

Madrid Community School District

Debt Issuance Plan | Debt Service Payment Estimates

18 February, 2020

Summary

Below is a brief summary of the financing plan components:

- Refund (restructuring) Debt
 - current outstanding debt of \$840,000 will be repaid in FY2025
 - restructuring will shorten the repayment schedule by around one year
 - lower interest rates and shorter repayment is estimated to result in taxpayer savings of approximately \$25,000 in aggregate
- Referendum (New) Debt
 - new principal of \$5,800,000 to fund new project
 - will extend the repayment schedule on the District's overall debt by 15 years to FY2040
 - This type of debt issuance structure, commonly call a wrap-around structure, is a very common financing method employed by Iowa School District due to the existence of levy limitations.

Estimated Repayment Schedule

Below is the current estimated debt repayment schedule:

- Assumed interest rates are that are approximately 0.50% more conservative than today's rates (approximately 1.81% on the refunding, approximately 2.97% on the referendum)
- The District can implement the \$2.86 levy in FY2021 without an increase in the District's overall property tax levy rate (see "Memo Regarding Financing Plan" for more details)

Fiscal Fiscal	Refund 2015 5/1/20	Referendum 5/1/20	Total Principal	Total Interest	Total P&I	No Growth		2% Growth	
						Taxable Valuation	Levy Rate	Taxable Valuation	Levy Rate
5/1/21	250,000	0	250,000	202,463	452,463	158,269,670	2.85881	158,269,670	2.85881
5/1/22	255,000	0	255,000	196,213	451,213	158,269,670	2.85091	161,435,063	2.79501
5/1/23	260,000	0	260,000	189,838	449,838	158,269,670	2.84222	164,663,765	2.73185
5/1/24	75,000	190,000	265,000	183,338	448,338	158,269,670	2.83274	167,957,040	2.66936
5/1/25	0	275,000	275,000	174,813	449,813	158,269,670	2.84206	171,316,181	2.62563
5/1/26	0	285,000	285,000	165,188	450,188	158,269,670	2.84443	174,742,504	2.57629
5/1/27	0	295,000	295,000	155,213	450,213	158,269,670	2.84459	178,237,354	2.52592
5/1/28	0	305,000	305,000	144,888	449,888	158,269,670	2.84254	181,802,102	2.47460
5/1/29	0	315,000	315,000	134,213	449,213	158,269,670	2.83827	185,438,144	2.42244
5/1/30	0	325,000	325,000	126,810	451,810	158,269,670	2.85468	189,146,906	2.38867
5/1/31	0	335,000	335,000	118,523	453,523	158,269,670	2.86550	192,929,845	2.35071
5/1/32	0	340,000	340,000	109,310	449,310	158,269,670	2.83889	196,788,441	2.28321
5/1/33	0	350,000	350,000	99,620	449,620	158,269,670	2.84085	200,724,210	2.23999
5/1/34	0	360,000	360,000	89,295	449,295	158,269,670	2.83879	204,738,695	2.19448
5/1/35	0	375,000	375,000	78,315	453,315	158,269,670	2.86419	208,833,468	2.17070
5/1/36	0	385,000	385,000	66,690	451,690	158,269,670	2.85393	213,010,138	2.12051
5/1/37	0	395,000	395,000	54,563	449,563	158,269,670	2.84048	217,270,341	2.06914
5/1/38	0	410,000	410,000	41,923	451,923	158,269,670	2.85540	221,615,747	2.03922
5/1/39	0	425,000	425,000	28,598	453,598	158,269,670	2.86598	226,048,062	2.00664
5/1/40	0	435,000	435,000	14,573	449,573	158,269,670	2.84055	230,569,024	1.94984
Totals:	840,000	5,800,000	6,640,000	2,374,380	9,014,380				