

**THE SCHOOL DISTRICT OF PHILADELPHIA
SPECIAL MEETING OF THE SCHOOL REFORM COMMISSION**

MARCH 26, 2015

A special public meeting was held by the School Reform Commission on March 26, 2015 in the Auditorium of the School District of Philadelphia Education Center, 440 North Broad Street.

The special meeting was convened at 11:05 a.m. by Chair Neff. She stated that the purpose of the meeting is to authorize the issuance of five series of bonds which includes: \$80 million of State Public School Building Authority School Lease Revenue Refunding Bonds; \$46,770,000 of General Obligation Bonds – Series 2015A; \$13,505,000 of General Obligation Refunding Bonds – Series 2015B; \$44,545,000 of taxable General Obligation Refunding Bonds – Series 2015C; and \$128,620,000 of forward delivery General Obligation Refunding Bonds – Series 2015D. Chair Neff stated that the refinancing portion of the bond issuances will result in average annual debt service savings of \$3.3 million from FY2015 through FY2023, and approximately \$900,000 annually through 2026. She also stated that the new money will generate proceeds for capital projects in the amount of \$52.4 million with annual debt service of approximately \$3.7 million through 2036 which is accounted for in the five-year plan.

Michael A. Davis, General Counsel, announced that notice of the special meeting was published in the Philadelphia Inquirer and Philadelphia Daily News on March 20, 2015.

Members present: Mr. Green, Ms. Houston, Ms. Jimenez (*via telephone conference call*), Ms. Simms, Chair Neff – 5

Members Absent: 0

Matthew Stanski, Chief Financial Officer, provided an overview of the transactions. He stated that the District sold bonds maturing in the years 2016 through 2035 with yields ranging from .38% to 4.038% which includes the taxable bonds. Mr. Stanski stated that the final overall yield of all the bonds is approximately 2.7%, with an average life of six years. The total gross savings is \$32.7 million and present value savings is \$25.2 million or 8.8%. The transaction provides an annual savings of \$3.3 million through 2023 and \$900,000 from 2024 through 2026. In response to Commissioner Green, Mr. Stanski clarified that the amount of the General Obligation Refunding Bonds – Series 2015C is \$44,565,000.

Andre Allen, Phoenix Capital, stated that the financing was extremely successful.

The following resolutions were presented for formal action by the School Reform Commission:

I. SCHOOL REFORM COMMISSION

***SRC-1**

Authorization of the Issuance of General Obligation Bonds Series A of 2015; General Obligation Refunding Bonds Series B of 2015; General Obligation Refunding Bonds Series C of 2015 (Federally Taxable); and General Obligation Refunding Bonds Series D of 2015

The vote was as follows:

Yeas: Mr. Green, Ms. Houston, Ms. Jimenez, Ms. Simms, Chair Neff – 5

Nays: 0

**A complete copy of resolution SRC-1 is on file with the minutes of the School Reform Commission.*

***SRC-2**

Authorization of the Incurrence of Lease Rental Debt

The vote was as follows:

Yeas: Mr. Green, Ms. Houston, Ms. Jimenez, Ms. Simms, Chair Neff – 5

Nays: 0

**A complete copy of resolution SRC-1 is on file with the minutes of the School Reform Commission.*

II. EDUCATION SUPPORT SERVICES

None Submitted

III. EDUCATION SERVICES

None Submitted

Chair Neff thanked Mr. Stanski, the financial advisors, bond counsel, the underwriters and their counsel for their fine work.

On motion, the meeting was adjourned at 11:13 a.m.

Marjorie G. Neff, Chair
School Reform Commission

William R. Hite
Superintendent