

Bond Issuance Notification Act (BINA) Hearing

August 24, 2016



Bond Authorization - Process

- Since 1988, State Statute prescribes the process for authorizing Alternate GO bonds to all school districts
- There are three steps in this process – The first two steps are being taken today
- CPS must seek additional Board approval to take the third step

STEP 1: BINA Hearing

**The public comments
on proposed Bond
Authorization and
back-up property tax
levy supporting
bonds**

Step 2: Bond Authorization

**Board approves
bond authorization**

**Authorization is
good for 3-years and
caps the amount of
bonds**

Step 3: Approval of Actual Bond Issuance

**CPS must seek
additional Board
approval for the
specific bonds to be
issued**



Bond Authorization - Request

- **CPS is requesting approval of not to exceed \$945 million bond authorization**
- CPS must seek additional Board approval for specific bonds being sold
- CPS may not issue all of the \$945 million in authorization - this is an umbrella authorization which covers the Board's issuances for up to 3-years
- The next bonds to be issued will finance capital projects in the proposed FY2017 Capital Plan
 - Bonds repaid from new Capital Improvement Tax levied in 2015 that can only be used for capital projects
 - ***Debt service from these bonds will not impact the operating budget***



FY17 Capital Budget

- CPS' FY17 Proposed Capital Budget includes \$338 million of investments in school repairs and improvements, overcrowding relief, and classroom modernization.
- \$266 million of the projects will be funded by CPS bonds, while \$72 million will be funded by outside sources

Funding Source	Amount
CPS-Issued Bonds	\$265,906,639
TIF Funding	\$54,000,000
Federal E-Rate Funding	\$17,600,000

