



College Station Independent School District

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

MEMORANDUM

To: Mike Martindale, Superintendent *mt*

From: Amy Drozd, Chief Financial Officer *ADrozd*

Date: December 8, 2021

Subject: Certificate for Order authorizing the issuance of unlimited tax school building bonds

Agenda Item: J – 1.

BACKGROUND

On November 2, 2021, the voters of CSISD approved 3 of 4 bond referendums totaling \$78,125,000. The next step will be to sell the bonds, making funds available to the district to spend.

There are two methods available to sell bonds:

- Negotiated – The district selects one or more underwriters based on qualifications to purchase the bonds. The selected underwriter(s) then sells the bonds to its investor customers. The terms of the sale are “negotiated” by the issuer and bond purchaser.
- Competitive – The district, with the assistance of our financial advisor, advertises a date, time, and terms of the sale and bond issue. Any broker dealer or dealer bank may bid on the bonds at the designated date and time. The award is based on the lowest interest cost.

It is recommended CSISD utilize the competitive method. The attached Certificate of Order authorizes the issuance of unlimited tax school building bonds, appoints the Superintendent or Chief Financial Officer as the pricing officer, and delegates to the pricing officers to approve the sale of the bonds within certain parameters. By delegating the responsibility, CSISD has the flexibility to set the most advantageous date for the bid and sale. Without this delegation, the bid and sale date will have to be scheduled with a board meeting date to allow for approval of the sale within the required time.

RECOMMENDATION

It is recommended the Board of Trustees approve the order as presented.