

Palatine CCSD No. 15 Cook County, Illinois

Pricing Report for Series 2023A&B (via Competitive Sale)

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October 3rd, 2023

PREPARED FOR

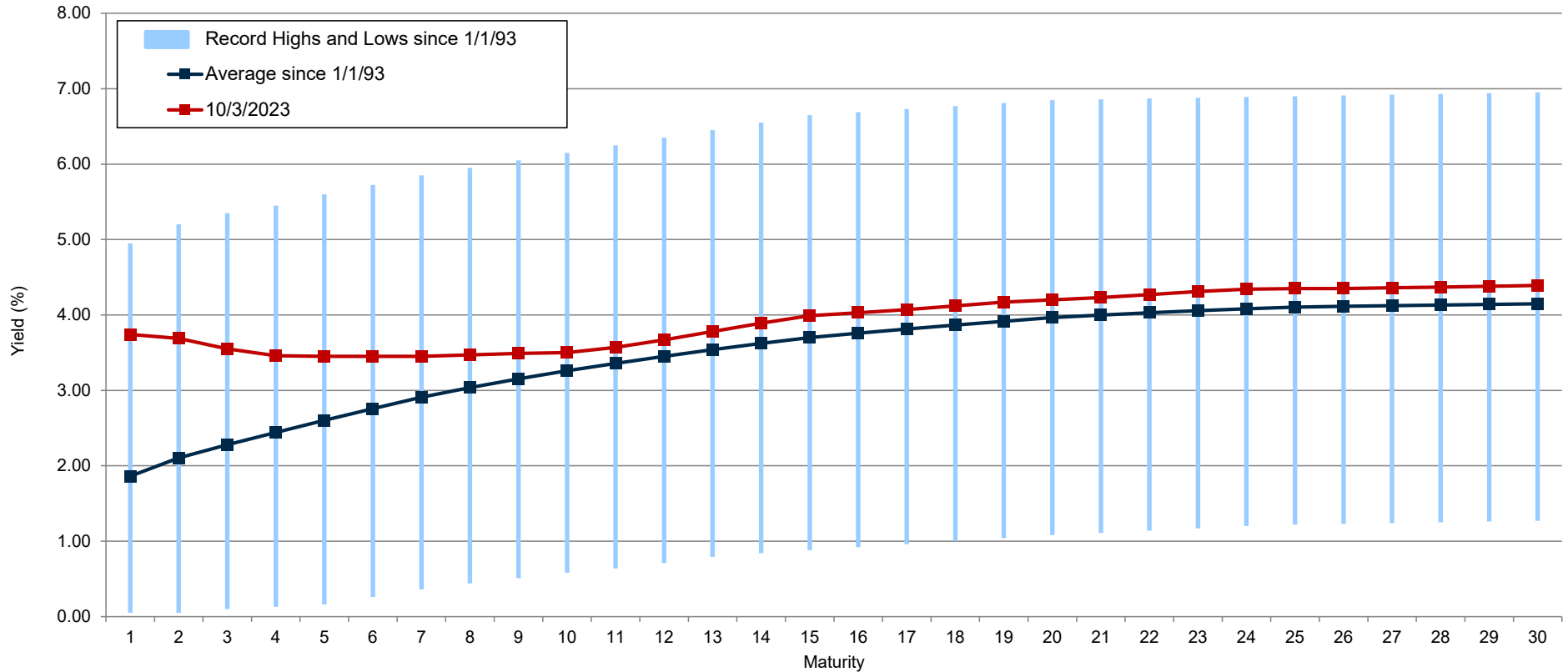
Dr. Laurie Heinz, *Superintendent*
Diana McCluskey, *Chief School Business Official*
Anthony Fashoda, *Director of Business Services*



RAYMOND JAMES

HISTORICAL AAA MMD RATES

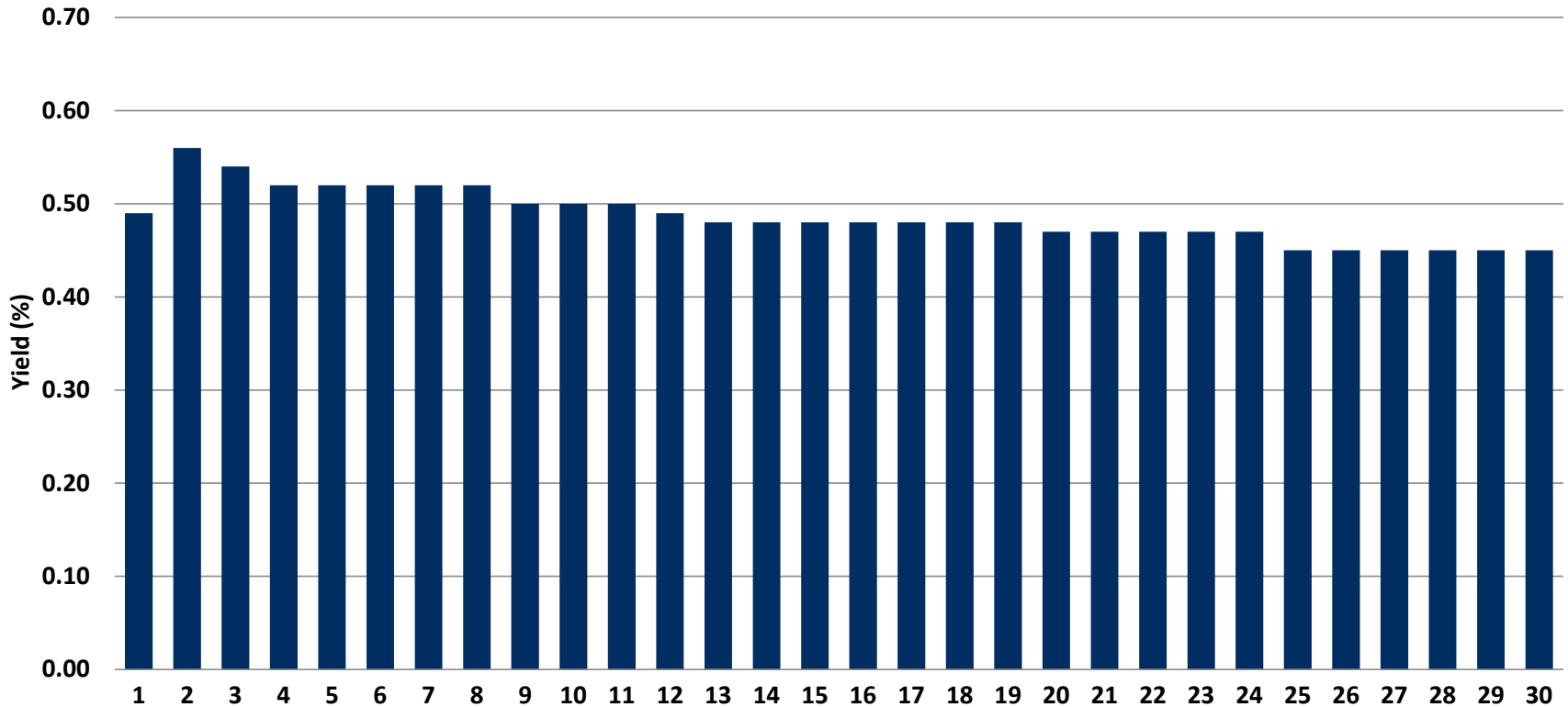
- The graph below shows the range between the record highs and lows of AAA MMD at each maturity since 1993, along with average rates over this time frame and the current rates.



	1	5	10	15	20	25	30
Record Low since 1/1/93	0.05	0.16	0.58	0.88	1.08	1.22	1.27
Record High since 1/1/93	4.95	5.60	6.15	6.65	6.85	6.90	6.95
Average since 1/1/93	1.86	2.60	3.26	3.70	3.96	4.10	4.15
Current (10/03/23)	3.74	3.45	3.50	3.99	4.20	4.35	4.39

- In the past two weeks, the municipal market has reacted to statements made by FED indicating that rates could potentially remain elevated longer than anticipated.

Changes in AAA MMD: September 18, 2023 vs. October 03, 2023



	1	5	10	15	20	25	30
9/18/2023	3.25	2.93	3.00	3.51	3.73	3.90	3.94
10/3/2023	3.74	3.45	3.50	3.99	4.20	4.35	4.39
Change	0.49	0.52	0.50	0.48	0.47	0.45	0.45

Changes in AAA MMD: September 18, 2023 vs. October 03, 2023

- The competitive sale for the District’s Aa2-Rated General Obligation School Bonds resulted in **6 bids** for the Series 2023A Bonds and **7 bids** for the Series 2023B ARS Bonds
- The Series 2023A all-in true interest cost is **4.67%** versus the **4.44%** estimate presented to the Finance Committee on August 28th, while the Series 2023B bonds have an all-in true interest cost of **4.71%** versus the **4.42%** estimate.
 - The market has moved significantly since the last Finance Committee meeting.

	1	5	10	15	20	25	30
8/28/2023	3.27	2.93	2.95	3.45	3.68	3.85	3.91
10/3/2023	3.74	3.45	3.50	3.99	4.20	4.35	4.39
Change	0.47	0.52	0.55	0.54	0.52	0.50	0.48

Changes in AAA MMD: August 28, 2023 vs. October 03, 2023

- MMD rates have continued to rise this year.

	1	5	10	15	20	25	30
12/30/2022	2.86	2.52	2.63	3.15	3.37	3.51	3.58
10/3/2023	3.74	3.45	3.50	3.99	4.20	4.35	4.39
Change	0.88	0.93	0.87	0.84	0.83	0.84	0.81

Changes in AAA MMD: December 30, 2022 vs. October 03, 2023

- The all-in true interest cost includes the interest rates, underwriter’s discount and all costs of issuance.

Bidder	True Interest Cost
KeyBanc Capital Markets	4.602530%
J.P. Morgan Securities LLC	4.702318%
Wells Fargo Bank, National Association	4.731441%
Morgan Stanley & Co, LLC	4.798436%
RBC Capital Markets	4.829880%
Robert W. Baird & Co., Inc.	4.920463%

- 6 bidders participated demonstrating strong interest in the District’s Aa2-rated General Obligation School Bonds
- Top two bids were about 10bps apart from each other with KeyBanc Capital Markets as the frontrunner
- KeyBanc submitted the lowest True Interest Cost of **4.60%** (not including cost of issuance)
- The True Interest Cost includes the yield, coupons and underwriter’s discount (not costs of issuance)

Note that these were preliminary numbers based on the bids. The issue was re-sized and final numbers are reflected on the next slides.

Bidder	True Interest Cost
J.P. Morgan Securities LLC	4.619605%
Wells Fargo Bank, National Association	4.681999%
Mesirow Financial, Inc.	4.691546%
KeyBanc Capital Markets	4.711383%
RBC Capital Markets	4.712336%
Morgan Stanley & Co, LLC	4.725745%
Robert W. Baird & Co., Inc.	4.747372%

- 7 bidders participated demonstrating strong interest in the District’s Aa2-rated General Obligation School Bonds
- Top two bids were about 7bps apart from each other with J.P. Morgan Securities LLC as the frontrunner
- J.P. Morgan submitted the lowest True Interest Cost of **4.62%** (not including cost of issuance)
- The True Interest Cost includes the yield, coupons and underwriter’s discount (not costs of issuance)

Note that these were preliminary numbers based on the bids. The issue was re-sized and final numbers are reflected on the next slides.

Significant Dates	Series 2023A	Series 2023B
Sale Date	October 3, 2023	October 3, 2023
Dated & Delivery Date	November 2, 2023	November 2, 2023
First Interest Payment Date	June 15, 2024	June 15, 2024
Final Principal & Interest Payment Date	November 1, 2043	June 15, 2043

Statistics	Series 2023A	Series 2023B
All-in True Interest Cost (including costs of issuance)	4.674669%	4.706283%
Par Amount of Bonds	\$41,600,000.00	\$38,555,000.00
Plus: Net Premium	\$1,840,470.60	\$1,851,145.35
Less: Costs of Issuance	(\$284,200.00)	(\$283,087.50)
Less: Underwriter's Discount (estimated)	(\$151,405.86)	(\$118,516.99)
Total Proceeds for Projects	\$43,000,000.00	\$40,000,000.00
Total Debt Service	\$69,049,626.56	\$61,531,064.03
Maximum Annual DS	\$6,602,597.22	\$3,079,100.00

FINAL DEBT SERVICE REPAYMENT STRUCTURE – SERIES 2023A

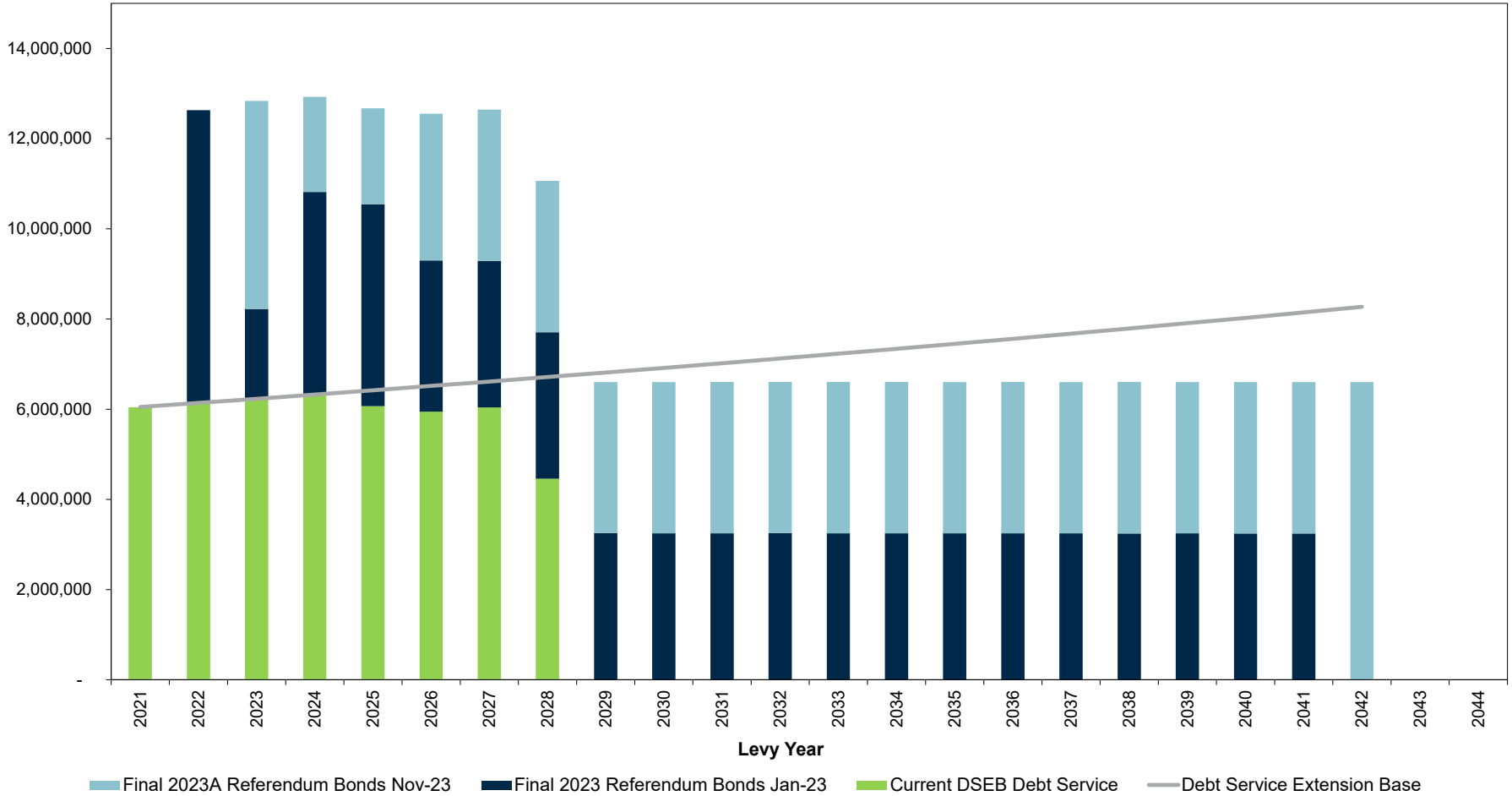
Year	Year	Equalized Assesed Valuation**	% Change	Final 2023 Referendum Bonds Jan-23	Final 2023A Referendum Bonds Nov-23	Total Estimated Referendum Bond Debt Service	Estimated Tax Rate Referendum Bond Debt Service	Estimated Tax** Increase due to Bonds \$100,000 Mkt Value Home	Estimated Tax** Increase due to Bonds \$300,000 Mkt Value Home	Estimated Tax** Increase due to Bonds \$400,000 Mkt Value Home	Estimated Tax** Increase due to Bonds \$500,000 Mkt Value Home	Estimated Tax** Increase due to Bonds \$600,000 Mkt Value Home
2022	2021	3,619,746,577	-7.53%									
2023	2022	3,619,746,577	0.00%	6,493,167	-	6,493,167	0.18	36	144	198	251	305
2024	2023	3,619,746,577	0.00%	1,991,800	4,613,879	6,605,679	0.18	37	146	201	256	311
2025	2024	3,619,746,577	0.00%	4,491,800	2,113,800	6,605,600	0.18	37	146	201	256	311
2026	2025	3,619,746,577	0.00%	4,476,800	2,127,238	6,604,038	0.18	37	146	201	256	310
2027	2026	3,619,746,577	0.00%	3,351,300	3,254,625	6,605,925	0.18	37	146	201	256	311
2028	2027	3,619,746,577	0.00%	3,250,550	3,352,425	6,602,975	0.18	37	146	201	256	310
2029	2028	3,619,746,577	0.00%	3,245,800	3,356,563	6,602,363	0.18	37	146	201	256	310
2030	2029	3,619,746,577	0.00%	3,252,300	3,351,500	6,603,800	0.18	37	146	201	256	310
2031	2030	3,619,746,577	0.00%	3,249,300	3,352,500	6,601,800	0.18	37	146	201	256	310
2032	2031	3,619,746,577	0.00%	3,247,050	3,358,250	6,605,300	0.18	37	146	201	256	311
2033	2032	3,619,746,577	0.00%	3,250,300	3,354,500	6,604,800	0.18	37	146	201	256	310
2034	2033	3,619,746,577	0.00%	3,248,550	3,356,500	6,605,050	0.18	37	146	201	256	310
2035	2034	3,619,746,577	0.00%	3,246,800	3,358,750	6,605,550	0.18	37	146	201	256	311
2036	2035	3,619,746,577	0.00%	3,249,800	3,351,000	6,600,800	0.18	37	146	201	256	310
2037	2036	3,619,746,577	0.00%	3,247,050	3,358,500	6,605,550	0.18	37	146	201	256	311
2038	2037	3,619,746,577	0.00%	3,248,550	3,355,250	6,603,800	0.18	37	146	201	256	310
2039	2038	3,619,746,577	0.00%	3,243,800	3,361,500	6,605,300	0.18	37	146	201	256	311
2040	2039	3,619,746,577	0.00%	3,247,800	3,355,250	6,603,050	0.18	37	146	201	256	310
2041	2040	3,619,746,577	0.00%	3,244,800	3,359,000	6,603,800	0.18	37	146	201	256	310
2042	2041	3,619,746,577	0.00%	3,244,800	3,356,000	6,600,800	0.18	37	146	201	256	310
2043	2042	3,619,746,577	0.00%	-	6,602,597	6,602,597	0.18	37	146	201	256	310
Total				\$ 69,522,117	\$ 69,049,627	\$ 138,571,743						
				All-In TIC: 3.67%	4.67%	4.17%	Est. Monthly Impact:	\$2.99	\$12.18	\$16.46	\$20.95	\$25.44
				Bond Proceeds: \$50,000,000	\$43,000,000	\$93,000,000						

*Debt service reflects final pricing for Series 2023 and 2023A General Obligation School Bonds.

**Zillow Median Home Value Index as of August 31, 2023 for Palatine \$312,507, Rolling Meadows \$287,925, Inverness \$704,777, and Hoffman Estates \$343,476;

Tax impact calculated market value times 10% times the Cook County 2022 multiplier of 3.0027, less homeowner deduction of \$10,000 times the tax rate per hundred of equalized assessed valuation.

Total Outstanding General Obligation Debt Service



**Cook County School District No. 15 (Palatine)
Series 2023B GO School Bonds (Alternate Revenue Source)**

Year Ending (6/30)	Series 2023	Total Debt Service
2023	-	-
2024	3,076,452	3,076,452
2025	3,074,100	3,074,100
2026	3,074,350	3,074,350
2027	3,076,600	3,076,600
2028	3,075,600	3,075,600
2029	3,076,350	3,076,350
2030	3,078,600	3,078,600
2031	3,077,100	3,077,100
2032	3,076,850	3,076,850
2033	3,077,600	3,077,600
2034	3,079,100	3,079,100
2035	3,076,100	3,076,100
2036	3,078,600	3,078,600
2037	3,076,100	3,076,100
2038	3,078,225	3,078,225
2039	3,074,313	3,074,313
2040	3,074,363	3,074,363
2041	3,077,850	3,077,850
2042	3,074,250	3,074,250
2043	3,078,563	3,078,563
2044	-	-
2045	-	-
TOTAL	\$61,531,064	\$61,531,064
Dated Date	11/02/23	
All In True Interest Cost	4.71%	4.71%
Proceeds	\$40,000,000	\$40,000,000

*Debt service reflects final pricing of Series 2023B Bonds.

Final Pricing Scale (10/3/2023)					
Par	\$41,600,000				
Issuer	CCSD No. 15 Cook County, IL (Palatine)				
Sale Date	9/13/23				
Issue	GO School Bonds, Series 2023A				
Tax Status	Tax-Exempt				
Sale Type	COMP				
Ratings	Aa2 / --				
Insurance	N/A				
Final Mat.	11/1/43				
Call	12/15/32	Call Price	100%		
Closing	11/2/23				
UW	KeyBanc (RJ as MA)				
Maturity	Par (1,000s)	Coupon	Stated Yield	YTM	Spread to MMD Stated/YTM
2023					
2024	2,255	5.250%	3.990%		0.29%
2025	125	5.250%	4.000%		0.36%
2026	145	5.250%	4.000%		0.50%
2027	1,280	5.250%	3.850%		0.43%
2028	1,445	5.250%	3.850%		0.44%
2029	1,525	5.250%	3.860%		0.45%
2030	1,600	5.250%	3.860%		0.46%
2031	1,685	5.000%	3.890%		0.47%
2032	1,775	5.000%	3.920%		0.48%
2033	1,860	5.000%	3.960%	4.04%	0.50% / 0.58%
2034	1,955	5.000%	4.130%	4.25%	0.60% / 0.72%
2035	2,055	5.000%	4.150%	4.32%	0.52% / 0.69%
2036	2,150	5.000%	4.260%	4.44%	0.52% / 0.70%
2037	2,265	5.000%	4.380%	4.55%	0.54% / 0.71%
2038	2,375	5.000%	4.480%	4.64%	0.54% / 0.70%
2039	2,500	5.250%	4.540%	4.78%	0.56% / 0.80%
2040	2,625	5.000%	4.600%	4.75%	0.58% / 0.73%
2041	2,760	5.000%	4.670%	4.80%	0.60% / 0.73%
2042	2,895	5.000%	4.770%	4.86%	0.65% / 0.74%
2043	6,325	5.000%	4.850%	4.91%	0.70% / 0.76%

Final Pricing Scale (10/3/2023)					
Par	\$38,555,000				
Issuer	CCSD No. 15 Cook County, IL (Palatine)				
Sale Date	10/3/23				
Issue	GO School Bonds (ARS), Series 2023B				
Tax Status	Tax-Exempt				
Sale Type	COMP				
Ratings	Aa2 / --				
Insurance	N/A				
Final Mat.	12/15/43				
Call	6/15/33	Call Price	100%		
Closing	11/2/23				
UW	JP Morgan (RJ as MA)				
Maturity	Par (1,000s)	Coupon	Stated Yield	YTM	Spread to MMD Stated/YTM
2023					
2024	1,855	5.000%	4.000%		0.30%
2025	1,195	5.000%	4.020%		0.38%
2026	1,255	5.000%	3.900%		0.40%
2027	1,320	5.000%	3.840%		0.42%
2028	1,385	5.000%	3.840%		0.43%
2029	1,455	5.000%	3.860%		0.45%
2030	1,530	5.000%	3.880%		0.48%
2031	1,605	5.000%	3.920%		0.50%
2032	1,685	5.000%	3.970%		0.53%
2033	1,770	5.000%	4.000%	4.04%	0.54% / 0.58%
2034	1,860	5.000%	4.070%	4.17%	0.54% / 0.64%
2035	1,950	5.000%	4.180%	4.31%	0.55% / 0.68%
2036	2,050	5.000%	4.330%	4.47%	0.59% / 0.73%
2037	2,150	5.250%	4.450%	4.65%	0.61% / 0.81%
2038	2,265	5.250%	4.550%	4.75%	0.61% / 0.81%
2039	2,380	5.250%	4.670%	4.85%	0.69% / 0.87%
2040	2,505	5.250%	4.720%	4.90%	0.70% / 0.88%
2041	2,640	5.250%	4.770%	4.94%	0.70% / 0.87%
2042	2,775	5.250%	4.820%	4.98%	0.70% / 0.86%
2043	2,925	5.250%	4.850%	5.01%	0.70% / 0.86%

COMPARABLE TRANSACTIONS: SERIES 2023A&B

Final Scale	
Par	\$7,760,000
Issuer	SD No. 10 DuPage County, IL (Itasca)
Sale Date	9/12/23
Issue	GO School Bonds, Series 2023
Tax Status	Tax-Exempt
Sale Type	COMP
Ratings	Aa1 / --
Insurance	N/A
Final Mat.	1/1/42
Call	1/1/33 Call Price 100%
Closing	10/3/23
UW	Stifel

Final Scale	
Par	\$13,315,000
Issuer	HSD No. 87 DuPage County, IL (Glenbard)
Sale Date	9/12/23
Issue	GO School Bonds, Series 2023
Tax Status	Tax-Exempt
Sale Type	COMP
Ratings	-- / AA+
Insurance	N/A
Final Mat.	4/1/39
Call	4/1/33 Call Price 100%
Closing	10/3/23
UW	Mesirow

Final Scale	
Par	\$12,930,000
Issuer	CCSD No. 46 McHenry County, IL (Prairie Grove)
Sale Date	8/21/23
Issue	GO School Bonds (ARS) Series 2023
Tax Status	Tax-Exempt
Sale Type	COMP
Ratings	-- / AA
Insurance	N/A
Final Mat.	2/1/44
Call	2/1/33 Call Price 100%
Closing	9/11/23
UW	Raymond James

Final Scale	
Par	\$7,075,000
Issuer	SD No. 56 Lake County, IL (Gurnee)
Sale Date	8/7/23
Issue	GO Limited School Bonds, Series 2023
Tax Status	Tax-Exempt
Sale Type	COMP
Ratings	-- / AA+
Insurance	N/A
Final Mat.	1/1/36
Call	1/1/33 Call Price 100%
Closing	8/28/23
UW	StoneX

Maturity	Par (1,000s)	Coupon	Stated Yield	YTM	Spread to MMD	
					Stated/YTM	MMD
2023						
2024						
2025	315	5.000%	3.600%			0.38%
2026	415	5.000%	3.500%			0.40%
2027	435	5.000%	3.400%			0.45%
2028	455	5.000%	3.350%			0.46%
2029	480	5.000%	3.350%			0.47%
2030	505	5.000%	3.350%			0.47%
2031	250	5.000%	3.350%			0.44%
2032	265	4.500%	3.400%			0.45%
2033	280	4.500%	3.500%			0.55%
2034						
2035	590	4.000%	3.700%	3.74%	0.61%	0.65%
2036						
2037	635	4.000%	3.900%	3.93%	0.51%	0.54%
2038						
2039	695	4.000%	4.100%			0.57%
2040						
2041	760	4.125%	4.200%			0.58%
2042	1,680	4.255%	4.250%			0.58%

Maturity	Par (1,000s)	Coupon	Stated Yield	YTM	Spread to MMD	
					Stated/YTM	MMD
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032	1,395	5.000%	3.350%			0.40%
2033	1,465	5.000%	3.380%			0.42%
2034	1,535	5.000%	3.450%	3.57%	0.44%	0.56%
2035	1,615	5.000%	3.570%	3.77%	0.46%	0.66%
2036	1,695	5.000%	3.730%	3.97%	0.48%	0.72%
2037	1,780	5.000%	3.880%	4.14%	0.49%	0.75%
2038	1,870	5.000%	3.990%	4.26%	0.50%	0.77%
2039	1,960	5.000%	4.030%	4.32%	0.50%	0.79%

Maturity	Par (1,000s)	Coupon	Stated Yield	YTM	Spread to MMD	
					Stated/YTM	MMD
2023						
2024						
2025	110	5.000%	3.600%			0.45%
2026	350	5.000%	3.420%			0.40%
2027	370	5.000%	3.310%			0.40%
2028	385	5.000%	3.290%			0.41%
2029	405	5.000%	3.290%			0.44%
2030	425	5.000%	3.290%			0.46%
2031	450	5.000%	3.290%			0.48%
2032	470	5.000%	3.320%			0.50%
2033	495	5.000%	3.390%			0.50%
2034	520	5.000%	3.470%	3.59%	0.51%	0.63%
2035	540	5.000%	3.560%	3.76%	0.52%	0.72%
2036	570	5.000%	3.720%	3.96%	0.56%	0.80%
2037	600	5.000%	3.900%	4.16%	0.62%	0.88%
2038	630	4.000%	4.250%			0.86%
2039	655	4.125%	4.300%			0.87%
2040	685	4.125%	4.340%			0.87%
2041	715	4.250%	4.400%			0.88%
2042	1,455	4.250%	4.470%			0.89%
2043	1,515	4.500%	4.520%			0.90%
2044	1,585	4.500%	4.550%			0.90%

Maturity	Par (1,000s)	Coupon	Stated Yield	YTM	Spread to MMD	
					Stated/YTM	MMD
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032	1,490	5.000%	3.250%			0.55%
2033	1,565	5.000%	3.300%			0.53%
2034	1,640	5.000%	3.350%	3.48%	0.51%	0.64%
2035	1,725	5.000%	3.450%	3.67%	0.53%	0.75%
2036	655	5.000%	3.550%	3.83%	0.51%	0.79%

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