



Board Agenda Item #	Agenda # III B - Discussion Item
Date:	October 5, 2017
To:	Magnolia Board of Directors- Finance Committee
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Update on 2017 Bond Issuance

**Proposed Board Recommendation**

Discussion Item Only

**Background**

On September 6, 2017, Magnolia Public School finalized the 2017 Bond and received proceeds of the Charter School Revenue Bonds, Series 2017. The Bond funds are subject to two draws, September 6, 2017 and November 1, 2017; maturity on Year 2044 with average interest rate of 5.25% with par amount of \$25,000,000.00

**Budget Implications**

The drawdown schedule is as follows:

Bond Project	Draw #1 on 9/6/17	Draw #2 on 11/1/17	Total
MSA San Diego	\$ 11,628,190.94	\$ 0.00	\$ 11,628,190.94
MSA 1 Reseda	\$ 7,266,922.55	\$ 2,200,000.00	\$ 9,466,922.55
MSA Santa Ana	\$ 1,555,554.11	\$ 2,785,000.00	\$ 4,340,554.11
Total	\$ 20,450,667.60	\$ 4,985,000.00	\$ 25,435,667.60

Cost of Issuance: \$ 733,250.00

Underwriter's Discount: \$ 203,309.00

Paid from Bond proceed \$ 936,559.00

**How Does This Action Relate/Affect/Benefit All MSAs?**

N/A

**Name of Staff Originator:**

Nanie Montijo, Chief Financial Officer

**Attachments**

Summary of CSFA Sources and Uses of Funds

**Sources and Uses of Funds**  
**CALIFORNIA SCHOOL FINANCE AUTHORITY**  
**CHARTER SCHOOL REVENUE BONDS, DRAW DOWN SERIES 2017**  
**(MAGNOLIA PUBLIC SCHOOLS - OBLIGATED GROUP)**  
**Assumes 2 Draws, 2044 Maturity 7/1/24 Par Call, Rate Reset in 2027**  
**FINAL PRICING**

	Dated Date	9/6/2017	9/6/2017	9/6/2017	11/1/2017	11/1/2017	11/1/2017	
	Delivery Date	9/6/2017	9/6/2017	9/6/2017	11/1/2017	11/1/2017	11/1/2017	
<b>Sources:</b>		Draw 1 - MSA SD	Draw 1 - MSA 1	Draw 1 - MSA SA	Draw 2 - MSA SD	Draw 2 - MSA 1	Draw 2 - MSA SA	Total
<b>Bond Proceeds:</b>								
Par Amount		11,430,000.00	7,105,000.00	1,480,000.00	-	2,200,000.00	2,785,000.00	25,000,000.00
<b>Other Sources of Funds:</b>								
Magnolia Equity Contribution		198,190.94	161,922.55	75,554.11	-	-	-	435,667.60
		11,628,190.94	7,266,922.55	1,555,554.11	-	2,200,000.00	2,785,000.00	25,435,667.60
<b>Uses:</b>								
		Draw 1 - MSA SD	Draw 1 - MSA 1	Draw 1 - MSA SA	Draw 2 - MSA SD	Draw 2 - MSA 1	Draw 2 - MSA SA	Total
<b>Project Fund Deposits:</b>								
Project Fund (MSA SD)		10,212,098.00			-			10,212,098.00
Project Fund (MSA 1)			6,393,597.50			2,032,195.00		8,425,792.50
Project Fund (MSA SA)				1,286,460.00			2,572,920.00	3,859,380.00
Project Fund (Construction Monitoring Fee)		25,524.32	15,980.28	3,215.40	-	8,949.38	11,330.62	65,000.00
Repair & Replacement Fund		150,000.00	-	-	-	-	-	150,000.00
		10,387,622.32	6,409,577.78	1,289,675.40	-	2,041,144.38	2,584,250.62	22,712,270.50
<b>Other Fund Deposits:</b>								
Debt Service Reserve Fund		816,942.11	507,819.22	105,780.78	-	157,241.70	199,053.70	1,786,837.50
<b>Cost of Issuance:</b>								
BHR Counsel		38,583.72	31,834.63	14,581.65	-	-	-	85,000.00
CSFA Application Fee		680.89	561.79	257.32	-	-	-	1,500.00
Construction Monitoring Fee		29,505.20	24,344.13	11,150.67	-	-	-	65,000.00
Underwriter's Counsel		22,696.30	18,726.26	8,577.44	-	-	-	50,000.00
Bond/Disclosure Counsel		102,133.37	84,268.15	38,598.48	-	-	-	225,000.00
Issuer's Counsel		4,766.22	3,932.51	1,801.26	-	-	-	10,500.00
Borrower's Counsel		56,740.76	46,815.64	21,443.60	-	-	-	125,000.00
Municipal Advisor Fee		39,945.50	32,958.21	15,096.30	-	-	-	88,000.00
Trustee Fee		2,269.63	1,872.63	857.74	-	-	-	5,000.00
Trustee's Counsel		3,858.37	3,183.46	1,458.16	-	-	-	8,500.00
Printing/CUSIP		1,134.82	936.31	428.87	-	-	-	2,500.00
Continuing Disclosure Review		1,134.82	936.31	428.87	-	-	-	2,500.00
BHR Expenses		2,269.63	1,872.63	857.74	-	-	-	5,000.00
CDIAC		2,837.04	2,340.78	1,072.18	-	-	-	6,250.00
Agent of Sale Fee		2,723.56	2,247.15	1,029.29	-	-	-	6,000.00
Miscellaneous		11,348.15	9,363.13	4,288.72	-	-	-	25,000.00
CSFA Fee		10,213.34	8,426.81	3,859.85	-	-	-	22,500.00
		332,841.30	274,620.53	125,788.17	-	-	-	733,250.00
<b>Delivery Date Expenses:</b>								
Underwriter's Discount		90,785.22	74,905.02	34,309.76	-	-	-	200,000.00
<b>Other Uses of Funds:</b>								
Rounding Amount		(0.00)	0.00	(0.00)	-	1,613.92	1,695.68	3,309.60
		11,628,190.94	7,266,922.55	1,555,554.11	-	2,200,000.00	2,785,000.00	25,435,667.60