings: \$13,729,677
- Net Present Value Savings: \$8,803,980

SAVINGS STRUCTURE

Calendar Year	Previous Bond Payments	New Bond Payments	Refunding Savings
2021	\$6,495,444	\$6,994,975	\$(499,531)
2022	6,496,144	6,494,989	1,155
2023	6,499,394	6,495,639	3,755
2024	6,495,394	6,497,439	(2,045)
2025	6,498,581	6,494,426	4,155
2026	6,402,581	6,495,626	(93,045)
2027	6,404,581	6,494,026	(89,455)
2028	6,405,581	6,494,426	(88,845)
2029	6,405,381	6,496,426	(91,045)
2030	6,403,369	6,494,626	(91,257)
2031	6,403,919	6,496,758	(90,455)
2032	6,401,606	6,496,427	(95,152)
2033	6,404,431	6,493,088	(91,996)
2034	6,402,581	3,571,435	(90,507)
2035	6,405,831	0	2,834,396
2036	6,401,775	0	6,401,775
2037	6,406,388	0	6,406,388
2038	6,401,375	0	6,401,375
Total	\$115,734,356	\$95,004,679	\$20,729,677

Refunding Savings	\$20,729,677
Less:	
Contribution from Bond Fund	\$(7,000,000)
Net Cash Flow Savings	\$13,729,677

EFFECTS OF THE SAVINGS

- Saves taxpayers more than \$13.7 million in interest cost due to:
 - Interest rate reduction of 2.71%
 - Original interest rate: 4.36%
 - New interest rate: 1.65%
 - Bonds will be paid off four years earlier
 - Original maturity: 2038
 - New maturity: 2034
- The District's total property tax levy will drop by over \$1.0 million this year
 - Savings of about \$27 per \$100,000 of property value