

Advance Notice
February 11, 2015
Consent Agenda

Request for State Bond Guarantee Program Eligibility - Kuper

Action to be taken: I move that the Board adopt Resolution 1050 authorizing the Superintendent and/or the Chief of Finance and Operations to submit a request for the eligibility for the Washington School District Credit Enhancement Program.

The State of Washington School Bond Guarantee Program was created via a constitutional amendment in 1999. The program's purpose is to provide savings to state taxpayers by pledging the full faith and credit of the state of Washington to the payment of voter-approved school district general obligation bonds. The Program has ratings of Aa1 and AA+ from Moody's and S&P, respectively. The Program, with its application fee of \$100, is an inexpensive way to gain credit enhancement for the bond issue, thereby increasing the security of the bonds and decreasing the borrowing cost.

Resolution 1050 authorizes the District to apply to the State to utilize the program for the refunding (refinance the 2007 and 2008 bonds). The bond election resolution from the voter approved 2012 bond authorization currently gives the District authority to use the Program for \$219,121,500 bonds authorized during the aforementioned election. Resolution 1050 bundles the proposed refunding and the April 2012 new money bond authorization amounts (\$75,000,000 for the 2007 Bonds, \$45,000,000 for the 2008 Bonds and \$54,121,500 new money bonds) which includes an additional par amount of \$13,750,000 for flexibility during the refunding process. (The final par amount of the refunding will be known on the date of the bond financing, given market conditions).

The administration recommends the approval of this resolution. Jacob Kuper, Chief of Finance and Operations will be available for questions.
