



Heath City School District Financing Tools

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ROCKMILL
Financial Consulting LLC

David J. Conley

President

(513) 260-1495

www.rockmillfinancial.com

Typical Financing Instruments

- **Bonds**
 - Function like a loan or other debt instrument
 - Most common form of financing used by school districts
 - 40 year term maximum
 - Requires voter approval*
 - Amount limited by law

Typical Financing Instruments

- **Certificates of Participation (COPs)**
 - Function like a lease-purchase instrument
 - Have become more common with school districts
 - 30 year term maximum
 - Does not require voter approval
 - Amount limited by ability to make payments

Typical Financing Instruments

- Tax Anticipation Notes (TANs)
 - Permanent Improvement Levies
 - Function like a loan or other debt instrument
 - Most common form of financing used by school districts
 - 1 – 10 year term maximum
 - Requires voter approval*
 - Amount limited by law

• Typically TANs are issued against a recently approved P.I. Levy, but may be issued against an existing levy

Typical Financing Instruments

- **Cash**

- Derived from annual set asides for capital expenditures
- Have become more common with school districts
- Used to reduce the cost of construction
- Does not require voter approval
- Amount limited to the amount of savings

Sources of Repayment (Funding)

- Property Taxes
 - Voted Bond Issue
 - Permanent Improvement Levy
- Income Tax
 - Traditional Income Tax
 - Earned Income Tax

Mean Statistics		
All households	4,126	58,535
With earnings	72.30%	61,051
With interest, dividends, or net rental income	19.00%	6,020
With Social Security income	39.40%	15,980
With Supplemental Security Income (SSI)	3.50%	8,541
With cash public assistance income	1.70%	2,046
With retirement income	26.90%	18,536

Sources of Repayment (Funding)

- Other Resources
 - General Fund cash
 - Savings from more efficient operations
 - Corporate donations

Financing Team And Types Of Projects

Primary Participants

- Issuer/Borrower – Heath City School District
- Bond Counsel – Bricker and Eckler
- Municipal (Financial) Advisor – Rockmill Financial
- Bond Underwriter – Rating Agency - Investors

Financing Team And Types Of Projects

- **Typical Improvements**
 - **Renovation and additions to existing buildings**
 - **New construction of any facility (Classroom, athletic, etc.)**
 - **Furnishings and equipment (Flooring, lighting, HVAC, etc.)**
 - **Transportation and safety**
 - **Other (Library, community space, land acquisition, etc.)**

LIVE CALCULATORS

One moment
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