
Idaho Falls School District No. 91

*Bond and Levy Planning
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Overview of the District's Bonds

The District has three series of bonds, with a total principal amount outstanding of \$40,675,000. Details of the bonds are shown below.

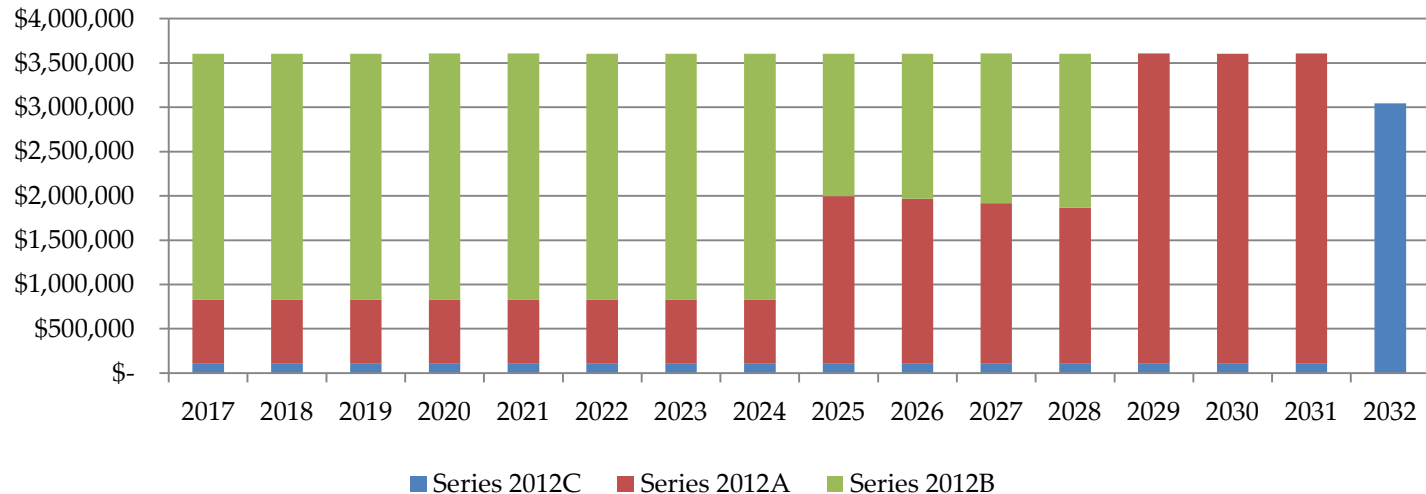
Outstanding Debt

CUSIP NO. 098437

Bond Issue	Credit Enhancement	Amount Outstanding	Coupon	Final Payment	Call Feature
Series 2012A	ISBG/EFIB	14,320,000	5.00%	September 15, 2031	September 15, 2022
Series 2012B	ISBG	23,420,000	3.00-4.00	September 15, 2028	September 15, 2022
Series 2012C	ISBG/EFIB	2,935,000	3.75%	September 15, 2032	September 15, 2022
Total Debt Outstanding (2/1/2017)		40,675,000			

The annual debt service requirements are illustrated below (calendar year).

Idaho Falls SD No. 91 Outstanding Debt



Overview of the District's Bonds – Debt Capacity

Section 33-1103, Idaho Code, limits bonded indebtedness for Idaho School Districts to 5% of the Full Market Value. Based on data from the Idaho Tax Commission and the District, the mathematical calculation of legal debt capacity for the Idaho Falls School District is as follows:

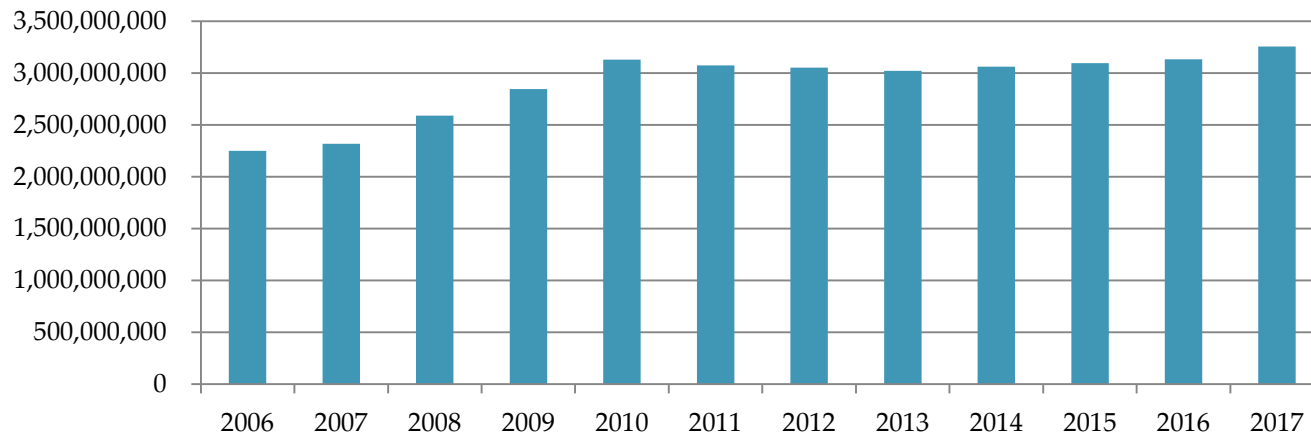
Debt Capacity Calculation	
September Full Value 2016 (FY 2017)	\$ 4,189,607,923
	x 5%
Total Debt Capacity @ 5%	<u>209,480,396</u>
Less: Principal Outstanding	(40,675,000)
Plus: Adjustments - Principal Due 2017	<u>1,875,000</u>
Remaining Debt Capacity	170,680,396

Net Taxable Values

The District's most recent 20-year compound growth rate is 4.29%.

	Fiscal Year	Net Taxable Value	% Growth
Historical	2017	3,256,273,797	3.94%
	2016	3,132,735,306	1.25%
	2015	3,094,028,405	1.41%
	2014	3,050,873,506	1.00%
	2013	3,020,675,054	-1.08%
	2012	3,053,506,232	-0.63%
	2011	3,072,885,829	-1.79%
	2010	3,128,982,810	4.72%
	2009	2,987,990,984	11.25%
	2008	2,685,722,149	11.83%
	2007	2,401,697,364	3.09%
	2006	2,329,809,227	--

Idaho Falls School District No. 91 Net Taxable Value



Historical Municipal Bond Interest Rates



Bond Levy Equalization Program

- Idaho’s bond Levy Equalization Program is a State paid subsidy.
- Applies to Bonds approved after 9/15/2002.
- The amount of subsidy is based on a 3-part formula that produces an Index Factor.
- The Index Factor is intended to determine (or “equalize”) a particular community’s economic conditions and funding adequacy compared to other school districts in the State.

Idaho Falls School District Levy Equalization History

Fiscal Year	Index Factor	% of P&I
2017	0.9000	10.00%
2016	0.9010	9.90%
2015	0.9226	7.74%
2014	0.9363	6.37%
2013	0.9411	5.89%
2012	0.9519	4.81%
2011	0.9327	6.73%
2010	0.9151	8.49%
2009	0.8840	11.60%
2008	0.8470	15.30%
2007	0.9338	6.62%
2006	0.9542	4.58%

Index Factor Components

- Market value per support unit (50% of formula)
- Unemployment rate in the County (25% of formula)
- Per capita income in the County (25% of formula)

Goal of Analysis:

- Review projected bond repayment costs of \$100 million bond proposal for an August 2017 election.
- Evaluate impact of \$100 million bond on the District's total property tax rate under different market value growth assumptions.

Planning Assumptions:

- Existing Supplemental M&O Levy is continued at \$6.8 million for the foreseeable future.
- Existing Plant Levy is continued at \$2.4 million for the foreseeable future.
- \$100 million bond authorization split into two bond sales:
 - \$50 million sold in 2017
 - \$50 million sold in 2019
- Existing and proposed bonds qualify for bond levy equalization subsidy at 9% of average annual bond payment.
- Interest rates are as of January 26, 2017 plus 0.50% cushion for 2017 sale and plus 0.75% cushion for 2019 sale.

Summary of Bond Analysis

Summary of Analysis ⁽¹⁾	1/30/2017
Bond Proceeds	\$100,000,000
Interest Cost	\$60,601,438
Total Cost	\$160,601,438
Projected Levy Equalization (@ 9% of P&I)	(\$14,454,129)
Net Total Bond Cost	\$146,147,309
Blended TIC (Includes 2017 & 2019 Sales)	4.10%

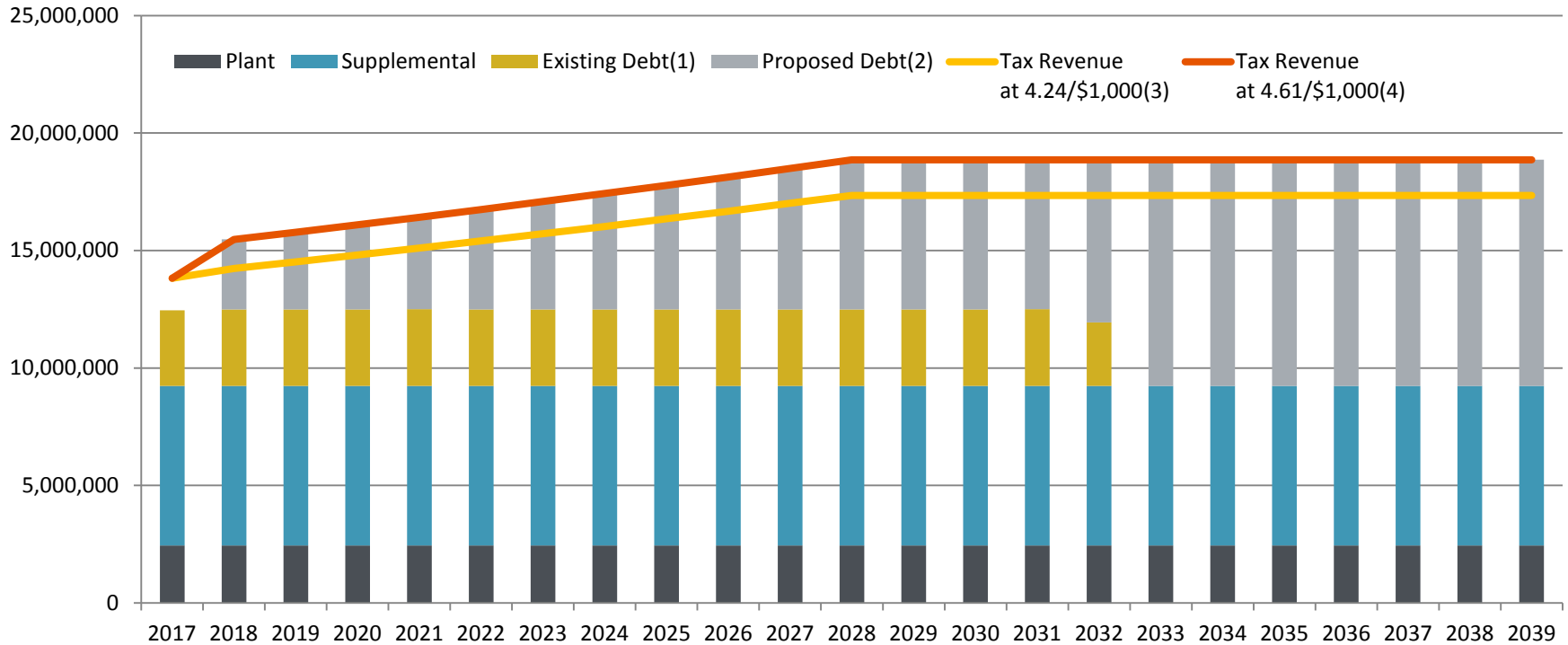
(1) Bond cost analysis is based on a bond structure scenario that assumes market value growth of 2% annually FY2019 - FY2028

Projected Property Tax Impact				
All Scenarios assume 3% growth in FY 2018				
Annual Growth (FY 2019 - FY 2028)	1.00%	2.00%	3.00%	3.15%
Projected Tax Rate Increase	\$0.73 per \$1,000	\$0.37 per \$1,000	\$0.06 per \$1,000	\$0.00 per \$1,000
Increase on \$100k taxable value (annually)	\$73.00	\$37.00	\$6.00	\$0.00

Summary of Bond Analysis

Tax Levy and Revenue Projections

2% Market Value Growth (FY19-FY28)



- (1) Includes District’s outstanding 2012A, 21012B, and 2012C Bonds net of expected levy equalization.
- (2) Projected debt service for \$100M bond proposal split into two sales (2017 & 2019).
- (3) Projected tax revenue based on the District’s current tax rate of \$4.24/\$1,000 and future market value growth of 2% annually FY2018-FY2028.
- (4) Projected tax revenue based on the District’s a tax rate increase of \$0.37 to \$4.61/\$1,000 and future market value growth of 2% annually FY2018-FY2028.

Surrounding School District Total Tax Rates (FY2017)

