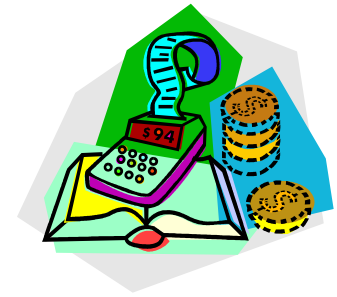


# River Delta Unified School District

## Implementing Measures J & K: Series 2021 Bond Sale Results



Presented by Matt Kolker  
May 11, 2021

# Agenda

- ◆ Competitive Bidding for the District's Bonds
- ◆ Results for the District and the District's Taxpayers
- ◆ For Reference
  - ▶ Detailed Costs of Issuance
  - ▶ February 16, 2021 Board Presentation



# Several GFOA Best Practices Referenced

- ◆ The District has been an avid user of Government Finance Officers Association (GFOA) best practices; several of them were utilized in this year's issuance of bonds, including:



- ▶ Use of Independent Financial Advisor
- ▶ Competitive Process to Select Underwriter
- ▶ Managed the Cost of Debt Issuance
- ▶ Call Features Incorporated into the New Issuance
- ▶ Use of a Debt Management Policy



# Credit Rating Process

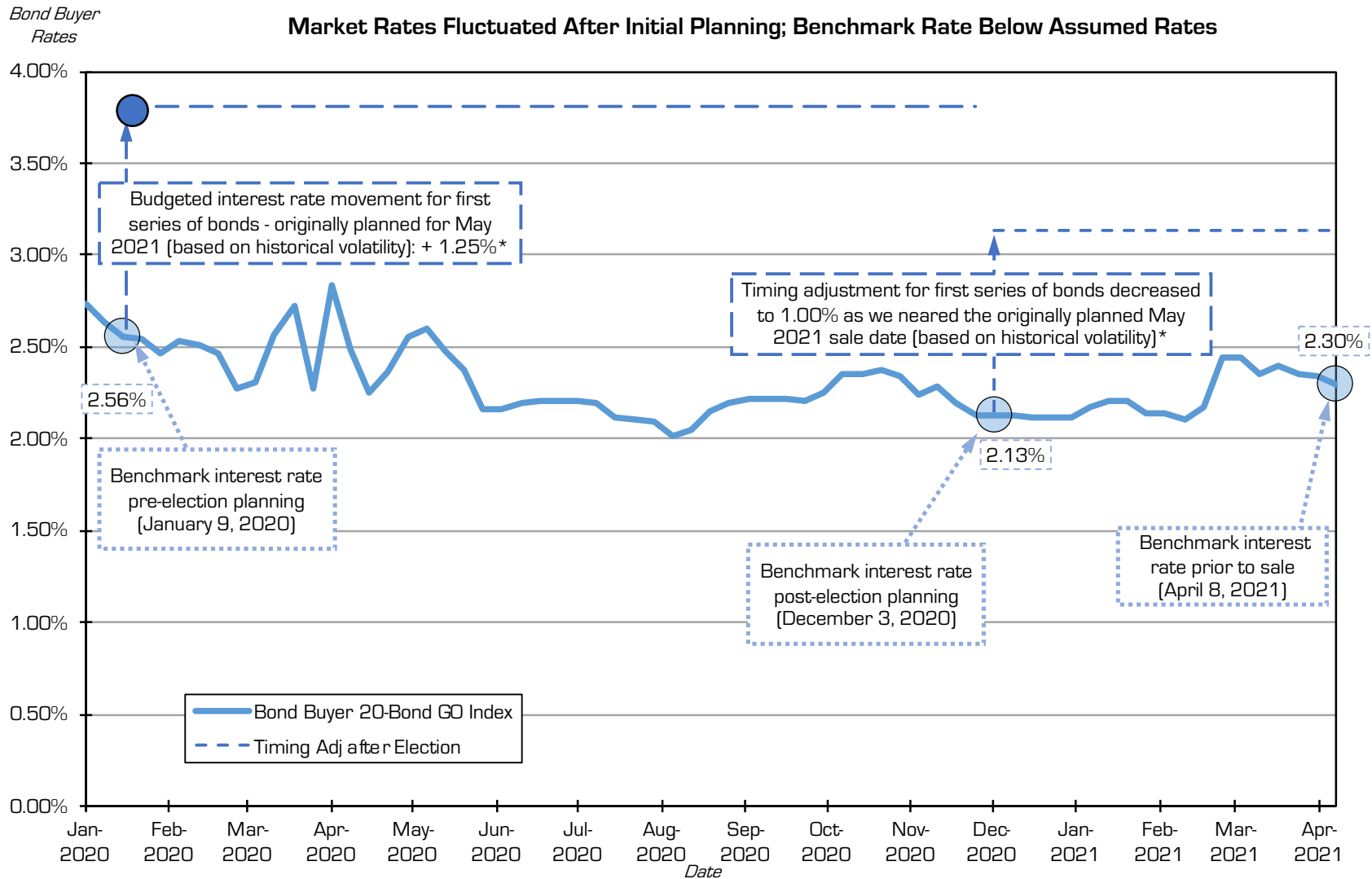
- ◆ In preparation for the sale of bonds, the bonds were evaluated for a credit rating by one of the main credit rating agencies\*:

## S&P Global Ratings

- ◆ S&P maintained rating of "A+" for both SFID #1 and SFID #2 GO Bonds.
- ◆ The following reasons were cited:
  - ▶ Good income and extremely strong property wealth indicators
  - ▶ Trend of very strong available general fund reserves,
  - ▶ Moderately concentrated tax base stemming from SFID No. 1
  - ▶ Recent decline in enrollment

S&P's Bond Rating Scale		
AAA	●	Prime
AA+	●	
AA	●	High grade
AA-	●	
A+	●	Upper medium grade
A	●	
A-	●	
BBB+	●	Lower medium grade
BBB	●	
BBB-	●	
BB+	●	Speculative
BB	●	
BB-	●	Very speculative
B+	●	
B	●	
B-	●	Extremely speculative
CCC+	●	
CCC	●	
CCC-	●	Default imminent
CC	●	
C	●	In default
D	●	

# Interest Rates are Volatile



\*Notes: budgeted interest rate movement in the Bond Buyer based on historical Bond Buyer volatility and then applied to the Municipal Market Data (MMD) interest rate scale. The Bond Buyer 20-Bond Index consists of 20 general obligation bonds that mature in 20 years and is compiled every Thursday. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Rating Service AA.

# Competitive Bid Process

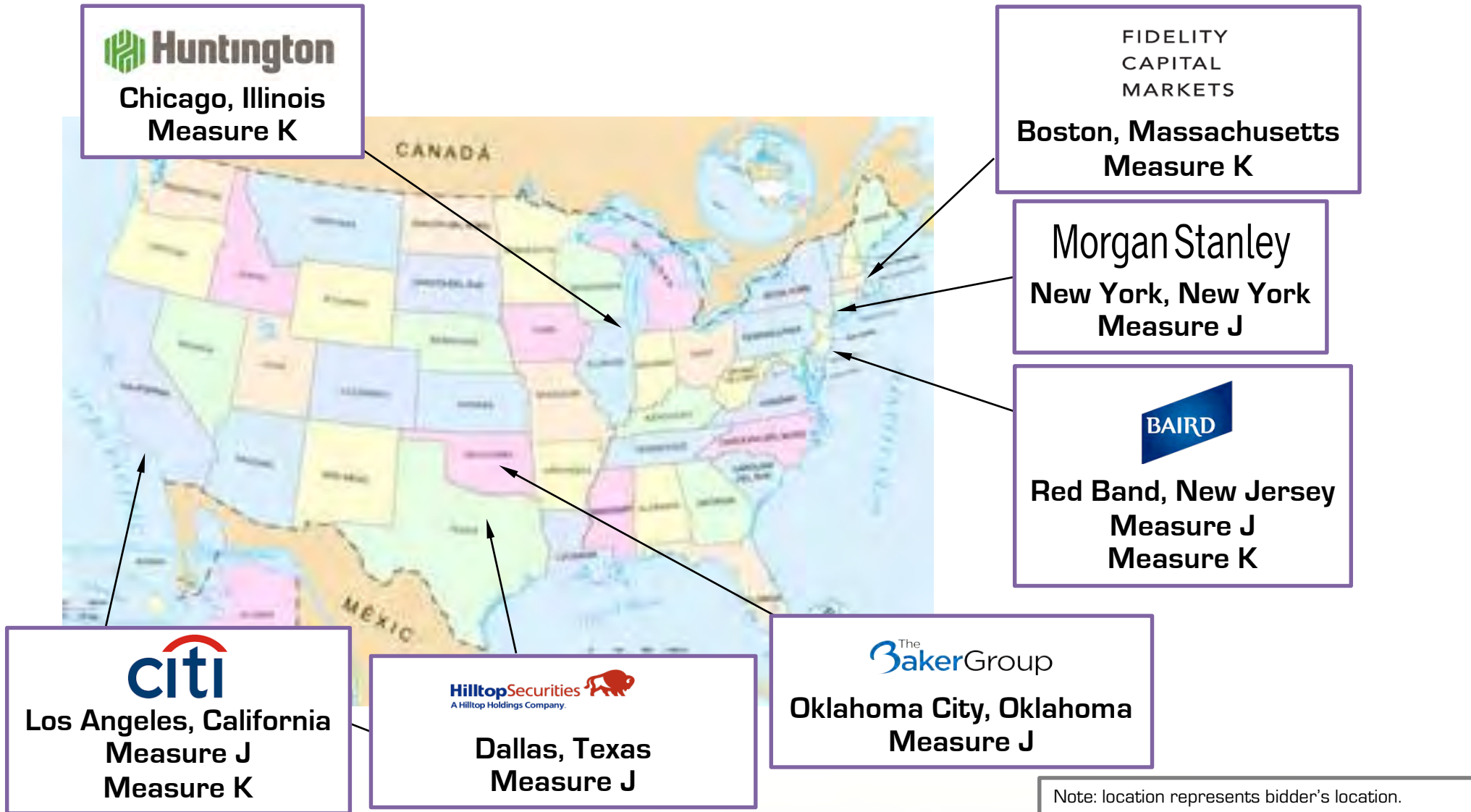
- ◆ Bids for Measure J (SFID #1) 2021 bonds accepted until Tuesday, April 13 at 8:35 am
  - ▶ Par amount: \$15,300,000
- ◆ Bids for Measure K (SFID #2) 2021 bonds accepted until Tuesday, April 13 at 8:35 am
  - ▶ Par amount: \$4,900,000
- ◆ Internet notification and bidding:
  - ▶ How do potential bidders know we're offering bonds?
    - AVIA - printer.
    - PARITY - bidding platform.
    - *The Bond Buyer* - industry newspaper.
  - ▶ No limitations on who can bid.
  - ▶ Bidding allowed within flexible parameters.
- ✓ *More competition → better results for the District*



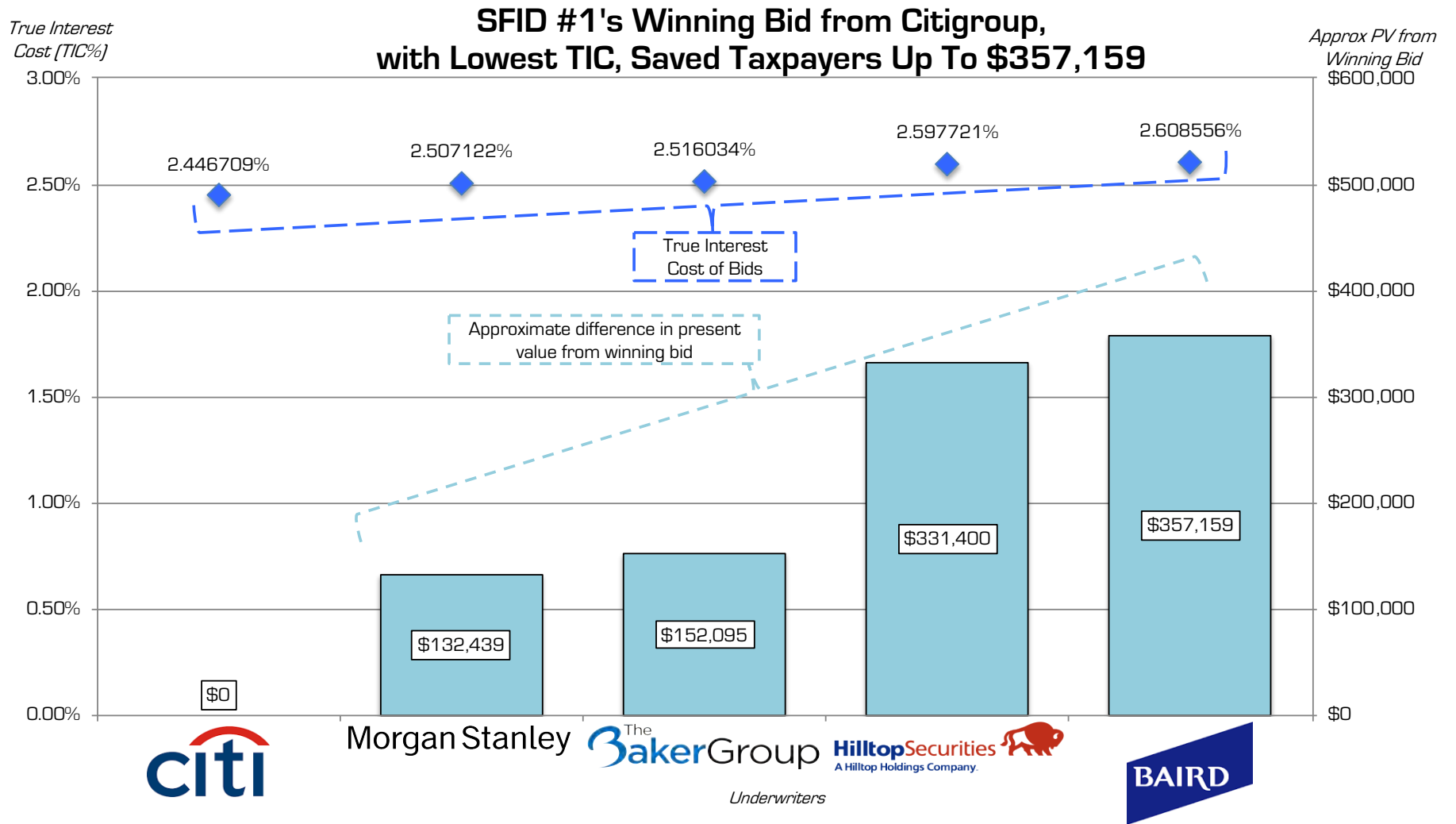


# 7 Underwriters Bid from Across the U.S.

(5 bid on Measure J; 4 bid on Measure K)



# Measure J (SFID #1) - Bid Results



Notes: data from bids received. Subsequent to the bidding, the winning bid was restructured, changing the True Interest Cost (TIC) to 2.449957%.

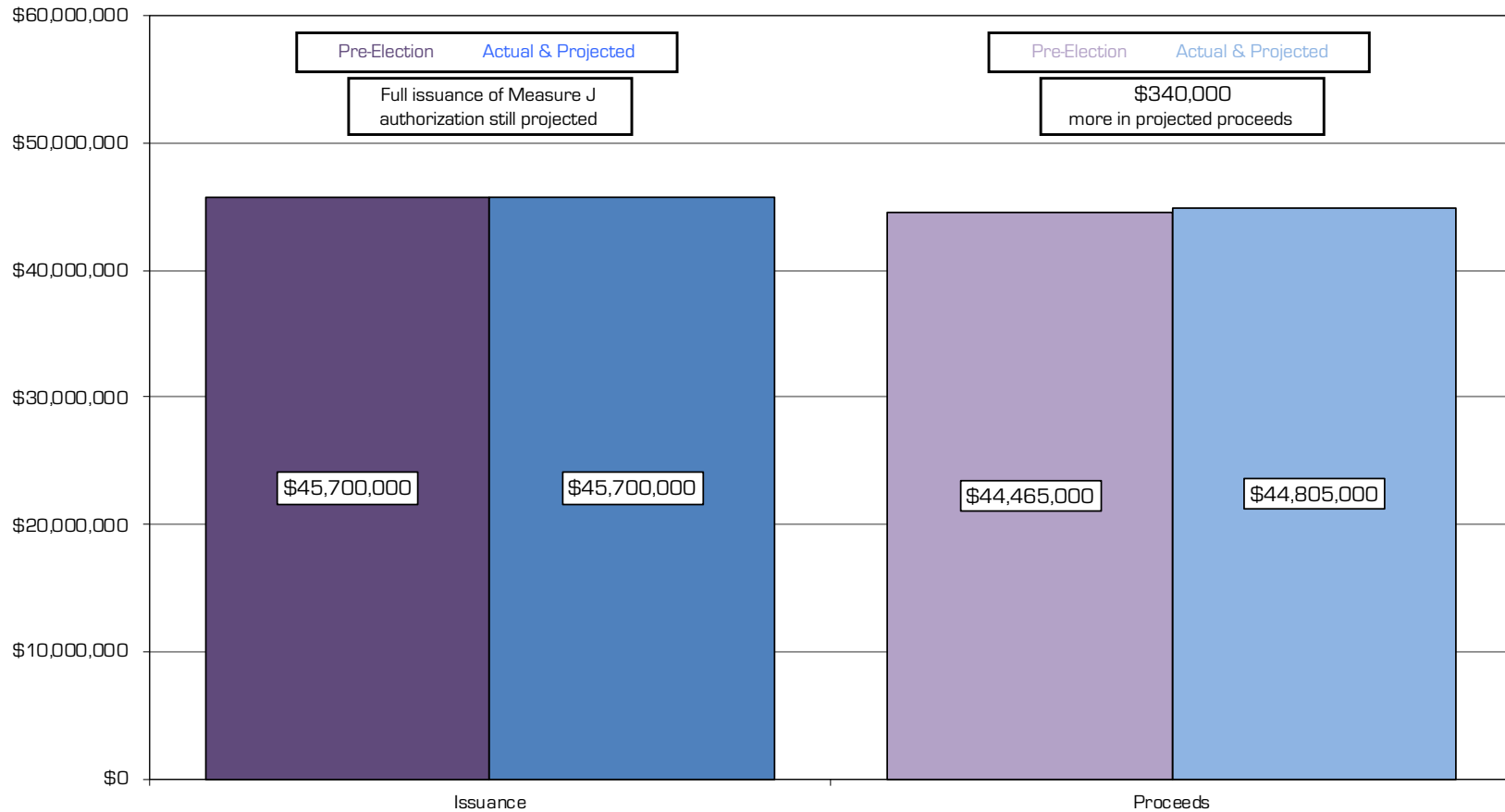


# Measure J (SFID #1)

## More Funds For Facilities

Issuances/Proceeds/  
& Debt Service

For SFID #1, Series 2021 Netted \$305,000 More Proceeds Than Originally Projected with Same Issuance Schedule, We are Now Projecting Approximately \$340,000 in Additional Projected Proceeds in Total

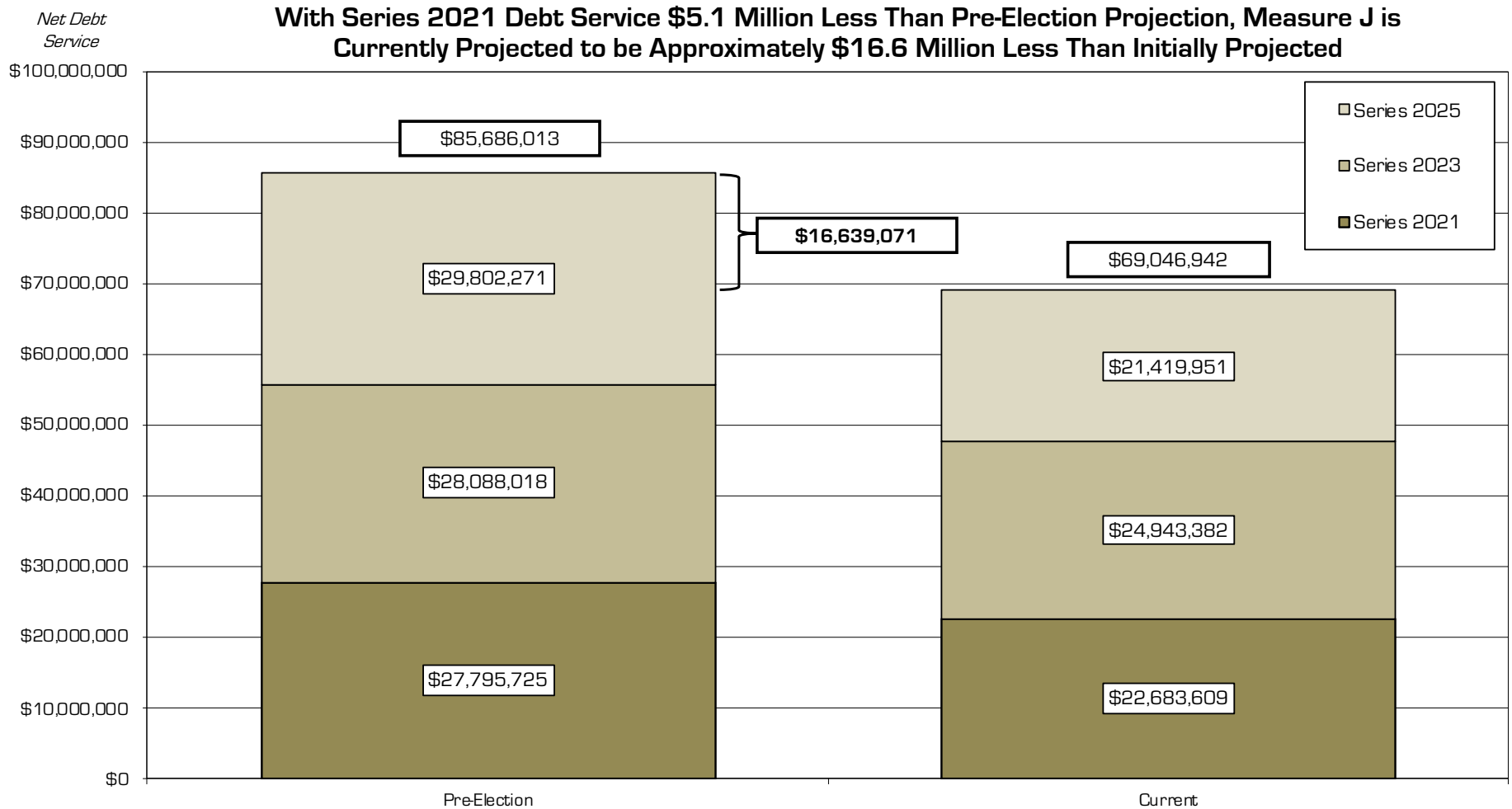


Pre-election information from bond plan that was genesis of bond measure. 2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Net proceeds assumes \$135,000 issuance costs, underwriter's discount of 1.25% of issuance amount and bond insurance of 0.3% of debt service. Values rounded.

✓ **\$15,195,000 from Series 2021 deposited April 29!**

# Measure J (SFID #1)

## At a Projected Lower Cost

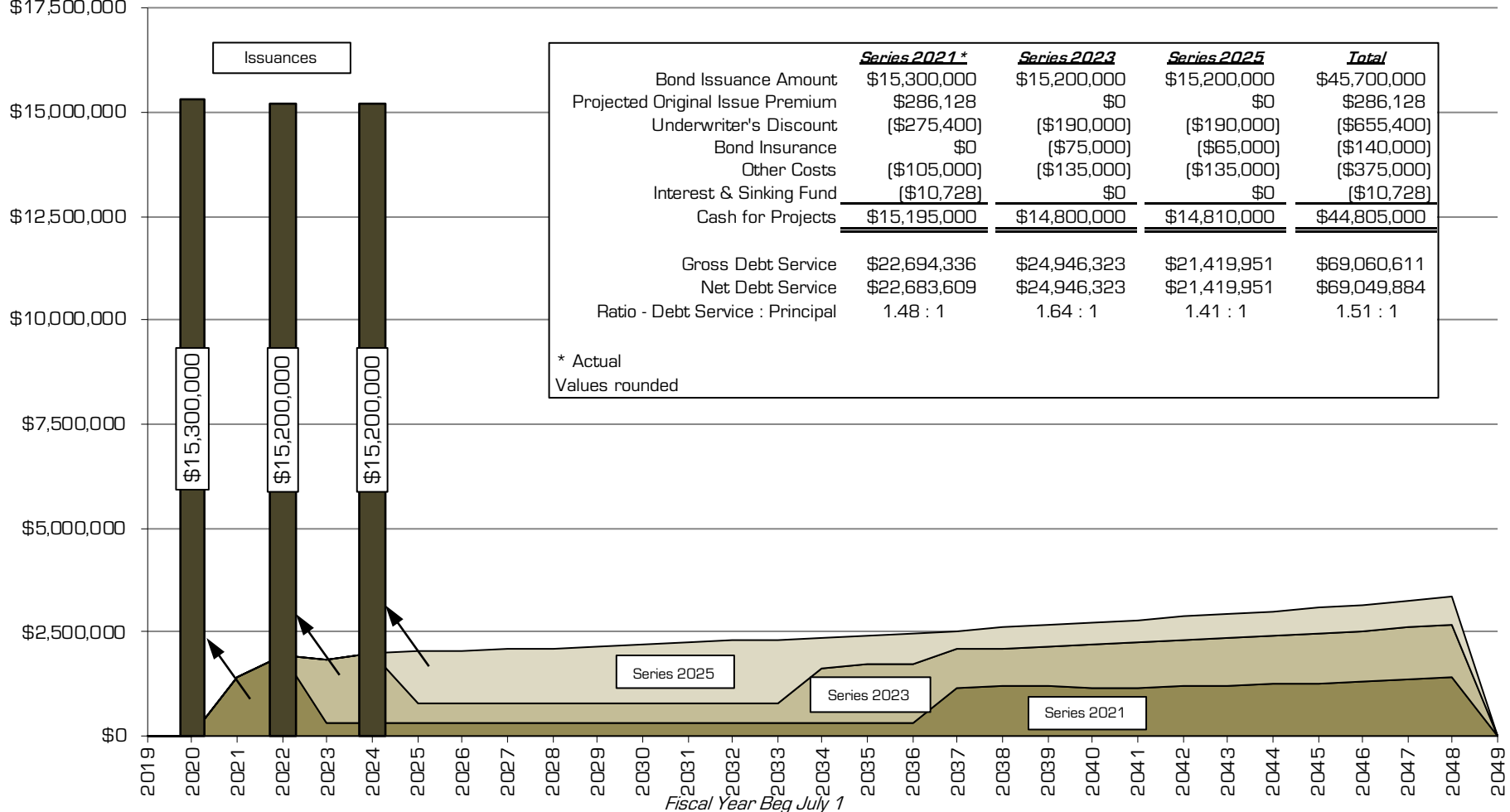


Pre-election information from bond plan that was genesis of bond measure. 2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Values rounded.

# Measure J (SFID #1) On Track

Issuance/Net  
Debt Service  
\$17,500,000

## Still on Course to Issue Full \$45.7 Million Measure J Authorization for SFID #1



2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Fiscal year debt service is shown, with reserve equal to the first 6 months of debt service for the following fiscal year, less prior year's reserve collection and funds deposited to Debt Service Fund. Values rounded.

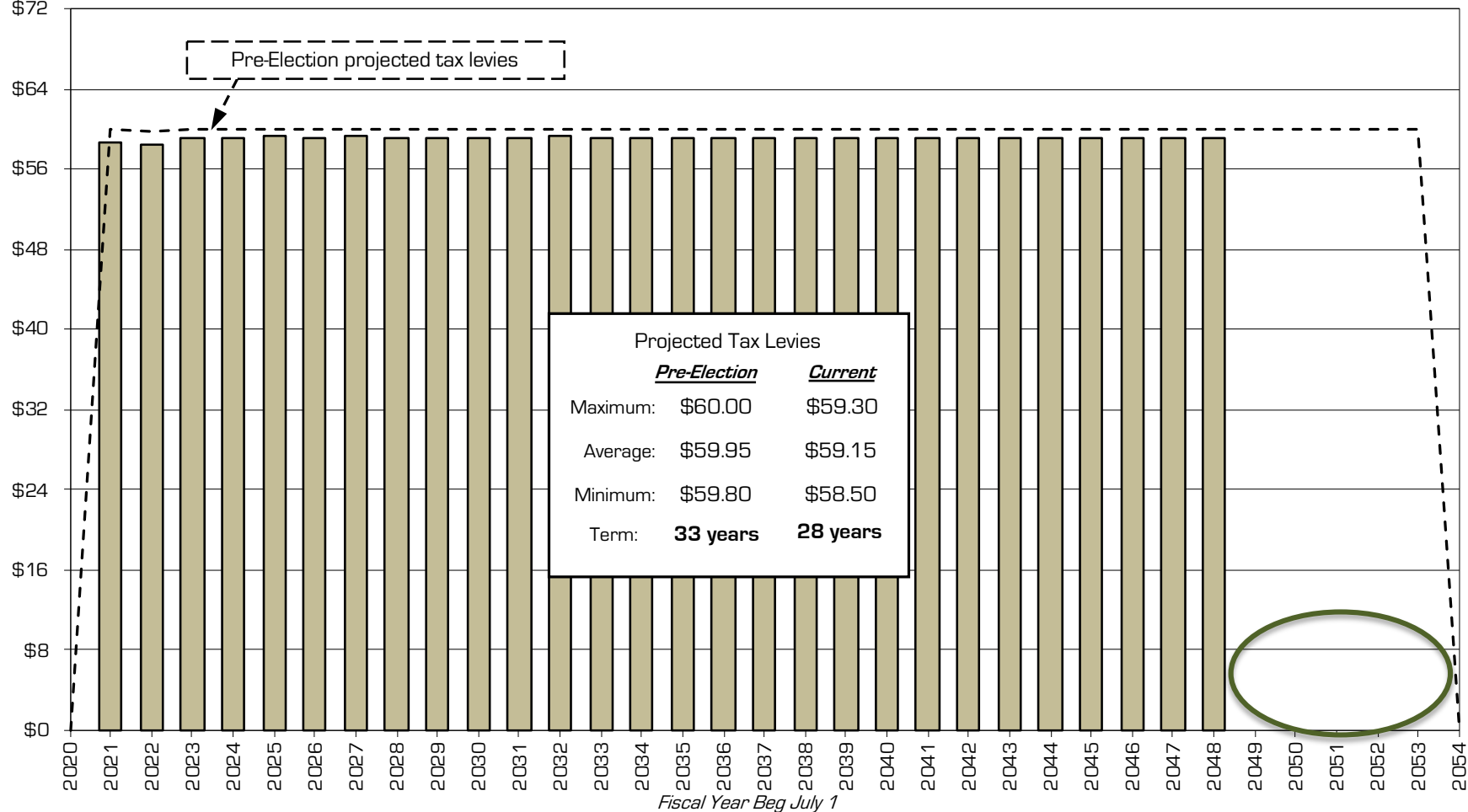
# Measure J (SFID #1)

## Projected Tax Levies ≤ Pre-Election Est.

(and end 5 years earlier)

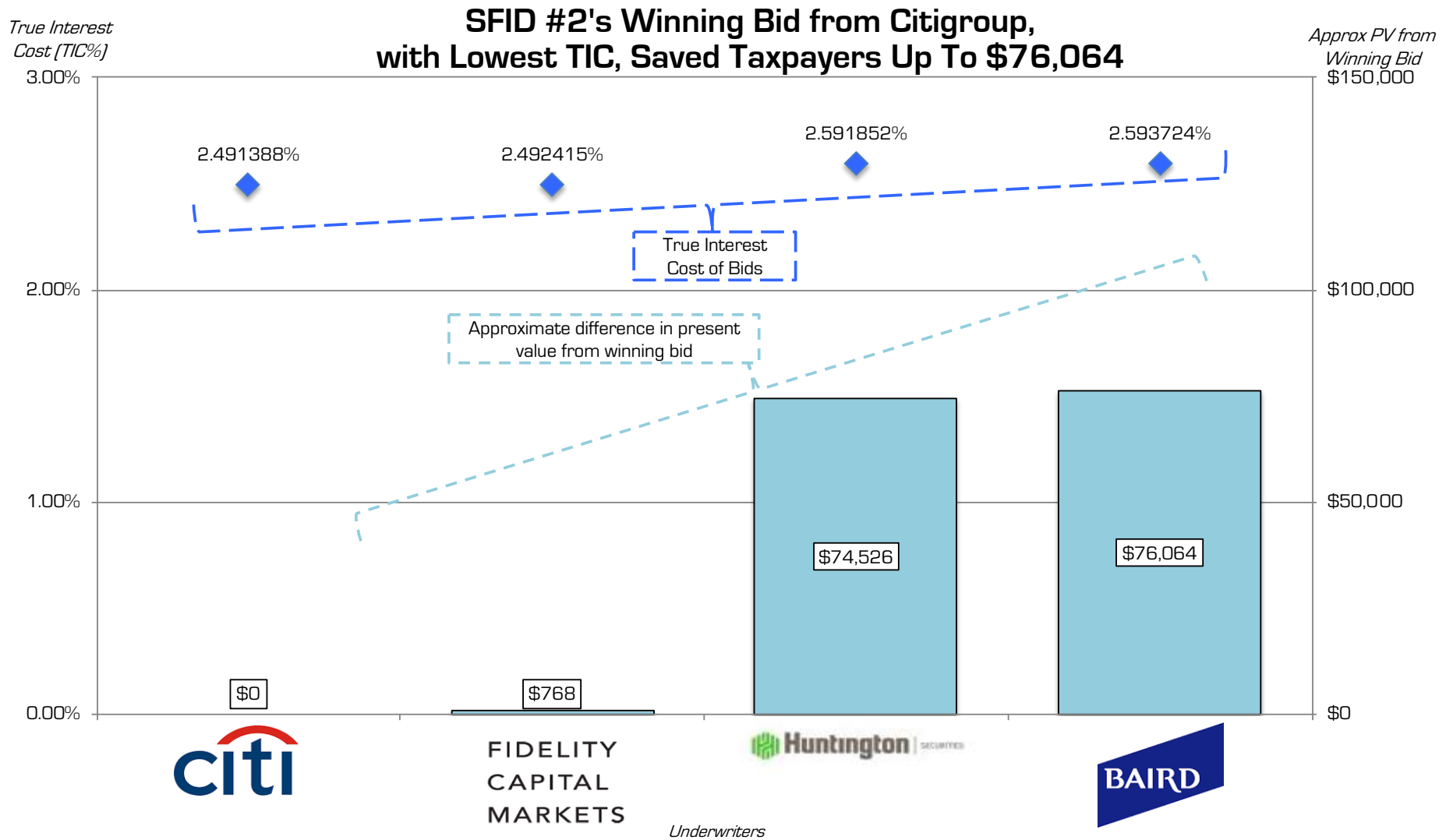
Tax Levy per  
\$100,000 of AV  
\$72

Based on Current Market Conditions, SFID #1's Measure J Tax Levies are Projected to be Lower and be in Place for Five Years Less Than Conveyed to Voters



Pre-election information from bond plan that was genesis of bond measure. 2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Fiscal year debt service is shown, with reserve equal to the first 6 months of debt service for the following fiscal year, less prior year's reserve collection and funds deposited to Debt Service Fund. Values rounded.

# Measure K (SFID #2) - Bid Results



Notes: data from bids received. Subsequent to the bidding, the winning bid was restructured, changing the True Interest Cost (TIC) to 2.495773%.

# Measure K (SFID #2)

## More Funds For Facilities

Issuances/Proceeds/  
& Debt Service

For SFID #2, Series 2021 Netted \$125,000 More Proceeds Than Originally Projected with Same Issuance Schedule, We are Now Projecting Approximately \$140,000 in Additional Projected Proceeds in Total



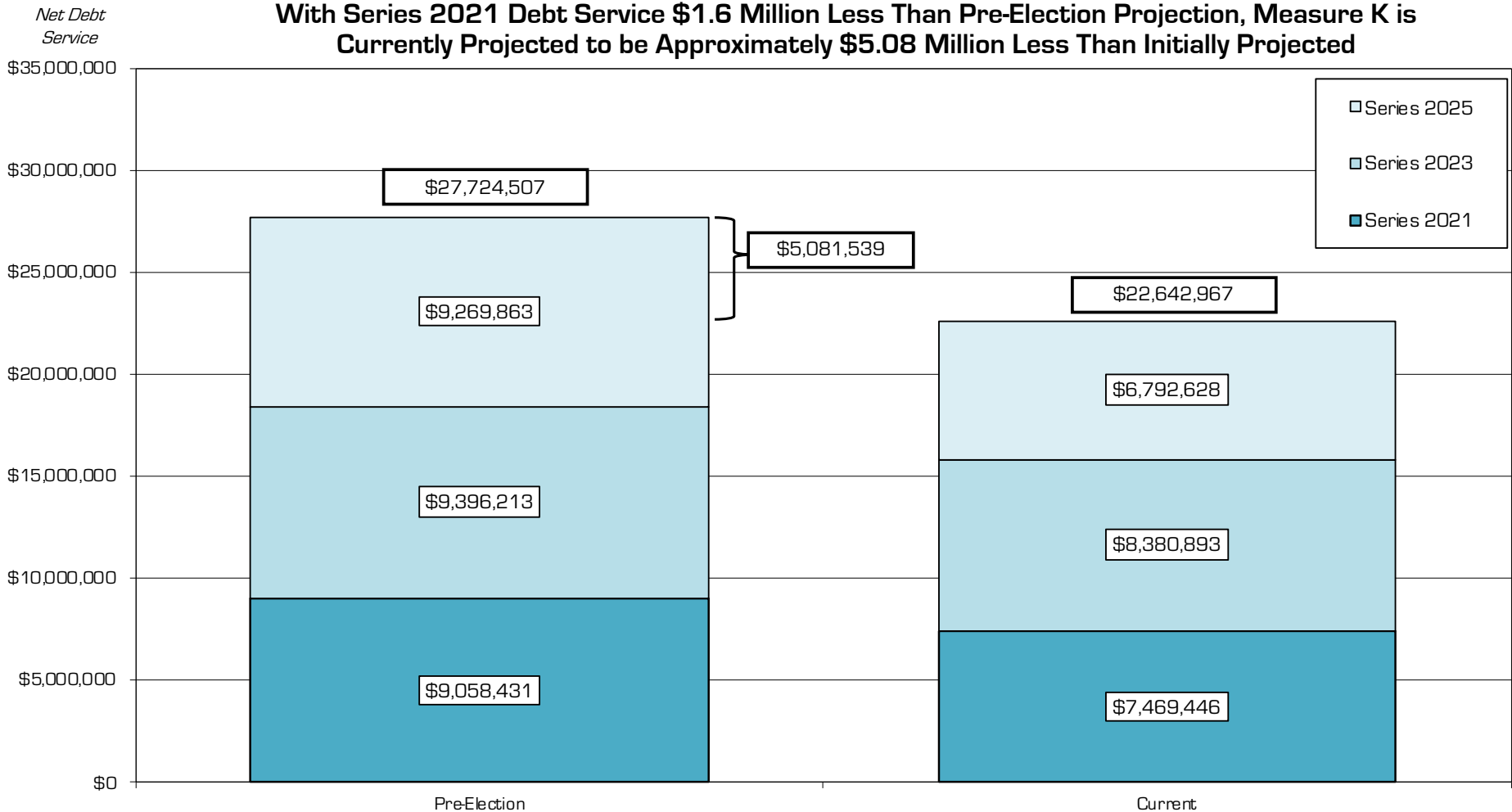
Pre-election information from bond plan that was genesis of bond measure. 2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Net proceeds assumes \$125,000 issuance costs, underwriter's discount of 1.25% of issuance amount and bond insurance of 0.5% of debt service. Values rounded.

✓ **\$4,795,000 from Series 2021 deposited April 29!**



# Measure K (SFID #2) At a Projected Lower Cost

With Series 2021 Debt Service \$1.6 Million Less Than Pre-Election Projection, Measure K is Currently Projected to be Approximately \$5.08 Million Less Than Initially Projected

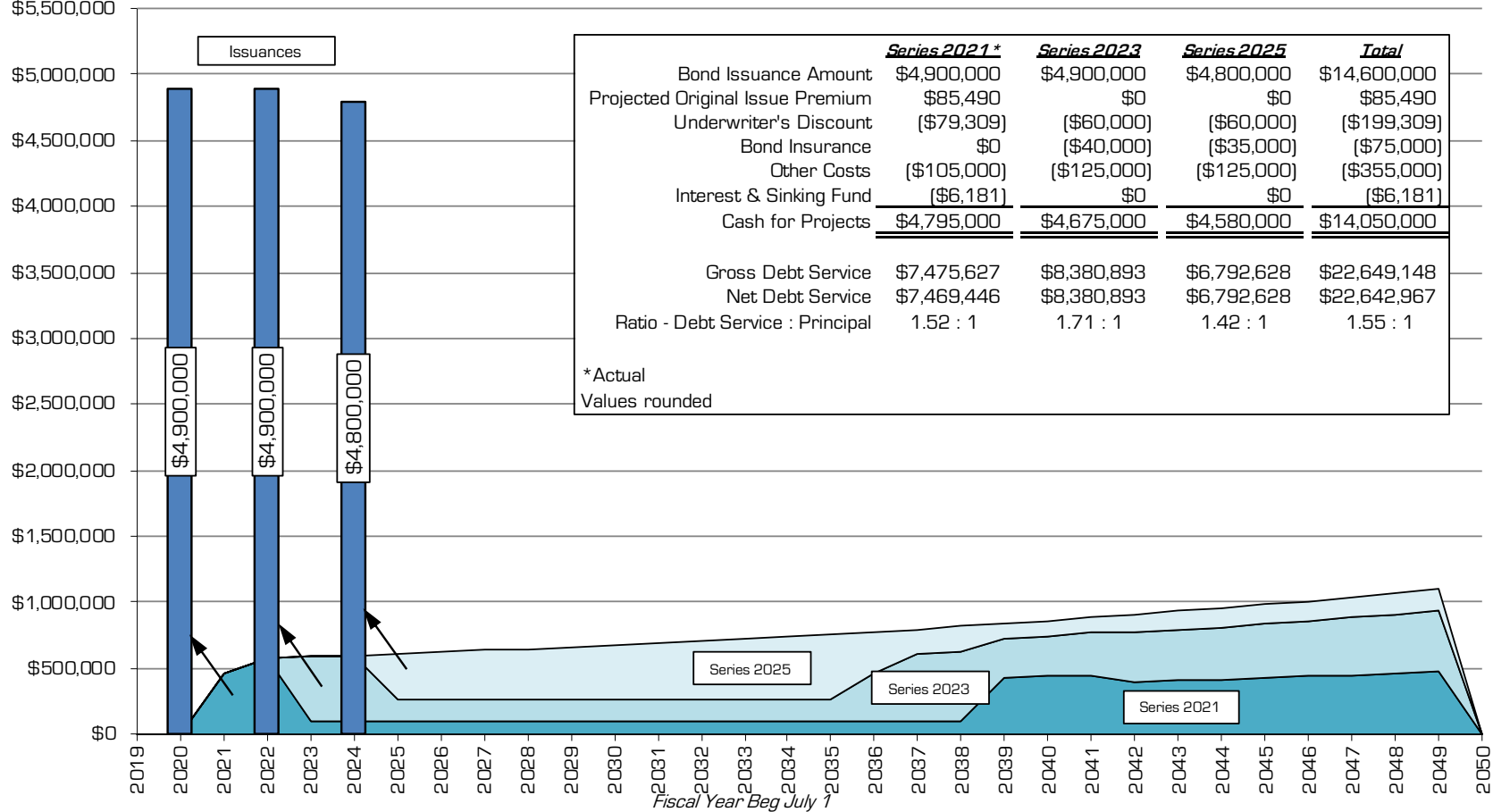


Pre-election information from bond plan that was genesis of bond measure. 2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Values rounded.

# Measure K (SFID #2) On Track

Issuance/Net  
Debt Service  
\$5,500,000

## Measure K Bond Plan is Still Viable for Full Issuance of Authorization on Schedule



2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Fiscal year debt service is shown, with reserve equal to the first 6 months of debt service for the following fiscal year, less prior year's reserve collection and funds deposited to Debt Service Fund. Values rounded.

✓ **\$4,795,000 from Series 2021 deposited April 29!**

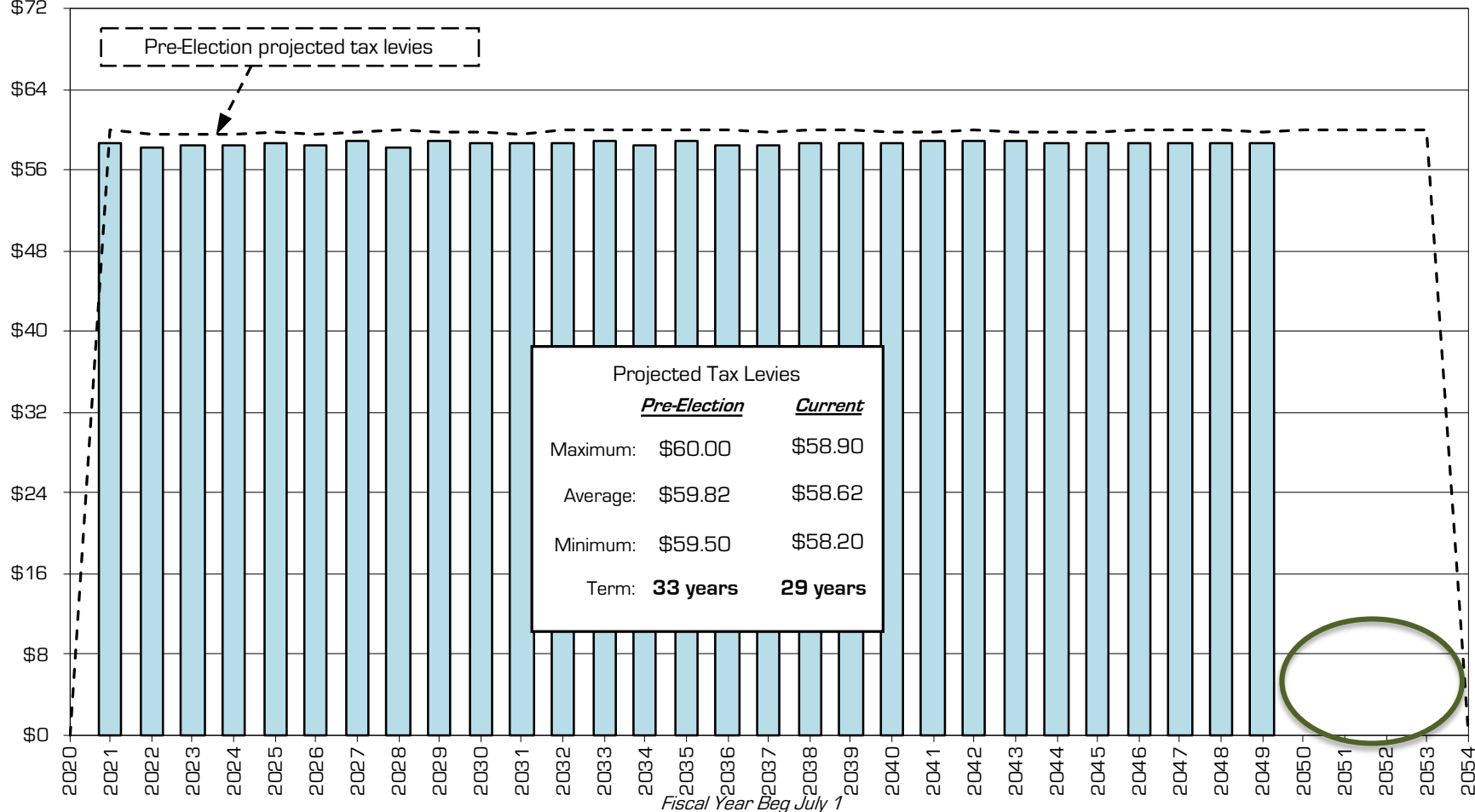
# Measure K (SFID #2)

## Projected Tax Levies ≤ Pre-Election Est.

(and end 4 years earlier)

Tax Levy per  
\$100,000 of AV  
\$72

Based on Current Market Conditions, SFID #2's Measure K Tax Levies are Projected to be Lower and be in Place for Four Years Less Than Conveyed to Voters



Pre-election information from bond plan that was genesis of bond measure. 2020-21 AV is actual with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. Series 2021 net debt service is actual, while Series 2023 & 2025 are projected based on MMD "AAA" rates as of April 9, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +150bp (2023), & +175bp (2025). Fiscal year debt service is shown, with reserve equal to the first 6 months of debt service for the following fiscal year, less prior year's reserve collection and funds deposited to Debt Service Fund. Values rounded.

# Conclusion

✓ Lower debt service



✓ Less taxes



✓ More proceeds for projects



# Thank You, Any Questions?

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# For Reference

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- ◆ Detailed Costs of Issuance
- ◆ February 16, 2021 Board Presentation



# Detailed Costs of Issuance

School Facilities Improvement District No. 1 and  
 School Facilities Improvement District No. 2  
 Of the River Delta Unified School District  
 (Sacramento, Solano and Yolo Counties, California)  
 General Obligation Bonds, Election of 2020, Series 2021

**Final Costs of Issuance**

Description	SFID 1 Series 2021	SFID 2 Series 2021	Total
• Parker & Covert LLP, Bond Counsel Bond Counsel Services and Expenses:	\$32,800.00	\$32,800.00	\$65,600.00
• Government Financial Strategies inc., Municipal Advisor Professional Services:	\$54,050.00	\$54,050.00	\$108,100.00
Expenses:	\$750.00	\$750.00	\$1,500.00
• Standard & Poor's Rating Service, Rating Agency Professional Services:	\$11,625.00	\$11,625.00	\$23,250.00
• Other Issuance Expenses (break out listed below)			
Zions Bancorporation, COI Administrator	\$500.00	\$500.00	\$1,000.00
AMTEC: Verification Agent	\$250.00	\$250.00	\$500.00
AVIA Communications, Inc.: OS Printing and Distribution	\$662.83	\$662.82	\$1,325.65
California Municipal Statistics, Research:	\$1,525.00	\$1,525.00	\$3,050.00
• Contingency	\$2,837.17	\$2,837.18	\$5,674.35
<b>TOTAL COSTS OF ISSUANCE</b>	<b>\$105,000.00</b>	<b>\$105,000.00</b>	<b>\$210,000.00</b>

# River Delta Unified School District

## Measures J and K Update and Next Steps



Presented by Matt Kolker  
February 16, 2021

# Agenda

- ◆ Market Update
- ◆ Implementing Measures J and K
- ◆ Bond Sale Methods
- ◆ For Reference
  - ▶ Estimated Costs of Issuance
  - ▶ Good Faith Estimates
  - ▶ May 12, 2020 Presentation



# Congratulations on Measure J


River Delta Joint Unified School District Measure J		
Result	Votes	Percentage
✔ Yes	4,753	63.58%
No	2,723	36.42%

## RIVER DELTA UNIFIED SCHOOL DISTRICT Bond Measure J

### MEASURE J

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; building science labs; updating aging technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/careers, shall River Delta Unified School District issue \$45,700,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$2,600,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/ all funds used locally, be adopted?"

# Congratulations on Measure K

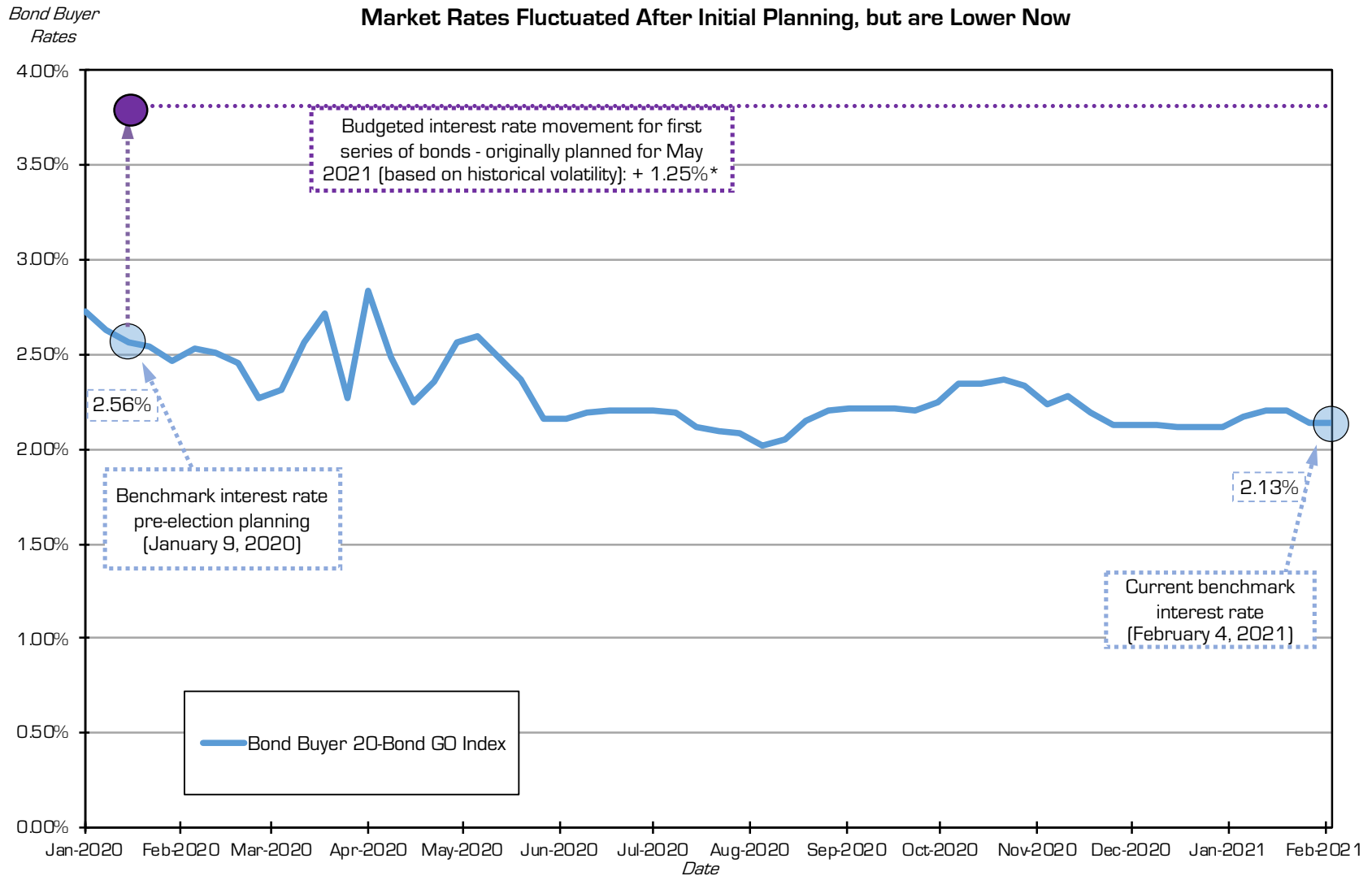
River Delta Joint Unified School District Measure K		
Result	Votes	Percentage
 Yes	1,175	64.95%
No	634	35.05%

## RIVER DELTA UNIFIED SCHOOL DISTRICT Bond Measure K

### MEASURE K

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; keeping schools safe; updating technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/jobs/careers, shall River Delta Unified School District issue \$14,600,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$845,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/all funds used locally, be adopted?"

# Interest Rates are Volatile

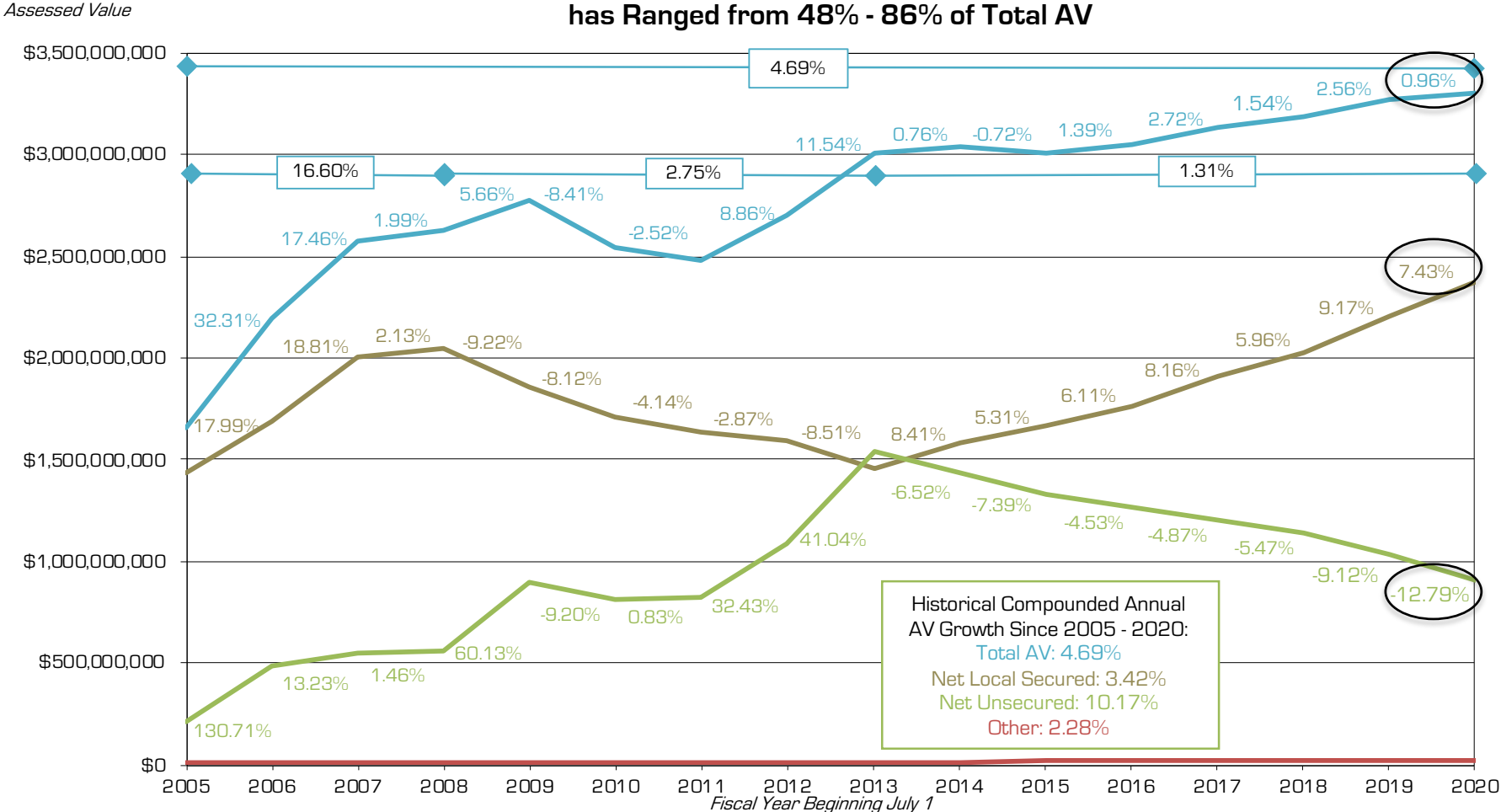


\*Notes: budgeted interest rate movement in the Bond Buyer based on historical Bond Buyer volatility and then applied to the Municipal Market Data (MMD) interest rate scale. The Bond Buyer 20-Bond Index consists of 20 general obligation bonds that mature in 20 years and is compiled every Thursday. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Rating Service AA.



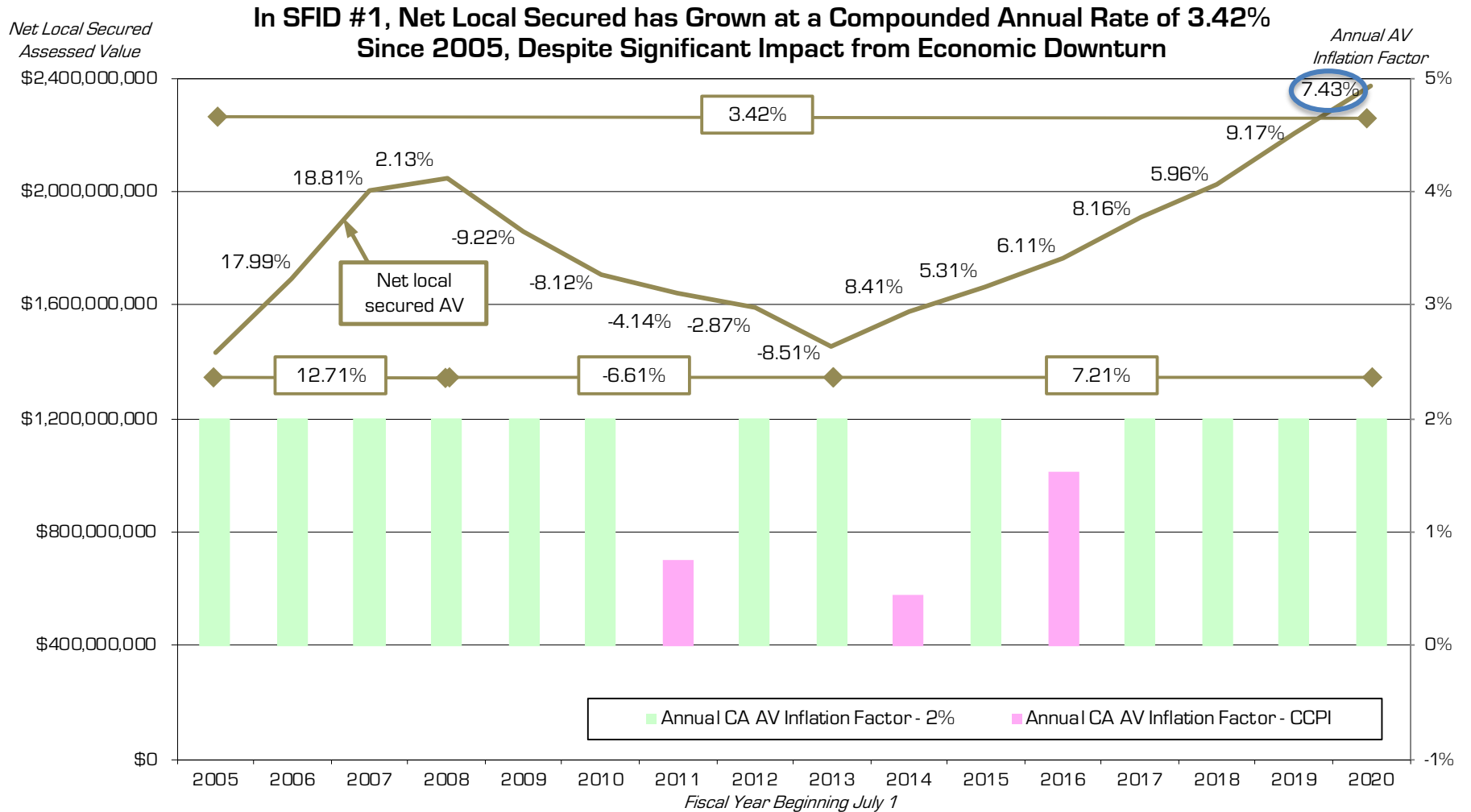
# SFID #1 Historical AV

SFID #1's Primary Assessed Value Component, Net Local Secured, has Ranged from 48% - 86% of Total AV



Historical assessed value (AV) provided by the Sacramento & Solano Auditor-Controller's Offices. The District's total AV is comprised of net local secured, mineral (oil) and other (utility & homeowners exemption). Changes shown are annual changes.

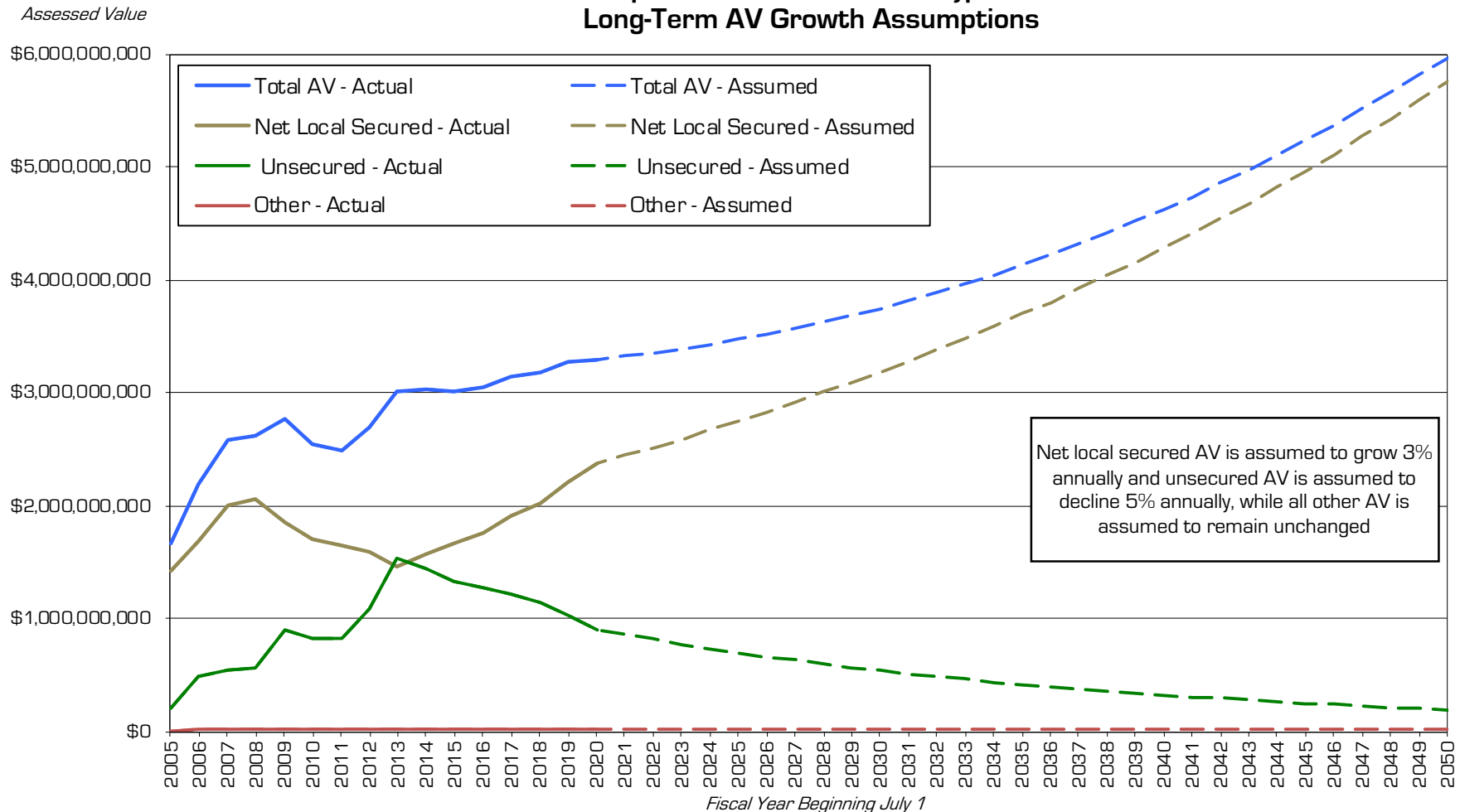
# SFID #1: A Closer Look at Net Local Secured



Historical assessed value (AV) provided by the Sacramento & Solano County Auditor-Controller's Offices. The District's total AV is comprised of net local secured, utility, homeowners exemption, and unsecured. Changes shown are annual changes. Annual California AV inflation factor provided by California State Board of Equalization, and is the lesser of the annual change in the CA CPI or 2%.

# SFID #1: Moderate AV Projections

Different AV Assumptions Based on the AV Types Lead to Moderate Long-Term AV Growth Assumptions

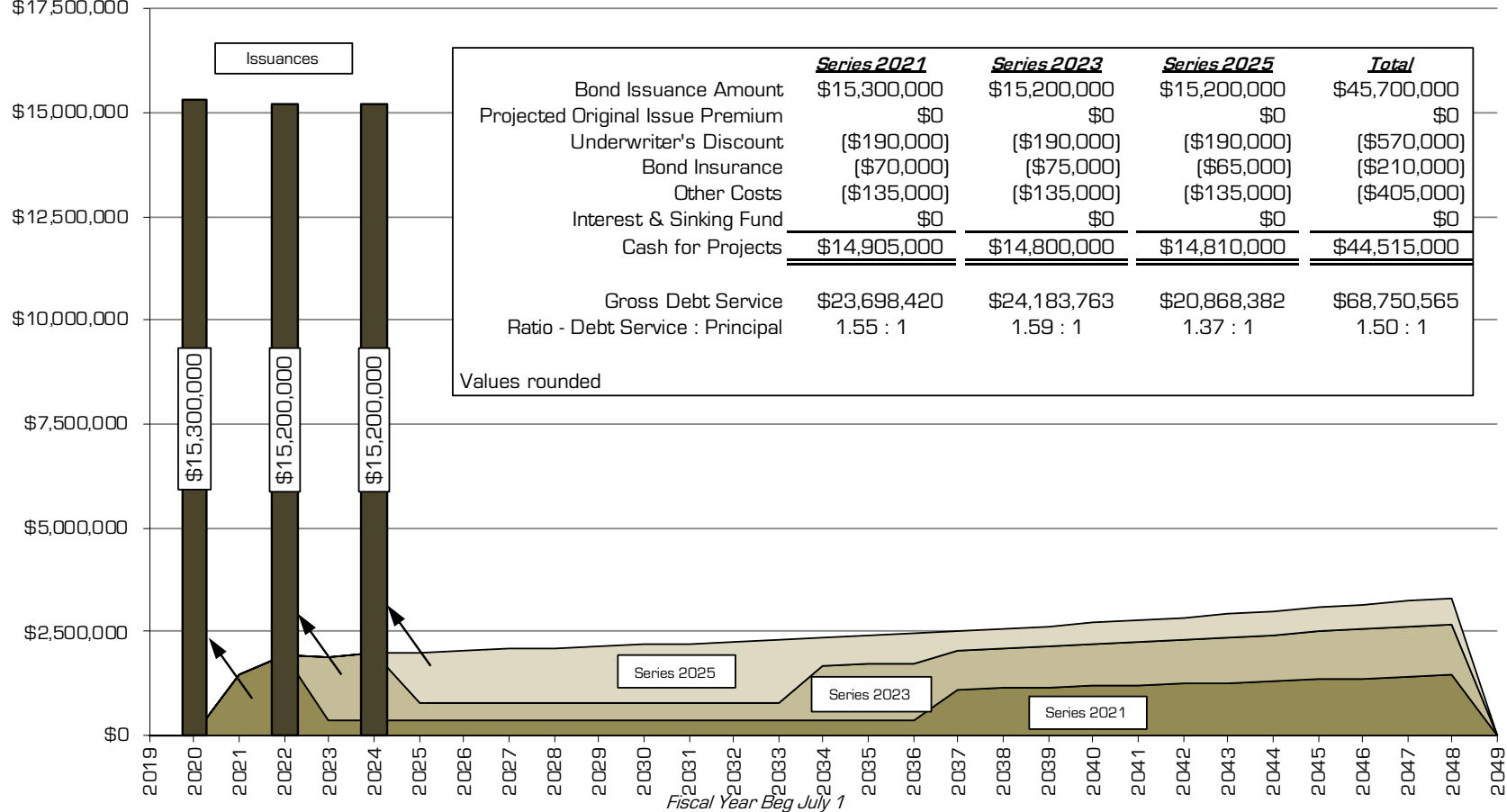


Historical assessed value (AV) provided by Sacramento & Solano County Auditor-Controller's Offices. The District's total AV is comprised of net local secured, utility, homeowners exemption, and unsecured values. As homeowners exemption & unsecured components are relatively small and tend to be subject to less predictable volatility, the AV focuses on net local secured. Other AV consists of utility, homeowners exemption and unsecured AV.

# SFID # 1 - Measure J: Pre-Election Plan: \$45.7M Over 3 Series

Issuance/Net  
Debt Service  
\$17,500,000

Still on Course to Issue Full \$45.7 Million Measure J Authorization for SFID #1



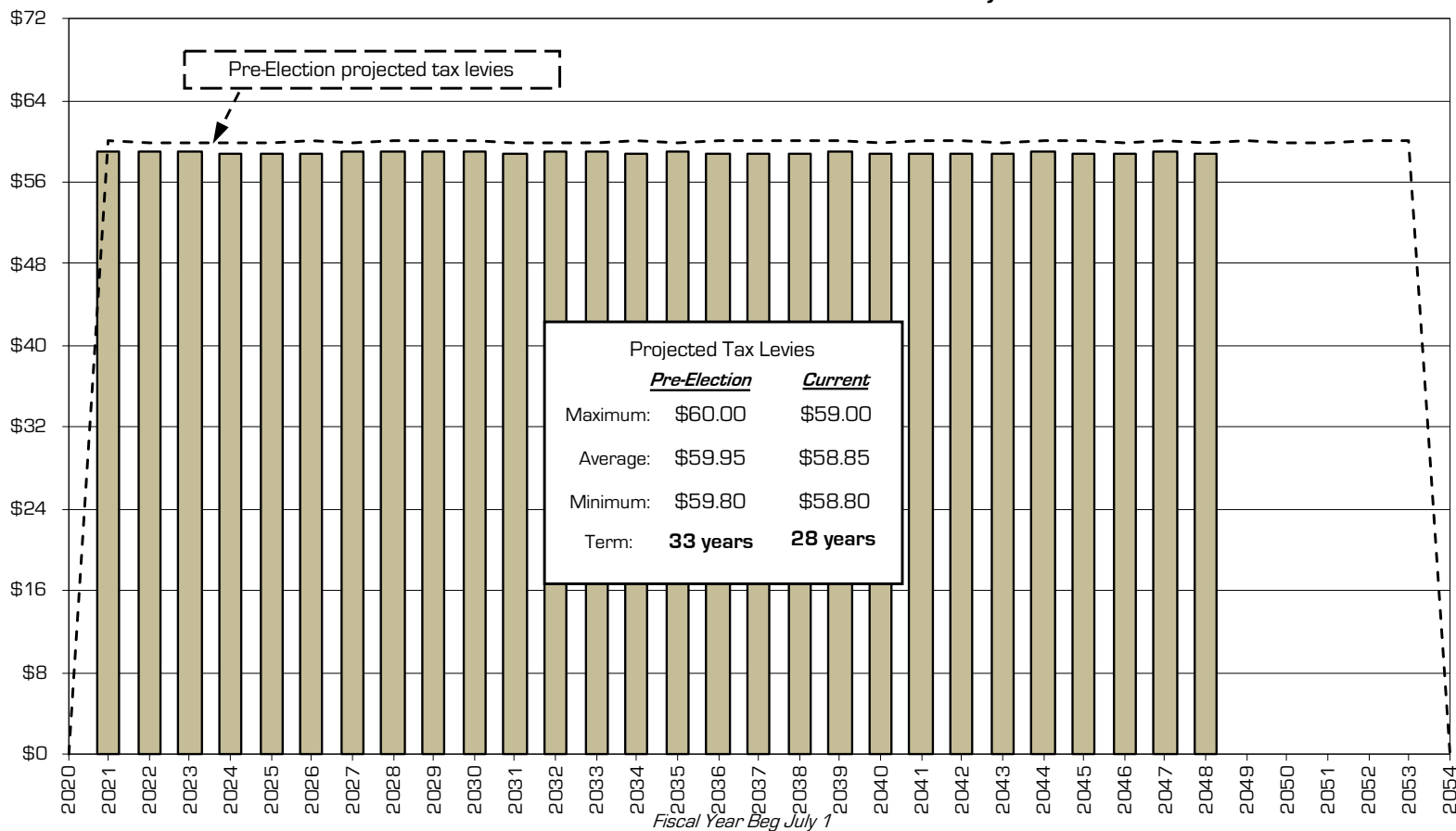
Based on 2020-21 AV, with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. MMD "AAA" rates as of January 29, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +75bp (2021), +150bp (2023), & +175bp (2025).

✓ *Sizing and timing of each issuance to be determined based on project expenditure schedules*

# SFID #1 - Measure J: Projected Levies < Pre-Election Estimates

Tax Levy per  
\$100,000 of AV

Based on Current Market Conditions, SFID #1's Measure J Tax Levies are Projected to be Lower and be in Place for Five Years Less Than Conveyed to Voters



◆ FY 2020-21 Tax Levies  
▶ Measure U: \$21.50

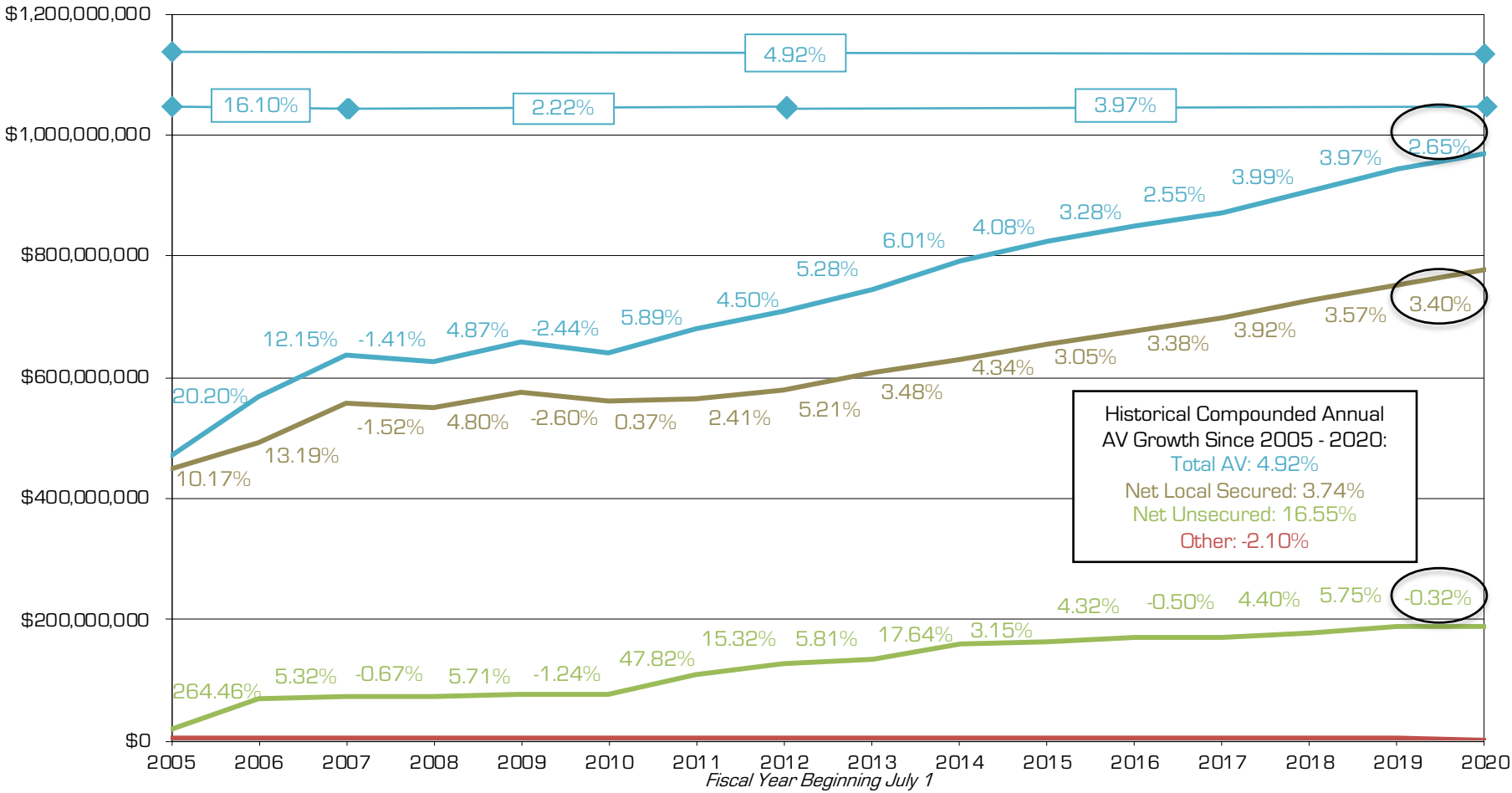
Based on 2020-21 AV, with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. MMD "AAA" rates as of January 29, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +75bp (2021), +150bp (2023), & +175bp (2025).

✓ Projected tax levies based on pre-election structure of three series

# SFID #2 Historical AV

SFID #2's Primary Assessed Value Component, Net Local Secured, has Ranged from 79% - 95% of Total AV

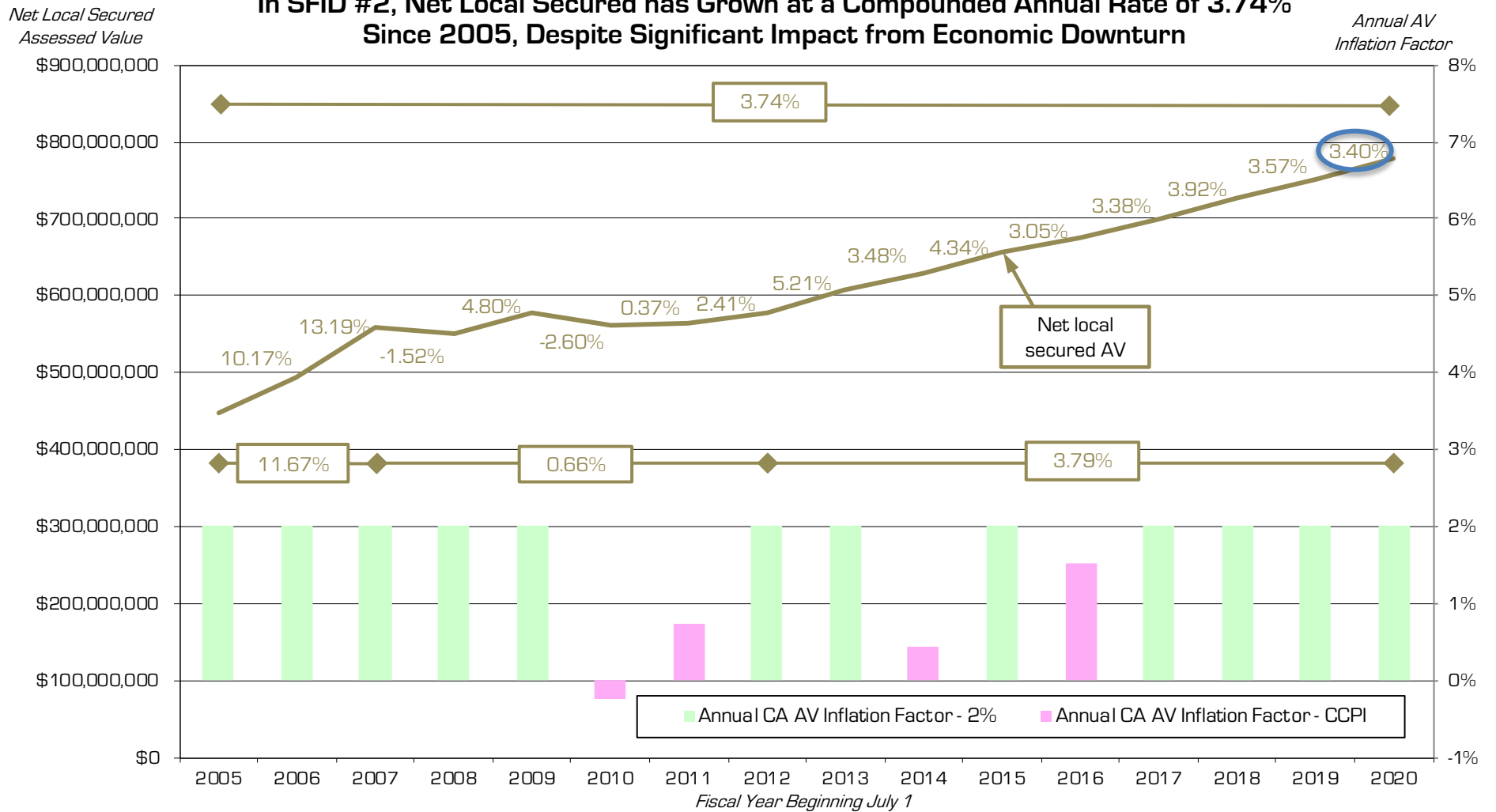
Assessed Value



Historical assessed value (AV) provided by the Sacramento, Yolo, & Solano Auditor-Controller's Offices. The District's total AV is comprised of net local secured, mineral (oil) and other (utility & homeowners exemption). Changes shown are annual changes.

# SFID #2: A Closer Look at Net Local Secured

In SFID #2, Net Local Secured has Grown at a Compounded Annual Rate of 3.74% Since 2005, Despite Significant Impact from Economic Downturn

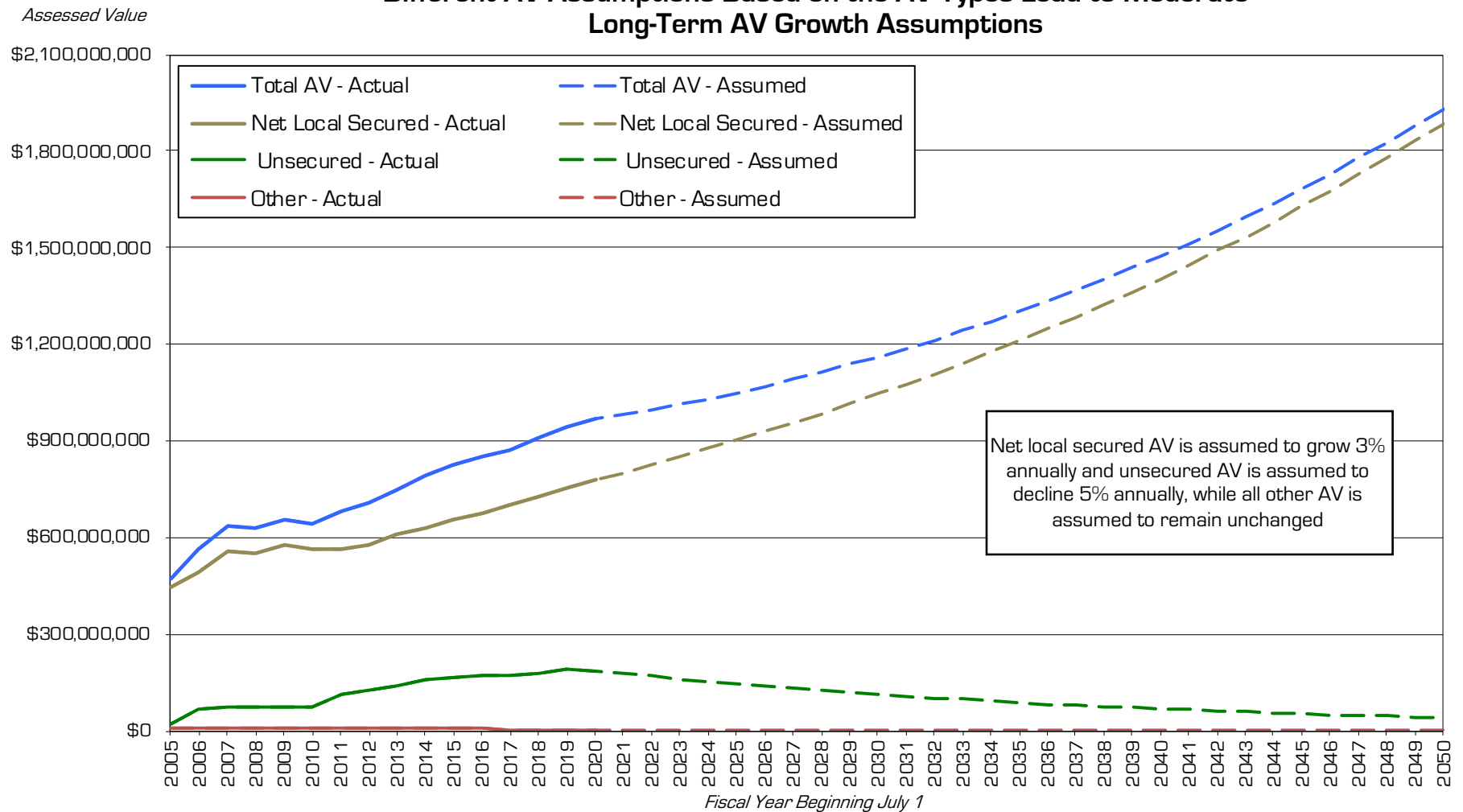


Historical assessed value (AV) provided by the Sacramento, Yolo, & Solano County Auditor-Controller's Offices. The District's total AV is comprised of net local secured, utility, homeowners exemption, and unsecured. Changes shown are annual changes. Annual California AV inflation factor provided by California State Board of Equalization, and is the lesser of the annual change in the CA CPI or 2%.



# SFID #2: Moderate AV Projections

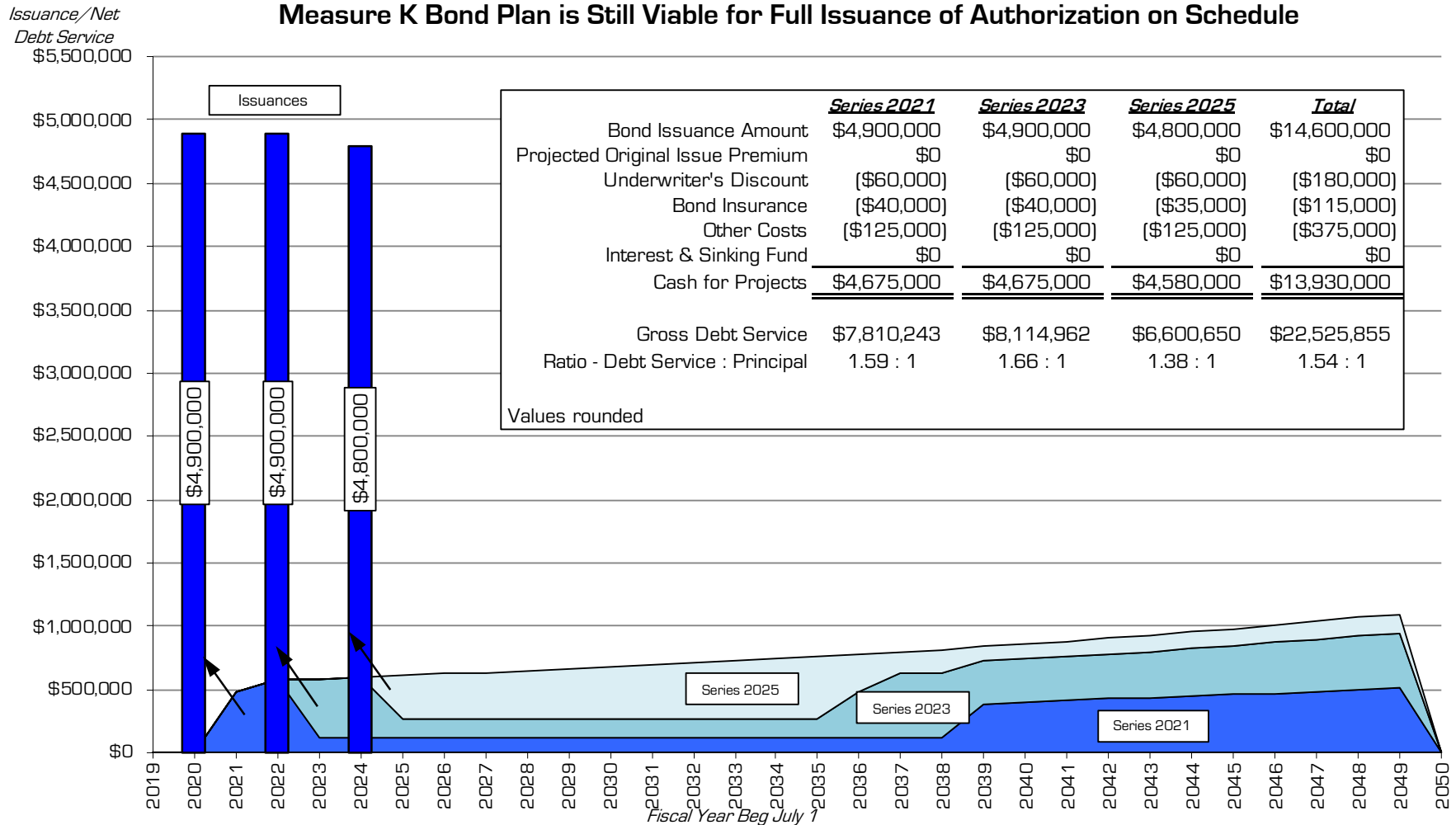
Different AV Assumptions Based on the AV Types Lead to Moderate Long-Term AV Growth Assumptions



Historical assessed value (AV) provided by Sacramento, Solano, & Yolo County Auditor-Controller's Offices. The District's total AV is comprised of net local secured, utility, homeowners exemption, and unsecured values. As homeowners exemption & unsecured components are relatively small and tend to be subject to less predictable volatility, the AV focuses on net local secured. Other AV consists of utility, homeowners exemption and unsecured AV.

# SFID #2 - Measure K: Pre-Election Plan: \$14.6M Over 3 Series

Measure K Bond Plan is Still Viable for Full Issuance of Authorization on Schedule



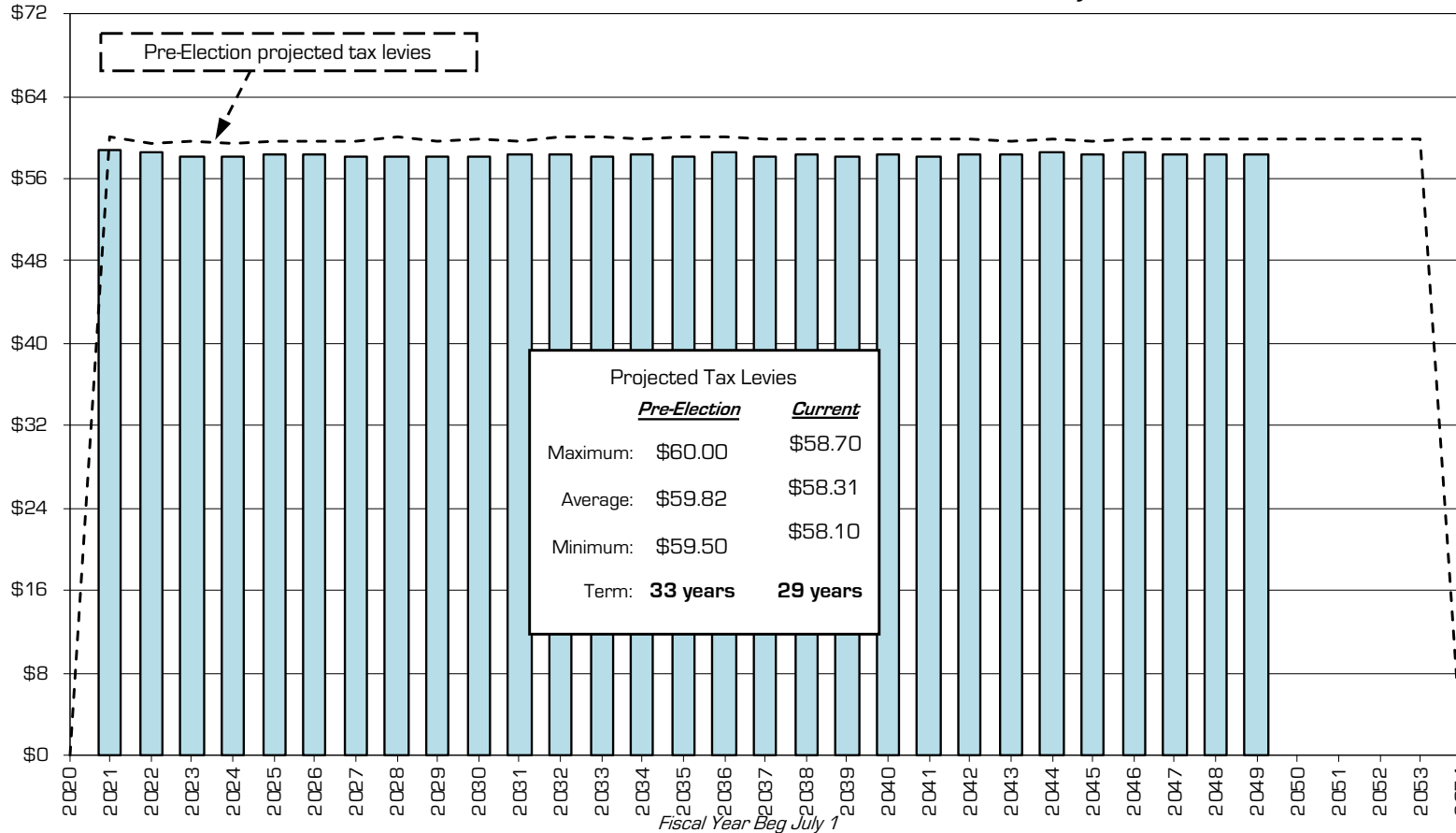
Based on 2020-21 AV, with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. MMD "AAA" rates as of January 29, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +75bp (2021), +150bp (2023), & +175bp (2025).

✓ *Sizing and timing of each issuance to be determined based on project expenditure schedules*

# SFID #2 - Measure K: Projected Levies < Pre-Election Estimates

Tax Levy per  
\$100,000 of AV

Based on Current Market Conditions, SFID #2's Measure K Tax Levies are Projected to be Lower and be in Place for Four Years Less Than Conveyed to Voters



◆ FY 2020-21 Tax Levies  
▶ Measure V: \$73.80

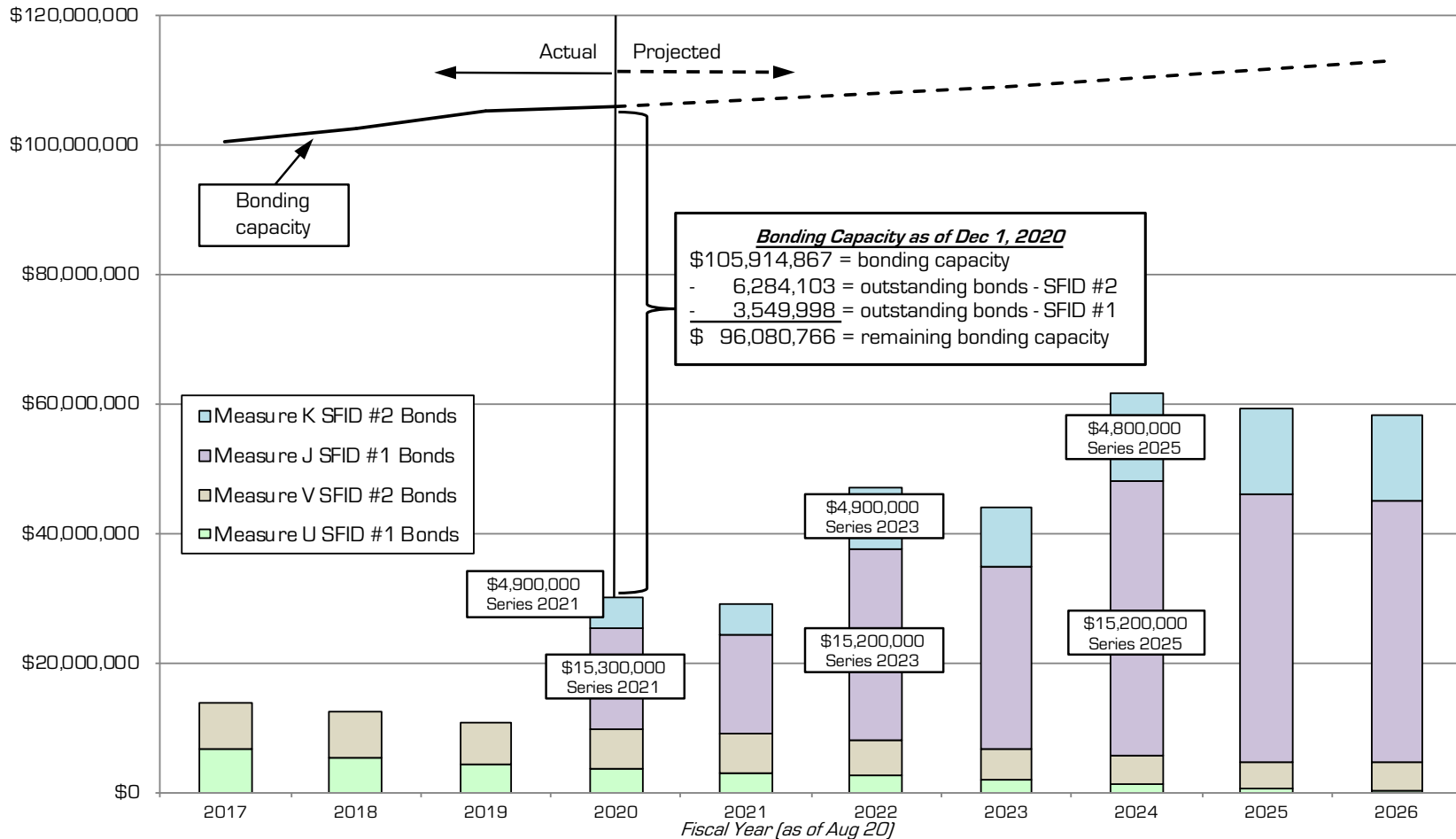
Based on 2020-21 AV, with 3% assumed annual growth in net local secured, a 5% annual decline in local unsecured AV, while all other AV types are assumed to remain unchanged. MMD "AAA" rates as of January 29, 2021, adjusted +75bp for assumed "A+" rating, plus timing adjustments for potential rate increasing prior to bond issuance of +75bp (2021), +150bp (2023), & +175bp (2025).

✓ Projected tax levies based on pre-election structure of three series

# Updated Bonding Capacity

Bonding Capacity/  
Outstanding Bonds

## Sufficient Bonding Capacity to Issue Measure J and K Authorizations



Bonding capacity is equal to 2.5% of total assessed value for a unified school district. Net local secured AV assumed to increase 3% annually with unsecured declining 5% annually in both CFD #1 & CFD #2, while all other types of AV are assumed to remain unchanged. Outstanding bonds from *Official Statements*. Bonding capacity as of August 20, when assessed value becomes "equalized."

# Projected Expenditures Drive Bond Issuance Plan

- ◆ For a tax-exempt financing, federal law requires that District reasonably expect to:
  - ▶ within six months, incur binding obligations to third parties involving expenditures of not less than 5% of the net bond proceeds
  - ▶ within three years, expend 85% of the proceeds
  - ▶ proceed toward completing the projects and allocating the net sale proceeds to expenditures with due diligence
- ◆ For both Measures J and K, we currently estimate it is possible to issue up to the full authorization in the first series
  
- ✓ *Work in progress to confirm expenditure schedule*

# Sale Methods

- ◆ Competitive Process - auction



- ◆ Negotiated Process - sale to pre-selected underwriter or lender/investor



✓ *The Government Finance Officers Association (GFOA) recommends that "bond issuers sell their debt using the method of sale that is most likely to achieve the lowest cost of borrowing while taking into account both short-range and long-range implications for taxpayers and ratepayers."*

# GFOA Competitive Criteria

- ◆ Criteria that favors a Competitive Process:
  - ✓ Rating of the bonds is at least in the single-A category.
    - Existing bonds are rated "A+".
  - ✓ Bonds are general obligation bonds or full faith and credit obligations of the issuer or are secured by a strong, known and long-standing revenue stream.
    - The bonds are general obligation bonds.
  - ✓ Bond structure does not include innovative or new features that require extensive explanation to the bond market.
    - The bonds do not include features requiring explanation.
  - ✗ Issuer is well known and frequently in the market\*
    - The District is not well known and frequently in the market.
- ✓ *We meet 3 out of the 4 competitive process criteria.*

\*Note: We define "frequently" to mean the proposed financing is at least the third debt issuance publicly offered to the bond market in the last five years.



# GFOA Negotiated Criteria

- ◆ Criteria that favors a Negotiated Process:
  - X Rating of the bonds is lower than the single-A category.
    - Existing bonds are rated "A+".
  - X Bond insurance or other credit enhancement is unavailable or not cost-effective.
    - Bond insurance is expected to be available.
  - X Structure of bonds has features better suited to negotiation.
    - The bonds do not include such features.
  - X Issuer desires to target underwriting participation to include disadvantaged business enterprises or local firms.
    - All underwriters will have the opportunity to participate.
  - X Other factors that the issuer, in consultation with its financial advisor, believes favor the use of a negotiated sale process.
    - There are no other factors favoring a negotiated sale.
- ✓ *We meet 0 out of the 5 negotiated process criteria.*

# Primary Legal Documents

- ◆ *Board Resolution: authorizes bonds and signing of documents within parameters (bond amount, interest rate, etc.)*
- ◆ *Form of Bond Purchase Agreement: the underwriter purchases the bonds from the District and resells them to investors*
- ◆ *Preliminary Official Statement: discloses important information about the District and financing to investors*
- ◆ *Form of Paying Agent Agreement: a bank is assigned responsibility for forwarding principal and interest payments to investors*
- ◆ *Form of Continuing Disclosure Certificate: District provides updates to the bond market annually and if any significant events occur*

# Preliminary Official Statement - Overview of Disclosure

## ◆ Honest and Fair Dealing

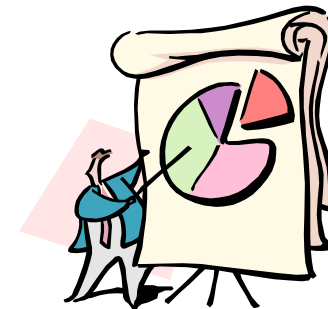
Disclose all “material” facts

Heightened Securities and Exchange  
Commission scrutiny



## ◆ Marketing

Present and future



# Tips for Reviewing the Disclosure

- ◆ In reviewing the Preliminary Official Statement:
  - ▶ Format is based on the industry standard, for the convenience of the primary audience -- investors. Standard information is provided in standard fashion, which is often not in the best writing style.
  - ▶ Providing too much information can obscure important points; however, omitting information which might be material to an investment decision would be disastrous.
  - ▶ It is better to bring something to our attention, so that it can be considered and discussed, rather than assume that we've already thought of it.

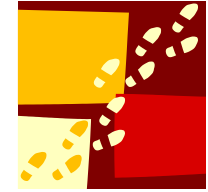
# It is Important to Review the Disclosure

- ◆ Securities and Exchange Commission report (January, 1996) on the disclosure of Orange County in connection with the sale of municipal securities prior to its bankruptcy:

“In authorizing the issuance of securities and related disclosure documents, a public official may not authorize disclosure that the official knows to be false; nor may a public official authorize disclosure while recklessly disregarding facts that indicate that there is a risk that the disclosure may be misleading.”



# Next Steps



- ◆ Today's Board meeting
  - ▶ Information presentation
- ◆ March 9, 2021 Board meeting
  - ▶ Board considers adoption of resolution authorizing issuance of bonds
- ◆ April 13, 2021
  - ▶ Sale of bonds conducted at the offices of Government Financial Strategies
- ◆ April 29, 2021
  - ▶ Closing: Proceeds deposited with County
- ◆ May 11, 2021 Board meeting
  - ▶ Presentation of results of bond sale

# Any Questions?

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# For Reference

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- ◆ Estimated Costs of Issuance
- ◆ Good Faith Estimates
- ◆ May 12, 2020 Presentation

# Estimated Costs of Issuance

School Facilities Improvement District No. 1 and  
 School Facilities Improvement District No. 2  
 Of the River Delta Unified School District  
 [Sacramento, Solano and Yolo Counties, California]  
 General Obligation Bonds, Election of 2020, Series 2021

## Estimated Costs of Issuance

Description	SFID 1 Series 2021	SFID 2 Series 2021	Total
• Parker & Covert LLP, Bond Counsel Bond Counsel Services and Expenses:	\$32,800.00	\$32,800.00	\$65,600.00
• Government Financial Strategies inc., Municipal Advisor Professional Services:	\$54,050.00	\$54,050.00	\$108,100.00
Expenses:	\$750.00	\$750.00	\$1,500.00
• Standard & Poor's Rating Service, Rating Agency Professional Services:	\$11,625.00	\$11,625.00	\$23,250.00
• Other Issuance Expenses (break out listed below)			
Zions Bancorporation, COI Administrator	\$500.00	\$500.00	\$1,000.00
AMTEC: Verification Agent	\$250.00	\$250.00	\$500.00
AVIA Communications, Inc.: OS Printing and Distribution	\$1,000.00	\$1,000.00	\$2,000.00
California Municipal Statistics, Research:	\$600.00	\$600.00	\$1,200.00
• Contingency	\$5,425.00	\$5,425.00	\$10,850.00
<b>TOTAL COSTS OF ISSUANCE</b>	<b>\$107,000.00</b>	<b>\$107,000.00</b>	<b>\$214,000.00</b>

# Good Faith Estimates

Measure J  
Good Faith Estimates  
Per Government Code 5852.1

	<i>Estimates</i>
True Interest Cost{1}	3.11%
Finance Charge{2}	\$400,000
Amount of Proceeds{3}	\$14,900,000
Total Payment Amount{4}	\$24,554,267

{1} True Interest cost includes a 0.75% adjustment for potential market volatility based on historical volatility in the Bond Buyer 20-Bond Index from 1/1/84 - 2/4/21.

{2} Finance charge is the sum of all charges and fees paid to third-parties for upfront costs.

{3} Amount of proceeds received is the bond amount less the finance charge and any reserves or capitalized interest funded.

{4} total payment amount is total debt service plus any finance charges not paid with proceeds.

Measure K  
Good Faith Estimates  
Per Government Code 5852.1

	<i>Estimates</i>
True Interest Cost{1}	3.14%
Finance Charge{2}	\$225,000
Amount of Proceeds{3}	\$4,675,000
Total Payment Amount{4}	\$8,106,921

{1} True Interest cost includes a 0.75% adjustment for potential market volatility based on historical volatility in the Bond Buyer 20-Bond Index from 1/1/84 - 2/4/21.

{2} Finance charge is the sum of all charges and fees paid to third-parties for upfront costs.

{3} Amount of proceeds received is the bond amount less the finance charge and any reserves or capitalized interest funded.

{4} total payment amount is total debt service plus any finance charges not paid with proceeds.

✓ *First call date for both Measures J and K currently planned to be August 1, 2030*