



## Anthony Wayne Local Schools

### *Current Bond Funding and Hypothetical Projections*

Anthony Wayne Community Members:

A Facilities Master Plan is used to guide the long-term maintenance and management of an organization's buildings and properties to ensure they meet its needs today and into the future. The District last completed the Facilities Master Planning Process during the 2015-16 school year.

Anthony Wayne Local Schools is once again working to evaluate the District's facilities needs to develop a Facilities Master Plan that will guide repairs, maintenance and improvements to its buildings and grounds over the next several years.

As a part of this process, the District has requested an enrollment study from Cooperative Strategies, partnered with The Collaborative for a Facilities Assessment and concept drawings, and asked students, families and community members to provide their thoughts by completing facilities surveys. The District will use information gathered from each of these methods to develop an updated Facilities Master Plan.

When the District begins to address projects identified in the Facilities Master Plan, decisions will be made in regards to priority, timing and funding.

Should the District decide to pursue a new bond issue, the goal would be to minimize the "ask" to taxpayers by wrapping the new bond millage around the existing bond millage, therefore minimizing the amount of additional new bond millage/annual cost to the taxpayer on a combined annual basis.

In other words, the District would aim to have level (even) millage in the potential event of added bond millage to the existing (decreasing) bond millage as illustrated in the graphs below. The "net increase in millage" and resulting "net annual increase per \$100,000 home" columns (illustration two) show how much additional annual taxes the Anthony Wayne Local Schools taxpayer would pay if the example bond issue was passed by voters at some point in the future.

***The information and projections provided in this document is for illustrative purposes only, and are subject to change based on a number of influencing factors.***

Sincerely,

Kerri Johnson, *Treasurer*  
Anthony Wayne Local Schools

## **Hypothetical Bond Millage Projections**

Bond millage is calculated and collected by the Lucas County Auditor's office. The County Auditor sets the millage rates based upon the current taxable value of all real estate located within the Anthony Wayne Local Schools District (AWLS). If property tax values increase, the Auditor may reduce the amount of bond millage being collected. In addition, as the District's bonds mature or are paid off, the County Auditor may reduce the amount of bond millage being collected.

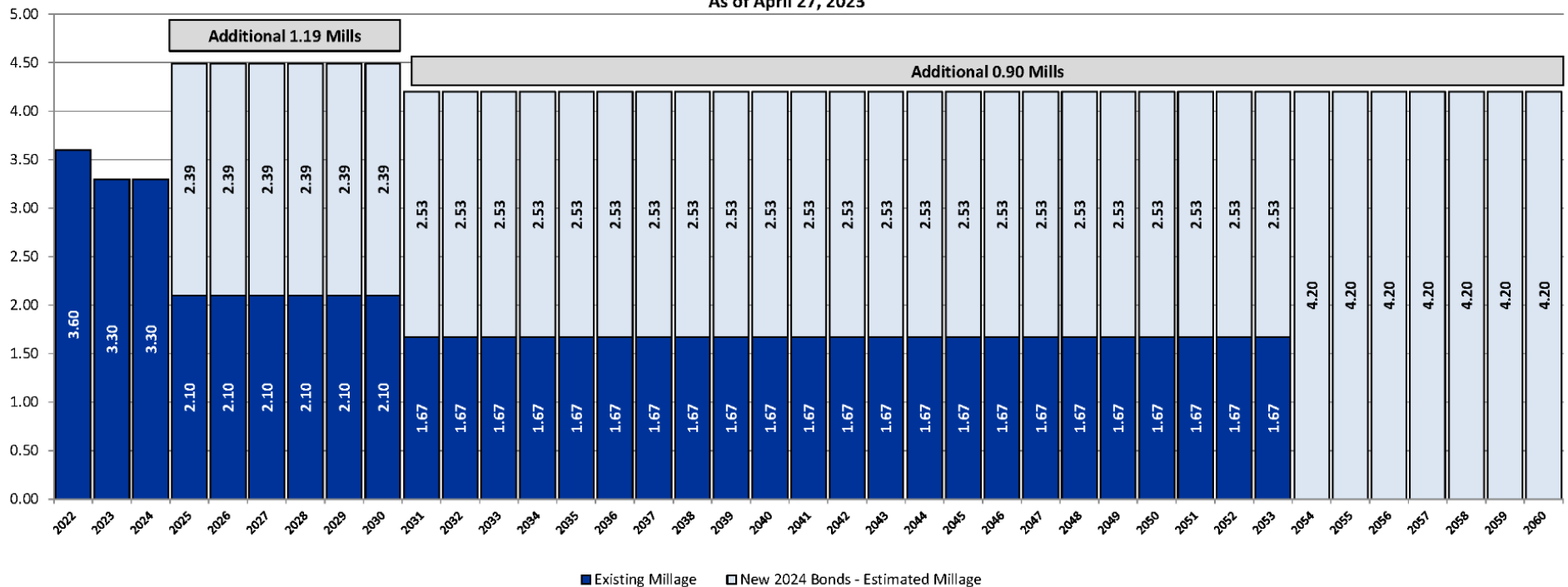
The Hypothetical Bond Millage illustration shows the following:

- the bond millage decreasing from 3.60 mills in 2022 to 3.30 mills in 2023. This is due to the increase in property tax values from the County Auditor completing its most recent triennial update year.
- a potential decrease in bond millage in 2025. This decrease is only estimated for discussion purposes, but the District believes assuming minimal growth within the District's real estate tax base that once the District's Series 2021 Bonds are paid off in December 2024, the County Auditor may consider decreasing the bond millage to 2.10 mills beginning in 2025.
- a bond millage reduction in 2031. This bond millage reduction is due to the District's Series 2020 and Series 2022 Bonds will both be paid off in December 2030 and therefore the County Auditor may further reduce the bond millage to approximately 1.67 bond mills.

It is important to note, these reductions are only projections and are subject to change based upon the District's current property tax values and minimal growth over the years. If the District's tax base increases more than projected, the bond millage reductions will be larger, and if the District's tax base decreases more than projected, the bond millage reductions will be less.



**Hypothetical Bond Millage**  
**Assuming \$60 Million 37 Year UTGO Bond Issue**  
Wrapped Around Existing Bonds - Interest Rates as of April 2023  
As of April 27, 2023



(A) Based on interest rates and assessed valuation assumptions as of April 27, 2023. Includes all UTGO Bonds (voted bonds) which are currently collecting bond millage.

(B) Millage rates are based upon Tax Values for 2023 collection year and are from the District as of 2/3/23. Tax values thereafter are based upon conservative growth estimates through 2032. Actual millage rates collected will be decided by County Auditor on an annual basis.

(C) **Rates for the estimated New Series 2024 Bonds are as of April 27, 2023 with NO BUFFER.** Interest rates will fluctuate between now and pricing causing an increase or decrease in estimated millage rates illustrated above. We would suggest including some buffer into the rate which will increase the millage rates above.



**Anthony Wayne Local School District**  
**Hypothetical Financing Illustrations**  
As of April 27, 2023

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**Voted UTGO Bonds - Wrapped Structure**

Est. Project Costs	Term <sup>(1)</sup>	Repayment Source	Est. Required Millage <sup>(4)</sup> (Assuming Wrapped Structure)	Est. All In TIC <sup>(4,5)</sup>	Est. Annual Cost Per \$100k Home (Assuming Wrapped Structure)
\$30,000,000	37 Years	Voted Bond Millage	1.20 Mills **Sized to Breakeven**	5.24%	\$42.00 **Sized to Breakeven**
\$55,000,000	37 Years	Voted Bond Millage	2.20 Mills (Net Increase of 1.00 Mills) **Sized to 1.00 Mill**	5.24%	\$77.00 (Net Annual Increase of \$35.00) **Sized to 1.00 Mill**
\$60,000,000	37 Years	Voted Bond Millage	2.39 Mills (Net Increase of 1.19 Mills)	5.24%	\$83.64 (Net Annual Increase of \$41.65)
\$80,000,000	37 Years	Voted Bond Millage	3.20 Mills (Net Increase of 2.00 Mills) **Sized to 2.00 Mill**	5.24%	\$112.00 (Net Annual Increase of \$70.00) **Sized to 2.00 Mill**
\$105,000,000	37 Years	Voted Bond Millage	4.20 Mills (Net Increase of 3.00 Mills) **Sized to 3.00 Mill**	5.24%	\$147.00 (Net Annual Increase of \$105.00) **Sized to 3.00 Mill**

**Certificates of Participation - Internally Funded**

Project Size	Term <sup>(1)</sup>	Repayment Source	Est. Required Millage <sup>(4)</sup>	Est. All In True Interest Cost <sup>(4)</sup>	Estimated Annual Payments By the District
\$10,000,000	30 Years	District's Internal Funds	0.00 Mills	4.55%	\$618,534

<sup>(1)</sup> If the District is pursuing a voted bond issue, the District is bound by a maximum maturity of 40 Years but more realistically 37 years when accounting for the weighted useful life of the entire project. The maximum term for a COPs is 30 Years.

<sup>(2)</sup> Estimated bond levy millage assumes a 2023 AV of \$1,336,169,660 and a tax collection rate of 100%.

<sup>(3)</sup> Rates as of April, 2023, however prior to preparing ballot language, we would recommend adding some additional buffer to the interest rate given the long period of time between today and actually pricing (locking in rates) the bonds. This will result in increased millage rate and increased cost per \$100,000 home, however it would be more conservative for the District. COPs interest rates are as of April, 2023 with no buffer added. The COPs rates will need to be updated and cash flow restraints considered. Interest rates will fluctuate between now and pricing causing an increase or decrease in debt service and all-in TIC illustrated above. As we get closer to the date of the Ballot, this spread in interest rate will be reduced to determine final interest rate for ballot purposes.

<sup>(4)</sup> The All-in TIC includes all the estimated closing costs associated with the Bonds/COPs.

<sup>(5)</sup> Net decrease/increase is assuming calculated millage rate based upon interest rates as of April, 2023 less the anticipated bond millage reduction beginning in TY 2025 of 1.20 mills due to the maturity of the Series 2021 Bonds. In addition, it is assuming the bonds are wrapped around existing bonds.