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General Obligation Refunding Bonds, Series 2017  
Plan of Finance

March 13, 2017

Johnson County, Texas

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# Executive Summary – Plan of Finance

Johnson County

**JOHNSON COUNTY**  
TEXAS EST. 1854

- The Johnson County (the “County”) has the opportunity to refund \$6,285,000 of the currently outstanding General Obligation Refunding Bonds, Series 2007 for economic savings.
  - The refunding would be a “current” refunding for IRS purposes since the refunding escrow will be funded for less than 90 days.
  - The refunding bonds would be structured as level savings.
  - There will be no extension of the original maturity.
  - The refunding bonds could be issued as Bank Qualified for lower interest rates (fixed interest rates)
  - The refunding bonds would be sold through a competitive private placement transaction
  - Total financing costs budgeted at \$72,000. **Subject to change.**

# Municipal Market Update

Johnson County



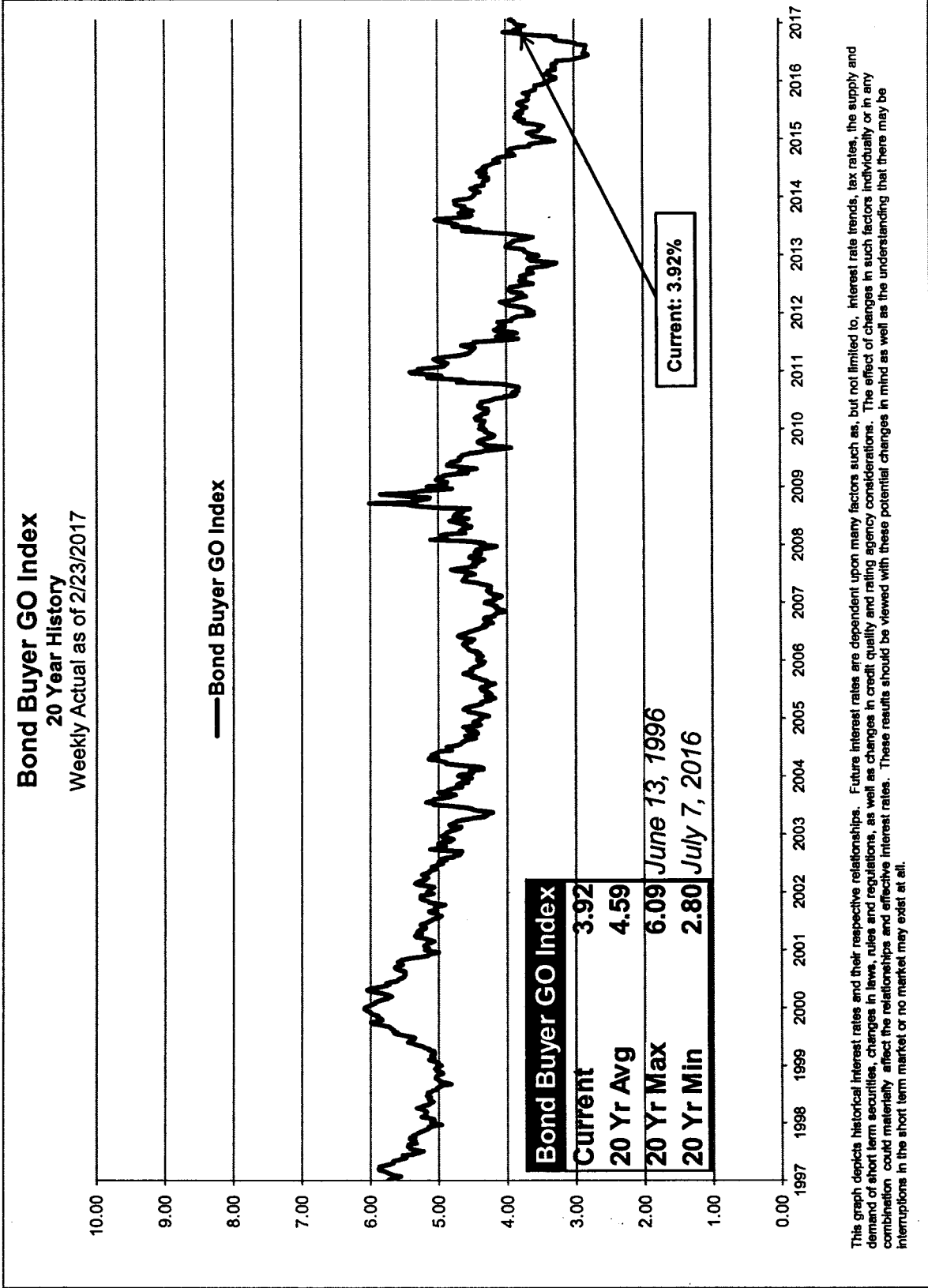
## Municipal Market Update



# Municipal Market Update (Bond Buyer GO Index)

Johnson County

**JOHNSON COUNTY**  
TEXAS EST. 1854



Source: The Bond Buyer

Plan of Finance

Johnson County

**JOHNSON COUNTY**  
TEXAS EST. 1854

**General Obligation Refunding Bonds, Series 2017**  
**Plan of Finance**

**JOHNSON COUNTY**  
TEXAS EST. 1854

JOHNSON COUNTY, TEXAS

# General Obligation Refunding Bonds, Series 2017

Johnson County, Texas

**JOHNSON COUNTY**  
TEXAS EST. 1854

## Summary Refunding Statistics

<b>TOTAL</b>	
Par Amount	\$6,435,000
Closing/Delivery Date	May 15, 2017
Bonds Refunded	\$6,285,000
True Interest Cost <sup>(1)</sup>	1.60%
Gross Savings	\$200,513
Average Annual Savings (FY 18-20)	\$66,305
PV Savings	\$192,158
PV Savings as a % of Refunded Bonds	3.05%

(1) Interest Rates Subject to Change at Anytime.

# Preliminary Cash Flows

Johnson County, Texas

**Johnson County, Texas**  
General Obligation Refunding Bonds, Series 2017  
As of February 24, 2017

A	B	C	D	E	F	G
Fiscal Year Ending 30-Sep	Estimated Growth Factor <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	General Obligation Debt Service	Less: Refunded D/S Savings <sup>(3)(4)</sup>	Projected General Obligation Debt Service	I&S Tax Rate Equivalent <sup>(5)</sup>
2017		\$ 10,447,204,534	\$ 3,770,666	\$ 1,597	\$ 3,769,068	\$ 0.0287
2018	0.00%	10,447,204,534	3,771,767	68,563	3,703,204	0.0362
2019	0.00%	10,447,204,534	3,771,695	65,558	3,706,138	0.0362
2020	0.00%	10,447,204,534	3,771,342	64,796	3,706,546	0.0362
2021	0.00%	10,447,204,534	3,771,433	-	3,771,433	0.0368
2022	0.00%	10,447,204,534	1,746,859	-	1,746,859	0.0171
2023	0.00%	10,447,204,534	1,746,011	-	1,746,011	0.0171
2024	0.00%	10,447,204,534	1,747,454	-	1,747,454	0.0171
2025	0.00%	10,447,204,534	1,745,869	-	1,745,869	0.0171
2026	0.00%	10,447,204,534	1,745,926	-	1,745,926	0.0171
2027	0.00%	10,447,204,534	1,747,369	-	1,747,369	0.0171
2028	0.00%	10,447,204,534	1,745,190	-	1,745,190	0.0170
2029	0.00%	10,447,204,534	1,744,145	-	1,744,145	0.0170
2030	0.00%	10,447,204,534	1,744,143	-	1,744,143	0.0170
2031	0.00%	10,447,204,534	1,747,823	-	1,747,823	0.0171
2032	0.00%	10,447,204,534	1,745,616	-	1,745,616	0.0170
2033	0.00%	10,447,204,534	1,745,285	-	1,745,285	0.0170
2034	0.00%	10,447,204,534	1,746,600	-	1,746,600	0.0171
2035	0.00%	10,447,204,534	1,744,445	-	1,744,445	0.0170
			<b>\$ 43,299,639</b>	<b>\$ 200,514</b>	<b>\$ 43,099,126</b>	

**Assumptions:**

- (1) Assumes 0% growth in TAV for purposes of illustration.
- (2) Fiscal Year 2017 Certified Totals as reported by the Johnson County Appraisal District.
- (3) **Assumes 1.60% interest rate for purposes of illustration only. Subject to Change at Anytime.**
- (4) Gross savings discounted at the All-in True Interest Cost to obtain Present Value savings which are estimated at \$192,158 or 3.05% of the refunded par amount.
- (5) FY 2017 represents existing I&S tax rate.



# Schedule of Events

Johnson County, Texas

**JOHNSON COUNTY**  
TEXAS EST. 1854

## Schedule of Events

**JOHNSON COUNTY**  
TEXAS EST. 1854

JOHNSON COUNTY, TEXAS

# Schedule of Events

Johnson County, Texas

**JOHNSON COUNTY**  
TEXAS EST. 1854

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

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

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

Key Dates

**Date**

**Event**

March 13, 2017	Presentation of Plan of Finance to Commissioners Court
March 15, 2017	Commissioners Court Considers and Approves Plan of Finance and directs Staff and Consultants to move forward with the General Obligation Refunding Bonds, Series 2017 (the "Refunding Bonds")
March 22, 2017	Draft of Term Sheet distributed for comments
March 23, 2017	Deadline to provide comments to draft Term Sheet
March 27, 2017 - April 6, 2017	Distribution of FINAL Term Sheet and disclosure information to Placement Agent
April 7, 2017	Marketing of the Refunding Bonds
April 10, 2017	Proposals due to Financial Advisor no later than 12pm CST
Before Closing	Pricing of the Bonds
May 11, 2017	Commissioners Court approves an Ordinance authorizing the issuance of the Refunding Bonds
August 15, 2017	Attorney General Approves Issue
	Closing of debt issue and delivery of funds to Escrow Agent
	1st Principal and Interest Payment on the Refunding Bonds

**Notes:**

**Key Actions to be Taken by the County**

# Discussion & Questions