

# FINANCING OPTIONS

## Raymond James Public Finance

PREPARED BY: Elizabeth Hennessy, Managing Director

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PREPARED FOR

Arlington Heights SD 25

Cook County, Illinois

August 9, 2022



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**RAYMOND JAMES**

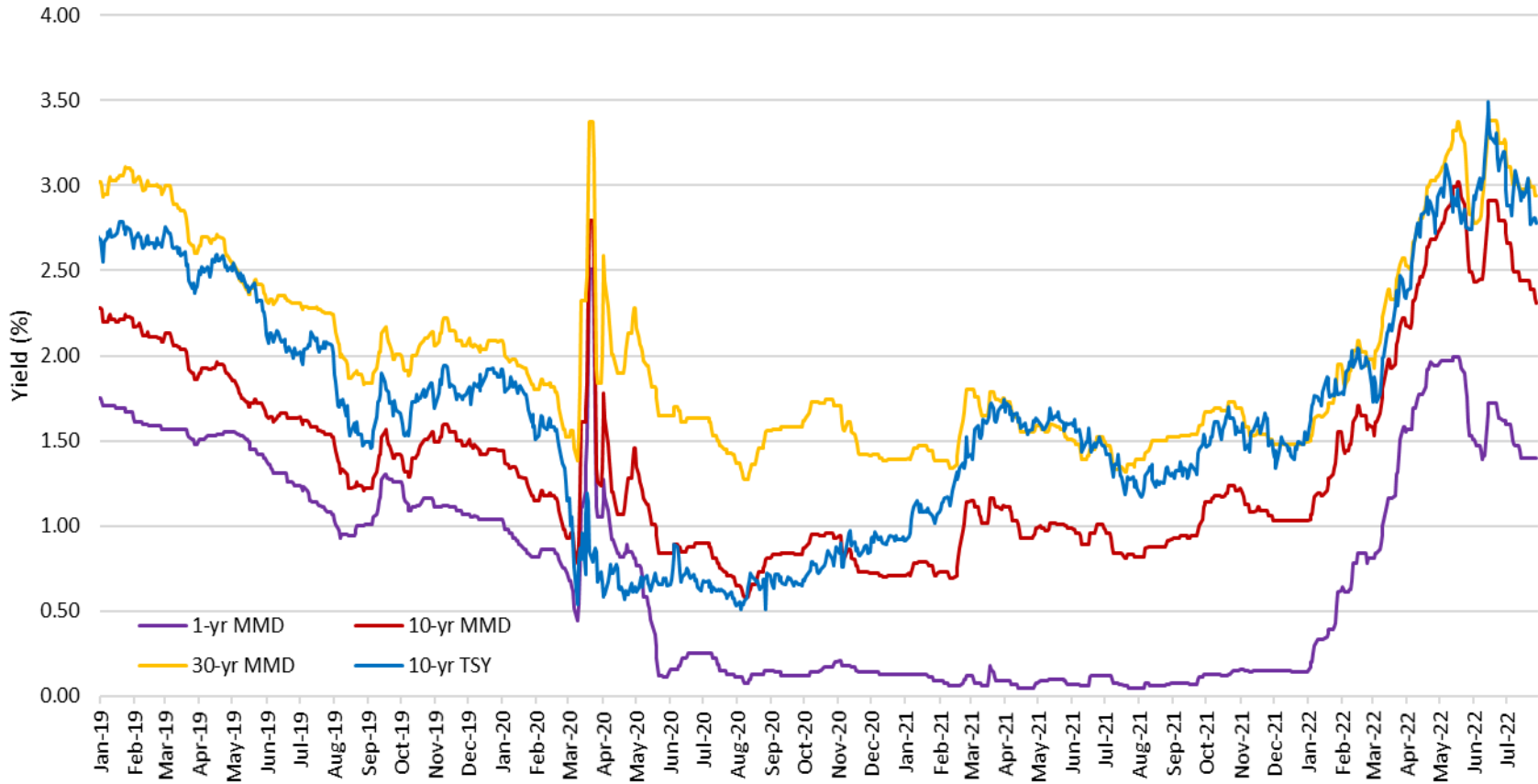
<b>SECTION 1</b>	Market Update and Outstanding Debt
<b>SECTION 2</b>	Referendum Financing Options

# SECTION 1

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## Market Update

AAA-MMD Index and Treasury Rates



# OUTSTANDING DEBT SERVICE

		February 8, 2018				February 16, 2017				March 16, 2016				July 29, 2015			
Dated		G.O. LIMITED SCHOOL BONDS				G.O. LIMITED SCHOOL BONDS				G.O. LIMITED SCHOOL BONDS				G.O. LIMITED TAX SCHOOL BONDS			
Issue		2018				2017				2016				2015			
Series		\$7,375,000.00				\$27,650,000.00				\$7,725,000.00				\$9,050,000.00			
Original Par		12/15/2027				Dec 15, 2026 at Par				NON-CALLABLE				NON-CALLABLE			
Earliest Call		Dec 15				Dec 15				Dec 15				Dec 15			
Maturity																	
		Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total
Credit Ratings		Aaa				Aaa				Aaa				Aaa			
		PRINCIPAL	COUPON	INTEREST	TOTAL	PRINCIPAL	COUPON	INTEREST	TOTAL	PRINCIPAL	COUPON	INTEREST	TOTAL	PRINCIPAL	COUPON	INTEREST	TOTAL
Levy Year	2021			295,000	295,000			1,357,313	1,357,313	1,250,000	1.54%/5.00%	53,850	1,303,850	1,425,000	4.00%	57,000	1,482,000
	2022	630,000	4.00%	295,000	925,000	2,015,000	5.00%	1,357,313	3,372,313								
	2023	760,000	4.00%	269,800	1,029,800	2,015,000	3.75%	1,256,563	3,271,563								
	2024	790,000	4.00%	239,400	1,029,400	2,090,000	5.00%	1,181,000	3,271,000								
	2025	825,000	4.00%	207,800	1,032,800	2,190,000	5.00%	1,076,500	3,266,500								
	2026	860,000	4.00%	174,800	1,034,800	2,300,000	5.00%	967,000	3,267,000								
	2027	890,000	4.00%	140,400	1,030,400	2,415,000	5.00%	852,000	3,267,000								
	2028	925,000	4.00%	104,800	1,029,800	2,540,000	5.00%	731,250	3,271,250								
	2029	960,000	4.00%	67,800	1,027,800	2,665,000	5.00%	604,250	3,269,250								
	2030	735,000	4.00%	29,400	764,400	2,800,000	5.00%	471,000	3,271,000								
	2031					3,230,000	5.00%	331,000	3,561,000								
	2032					3,390,000	5.00%	169,500	3,559,500								
		\$7,375,000		\$1,824,200	\$9,199,200	\$27,650,000		\$10,354,688	\$38,004,688	\$1,250,000		\$53,850	\$1,303,850	\$1,425,000		\$57,000	\$1,482,000
Callable		\$2,620,000				\$19,340,000				0				0			
Non-Callable		4,755,000				8,310,000				1,250,000				1,425,000			
Refunded																	
<b>Total Outstanding</b>		<b>\$7,375,000</b>				<b>\$27,650,000</b>				<b>\$1,250,000</b>				<b>\$1,425,000</b>			
Purpose/ Notes		Increase Working Cash of District for Capital Projects				Increase Working Cash of District for Capital Projects				Increase Working Cash of District for Capital Projects				Increase Working Cash of District for Capital Projects			

Equalized Assessed Valuation 2020	2,115,432,636
Statutory Debt Limit 6.9%	145,964,852
Outstanding Debt	(37,700,000)
Net Debt Limit	\$108,264,852

## SECTION 2

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### Referendum Financing Options

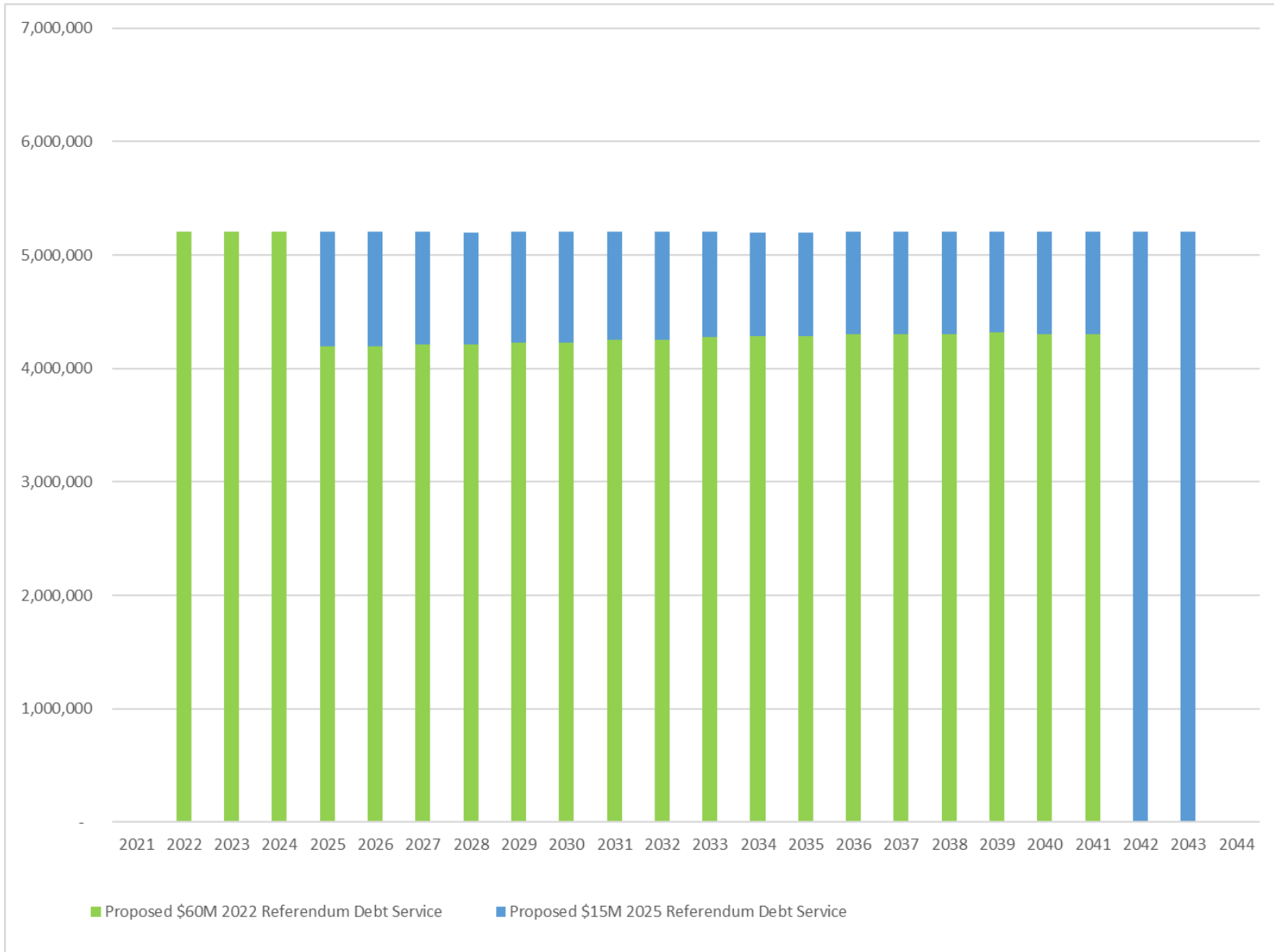
- The proposed \$75M in capital projects, including additions to accommodate full day kindergarten (FDK) will occur over a five year period of time 2022-2027.
- The full day kindergarten additions will kick off first so programming will open in August of 2024.
- The infrastructure improvements including life safety improvements, HVAC, boilers, electrical, roofing, plumbing, security and paving and the gym expansions at Westgate and Dryden to support building functionality will occur throughout the next five years coordinating with the FDK additions.
- Given the expected expenditure schedule and the federal tax law requirement to spend 5% of proceeds in first 6 months and 85% within three years, the District can issue \$60M in August of 2022 and the remaining \$15M in Spring of 2025.



# \$60M AUGUST 2022 AND \$15M JUNE 2025

Tax Year	Equalized Assessed Valuation	% Change	Proposed \$60M 2022 Referendum Debt Service	Proposed \$15M 2025 Referendum Debt Service	Proposed Aggregate Referendum Debt Service	Tax Rate for \$75M Referendum Debt Service	Estimated Tax Impact on \$400,000 Market Value Home
2021	2,115,432,636	0.00%					
2022	2,115,432,636	0.00%	5,203,042	-	5,203,042	0.246	293
2023	2,115,432,636	0.00%	5,205,000	-	5,205,000	0.246	293
2024	2,115,432,636	0.00%	5,202,750	-	5,202,750	0.246	293
2025	2,115,432,636	0.00%	4,199,250	1,007,000	5,206,250	0.246	293
2026	2,115,432,636	0.00%	4,199,250	1,004,000	5,203,250	0.246	293
2027	2,115,432,636	0.00%	4,209,750	995,500	5,205,250	0.246	293
2028	2,115,432,636	0.00%	4,210,000	991,750	5,201,750	0.246	292
2029	2,115,432,636	0.00%	4,230,250	972,500	5,202,750	0.246	293
2030	2,115,432,636	0.00%	4,229,250	973,500	5,202,750	0.246	293
2031	2,115,432,636	0.00%	4,252,750	953,750	5,206,500	0.246	293
2032	2,115,432,636	0.00%	4,254,250	949,250	5,203,500	0.246	293
2033	2,115,432,636	0.00%	4,274,500	929,250	5,203,750	0.246	293
2034	2,115,432,636	0.00%	4,282,250	919,500	5,201,750	0.246	292
2035	2,115,432,636	0.00%	4,287,750	914,500	5,202,250	0.246	292
2036	2,115,432,636	0.00%	4,305,750	899,000	5,204,750	0.246	293
2037	2,115,432,636	0.00%	4,305,250	898,500	5,203,750	0.246	293
2038	2,115,432,636	0.00%	4,301,750	902,250	5,204,000	0.246	293
2039	2,115,432,636	0.00%	4,315,000	890,000	5,205,000	0.246	293
2040	2,115,432,636	0.00%	4,303,750	902,500	5,206,250	0.246	293
2041	2,115,432,636	0.00%	4,306,049	898,500	5,204,549	0.246	293
2042	2,115,432,636	0.00%	-	5,203,750	5,203,750	0.246	293
2043	2,115,432,636	0.00%	-	5,202,750	5,202,750	0.246	293
2044	2,115,432,636	0.00%	-	-	-	0.000	-
<b>Total</b>			<b>\$ 88,077,590</b>	<b>\$ 26,407,750</b>	<b>\$ 114,485,340</b>		
			<b>Series 2022</b>	<b>Series 2025</b>	<b>Aggregate</b>		
	<b>Proceeds:</b>		60,000,000	15,000,000	75,000,000		
	<b>Capitalized Interest:</b>		0	402,550	406,053		
	<b>All-In TIC:</b>		3.97%	4.71%	4.14%		
	<b>Dated:</b>		Aug-22	Jun-25			
<p>Note: Rates used are based on similar rated transactions using AAA-MMD Index as of July 27, 2022 plus cushion of 0.25% and 1.00% for 2022 and 2025 Series, respectively.</p> <p>Zillow Median Sale value in Arlington Heights is \$426,944 as of June 30, 2022.</p>							

# \$60M AUGUST 2022 AND \$15M JUNE 2025



Date	Activity
July 19, 2022	County Clerk certifies election results
<b>Regular Meeting August 9, 2022</b>	Discuss and review financing plan, schedule, parameters resolution; Approve Reimbursement Resolution
August 10, 2022	Meet with Moody's to renew bond rating
August 19, 2022	End of 30 day protest period
<b>Regular Meeting August 23, 2022</b>	Board approves parameters bond resolution
August 30, 2022	Sell Bonds within parameters and with approval of Board Delegates
September 22, 2022	Close bond issue, reimburse District expenditures and invest bond proceeds

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

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