



# Conroe Independent School District

## Overview of Cash Defeasance:

**\$3,015,000\* Unlimited Tax School Building Bonds, Series 2010**

**\$4,500,000\* Unlimited Tax Refunding Bonds, Series 2011**

**Investment/Finance Committee Meeting**  
**Thursday, September 13, 2018**

\* Preliminary, subject to change.

Securities, insurance and advisory services offered through BOK Financial Securities, Inc., member FINRA/SIPC and a subsidiary of BOK Financial Corporation. Services may be offered under our trade name, BOK Financial Advisors.

**NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE**



# Bonds to be Cash Defeased

## Summary of Outstanding Bonds to be Cash Defeased

| <b>Series</b>                                       | <b>Maturity<br/>Date</b> | <b>Principal<br/>Amount</b> | <b>Call<br/>Date/Price</b> | <b>Interest<br/>Rate</b> |
|---|--------------------------|-----------------------------|----------------------------|--------------------------|
| Unlimited Tax School Building<br>Bonds, Series 2010 | 2/15/2020                | \$760,000                   | 2/15/2019 @ 100            | 4.500%                   |
|   | ***                      | ***                         | ***                        | ***                      |
|   | 2/15/2035                | 2,255,000                   | 2/15/2019 @ 100            | 4.375%                   |
| Unlimited Tax Refunding Bonds<br>Series 2011        | 2/15/2021                | \$3,500,000                 | 2/15/2020 @ 100            | 5.000%                   |
|   | 2/15/2022                | 1,000,000                   | 2/15/2020 @ 100            | 5.000%                   |
| <b>Totals</b>                                       |                          | <b><u>\$7,515,000</u></b>   |                            |                          |



# Overview of Cash Defeasance

| Fiscal<br>Year<br>Ending<br>(8/31) | Current Total<br>Debt Service | Less: Proposed Cash Defeasance<br>(Series 2010 and 2011 Bonds) |                    |                         | Total<br>Debt<br>Service | Difference         |
|------------------------------------|-------------------------------|--|--------------------|-------------------------|--------------------------|--------------------|
|                                    |                               | Principal  | Interest           | Debt Service<br>to Call |                          |                    |
| 2018                               | \$98,312,286                  |  |                    |                         | \$98,312,286             |                    |
| 2019                               | 102,055,656                   |  | \$357,856          | \$7,729,667             | 101,697,800              | \$357,856          |
| 2020                               | 101,746,538                   | \$760,000  | 340,756            |                         | 100,645,781              | 1,100,756          |
| 2021                               | 101,746,319                   | 3,500,000  | 236,156            |                         | 98,010,163               | 3,736,156          |
| 2022                               | 101,746,563                   | 1,000,000  | 123,656            |                         | 100,622,906              | 1,123,656          |
| 2023                               | 101,748,875                   | 0  | 98,656             |                         | 101,650,219              | 98,656             |
| 2024                               | 101,747,397                   | 0  | 98,656             |                         | 101,648,741              | 98,656             |
| 2025                               | 101,746,719                   | 0  | 98,656             |                         | 101,648,063              | 98,656             |
| 2026                               | 101,749,506                   | 0  | 98,656             |                         | 101,650,850              | 98,656             |
| 2027                               | 101,749,644                   | 0  | 98,656             |                         | 101,650,988              | 98,656             |
| 2028                               | 101,748,744                   | 0  | 98,656             |                         | 101,650,088              | 98,656             |
| 2029                               | 101,748,069                   | 0  | 98,656             |                         | 101,649,413              | 98,656             |
| 2030                               | 101,747,438                   | 0  | 98,656             |                         | 101,648,781              | 98,656             |
| 2031                               | 79,496,394                    | 0  | 98,656             |                         | 79,397,738               | 98,656             |
| 2032                               | 79,498,988                    | 0  | 98,656             |                         | 79,400,331               | 98,656             |
| 2033                               | 79,499,350                    | 0  | 98,656             |                         | 79,400,694               | 98,656             |
| 2034                               | 79,495,544                    | 0  | 98,656             |                         | 79,396,888               | 98,656             |
| 2035                               | 79,497,003                    | 2,255,000  | 49,328             |                         | 77,192,675               | 2,304,328          |
| 2036                               | 39,695,550                    |  |                    |                         | 39,695,550               |                    |
| 2037                               | 39,696,550                    |  |                    |                         | 39,696,550               |                    |
| 2038                               | 39,698,275                    |  |                    |                         | 39,698,275               |                    |
| 2039                               | 39,696,850                    |  |                    |                         | 39,696,850               |                    |
| 2040                               | 33,698,206                    |  |                    |                         | 33,698,206               |                    |
| 2041                               | 33,697,013                    |  |                    |                         | 33,697,013               |                    |
| 2042                               | 26,096,225                    |  |                    |                         | 26,096,225               |                    |
| 2043                               | 14,849,869                    |  |                    |                         | 14,849,869               |                    |
| <b>Totals</b>                      | <b>\$1,984,209,567</b>        | <b>\$7,515,000</b>   | <b>\$2,291,628</b> | <b>\$7,729,667</b>      | <b>\$1,974,402,939</b>   | <b>\$9,806,628</b> |

**Cost of  
Defeasance (a)**  
**\$7,742,167**

**Estimated  
Debt Service  
Savings**  
**\$2,064,461**

**Cost of Defeasance (a): \$7,742,167**  
**Estimated Debt Service Savings: \$2,064,461**

(a) Includes a cash deposit of \$7,729,667 and estimated costs of issuance of \$12,500.



# Tentative Schedule of Events

## Cash Defeasance of: Series 2010 and Series 2011 Bonds

| October - 2018 |    |    |    |    |    |    | November - 2018 |    |    |    |    |    |    |
|----------------|----|----|----|----|----|----|-----------------|----|----|----|----|----|----|
| S              | M  | T  | W  | T  | F  | S  | S               | M  | T  | W  | T  | F  | S  |
|                | 1  | 2  | 3  | 4  | 5  | 6  |                 |    |    |    | 1  | 2  | 3  |
| 7              | 8  | 9  | 10 | 11 | 12 | 13 | 4               | 5  | 6  | 7  | 8  | 9  | 10 |
| 14             | 15 | 16 | 17 | 18 | 19 | 20 | 11              | 12 | 13 | 14 | 15 | 16 | 17 |
| 21             | 22 | 23 | 24 | 25 | 26 | 27 | 18              | 19 | 20 | 21 | 22 | 23 | 24 |
| 28             | 29 | 30 | 31 |    |    |    | 25              | 26 | 27 | 28 | 29 | 30 |    |

| <u>Date</u>                        | <u>Action</u>   | <u>Role</u>     |
|------------------------------------|---|-----------------|
| Tuesday, October 16 <sup>th</sup>  | Presentation and Approval of Defeasance Plan and Schedule of Events | CISD, OHS, BOKF |
| Thursday, October 25 <sup>th</sup> | Solicit Bids, Structure, Size and Verify the Escrow                 | OHS, BOKF       |
| Tuesday, November 6 <sup>th</sup>  | Defeasance/Pay-Off Closing  | CISD, OHS, BOKF |

### PARTICIPANTS

CISD – Conroe Independent School District

BOKF – BOK Financial Securities, Inc.

OHS – Orrick, Herrington & Sutcliffe LLP