



Oak Park Elementary School District 97

260 Madison ▪ Oak Park ▪ Illinois ▪ 60302 ▪ ph: 708.524.3000 ▪ fax: 708.524.3019 ▪ www.op97.org

TO: Dr. Carol Kelley, Superintendent of Schools
Board of Education

FROM: Paul Starck-King, Assistant Superintendent of Finance and Operations

SUBJECT: Debt Service Extension Base (DSEB)

DATE: August 14, 2018

Summary

The resolution authorizing the issuance of DSEB bonds is set to expire September 20, 2018 and the bonds have not been issued.

Background

The issuance of DSEB (non-referendum bonds) has been delayed. FORC has explored options for a July 2018, December 2018 or a March 2019 issuance. Recall, the \$10 million issue amount will be \$7.5 million as a result of the abatement. As you know, the expenditures related to the construction activity are coming due in August and September 2018. As a result, the District will pay for construction expenditures using operating funds and reimburse itself using DESB funds in an effort to save interest.

Consequently, two resolutions were adopted at the March 2018 meeting of the board. The first resolution authorized the issuance of the General Obligation Limited Tax School Bond, Series 2018 and created the DSEB issuance parameters. The second resolution allowed the District to reimburse itself for capital projects paid through operating funds.

Recommendation

FORC has included this item for discussion on their agenda next week to provide a recommendation to the Board of Education regarding the amount and timing of the next DSEB issue. FORC will be consulting with Raymond James to provide market projections to explore various options.

The Board may be asked to extend the issuance window at the September 4, 2018 meeting.