

CONDUCTING A SUCCESSFUL BOND REFERENDUM



BERGEN COUNTY ASBO
OCTOBER 17, 2019

TONY SOLIMINE, ESQ.
MCMANIMON, SCOTLAND & BAUMANN, LLC

SHERRY L. TRACEY
PHOENIX ADVISORS, LLC

Assemble Your Team

- Determine who from within the School District will be key in referendum planning
 - Superintendent, Business Administrator, Facilities Director, Principals, Finance/Facilities Committee, Board of Education
- Outside Professionals
 - Licensed Architect, Bond Counsel, Municipal/Financial Advisor, Auditor, Construction Manager, Public Relations Professional

Identify Capital Needs

- Evaluate Each School and Building
 - Facilities Audit/Assessment
 - Work with your Team
- Prioritize Projects
 - Prioritize for Both Need and Potential Debt Service Aid
 - Renovation or Rehabilitation vs. New Construction
 - Consider Utilizing Capital Reserve for Smaller Projects Not Receiving Debt Service Aid, if possible
- May be Helpful to Form a Committee

Review Existing/Outstanding Debt

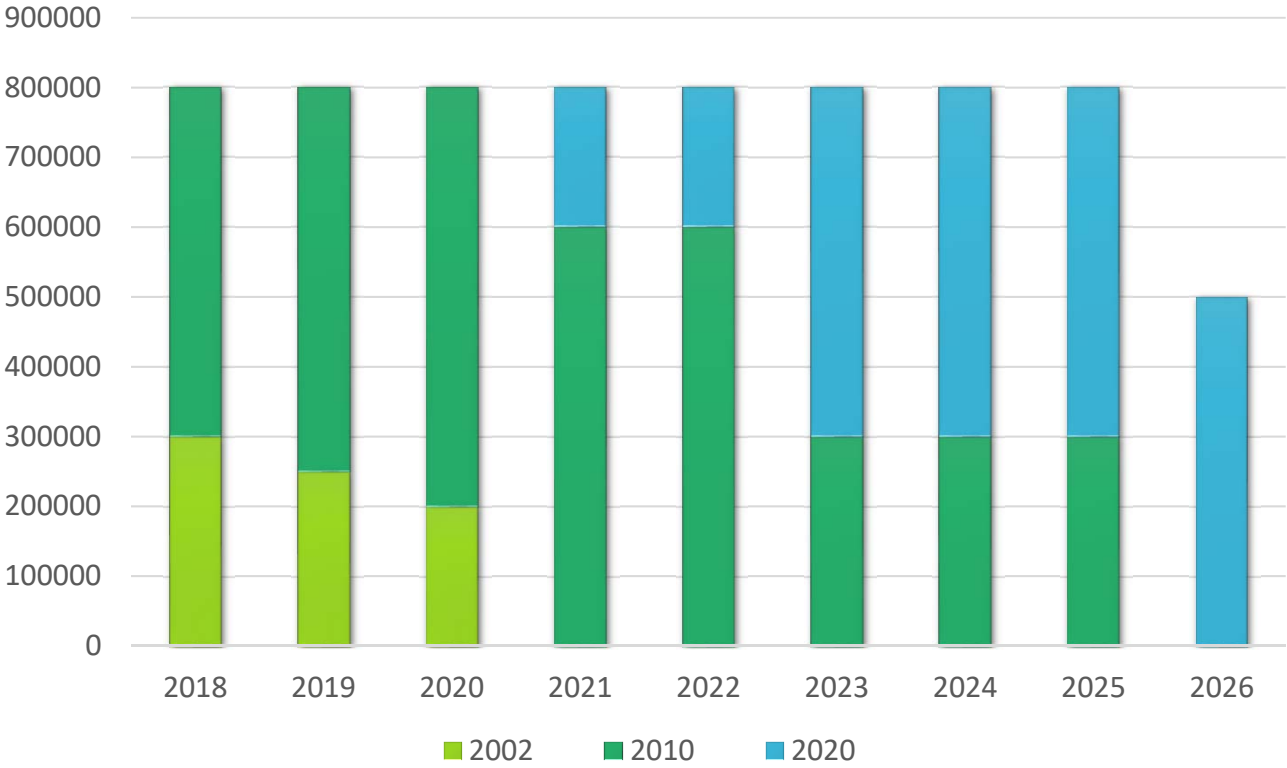
- Plan for Future Projects; and
- Potentially Refund Existing Debt

- Look for Significant Declines in Existing Debt Service
- New Debt Could be Added with Minimal or No “Net” Tax Impact
- Planning for Future Projects- it takes time... if you have debt falling off in several years start planning today!
- Once tax rate for debt service falls off, it is difficult to get it back!


Sample Debt Structure

Plan to “Wrap” Debt

Existing and Proposed Debt



Determine Projects to Include

- Submit Applications to DOE early –5 to 6 months prior to referendum date
 - Five Times per Year to Conduct a Referendum
 - 4th Tuesday in January
 - 2nd Tuesday in March
 - Last Tuesday in September,
 - 2nd Tuesday in December &
 - Your Annual Election
 - Work with Professionals to Determine Tax Impact
 - Consider a Second Question, if needed
- 

Create Your Marketing Strategy

- Referendums are Elections!
- Develop your “Get Out the Vote” Strategy
 - Public Presentations
 - Mailers
 - Social Media
 - Informational Sessions
- Consider Enlisting Help from Community Leaders
 - Your Annual Election
- Work with Professionals to Determine Tax Impact
- Consider a Second Question, if needed

Questions?

Tony Solimine, Esq.
McManimon, Scotland & Baumann, LLC
casolimine@msbnj.com
(973) 622-4893

Sherry L. Tracey
Phoenix Advisors, LLC
stracey@muniadvisors.com
(609) 291-0130

