



SCPH Bond Refund and New Money Issue



cOnnect

to complete healthcare on
both sides of the bridge.

St. Charles
Parish Hospital

Managed by
Ochsner
Health System

Plantation View Outpatient Diagnostic Center

- Outpatient Diagnostic Center
 - Radiology (CT, Ultrasound, Mammogram, and X-Ray)
 - Lab
 - Physical Therapy
- Utilize 10,000 sq. ft. of the remaining 16,000 sq. ft. at PVMO (55,000 sq. ft. in total)
- Needed services for the East Bank
- Prepares Hospital for Insurance Payment Changes
- The majority of PVMO was originally financed through a new market tax credit transaction and a conventional loan, with a portion coming from bond funds.



SCPH Bond Refund and New Money Issue

➤ **Refunding and New Money Issue using existing operating millage**

- Refunding 2014 and 2015 Limited Tax Bonds
- Issue \$2.25M of New Money – Tax-Exempt
- **Does not increase taxes and does not extend millage term**
- Slight reduction of funds available for Operations – approx. \$50k per year from \$1.05M to \$1.0M (return is projected to be \$1M+ annually through hospital revenue).
- \$312K in savings generated
- Savings from the proposed refunding along with other available revenues of the Limited Tax will provided for the full payment of the proposed Bonds
- Financially irresponsible to not take advantage of savings and avoid insurance rate increases in future years

➤ **Use of \$2.25M?**

- East Bank Outpatient Diagnostic Center - \$2M
- Ambulance - \$0.25M

➤ **Timeline**

- July – Board Resolution
- August – Council Approval
- September – Bond Commission
- October – Funds Received

Proposed Series 2018 Bonds



St. Charles Parish Hospital Service District No. 1
 Request for Offers to Purchase
 TAXABLE Limited Tax Refunding Bonds, Series 2018
 TAX EXEMPT Limited Tax Bonds, Series 2018A

ESTIMATED SOURCES AND USES OF FUNDS:

Delivered 09/28/2018	Series 2018	Series 2018A	Issue Summary
	Rfdg 2014/2015	New Money	
Sources Of Funds			
Par Amount of Bonds	\$11,565,000.00	\$2,300,000.00	\$13,865,000.00
Uses Of Funds			
Current Refunding Fund	\$11,473,211.88	-	11,473,211.88
Project Fund	-	2,282,332.18	2,282,332.18
Costs of Issuance	\$88,838.43	17,667.82	106,506.25
Rounding Amount	\$2,949.69	-	2,949.69
Total Uses	\$11,565,000.00	\$2,300,000.00	\$13,865,000.00

ESTIMATED ANNUAL DEBT SERVICE REQUIREMENTS:

Date	Principal	Interest	Total P+I	CY Total
03/01/2019	1,560,000.00	203,309.38	1,763,309.38	
09/01/2019	-	211,955.00	211,955.00	1,975,264.38
03/01/2020	1,580,000.00	211,955.00	1,791,955.00	
09/01/2020	-	184,365.00	184,365.00	1,976,320.00
03/01/2021	1,635,000.00	184,365.00	1,819,365.00	
09/01/2021	-	155,812.50	155,812.50	1,975,177.50
03/01/2022	1,695,000.00	155,812.50	1,850,812.50	
09/01/2022	-	126,225.00	126,225.00	1,977,037.50
03/01/2023	1,755,000.00	126,225.00	1,881,225.00	
09/01/2023	-	95,587.50	95,587.50	1,976,812.50
03/01/2024	1,815,000.00	95,587.50	1,910,587.50	
09/01/2024	-	63,877.50	63,877.50	1,974,465.00
03/01/2025	1,880,000.00	63,877.50	1,943,877.50	
09/01/2025	-	31,120.00	31,120.00	1,974,997.50
03/01/2026	1,945,000.00	31,120.00	1,976,120.00	
09/01/2026	-	-	-	1,976,120.00
Total	\$13,865,000.00	\$1,941,194.38	\$15,806,194.38	\$15,806,194.38

Average Life 4.098 Years

- (1) Combined Calendar Year Debt Service - 2018 Refunding of Limited Tax Series 2014 and Series 2015 and Series 2018 New Money
- (2) 2018 Assessed Valuation is based on FYE 2017 with a 0% annual growth assumed thereafter.
- (3) Pension Deductions are calculated as 3.33% of Millage Levied based on historic averages.
- (4) Millage income calculated assuming a 96% net collection rate.
- (5) Net available millage collections after pension deductions and debt service payment. This is the amount available for operations after the payment of debt service (approx. \$1 Million).
- (6) Coverage Ratio based on Net Millage Revenues Available (at Estimated Collection Rate and Net of Pension Deductions)

Proposed Series 2018 Bonds

➤ ***Estimated Savings = \$312,595***

➤ ***Net Interest Cost = 3.41%***

➤ ***Costs of Issuance***

COSTS OF ISSUANCE DETAIL

Bond Counsel	\$56,298.75
Bond Counsel Expense	\$4,000.00
Bond Commission	\$7,707.50
Legal Publication	\$2,500.00
Paying Agent Fee	\$2,500.00
Financial Advisor	\$25,000.00
Contingencies	\$1,000.00
Bank Counsel	\$7,500.00
TOTAL	\$106,506.25