

Dr. Robert Petersen

Business Administrator

Date: March 30, 2021

TO: President Jon Ritchie, Weber School District Board Members and Superintendent Jeff Stephens

FROM: Dr. Robert D. Petersen, Business Administrator

SUBJECT: PARAMETERS RESOLUTION

Back in 2012, the Board sold a series of Bonds (Series 2012). At the time, we sold the bonds for a competitive interest rate. We still owe over \$12 Million on Series 2012. We are on schedule to pay off Series 2012 in June of 2032

The "Call Date" for Series 2012 is June 15, 2022. The Call Date is when a Series of Bonds can be refunded. The purpose of refunding is twofold: to obtain savings with lower interest rates and/or to restructure debt.

Working with our Financial Advisors Preston Kirk and Matt Dugdale of Stifel Public Finance, we have been alerted to a mechanism known as an *Advanced Refunding*. For a fee, we can lock into today's interest rates and refund Series 2012 for significant savings to the taxpayer. But more importantly, a refunding gives us the chance to restructure the Series 2012 debt payments to provide more capacity to layer in new debt. Should we have a bond election in November of 2021 and should this election be successful, this additional capacity could help us minimize the debt service tax rate.

At the upcoming April 14th Board meeting, we are going to ask you to approve a "Parameters Resolution" that will enable us to refund the Series 2012 bonds. Keep in mind that this resolution does not bind us to refund the bonds; however, we cannot refund the bonds without this resolution.

Prior to the April 14th Board meeting, a Parameters Resolution will be emailed to you. At the study session on April 14th, Preston and Matt will be on hand to explain the process and answer questions. Exact agenda language will also be ready by Board Meeting.

If you have any questions or concerns, feel free to give me a call at 801-476-7841. Or drop me an e-mail at rpetersen@wsd.net