

BOARD BRIEFS

COMMITTEE OF THE WHOLE OCTOBER 11, 2018

HUNTLEY COMMUNITY SCHOOL DISTRICT 158 BOARD OF EDUCATION

BOND REFUNDING UPDATE

The Board of Education heard an update on the opportunity to refund and restructure \$6.095M of the 2010 Bonds Maturing January 1, 2025 are callable on January 1, 2019 previously presented.

On September 25, 2018, the District went to market with its \$6.1 million Refunding School Bonds, Series 2018. Piper Jaffray underwriters assessed the market in the days prior to the pricing, and determined that a 4.00% coupon at a 3.43% and 3.53% yield respectively would be fair to aggressive prices at which to offer the bonds. Pricing occurred on Tuesday the 25th, and during the 90 minute order period, the District received one order in the amount of \$1,000,000.

As such, with only \$1,000,000 accounted for, Piper Jaffray offered to adjust pricing as well as the optional redemption date and underwrite the entire balance, with yields of 3.57% and 3.67% for maturities in 2034 and 2035, respectively, as well as moving the optional redemption out by two years, from 7.25 years to 9.25 years. The District's designated representatives agreed.

As a result, total debt service increased by approximately \$19,000 from original targets, as well as deferring the call date by two years. This had the effect of locking in rates for the District, while shifting the risk of further price deterioration to Piper Jaffray. Piper Jaffray did sell all of these bonds, at the same price purchased from the District, to other dealers by the close of business on September 26th. The official closing of the bonds will be on October 23rd, 2018.

Informational Reports

The Board heard reports on the following:

- Monthly revenue and expenditures, fiscal, HR, O&M, and legislative reports.

PENDING ACTIONS

At its next Regular Meeting October 18, the Board will vote whether to approve:

- An international trip for HHS students to visit Barcelona and Global Leadership Summit.
- An addendum to the superintendent's contract regarding the strategic plan target bonus date
- Employee insurance plans and rates for 2019
- Payables: Purchase orders at \$2,391,155.53; accounts payable at \$4,000.91; imprest checks at \$2,475.85; and disbursements at \$6,008,524.72
- A revenue fundraising contract with Scholastic Book Fair to benefit the Leggee LRC (\$1,000)
- Minutes and closed session minutes of the Board's September 6 Special Meeting, September 6 COW, and September 20 Regular Meeting.

Board Briefs are presented for the informational benefit of the community only and do not represent the official minutes. Learn more about the Board of Education and review schedules, agendas, minutes, and live streams of meetings at WWW.DISTRICT158.ORG/BOE.