

Orange Board of Education
\$3,744,000
School Bonds, Series 2018

Presentation November 13, 2018
Public Board Meeting

Ronald C. Lee, Interim Superintendent
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City Notes Payable

- Board of Education approved in January, 2016 approved a resolution for the City to float a \$3.7 Million Bond to be used for facility upgrades not covered by New Jersey Schools Development Authority (NJSDA).
- City issued a 6 month Note on June 8, 2017, in the amount of \$2,550,000.00 for School Bond Ordinance **33-2017**,

On December 8, 2017 :-

- The City refunded the \$2,550,000 (6-month) temporary note to a one year note
- The new note, which includes School Bond Anticipation Note for Ord **33-2017** in the amount of \$2,550,000 (the proceeds of which the school district already has)
- The City also issued a second School Bond Ordinance **52-2017** in the amount of \$1,194,000 (which is held by City)
- Ordinances 33-2017 and 52-2017 = \$3,744,000 (which includes \$44,000 cost of debt) .

Policies and Practices Reviewed by Standard & Poor's (S&P)

- The School District recently changed its status from type I to type II.
- As a type II district, the district has to raise its own debt
- The City Tax Base is mostly comprised of 75% residential and 23% commercial/industrial.
- The Top Ten Taxpayers represent only 7.17% of the total assessment.
- The City's unemployment rate is above County, State and National levels but has been trending downward since 2013.
- School District's Fund Balance growth.
- School district is a low debt burden.

District Obtained a Bond Rating of:- **A (by S&P)**

Policies and Practices

Reviewed by Standard & Poor's (S&P)

Fund Balance Policy

Fund balance is capped at 2% by State statute, any excess must be appropriated in subsequent year budget

Debt Policy

No formal debt policy, however, State accountability regulations require that outstanding debt is reviewed annually.

Investment Policy

Adopted cash management plan that specifies permitted investments, which conforms to State guidelines.

Budget Status Reports

Monthly budget to actual status reports are provided to the governing body.

Budget Forecasting

Maintains 1 year of budget forecasts and surplus projections.

Capital Plan

Maintains a 5 year Long Range Facilities/Capital Plan that is updated periodically, as needed.

District Bond Intent

- On October 11, 2018 district bid for Bond
- Two prospective bidders:-
 - Bid #1 = 3.480912%
 - Bid #2 = 3.578373%

Maturities: September 1, 2019 to 2032

Proceeds will be used to refund the City for the \$2,550,000 and any funds used by the district from the \$1,194,000 note plus accrued interest through December 7, 2018.

- City Note maturing on December 7, 2018.

District's Debt Amortization

- 1st Interest payment is due on 9/01/2019
- 2nd Interest payment is due on 3/01/2020
- 1st Interest and Principal is due 9/01/2020
- Last Principal & Interest is due 6/30/2032

Playground/ Window Replacement Parking lot Repaving

Schools	New Playground & Play Equipment	Window Repair & Replacement	Parking Lot Repaving
Forest ***	75,000	-	45,000
Heywood ***	75,000	-	45,000
Oakwood	95,000	75,000	65,000
Central	135,000	-	45,000
Mt. Carmel	95,000	-	-
396 Clarendon Place	-	-	73,240
386 Clarendon Place	-	-	68,240
366 Clarendon Place	-	-	80,826
Orange IT Building 455 Fairview Av	-	-	45,000
C.I.A.O.	-	-	95,000
Admin. Building	-	-	55,000
464 Mountain View (Proposed)	-	-	45,000
Totals:	475,000	75,000	662,306

Renovations and fitouts/Trailer Doors Replacement/Repointing/Ramp Resurfacing

	Renovations & Fitout	Trailer Doors Replacement	Brick Repointing	Ramp Re-Surfacing
Schools	-	15,000	65,000	-
Oakwood	-	-	-	15,000
Central	96,750	-	-	-
Orange IT Building 455 Fairview Av	-	-	-	-
Total	96,750	15,000	65,000	15,000

Paving & drainage Repair/Glass Enclosure/ Gate Relocation/ Heating System/Renovation Of Building Security

	Concrete Pave-way Drainage & Repair	Glass Enclosure Damages Repair	Gate Relocation	Heating System	Install/Renov ate Building Security
Schools					
Forest ***	-	-	-	-	22,000
Heywood ***	-	-	15,000	-	20,000
Oakwood	-	-	-	-	20,000
Central	95,000	20,000	-	-	28,100
Mt. Carmel	-	-	-	-	28,100
C.I.A.O.	-	-	-	-	20,425
Orange Preparatory	-	-	-	75,000	18,000
Lincoln	-	-	-	-	12,000
	-	-	-	-	
Orange Early Child 397 Park Av					19,875
Orange High	-	-	-	-	19,875
Park Ave	-	-	-	-	13,125
Totals:	95,000	20,000	15,000	75,000	221,500

Boiler Replacement& Renovations/Green House/ Auditorium Lights & Sounds/Intercom Systems/Demolitions Property Acquisitions

	Boiler/HVAC Replacement & Upgrades	Greenhouse	Auditorium Light & Sound System	Intercom Systems	Demolition	Property Acquisition
Schools						
Forest ***	-		30,625	19,500	-	-
Heywood ***	-		30,625	19,500	-	-
Oakwood	118,231		25,625	19,500	-	-
Central	115,105		25,625	19,500	-	-
Mt. Carmel	-		30,625	19,500	-	-
396 Clarendon Place	-		-	-	50,000	-
386 Clarendon Place	-		-	-	50,000	-
366 Clarendon Place	-		-	-	50000	-
Orange Preparatory	180,406		30,625	19,500	-	-
Lincoln	-		30,625	19,500	-	-
Orange Early Child 397 Park Av	-		-	19,500	-	-
Orange High	-		-	19,500	-	-
Oakwood Greenhouse	-	110000	-	-	-	-
Property Acquisition /Renovation district wide	-		-	-	-	702000
464 Mountain View (Proposed)	-		-	-	38,827	75,000
Totals:	413,742	110,000	204,375	175,500	188,827	777,000

Projects Cost Summary

• New Playground & Play Equipment	\$475,000
• Window Repair & Replacement	\$75,000
• Parking Lot Repaving	\$662,306
• Renovations & Fitout	\$96,750
• Trailer Doors Replacement	\$15,000
• Brick Repointing	\$65,000
• Ramp Re-Surfacing	\$15,000
• Concrete Pave-way Drainage & Repair	\$95,000
• Glass Enclosure Damages Repair	\$20,000
• Gate Relocation	\$15,000
• Heating System	\$75,000
• Install/Renovate Building Security	\$221,500
• Boiler HVAC Replacements	\$413,742
• Greenhouse	\$110,000
• Auditorium Light & Sound System	\$204,375
• Intercom Systems	\$175,500
• Demolition	\$188,827
• Property Acquisition	\$777,000
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	TOTALS 3,700,000