

---

# *Idaho Falls School District No. 91*

*Bond Election Planning  
July 25, 2017*

Eric Heringer  
Managing Director  
208-344-8561  
eric.a.heringer@pjc.com

Michael Keith  
Vice President  
208-344-8564  
michael.l.keith@pjc.com

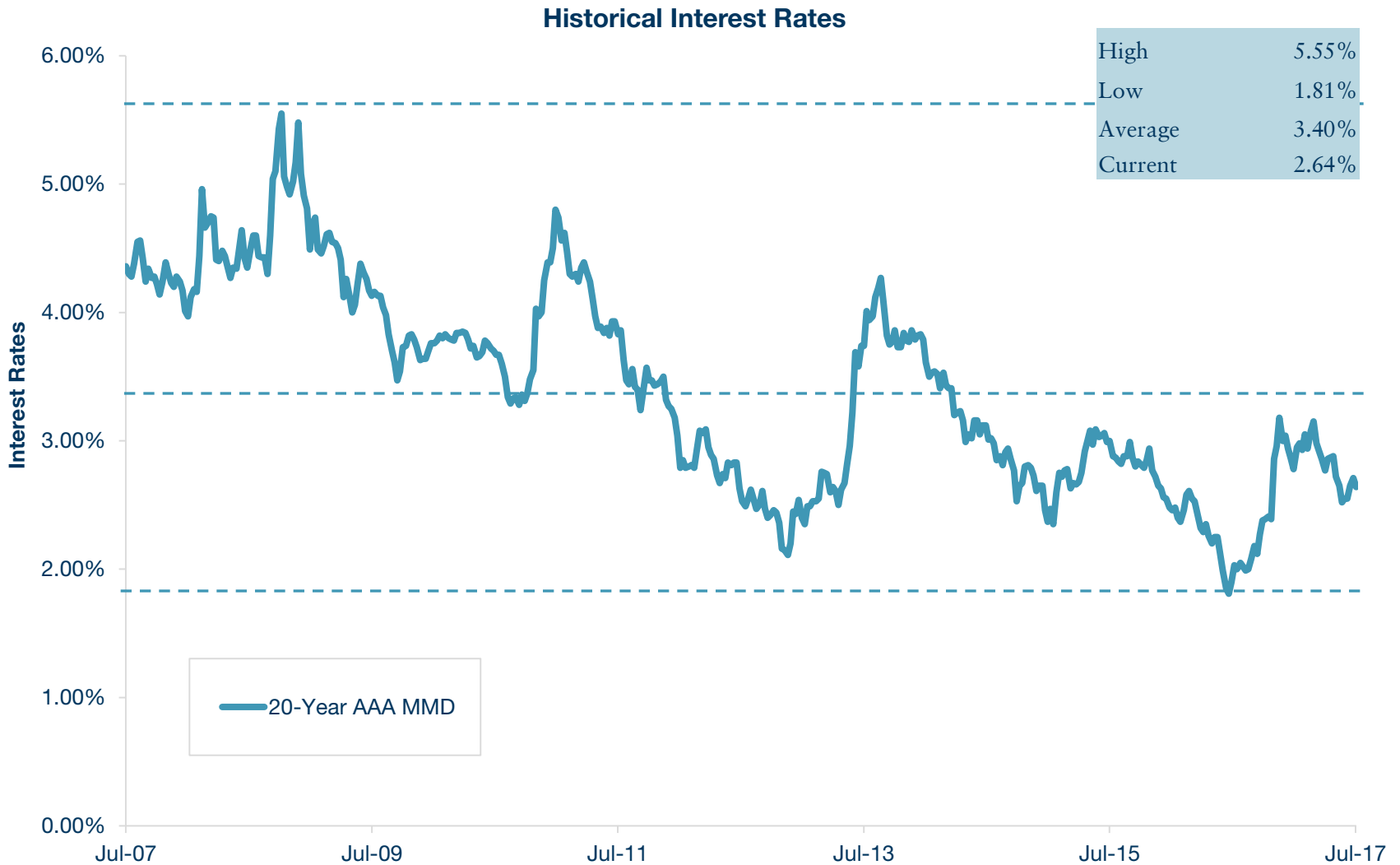
PiperJaffray®

---

REALIZE THE POWER  
OF PARTNERSHIP™

MINNEAPOLIS | **BOISE** | CHICAGO | LONDON | LOS ANGELES | NEW YORK | **PORTLAND** | SAN FRANCISCO | **SEATTLE** | ZURICH

# Historical Municipal Bond Interest Rates

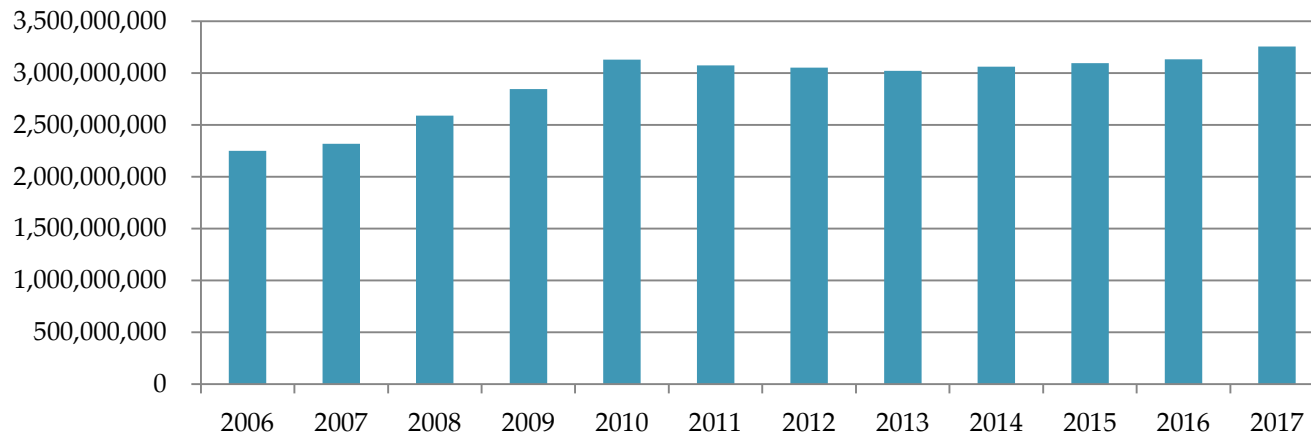


# Net Taxable Values

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**



## Goal of Analysis:

- Review projected bond repayment costs of \$110 million bond proposal for a November 2017 election.
- Structure bond sale to fit within District's current total tax rate structure of \$4.24 /\$1,000, without a tax increase.

## Planning Assumptions:

- Existing Supplemental M&O Levy is continued at \$6.8 million for the foreseeable future.
- \$190K annually transferred to the bond fund from personal property tax replacement funds provided by the state.
- Existing Plant Levy is continued at \$2.4 million for the foreseeable future.
- \$110 million bond authorization split into two bond sales:
  - \$55 million sold in Spring 2018
  - \$55 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 July 17, 2017 plus 0.50% cushion for 2018 sale and 0.75% cushion for 2019 sale.

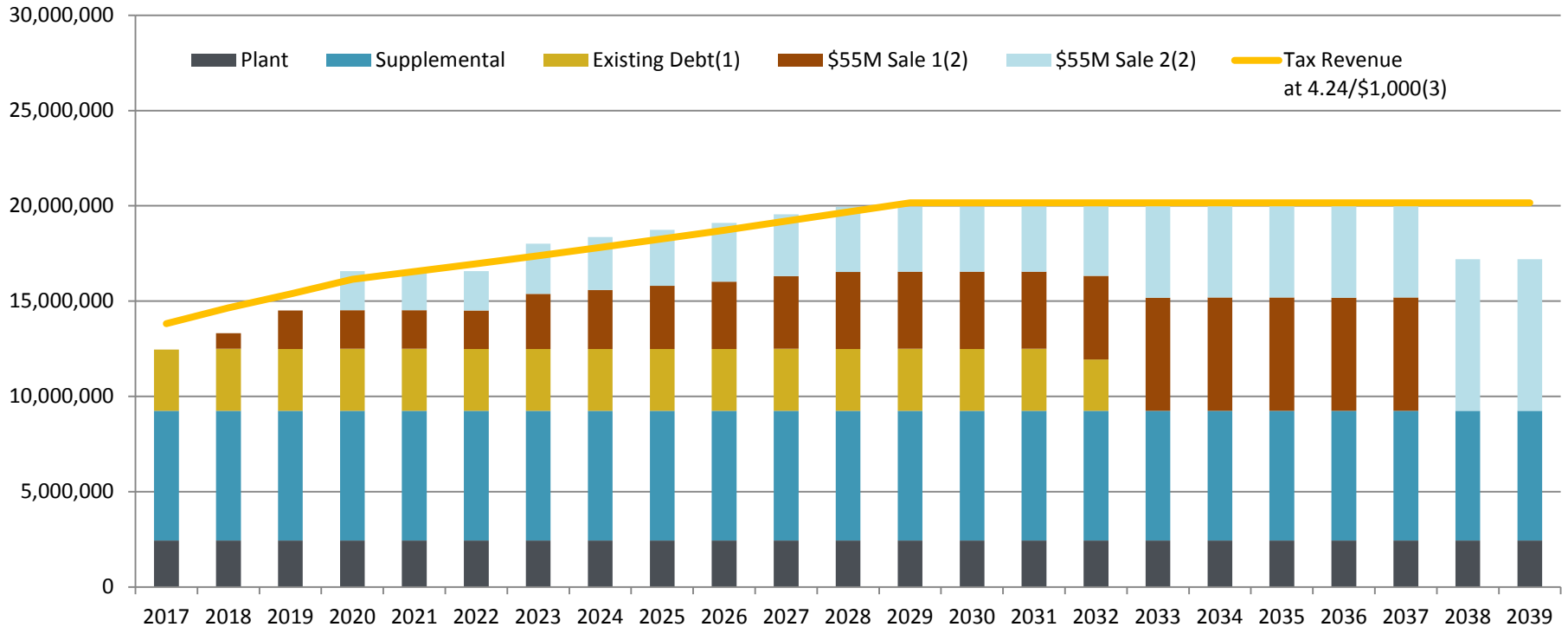
# Summary of Bond Analysis

|   | <i>Levy Rate Modeling<br/>(Includes Interest<br/>Rate Cushion)</i> | <i>Election Disclosure<br/>(No Cushion)</i> |
|---|--|---|
| Sale 1 (2018)                                   | \$55,000,000   | \$55,000,000                                |
| Sale 2 (2019)                                   | \$55,000,000   | \$55,000,000                                |
| <b>Total</b>                                    | <b>\$110,000,000</b>   | <b>\$110,000,000</b>                        |
| Plus Interest Cost                              | \$59,724,125   | \$49,636,125                                |
| <b>Total</b>                                    | <b>\$169,724,125</b>   | <b>\$159,636,125</b>                        |
| Less Proj. Levy Equalization (@<br>9.0% of P&I) | (\$15,275,171)   | (\$14,367,257)                              |
| <b>Net Total</b>                                | <b>\$154,448,954</b>   | <b>\$145,268,868</b>                        |
| Combined TIC                                    | 3.76% <sup>(1)</sup>   | 3.27%                                       |
| <b>Projected Growth</b>                         |  |   |
| 2018  | 6.00%  |   |
| 2019-2020                                       | 5.00%  |   |
| 2021-2029                                       | 2.50%  |   |
| 2030 and after                                  | 0.00%  |   |
| <b>Tax Impact</b>                               | <b>No Increase</b>   |   |

(1) Sale 1 interest rates plus 0.50% cushion, Sale 2 interest rates plus 0.75% cushion.

# Summary of Bond Analysis

## Tax Levy and Revenue Projections \$110M Bond Authorization (Split Sales)



(1) Includes District’s outstanding 2012A, 21012B, and 2012C Bonds net of expected levy equalization.

(2) Projected debt service for \$110M bond proposal split into two sales (2018 & 2019).

(3) Projected tax revenue based on the District’s current tax rate of \$4.24/\$1,000 and future market value growth.