



Downey Unified
SCHOOL DISTRICT

Facilities Update

June 13, 2023

DUSD



Agenda

- **Series A Bond Sale for Measure K**
 - **Jin Kim, Piper Sandler & Co.**
- **Current Measure O Bond Projects**
- **State Funding Review**
 - **Jamie King-Iseman, King Consulting**
- **Measure K Update**
- **Solar Update/Future Potential Energy Projects**
- **Current Deferred Maintenance Projects**



Downey Unified
SCHOOL DISTRICT

Report of Final Sales

\$125,000,000

(Measure K)

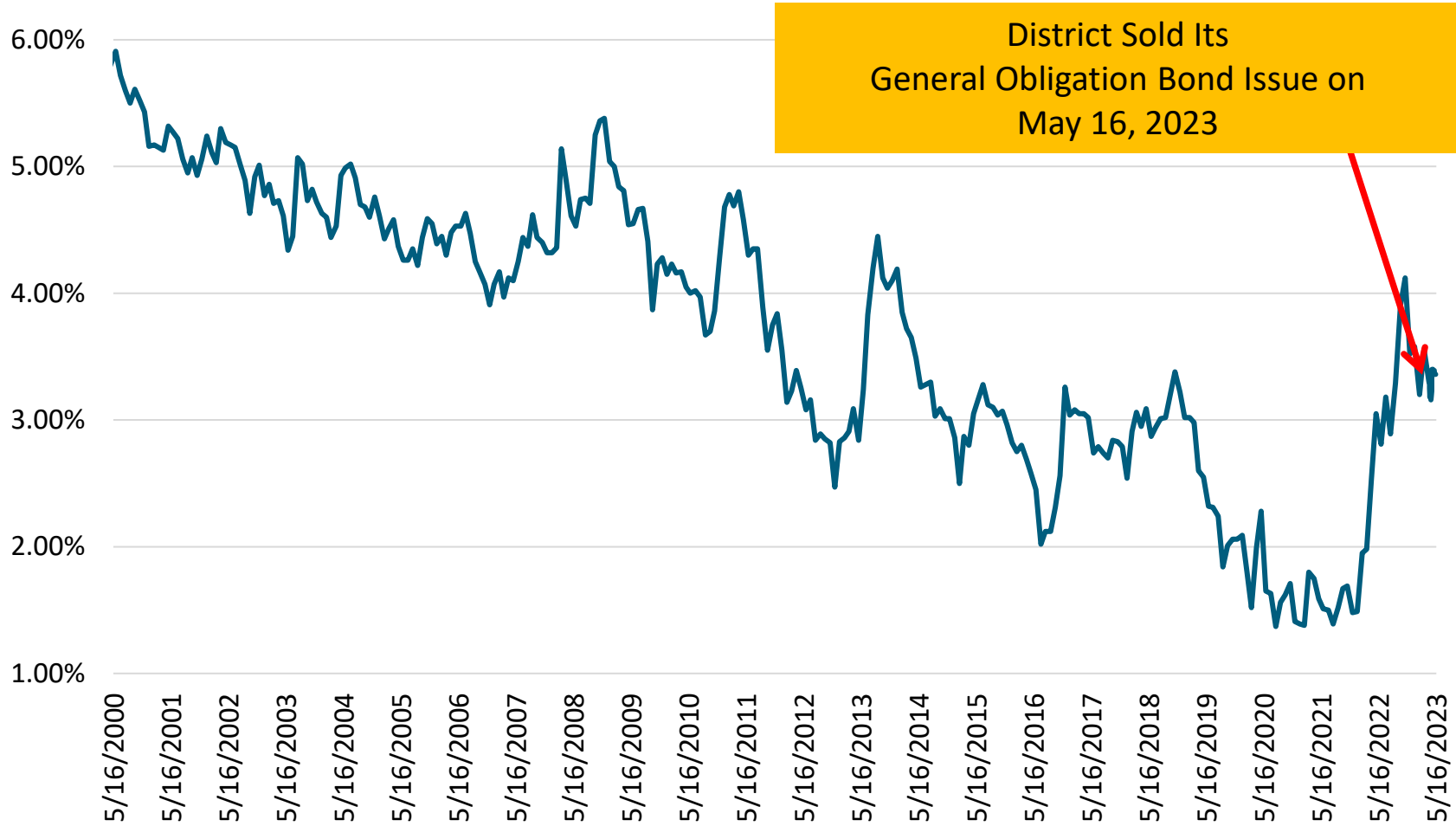
Election of 2022 General Obligation Bonds

Series A

June 13, 2023

The District Sold Its Bonds During a Comparatively Low Interest Rate Environment

30-Year AAA Municipal Bond Interest Rate Index



The District's Bond Issue Maintained Its Credit Rating of "Aa2" from Moody's Investors Service

The Credit Rating Process

1. District's Team Decides to Obtain a Credit Rating from Moody's Investors Service.
2. District's Team Submits a Set of Legal and Financial Documents.
3. District's Team Hosts a Zoom Video Meeting with Credit Analysts.
4. District's Bond Issue is Assigned a Reaffirmed Credit Rating of "Aa2".

Highlights from the Moody's Report

- ✓ Growing Enrollment Bolstered by Proactive District Management.
- ✓ Successful Implementation of a Growth Plan that Led to the Creation of or Strengthening of Educational Programs that Made District Schools an Attractive Option for Parents and Students.
- ✓ Maintenance of Strong District Financial Position.

Summary of Bids Received
For Measure K General Obligation Bonds, Series A

Bids Received for Series A Bonds (Double Tax-Free)
May 16th at 9:00 a.m.

Bid Rank	Bidding Underwriter	True Interest Cost
1	Royal Bank of Canada (Winner)	4.048% (Winning Bid)
2	Mesirow Financial	4.059%
3	Jefferies	4.063%
4	Wells Fargo	4.072%
5	Bank of America	4.078%
6	Morgan Stanley	4.115%
7	Citigroup	4.132%
8	J.P. Morgan	4.167%
9	Robert W. Baird	4.183%

Measure K General Obligation Bonds, Series A

Overview of the Bonds

1. Issue \$125,000,000 of Measure K Bond Authorization.
2. Issue Traditional Current Interest Bonds and No Capital Appreciation Bonds.
3. The True Interest Cost of the Bonds is 4.04%.
4. Repayment Period of the Bonds is from August 1, 2023 to August 1, 2052.
5. Bond Repayment of 1.87 to 1 (State Standard is 4.00 to 1).

Measure K General Obligation Bonds, Series A
Sources and Uses of Funds Received

**Measure K
General Obligation Bonds Series A**

Sources of Funds:

Par Amount of Bonds	\$125,000,000
Premium Received from Investors for Credit to Taxpayers	\$4,172,778
Total	\$129,172,778

Uses of Funds:

Deposit to Building Fund at LA County for District Projects	\$123,883,654
Deposit to Debt Service Fund at LA County for Credit to Taxpayers	\$4,172,778
Deposit to Costs of Issuance Account at U.S. Bank*	\$243,045
Underwriter Fee Netted Off the Top by Royal Bank of Canada	\$873,301
Total	\$129,172,778

*Itemized Summary of the Costs of Issuance are on the Following Page.

Measure K General Obligation Bonds, Series A Issuance Costs Breakdown

	Issuance Costs and Fees
1) Bond and Disclosure Counsel – Stradling Yocca Carlson & Rauth	\$92,500
2) Financial Advisor – Piper Sandler & Co.	\$52,500
3) Rating Agency – Moody’s Investors Service	\$76,500
4) Demographics Data – California Municipal Statistics	\$3,000
5) CUSIPs – CUSIP Global Services	\$955
6) Printer – ImageMaster	\$3,500
7) Paying Agent/COI Custodian – U.S. Bank	\$750
8) County Bond Document Review – Los Angeles County	\$5,000
9) Notice of Sale Publishing – Arizent (BondBuyer)	\$1,340
10) Up-Front Continuing Disclosure Set-Up – DAC	\$3,000
11) Contingency	\$4,000
Total Costs and Fees	\$243,045



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Questions

Our Kids Deserve
The *Best*.

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