



**JARRELL INDEPENDENT SCHOOL DISTRICT**  
**Memo to the Board of Trustees**



**Date:** April 16, 2025  
**Reported by:** Sledge Engineering  
**Subject:** 2017 Bond Update presented by Robert Navarro and Sledge Engineering

**Background Information:**

The purpose of this communication item is to hear the 2017 Bond update from Robert Navarro, CFO and the District's Program Manager, Sledge Engineering.

The 2017 Bond includes approximately \$2.2 million in unused funds. The Bond Counsel and Financial Advisor have completed their evaluation of any arbitrage impacting the use of these funds. A brief summative of arbitrage from Google

“When school districts issue tax-exempt bonds, they are subject to arbitrage rules, which prevent them from using the bond proceeds to invest in higher-yielding investments and pocket the difference as profit, or "arbitrage". To comply, school districts must either spend bond proceeds quickly or, if they invest the proceeds, ensure the investments don't yield more than the bond yield, or they may need to rebate the excess earnings to the IRS.”

The consultants have verified that JISD does not owe any money as a result of arbitrage. The funds are available for construction projects and related expenses. Current needs include:

1. JHS Stadium Turf replacement and track resurface \$1.1 million
2. JHS 2007 roof replacement \$1 million (balance of \$2 million covered by 2021 or 2023 Bond)
3. JES, IES, and JMS technology refresh (excluding 1 to 1 devices) \$100,000 - \$300,000
4. Infrastructure improvements at various campuses – pending further assessment

Priority items will be bid or procured and presented to board as action items at future meetings.

**Strategic Goal:**

**Item Addressed:**

No action item at this time.

**Budget Information:**

No budget impact at this time.

**Recommended Action:**

No action item at this time.