

# Pequea Valley School District

## Financing Discussion

September 29, 2020



Capital  
Markets

Scott Kramer  
Managing Director

RBC Capital Markets, LLC  
2101 Oregon Pike  
Lancaster, PA 17601

Tel: (717) 519-6003  
Fax: (717) 519-6120

Scott.Kramer@rbccm.com



Capital  
Markets

Ryan Brockman  
Associate

RBC Capital Markets, LLC  
2101 Oregon Pike  
Lancaster, PA 17601

Tel: (717) 519-6007  
Fax: (717) 519-6120

Ryan.Brockman@rbccm.com

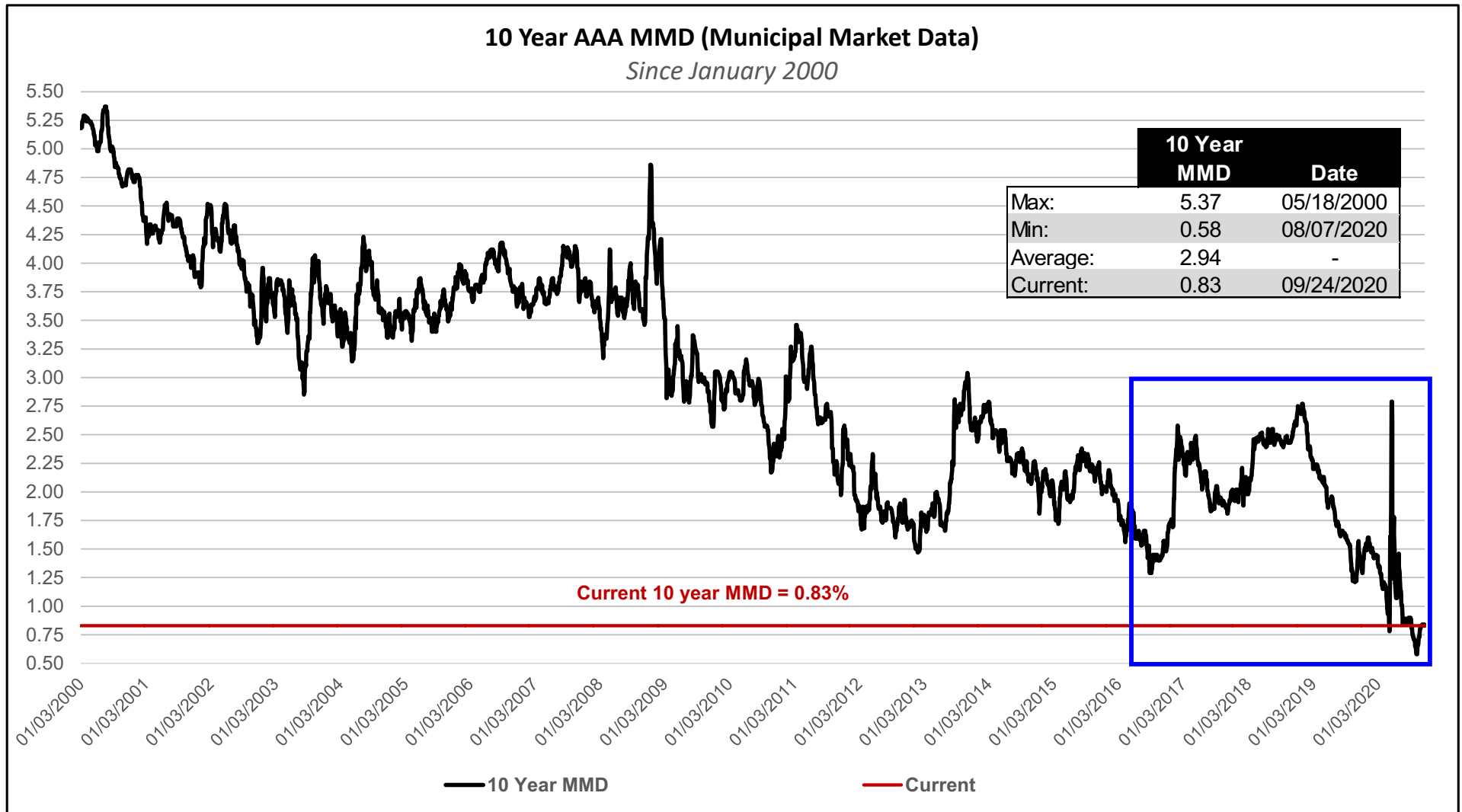


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## Interest Rate History (1999 – YTD)

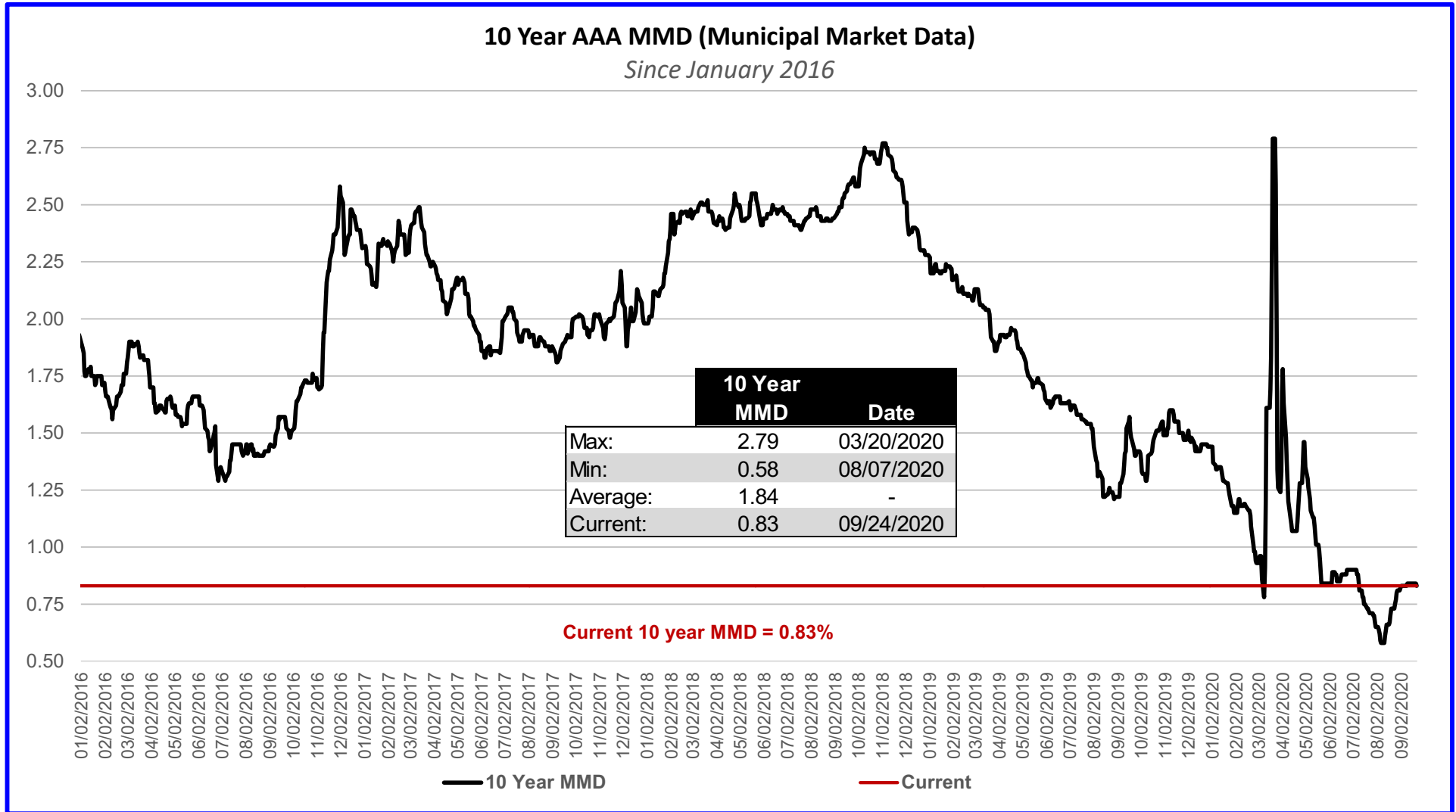
MMD tax-exempt interest rates, which are published daily, are widely used benchmarks in municipal finance for pricing bond issues.





## Interest Rate History (2016 – YTD)

MMD tax-exempt interest rates, which are published daily, are widely used benchmarks in municipal finance for pricing bond issues.





# Debt Summary

Gross Debt Service <i>(Prior to State Reimbursement)</i>	(1) Fiscal Year Ending	(2) G.O. Bonds Series A of 2013	(3) G.O. Bonds Series of 2015	(4) Total Gross Debt Service
	06/30/2021	2,646,900	377,400	3,024,300
	06/30/2022	0	0	0
	06/30/2023	0	0	0
	06/30/2024	0	0	0
	06/30/2025	0	0	0
	06/30/2026	0	0	0
	<b>TOTALS</b>	<b>2,646,900</b>	<b>377,400</b>	<b>3,024,300</b>

Net Debt Service <i>(After State Reimbursement)</i>	(5) Fiscal Year Ending	(6) G.O. Bonds Series A of 2013	(7) G.O. Bonds Series of 2015	(8) Total Net Debt Service
	06/30/2021	2,522,309	343,940	2,866,249
	06/30/2022	0	0	0
	06/30/2023	0	0	0
	06/30/2024	0	0	0
	06/30/2025	0	0	0
	06/30/2026	0	0	0
	<b>TOTALS</b>	<b>2,522,309</b>	<b>343,940</b>	<b>2,866,249</b>

Issue Details	Principal Outstanding <sup>[1]</sup> :	\$2,595,000	\$370,000	<b>\$2,965,000</b>
	Purpose:	AR 2006 & 2010B	CR 2010A	
	Call Date:	08/01/2018	Non-Callable	
	Reimb %:	11.68%	22.00%	
	20/21 CARF%:	40.30%	40.30%	
	Local Share:	95.29%	91.13%	
	State Share:	4.71%	8.87%	

**Purpose Codes: NM = New Money CR = Current Refunding AR = Advance Refunding**

[1] Outstanding principal as of September 25, 2020



# Millage Requirement Study

District Currently Budgets \$4,128,000 per year for Debt Service												
1	2	3	4	5	6	7	8	9	10	11	12	13
Fiscal Year Ending 6/30	Total Net Outstanding D/S	Series 2021 \$24,100,000 Bank Loan Net D/S (1)	Series 2022 \$18,160,000 Bond Issue Net D/S (2)	Series 2023 \$18,670,000 Bond Issue Net D/S (3)	Series 2024 \$14,890,000 Bond Issue Net D/S (4)	Total Net Debt	Value of 1 Mill (5)	Total Mills Required	New Mills	Total Mills in Place	Dollars Appropriated	Budget Surplus (Deficit)
2021	2,866,249	120,500	0	0	0	2,986,749	1,659,000	1.800	0.000	2.488	4,128,000	1,141,251
2022		4,101,500	0	0	0	4,101,500	1,659,000	2.472	0.000	2.488	4,128,000	26,500
2023		3,370,400	729,950	0	0	4,100,350	1,659,000	2.472	0.000	2.488	4,128,000	27,650
2024		2,649,425	729,850	725,850	0	4,105,125	1,659,000	2.474	0.000	2.488	4,128,000	22,875
2025		1,478,575	739,750	945,750	940,350	4,104,425	1,659,000	2.474	0.000	2.488	4,128,000	23,575
2026		1,479,750	739,450	941,250	942,350	4,102,800	1,659,000	2.473	0.000	2.488	4,128,000	25,200
2027		1,480,625	739,150	941,750	939,150	4,100,675	1,659,000	2.472	0.000	2.488	4,128,000	27,325
2028		1,481,200	733,850	947,150	940,850	4,103,050	1,659,000	2.473	0.000	2.488	4,128,000	24,950
2029		1,481,475	733,550	947,350	937,350	4,099,725	1,659,000	2.471	0.000	2.488	4,128,000	28,275
2030		1,481,450	738,250	940,000	943,750	4,103,450	1,659,000	2.473	0.000	2.488	4,128,000	24,550
2031		1,481,125	737,800	942,650	940,400	4,101,975	1,659,000	2.473	0.000	2.488	4,128,000	26,025
2032		1,480,500	737,200	945,000	936,750	4,099,450	1,659,000	2.471	0.000	2.488	4,128,000	28,550
2033		1,479,575	736,600	944,400	942,800	4,103,375	1,659,000	2.473	0.000	2.488	4,128,000	24,625
2034		1,478,350	741,000	943,400	938,400	4,101,150	1,659,000	2.472	0.000	2.488	4,128,000	26,850
2035		1,476,825	740,200	947,000	938,400	4,102,425	1,659,000	2.473	0.000	2.488	4,128,000	25,575
2036			2,219,400	940,000	942,600	4,102,000	1,659,000	2.473	0.000	2.488	4,128,000	26,000
2037			2,219,400	942,800	940,800	4,103,000	1,659,000	2.473	0.000	2.488	4,128,000	25,000
2038			2,217,000	945,000	938,200	4,100,200	1,659,000	2.471	0.000	2.488	4,128,000	27,800
2039			2,217,200	946,600	939,800	4,103,600	1,659,000	2.474	0.000	2.488	4,128,000	24,400
2040			2,214,800	947,600	940,400	4,102,800	1,659,000	2.473	0.000	2.488	4,128,000	25,200
2041			2,219,800	943,000	940,000	4,102,800	1,659,000	2.473	0.000	2.488	4,128,000	25,200
2042			2,216,800	943,000	943,600	4,103,400	1,659,000	2.473	0.000	2.488	4,128,000	24,600
2043			2,216,000	947,400	941,000	4,104,400	1,659,000	2.474	0.000	2.488	4,128,000	23,600
2044			2,217,200	946,000	937,400	4,100,600	1,659,000	2.472	0.000	2.488	4,128,000	27,400
2045			2,215,200	944,000	942,800	4,102,000	1,659,000	2.473	0.000	2.488	4,128,000	26,000
2046				3,161,400	941,800	4,103,200	1,659,000	2.473	0.000	2.488	4,128,000	24,800
2047				3,159,400	944,600	4,104,000	1,659,000	2.474	0.000	2.488	4,128,000	24,000
2048				3,163,200	941,000	4,104,200	1,659,000	2.474	0.000	2.488	4,128,000	23,800
2049				3,162,400	941,200	4,103,600	1,659,000	2.474	0.000	2.488	4,128,000	24,400
2050				832,000		832,000	1,659,000	0.502	0.000	2.488	4,128,000	3,296,000
<b>TOTAL</b>		<b>26,521,275</b>	<b>31,749,400</b>	<b>34,035,350</b>	<b>23,515,750</b>	<b>118,688,024</b>			<b>0.000</b>			

(1) Series of 2021 - \$24,000,000 Project Fund, Dated 1/15/2021, Bank Loan rate of 1.50%.

(2) Series of 2022 - \$20,000,000 Project Fund, Dated 5/15/2022, Current Rates +25 bps.

(3) Series of 2023 - \$20,000,000 Project Fund, Dated 5/15/2023, Current Rates +50 bps.

(4) Series of 2024 - \$16,000,000 Project Fund, Dated 5/15/2024, Current Rates +50 bps.

(5) Assumes FY 2019-20 mill is worth \$1,659,000. Assumes no growth in value of a mill.



## Estimated Financing Schedule

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- September 29 Board Meeting – Discuss Financing Plan/Projects with RBC and Architect
- Jan-December 2021 Project Design – Reimbursement Resolution
- Early/Mid 2021 RBC to Begin Rating Process for First Borrowing
- Early/Mid 2021 Rating Call & Due Diligence Call
- Early/Mid 2021 Parameters Resolution for Borrowings
- December 2021 Project Bids Received
- June 2022 Second Financing
- June 2023 Third Financing
- June 2024 Final Financing



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