

College Station Independent School District



Success...each life...each day...each hour

MEMORANDUM

To: Dr. Clark Ealy, Superintendent

From: Mike Martindale, Deputy Superintendent

Date: February 15, 2017

Subject: \$67,950,000 Unlimited Tax Building Bonds, Series 2017 Sales Report

Agenda Item: J-1

Board Priority/
District Goal: Priorities 1, 2 Goals 1, 2, 3

Background

On Wednesday, January 18, 2017, College Station ISD sold \$67,950,000 (remaining 50%) of the approved \$135,900,000 2015 Bond Program, securing a True Interest Rate of 3.19% with Bank of America Merrill Lynch.

The interest rate of 3.19% produces average annual debt service payments of \$4,065,000. When we initially budgeted for this bond sale in July 2015, we assumed an interest rate of 4.20% with average annual payments of \$4,500,000.

Although this interest rate is higher than the rate we secured for last year's bond sale, please note that the 3.19% interest rate is the second-lowest rate attained for the District from nine previous new money bond sales dating to the year 1999.

Recommendation

It is recommended that the Board of Trustees of College Station Independent School District receive a report regarding the sale of \$67,950,000 Unlimited Tax Building Bonds, Series 2017.

MM
Mike Martindale
Deputy Superintendent for
Business and Operations

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CLARK C. EALY, Ph.D.
Superintendent of Schools

CE 2/15/17