



HARVEY PUBLIC SCHOOLS
DISTRICT NUMBER 152

DISTRICT ADMINISTRATION

John F. Thomas
Superintendent of Schools
Dr. Matthew Wilkinson
*Assistant Superintendent of
Business Operations and
Human Relations*
Dana Nichols
Director of Teaching & Learning
Dr. Quintella Bounds
Director of Special Services
Gabriela Delgado
Bilingual Director

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TO: MR. JOHN F. THOMAS, SUPERINTENDENT

**FROM: DR. MATT WILKINSON, ASST. SUPT.
BUSINESS & HR**

DATE: DECEMBER 7, 2018

**RE: BOARD AGENDA ITEM APPROVE
RESOLUTION ABATING THE WORKING
CASH FOR DEBT SERVICE PURPOSES
(2018)**

The District purchased a Working Cash bond from the Township Treasures for \$1.6 million last February. The \$1.6 million bond payment was due on December 1, 2018. Unfortunately, due to the District's low property tax collections (less than 50%), the District was only able to collect \$640,934 in the Bond and Interest Fund. The District has \$432,249 in the Bond and Interest Fund balance for a combined total of \$1,079,183. A resolution has been prepared by attorney John Izzo to permanently move \$550,000 from the Working Cash Fund to the Bond and Interest Fund to address this shortfall. This will leave \$309,320 in the Working Cash Fund.

Again, the Board will be holding a public hearing at the December 17th meeting to allow the school district to issue Working Cash Bonds up to \$5 million over the next three years. The discussion with the Board has been for the school district to issue \$1.6 million per year in Working Cash Bonds over the next three years. However, due to the anticipated lower property tax collections, the District will most likely only issue \$1 million per year in Working Cash Bonds over the next three years

I forward this information for your review and consideration for Board of Education action at its next regularly scheduled meeting on December 17, 2018.

HARVEY SCHOOL DISTRICT 152

**RESOLUTION ABATING THE WORKING CASH FUND
FOR DEBT SERVICE PURPOSES (2018)**

WHEREAS, this Board of Education has heretofore created and established a working cash fund in and for the District; and

WHEREAS, the Board has determined and does hereby determine that it is necessary and in the best interests of the District that the Working Cash Fund be abated; and

WHEREAS, Section 20-10 of the Illinois School Code authorizes the Board to abate the Working Cash Fund and to make the subject transfer, provided that the District maintains an amount to the credit of the Working Cash Fund, including taxes levied but not yet collected, equal to or greater than 0.05% of the equalized assessed value of the taxable property in the District; and

WHEREAS, the Board wishes to authorize expenditures to pay for certain debt service purposes using revenues from the Working Cash Fund;

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of Harvey School District Number 152, Cook County, Illinois, as follows:

1. The Board hereby finds that all the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.
2. The Working Cash Fund of the District shall be abated as of the date hereof by the amount (the "Abatement Amount") of \$550,000.00.

3. The School Treasurer of the District is hereby authorized and directed to forthwith permanently transfer the Abatement Amount to the Debt Service Fund of the District, this fund being herein found by this Board as being the fund of the District most in need of the moneys being so transferred.

4. With the reduction of the balance of the Working Cash Fund by the Abatement Amount, the District will still maintain an amount to the credit of the Working Cash Fund to permit such transfer under Section 20-10 of the Illinois School Code.

5. If necessary to effectuate such abatement and permanent transfers, outstanding loans from the Working Cash Fund to any other funds of the District in an amount, together with any cash immediately transferred pursuant to Section 3 above, equal in the aggregate to the Abatement Amount shall be paid to the Debt Service Fund of the District in the amount as appropriate, and any remaining outstanding loans shall be paid to the Working Cash Fund at the time and in the manner required by the School Code.

6. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

7. All resolutions or parts thereof in conflict herewith by and the same are hereby repealed and that this Resolution shall be in full force and effect forthwith upon its adoption.

Adopted this 17th day of December, 2018.

BOARD OF EDUCATION,
HARVEY SCHOOL DISTRICT 152
COOK COUNTY, ILLINOIS

By: _____
President

Attest: _____
Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education, Harvey School District Number 152, Cook County, and that as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing is a full, true and complete copy of a Resolution adopted by the Board of Education at a meeting of said Board held on the 17th day of December, 2018.

I do further certify that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and of the School Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board.

IN WITNESS WHEREOF, I have hereunto affixed by official signature this ____ day of December, 2018.

Secretary, Board of Education,
Harvey School District Number 152,
Cook County, Illinois



Crystal Financial Consultants, Inc.

Closing Instructions and Flow of Funds Memorandum

**Harvey Elementary School District 152
Cook County, Illinois**

TO: Dr. Lela Bridges – Harvey Elementary School District 152
Dr. Margaret Longo – Harvey Elementary School District 152
Kyle Harding – Chapman and Cutler, LLC
Melissa Seeborg – Chapman and Cutler, LLC
Eugene Varnado – Thornton Township School Treasurer

FROM: Robert Grossi – Crystal Financial Consultants, Inc.

RE: Harvey School District 152
Cook County, Illinois
\$1,600,000 Taxable General Obligation Limited Tax School Bonds, Series 2018

CLOSING INSTRUCTIONS

The following are closing instructions (including wire transfers) for the above referenced transaction, which will take place on **February 20, 2018**:

Total Sources and Uses of Funds of the bond sale are as follows:

Sources

Par Amount of Bonds	\$1,600,000.00
Sources of Funds – Grand Total	\$1,600,000.00

Uses

1. The *Thornton Township School Treasurer* will transfer via journal entry bond proceeds to Midlothian Elementary School District as authorized by the Bond Resolution.

Total funds to be transferred	\$1,589,600.00
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2. The *Thornton Township School Treasurer* will wire transfer bond proceeds to Crystal Financial Consultants, Inc. as Financial Advisor to the District. Proceeds will be deposited into a costs of issuance account to be used as described below:

Total funds to be wired	\$10,400.00
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Wire Instructions

Bank:	UBS A.G.
ABA Number:	026 007 993

UBS Account Number: 101WA258640000
Account Name: Crystal Financial Consultants, Inc.
Account Number : BG09829

Upon successful settlement of the Bonds, Crystal Financial shall pay expenses incurred in the authorization, sale and issuance of the Bonds from the moneys deposited into the cost of issuance account as authorized by the District. Crystal Financial shall make payment in the amounts summarized below upon receipt of a valid invoice:

Bond Counsel (<i>Chapman and Cutler</i>)	\$ 5,000.00
Financial Advisor (<i>Crystal Financial Consultants</i>)	5,000.00
Surety Bond (<i>The Horton Group</i>)	<u>400.00</u>
Total Bond Issuance Expenses	\$10,400.00

Uses of Funds – Grand Total **\$1,600,000.00**

Harvey School District 152
Series 2018 General Obligation Limited Tax Bonds

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/2018	-	-	-	-
12/01/2018	1,600,000.00	2.200%	27,475.56	1,627,475.56
Total	1,600,000.00	-	27,475.56	1,627,475.56

YIELD STATISTICS

Bond Year Dollars.....	\$1,248.89
Average Life.....	0.781 Years
Average Coupon.....	2.2000004%
Net Interest Cost (NIC).....	2.2000004%
True Interest Cost (TIC).....	2.1932632%
Bond Yield for Arbitrage Purposes.....	2.1932632%
All Inclusive Cost (AIC).....	2.1932632%

IRS FORM 8038

Net Interest Cost.....	2.2000004%
Weighted Average Maturity.....	0.781 Years