

# DEBT PROFILE FINANCING DISCUSSION

## Raymond James Public Finance

PREPARED BY: Elizabeth Hennessy, Managing Director

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PREPARED FOR

Bloomington SD 13

DuPage County, IL

July 2023 Update



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**RAYMOND JAMES**

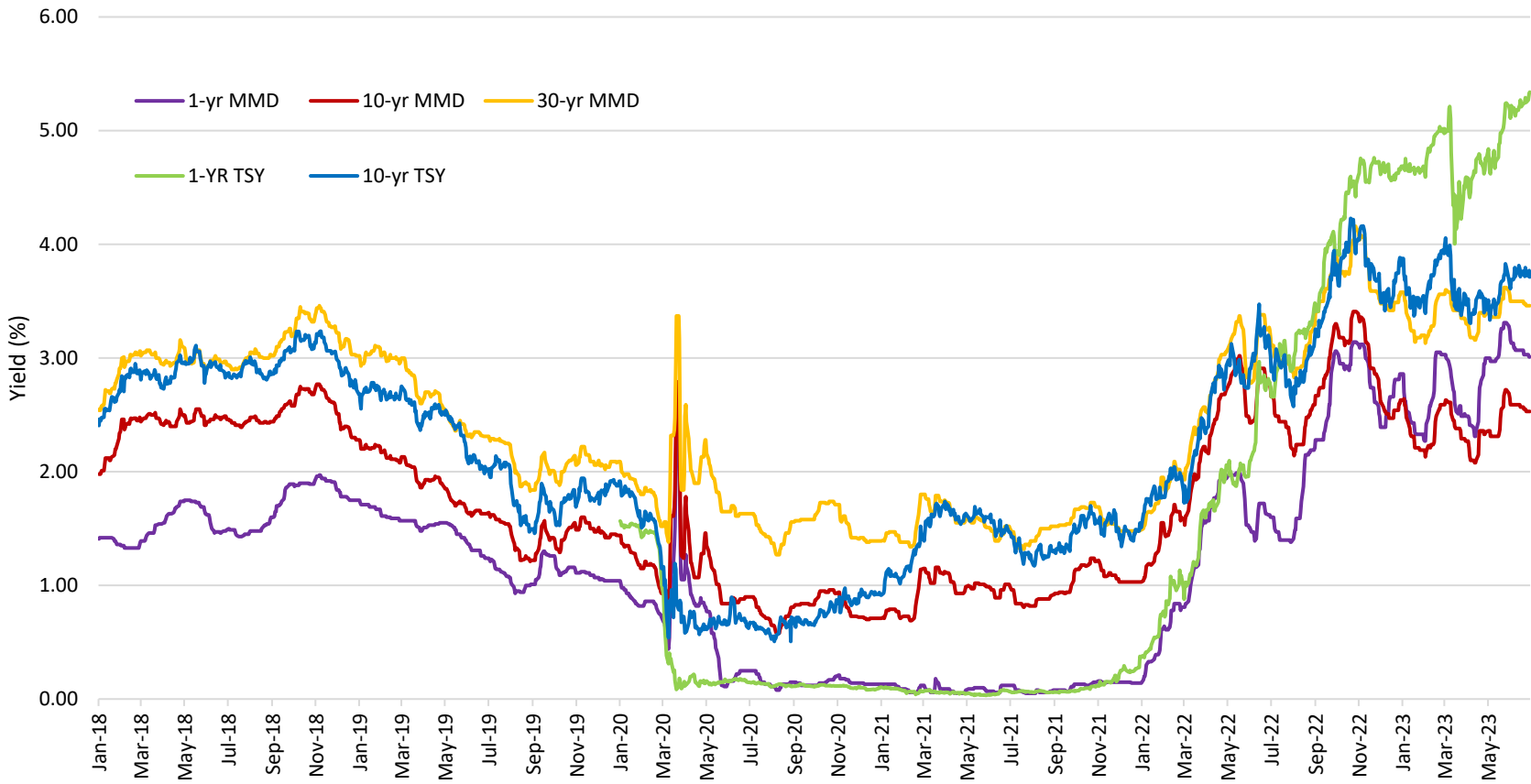
<b>SECTION 1</b>	Market Update
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# SECTION 1

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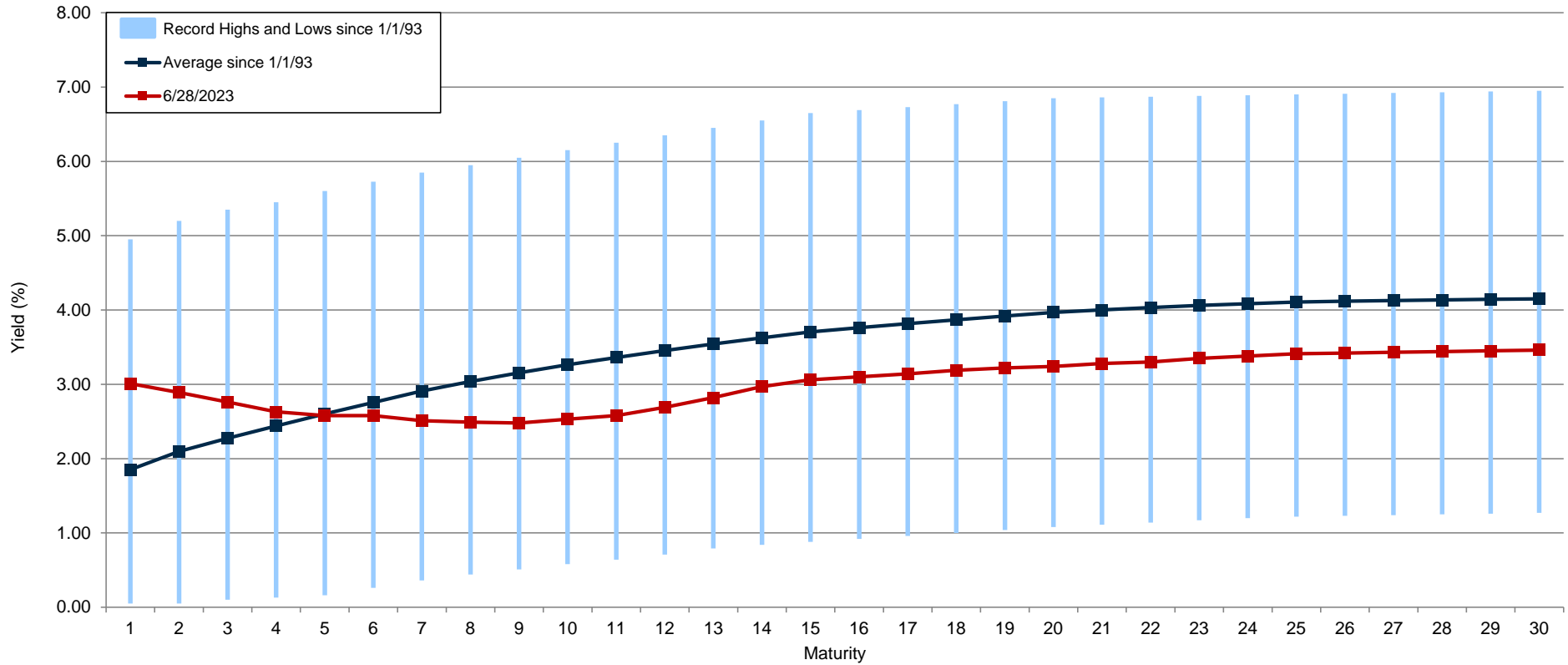
## Market Update

AAA-MMD Index and Treasury Rates



# HISTORICAL AAA MMD RATES

- The graph below shows the range between the record highs and lows of AAA MMD at each maturity since 1993, along with average rates over this time frame and the current rates.



	1	5	10	15	20	25	30
Record Low since 1/1/93	0.05	0.16	0.58	0.88	1.08	1.22	1.27
Record High since 1/1/93	4.95	5.60	6.15	6.65	6.85	6.90	6.95
Average since 1/1/93	1.85	2.60	3.26	3.70	3.97	4.11	4.15
Current (06/28/23)	3.01	2.58	2.53	3.06	3.24	3.41	3.46

## SECTION 2

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### Outstanding Debt Profile

# OUTSTANDING DEBT

PUBLIC FINANCE

Dated	October 15, 2019	November 16, 2009
Issue	G.O. REFUNDING BONDS	G.O. LIMITED TAX BONDS
Series	2019A	2019B
Original Par	\$950,000.00	\$2,125,000.00
Earliest Call	non-callable	11/1/2027
Maturity	November 1,	November 1,
	Amount Coupon Interest Debt Service	Amount Coupon Interest Debt Service
	AA+	AA+

(Moody/S&P/Fitch)

Semi	220,000	4.00%	4,400	224,400	110,000	3.00%	27,375	137,375
11/1/2023							25,725	25,725
5/1/2024					115,000	3.00%	25,725	140,725
11/1/2024							24,000	24,000
5/1/2025					125,000	3.00%	24,000	149,000
11/1/2025							22,125	22,125
5/1/2026					130,000	3.00%	22,125	152,125
11/1/2026							20,175	20,175
5/1/2027					135,000	3.00%	20,175	155,175
11/1/2027							18,150	18,150
5/1/2028					145,000	3.00%	18,150	163,150
11/1/2028							15,975	15,975
5/1/2029					150,000	3.00%	15,975	165,975
11/1/2029							13,725	13,725
5/1/2030					155,000	3.00%	13,725	168,725
11/1/2030							11,400	11,400
5/1/2031					165,000	3.00%	11,400	176,400
11/1/2031							8,925	8,925
5/1/2032					175,000	3.00%	8,925	183,925
11/1/2032							6,300	6,300
5/1/2033					180,000	3.00%	6,300	186,300
11/1/2033							3,600	3,600
5/1/2034					190,000	3.00%	3,600	193,600
11/1/2034							750	750
5/1/2035					50,000	3.00%	750	50,750
11/1/2035								

Total \$220,000 \$4,400 \$224,400 \$1,825,000 \$369,075 \$2,194,075

PRINCIPAL	INTEREST	TOTAL
330,000	31,775	361,775
-	25,725	25,725
115,000	25,725	140,725
-	24,000	24,000
125,000	24,000	149,000
-	22,125	22,125
130,000	22,125	152,125
-	20,175	20,175
135,000	20,175	155,175
-	18,150	18,150
145,000	18,150	163,150
-	15,975	15,975
150,000	15,975	165,975
-	13,725	13,725
155,000	13,725	168,725
-	11,400	11,400
165,000	11,400	176,400
-	8,925	8,925
175,000	8,925	183,925
-	6,300	6,300
180,000	6,300	186,300
-	3,600	3,600
190,000	3,600	193,600
-	750	750
50,000	750	50,750

LEVY YEAR	TOTAL
2022	387,500
2023	164,725
2024	171,125
2025	172,300
2026	173,325
2027	179,125
2028	179,700
2029	180,125
2030	185,325
2031	190,225
2032	189,900
2033	194,350

Callable	\$0	\$1,210,000
Non-Callable	220,000	615,000
Refunded	0	0
Total Outstanding	\$220,000	\$1,825,000

Purpose/ Notes	refunded 2009B	refunded 2009A
Senior Underwriter	RJA	RJA
Bond Counsel	Chapman	Chapman

Equalized Assessed Valuation	661,271,771
Debt Limit (6.9%)	45,627,752
Less: Outstanding Principal	(2,045,000)
Net Debt Limit	43,582,752

- In order to exceed the statutory debt limit, the District must get legislation passed to exceed the debt limit;
- Or meet a statutory exception:
  - ✓ Win the election by over 66.7%
  - ✓ Get an exploding enrollment exception for ISBE
- Maximum repayment period is 20 years; District may consider legislation expanding repayment term to 25 or 30 years



# CURRENT DEBT STRUCTURE

PUBLIC FINANCE

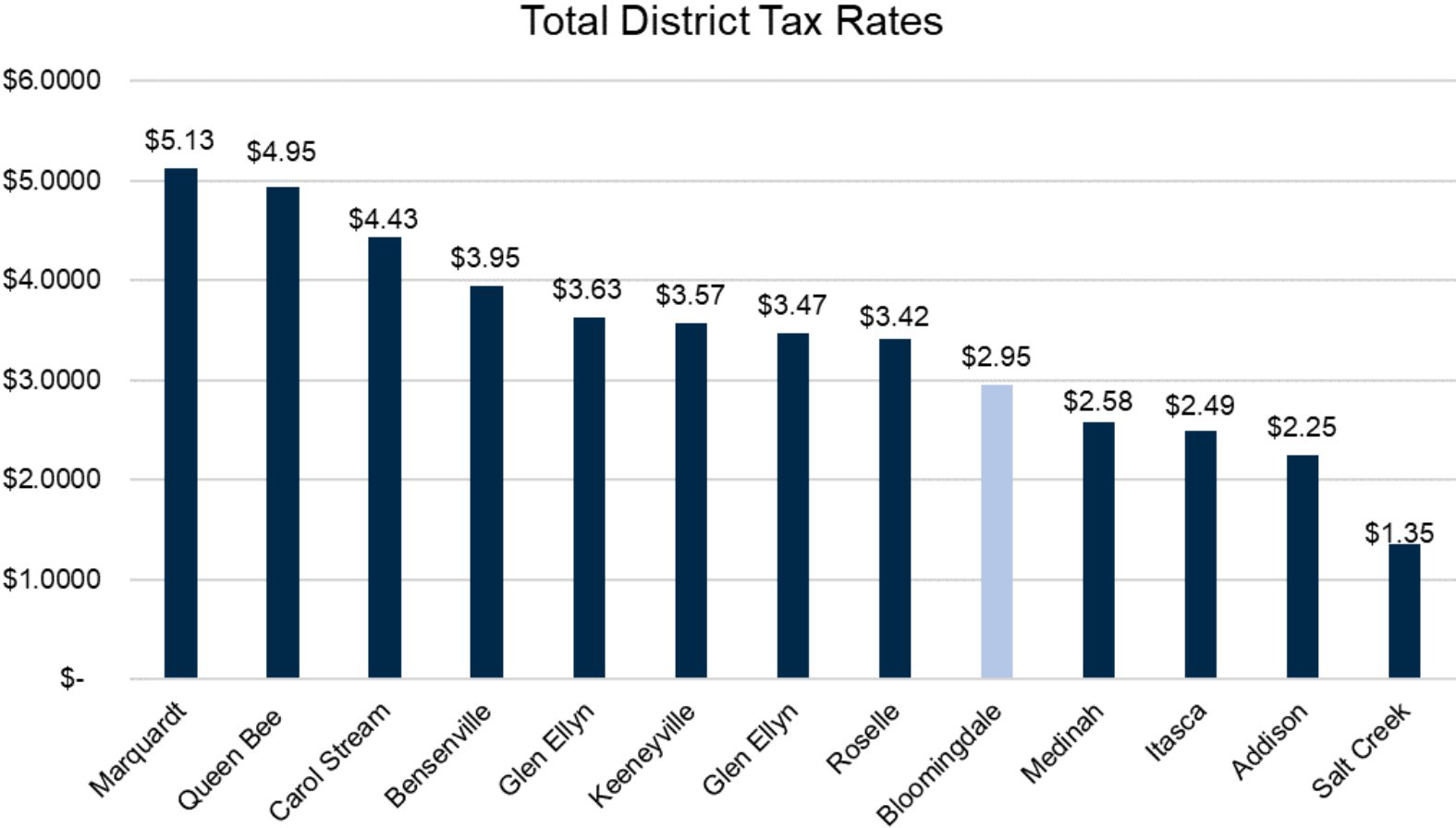
Tax Year	Equalized Assessed Valuation**	Debt Service Ext. Base **	(CPI) DSEB % Change	Current DSEB Debt Service	Remaining DSEB Capacity	Current Referendum Debt Service	Current Total Debt Service	Projected Debt Service Tax Rate
2022	661,271,771	173,499	5.00%	163,100	10,399	224,400	387,500	0.059
2023	661,271,771	182,174	5.00%	164,725	17,449	-	164,725	0.025
2024	661,271,771	185,817	2.00%	171,125	14,692	-	171,125	0.026
2025	661,271,771	189,534	2.00%	172,300	17,234	-	172,300	0.026
2026	661,271,771	193,324	2.00%	173,325	19,999	-	173,325	0.026
2027	661,271,771	197,191	2.00%	179,125	18,066	-	179,125	0.027
2028	661,271,771	201,135	2.00%	179,700	21,435	-	179,700	0.027
2029	661,271,771	205,157	2.00%	180,125	25,032	-	180,125	0.027
2030	661,271,771	209,260	2.00%	185,325	23,935	-	185,325	0.028
2031	661,271,771	213,446	2.00%	190,225	23,221	-	190,225	0.029
2032	661,271,771	217,715	2.00%	189,900	27,815	-	189,900	0.029
2033	661,271,771	222,069	2.00%	194,350	27,719	-	194,350	0.029
2034	661,271,771	226,510	2.00%	-	226,510	-	-	0.000
2035	661,271,771	231,040	2.00%	-	231,040	-	-	0.000
2036	661,271,771	235,661	2.00%	-	235,661	-	-	0.000
2037	661,271,771	240,374	2.00%	-	240,374	-	-	0.000
2038	661,271,771	245,182	2.00%	-	245,182	-	-	0.000
<b>Total</b>				<b>\$ 1,980,225</b>	<b>\$ 1,415,364</b>	<b>\$ -</b>	<b>\$ 1,980,225</b>	

# TAX RATE COMPARISON 2022 LEVY

PUBLIC FINANCE

	Marquardt	Queen Bee	Carol Stream	Bensenville	Glen Elyn	Keeneyville	Glen Elyn	Roselle	Bloomington	Medinah	Itasca	Addison	Salt Creek
Purpose:	SD15	SD16	SD93	SD2	SD89	SD20	SD41	SD12	SD13	SD11	SD10	SD4	SD48
Educational Fund	\$ 3.7538	\$ 3.2597	\$ 3.4392	\$ 2.7554	\$ 2.4161	\$ 2.6318	\$ 2.9658	\$ 2.7351	\$ 2.3530	\$ 1.7816	\$ 1.6785	\$ 1.7752	\$ 1.0615
Bond & Interest	-	0.2205	-	0	0.2158	-	0.1131	-	0.0343	-	0.2659	-	-
Bond & Interest - LT	0.0539	0.1357	0.0502	0.0329	-	0.2135	-	0.2240	0.0250	0.1492	0.1170	-	-
Operations & Maintenance	0.5303	0.5322	0.3818	0.5168	0.3300	0.4056	0.1067	0.2790	0.3446	0.4385	0.2498	0.2833	0.1831
IMRF	0.0690	0.1367	0.0187	0.0740	0.0426	0.0338	0.0422	0.0045	0.0438	0.0392	0.0292	0.0242	0.0080
Transportation	0.1815	0.0449	0.1384	0.1306	0.2134	0.1738	0.1155	0.1201	0.0756	0.1125	0.0757	0.0830	0.0886
Working Cash	0.0454	0.0112	-	0.0002	0.0003	0.0005	0.0001	0.0490	0.0076	0.0201	-	0.0041	-
Fire / Safety / Energy	-	0.0964	-	-	-	-	-	-	-	-	-	-	-
Special Education	0.3350	0.3136	0.3750	0.3938	0.3406	0.0174	0.0505	-	0.0249	-	0.0215	0.0174	-
Tort Judgements / Liability	0.0350	0.0875	-	0.0243	0.0213	0.0203	0.0001	-	-	-	-	-	-
Social Security	0.1126	0.1032	0.0197	0.0122	0.0453	0.0629	0.0710	0.0047	0.0438	0.0392	0.0302	0.0518	0.0110
Aggregate Refunds	0.0085	0.0041	0.0070	0.0106	0.0056	0.0058	0.0038	0.0023	0.0022	0.0026	0.0240	0.0135	0.0021
Total District Tax Rate	\$ 5.1250	\$ 4.9457	\$ 4.4300	\$ 3.9508	\$ 3.6310	\$ 3.5654	\$ 3.4688	\$ 3.4187	\$ 2.9548	\$ 2.5829	\$ 2.4918	\$ 2.2525	\$ 1.3543

Source: Dupage County Clerk's Office.



# ESTIMATES FOR \$25M, \$35M AND \$50M REFERENDUM BONDS

PUBLIC FINANCE

## Bloomington School District 13 Referendum Analysis - DRAFT

<u>Tax Year</u>	<u>EAV</u>	<u>Bond Amount</u>	<u>Estimated Annual Debt Payment 20 Years</u>	<u>Tax Rate Increase</u>	<u>Estimate Impact on Owner of \$300K Mkt Value Home*</u>
2022	661,271,771	\$ 25,000,000	\$ 1,941,000	0.29	\$270
		\$ 35,000,000	\$ 2,717,000	0.41	\$378
		\$ 50,000,000	\$ 3,882,000	0.59	\$540

### \$25 Million Bond

Fair Cash Value	300,000
= Assess Value	100,000
x State Multiplier	1.00000
= Equalized Value	100,000
- Residential Exemption	8,000
= Net Taxable Value	92,000
x Tax Rate (change in)	0.29
= Total Annual Tax Due	\$270

### \$35 Million Bond

Fair Cash Value	300,000
= Assess Value	100,000
x State Multiplier	1.00000
= Equalized Value	100,000
- Residential Exemption	8,000
= Net Taxable Value	92,000
x Tax Rate (change in)	0.41
= Total Tax Due	\$378

### \$50 Million Bond

Fair Cash Value	300,000
= Assess Value	100,000
x State Multiplier	1.00000
= Equalized Value	100,000
- Residential Exemption	8,000
= Net Taxable Value	92,000
x Tax Rate (change in)	0.59
= Total Tax Due	\$540

Election Date	Election Type	Resolution Deadline
March 19, 2024	Primary Election	January 2, 2024
November 5, 2024	General Election	August 20, 2024
April 1, 2025	Consolidated Election	January 13, 2025
March 17, 2026	Primary Election	December 29, 2025

Shall the aggregate extension (the total dollar amount levied by the district for each of the tax funds included under the Property Tax Extension Limitation Law) for \_\_\_\_\_ School District Number \_\_\_\_, DuPage County, Illinois, be increased by \$\_\_\_\_\_ for levy year 2024?

- (1) The amount of taxes extended which were subject to the Property Tax Cap (Property Tax Extension Limitation Law) in levy year 2023 was \$\_\_\_\_\_. If the proposition is not approved, then the taxing district may increase its extension by the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding 2024. If the proposition is approved, then the taxing district may increase its extension in levy year 2024 by an additional \$\_\_\_\_\_.
- (2) For the 2024 levy year the approximate amount of the additional tax extendable against property containing a single-family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$\_\_\_\_\_.

- The additional operating increase becomes part of the District's aggregate extension base and increases by CPI annually
- The District may issue alternate bonds and use a portion of this tax increase to pay debt service.
- No description of the purpose of the levy increase may appear in this question. This language may appear in a tax rate increase question.

Shall the limiting rate under the Property Tax Extension Limitation law for \_\_\_\_\_ School District Number \_\_\_\_, DuPage County, Illinois, be increased by an additional amount equal to \_\_\_\_% above the limiting rate for levy year 2023 for the purposes of renovating the middle school, improve sites thereof and alter, repair, renovate and equip existing school buildings, including constructing security improvements and installing access controls improving heating, ventilations and air-conditioning systems, increasing accessibility under the Americans with Disabilities Act and for other school purposes be equal to \_\_\_\_% of the equalized assessed value of the taxable property therein for levy year 2023?

- (1) The approximate amount of taxes extendable at the most recently extended limiting rate is \$\_\_\_\_\_ and the approximate amount of taxes extendable if the proposition is approved is \$\_\_\_\_\_.
- (2) For the 2024 levy year the approximate amount of the additional tax extendable against property containing a single-family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$\_\_\_\_\_.
- (3) If the proposition is approved, the aggregate extension for 2024 will be determined by the limiting rate set forth in the proposition, rather than the otherwise applicable limiting rate calculated under the provisions of the Property Tax Extension Limitation Law (commonly known as the Property Tax Cap Law).

- The additional operating increase becomes part of the District's aggregate extension base and increases by CPI annually
- The District may issue alternate bonds and use a portion of this tax increase to pay debt service.
- The description of the purpose of the levy increase may appear in this question. An example of descriptive language is highlighted in yellow above.

Shall the Board of Education of \_\_\_\_ School District Number \_\_\_\_, DuPage County, Illinois renovate the middle school, improve sites thereof and alter, repair, renovate and equip existing school buildings, including constructing security improvements and installing access controls improving heating, ventilations and air-conditioning systems, increasing accessibility under the Americans with Disabilities Act, and issue bonds in the amount of \$\_\_\_\_\_ for the purpose of paying the costs thereof?

- No mention of the tax impact on taxpayers – the District must communicate this info.
- If bond amount is over statutory debt limit and over a 20-year payback, District will need a legislation excepting it from the statutory limits.
- Bonds issue is one-time source of funds where debt service levy drops once repaid.
- The description of the purpose of the bonds may appear in this question. An example of descriptive language is highlighted in yellow above.



### OPERATING REFERENDUM FOR CAPITAL PROJECTS AND OPERATIONS

#### Advantages:

- Able to use proceeds for capital projects and operations
- Operating tax increase is permanent and grows by CPI annually

#### Disadvantages:

- Awkward ballot question with no ability to describe purpose of increase unless in the form of a tax rate increase.

### BOND REFERENDUM FOR CAPITAL PROJECTS

#### Advantages:

- Clear description of the project
- Five Years to Issue the Bonds pursuant to referendum
- Three years to spend bond proceeds of each issue

#### Disadvantages:

- Bond proceeds are one time source of revenue for capital projects

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