Financing Infrastructure in Challenging Times
Long Term Borrowing for Capital Needs

1. Funding Bonds
2. Health Safety Prevention Bonds
3. Building Bonds
4. Installment Contract Debt Certificates
5. Alternate Revenue Bonds
Funding Bonds

- Issued to pay claims of the District (including Contracts', Invoices, Debt Certificates)
- Must adopt Resolution of Intent and publish in local newspaper
- "Backdoor" period of 30 days for residents to collect signatures
- If 10% or more of the registered voters of the District sign the petition, the proposition goes on the ballot at the next scheduled election
Health Safety Prevention Bonds

- Issued to alter and repair any physical facilities of the college for the protection, health or safety of students, employees or visitors

- Not subject to direct or backdoor referendum

- Must have architect's estimate approved by ICCB

- Maximum amount of Bonds cannot exceed $4,500,000 principal amount outstanding
Building Bonds

- Must be approved by referendum
- Issued to pay the cost of acquiring sites and building, equipping, altering, repairing and reconstructing new and existing school buildings and additions
- Secured by a levy of direct annual tax without limitation as to rate or amount
The purchase of a site or sites for college purposes requires the additional approval of the ICCB.
Installment Contract Debt Certificates

- Issued to evidence obligations incurred under installment contracts
- Maximum term is 20 years
- No separate tax levy to pay P&I on the Certificates
- Treasurer of District acts as the counterparty to the agreement
- Can be repaid with Funding Bonds
Alternate Revenue Bonds

- Can be issued for capital projects
- Payable from identifiable revenue source (e.g., enterprise revenues, income streams, monies to be received into other funds)
- Must have 125% coverage from the alternate sources
- Bonds also contain a back up property tax levy (only used in cases where alternate revenue stream falls short)
- Does not count as debt of the District and can be issued without regard to the tax cap
**Build America Bonds**

- ARRA created
- 35% Rebate of Interest Payable to District
- Must be for new money
- All money must be used for Projects
- Expires December 31, 2010 (unless extended)
- G.O. Bonds, Alternate Revenue Bonds, Debt Certificates can all be issued as Build America Bonds
Recovery Zone Bonds

- Project must be located in a Recovery Zone
- Must be issued for new money
- 45% rebate of interest payable to District
- All Money must be used for Projects.
- Expires December 31, 2010 (unless extended)
- Allocations obtained from the County
- G.O. Bonds, Alternate Revenue Bonds and Debt Certificates can all be issued as Recovery Zone Bonds.
Miscellaneous Tax Credit Bonds

- **NCREBS**
  - For new energy generation projects
  - Wind, Solar, etc.

- **QECBS**
  - For energy savings and conservation projects
Public Act 96-0501

- Debt Service Extension Base will now increase each levy year by the lesser of 5% or the percentage increase in the C.P.I. during the preceding calendar year
- Effective with 2009 levy year
- Is not retro active
Tim represents park districts, schools, community colleges, park districts, counties, townships, municipalities and other units of local government in all matters related to the issuance of municipal securities. He also maintains an active practice as underwriter and disclosure counsel on municipal debt issues.

He has been involved with hundreds of bond transactions across the State of Illinois and is a frequent speaker on municipal, park district, county, township, and school and community college finance. He has authored several articles on public finance topics.

He is also active in local government, having served as Vice Chairman of McHenry County College and currently an elected Park District Commissioner and Vice President for the Glencoe Park District.

Tim is a member of the Illinois Government Finance Officers Association (IGFOA), the Illinois Association of Park Districts, Illinois Community College Trustees Association, Illinois Association of School Administrators and has served two terms on the State Bar of Illinois Section Council on Local Government Law.

Tim earned a bachelor of science degree in political science and history from Ball State University. He received his juris doctorate, cum laude, from Thomas M. Cooley Law School.

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