

MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
BOARD OF SCHOOL TRUSTEES  
Regular Meeting, May 19, 2009

FOR ACTION: Authorize participation in the Indiana Bond Bank's 2009 Mid-Year Warrant Assistance Program.

RECOMMENDATION:

It is recommended that the Board adopt the attached resolution authorizing participation in the Indiana Bond Bank's 2009 Mid-Year Warrant Assistance Program.

BACKGROUND DATA:

The Monroe County Community School Corporation has participated in the Indiana Bond Bank Advance Funding Programs in the past. This has proven to be a source of low interest loans that enable the school corporation to fund current operations pending the receipt of tax revenues.

During 2009, the Debt Service and Transportation Funds borrowed funds through the Indiana Bond Bank. The interest rate is 1.79%. We have been advised by our county treasurer's office that the tax rates have not yet been set and so the spring property tax distributions may be delayed. We recommend the Indiana Bond Bank for the 2009 mid-year program because the Indiana Bond Bank is easier to work with administratively and their interest rates are competitive with the open market.

We do not yet have an estimated interest rate for the 2009 Mid-Year Program. Per the resolution, the annual interest rate may not exceed a maximum of 6.5%.

The participating funds and the preliminary warrant amounts that are available through the 2009 Mid-Year Program are not yet available and will be provided at the meeting.