

Briefing to the Audit and Finance Committee

June 10, 2019

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Subject: John Stanford Center for Educational Excellence (JSCEE) Series A Bond

Background: The District issued \$54.5 million in bonds (Series A & B) in May 2001 to acquire property to consolidate headquarters and school support operations in 2002. Proceeds from surplus building sales of \$28.6M were used to retire the Series B bonds. The District's general fund made payments of \$4.3M until about 2004 when resources were needed for school programs. The Series A Bonds were refunded in 2010 to decrease interest payments over the life of the bond.

The total principal and interest now outstanding is \$25.9 million.

Recommended Action: It is recommended the District commit to making annual JSCEE Bond principal payments using current and future capital levies (\$22.2M).

- \$2.0M is planned to be paid from BTA IV Capital Levy funds.
- \$10.1M is planned to be paid from BEX V Capital Levy funds.
- \$10.1M is planned to be paid from BTA V Capital Levy funds.

Payments will be made over eight years with the final JSCEE Bond principal payment scheduled to occur fiscal year 2026-27 using proceeds from the BTA V capital levy. The recommended principal and interest repayment amount and schedule by fiscal year and by fund source is as follows:

JSCEE Series A Bond Repayment Plan

Fiscal Year (FY)	BTA IV	BEX V	BTA V	CEP*	Total by FY
FY 2019-20	\$2.0			\$0.8	\$2.8
FY 2020-21		\$2.2		\$0.7	\$2.9
FY 2021-22		\$2.5		\$0.6	\$3.1
FY 2022-23		\$2.6		\$0.5	\$3.1
FY 2023-24		\$2.8		\$0.5	\$3.3
FY 2024-25			\$3.1	\$0.3	\$3.4
FY 2025-26			\$3.4	\$0.2	\$3.6
FY 2026-27			\$3.6	\$0.1	\$3.7
TOTAL BY FUND	\$2.0	\$10.1	\$10.1	\$4.5	\$25.9

*Capital Eligible Projects (CEP) Fund – Interest Payments