GENERAL OBLIGATION BOND
PUBLIC HEARING

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August 27, 2020
Overview & Purpose

1. What Is A General Obligation (GO) Bond?
2. Why Is Additional Capital Needed?
3. General Obligation Bonds
4. Summary
What is a General Obligation (GO) Bond?

**GO Bond Definition**

**A GO Bond is:**
- Backed by full faith and credit of Board.
- A pledge to utilize tax revenues to repay bondholders.
- Subject to Indiana legal limit.

**A GO Bond is not:**
- Supported by project or fee revenue.
- A first-mortgage bond (not leased from a building corporation).
Why is Additional Capital Needed?

- To fund technology purchases in support of...
- Strategic Shift to 1:1 Technology & Connectivity while adopting Digital Curriculum
Technology Investments in response to COVID-19

- $16.5 million spent since March 2020 for
  - 12,000 Ipads
  - 20,000 Chromebooks
  - 7,000 Mifis
- Philanthropy and Grant revenue sources do not fund 100% of cost...yet
- GO Bonds would fund 1/3 of cost = $5.2 million
### General Obligation Bonds

#### Process

<table>
<thead>
<tr>
<th>When</th>
<th>What</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2020</td>
<td>Adopted Reimbursement Resolution</td>
<td>Board of School Commissioners</td>
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</tbody>
</table>
| August 2020   | **Public Hearing**  
               | **Adoption of Project Resolution**                | **Board of School Commissioners**  |
|               | **Adoption of Preliminary Bond Resolution**        |                                    |
| September 2020| Hearing on Additional Appropriation                 | Board of School Commissioners      |
|               | Adopt Additional Appropriation Resolution           |                                    |
|               | Adopt resolution to issue GO Bonds                 |                                    |
| October 2020  | Sell bonds                                          | Administration and Staff           |
| November 2020 | Bond Proceeds Received                               | Administration and Staff           |
| January 2021  | First payment on bonds                              | Administration and Staff           |
All IPS students and staff need additional technology to support a 1:1 digital curriculum.

IPS students and staff deserve high-quality educational environments.

IPS must retain sufficient cash balances while continuing to meet capital needs.