



## Executive Summary Finance Committee Meeting

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DATE: May 21, 2026

TOPIC: PMA Municipal Advisory Agreement

PREPARED BY: Courtney Whited

### Recommended for:

- Action
- Discussion
- Information

### Purpose/Background:

The Board of Education approves all Agreements and expenditures over \$10,000.

This Agreement describes the nature of the services that PMA will be providing for the District and its compensation structure relative to the current \$6.0 Million Dollar Bond Issue.

This type of agreement is essentially required by federal securities laws/regulations and by accounting standards that will be applied by both the auditor and the bond counsel (Chapman & Cutler) in moving to issue the bonds.

The fee structure is set out at Section VI. Given that SD74 is contemplating \$6,000,000, PMA indicates the estimated fee as \$31,050, but this changes if the District were to change the amount of the bonds. It is subject to Illinois law. A court venue is not specified for disputes and there is no reference to binding arbitration.

The agreement can be terminated by the District upon 30 days prior written notice (Section V).

SD74's Legal Counsel expressed no concerns about proceeding with the Municipal Advisory Agreement as presented.

**Fiscal Impact:** \$31,050

<u>Public Offering Price</u>		Standard Fee Amount For
>	< or = to	Financial Advisory Services Described in Section I
\$0	- \$500,000	\$0 plus \$7,500
\$500,000	- \$2,000,000	\$7,500 plus \$5.00 / \$1,000 for amount > \$500,000
\$2,000,000	- \$5,000,000	\$15,000 plus \$4.25 / \$1,000 for amount > \$2,000,000
\$5,000,000	- \$10,000,000	\$27,750 plus \$3.00 / \$1,000 for amount > \$5,000,000

For example, for an issuance of Securities with a par amount of \$6,000,000 and a public offering price of \$6,100,000, the fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement would be \$31,050, which calculates to \$5.09 per \$1,000 plus \$4,000 for the services described in Section I.B.4.

**Recommendation:**

The Finance Committee concurs with the Administration's recommendation to the Board of Education to approve this Municipal Advisory Agreement from PMA Securities, LLC for the General Obligation Limited Tax School Bonds, Series 2027.