

***Manor Independent School District***  
***Board of Trustee Meeting Agenda Item***  
*March 3, 2025*

<b>ACTION ITEM SHEET</b>
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**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF A Resolution authorizing the Defeasance of certain portions of the District’s currently Outstanding Obligations and other matters related thereto.

**Supporting Documents:**

1. Board Resolution and 2025 Maintenance Tax Note related documents

**District Goals:**

Goal 4: EQUITY & INNOVATION- By 2026, 100% of Manor ISD scholars, staff, campuses, and school communities will have equitable access to innovative academic, human, financial, capital, technological, and all other necessary resources and supports.

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**Background Information:**

The purpose of this resolution is for the Board to authorize the early redemption of the 2024 Maintenance Tax Note (Loan) acquired during October 2024 in the principal amount of \$13.1MM, to meet operating cash flow needs.

A total of \$4.4MM has already been paid for debt service due for the months of January and February, thus a principal balance of \$8.9MM is outstanding. The note matures until June 30th, but by paying off early, the District could save approximately \$100k in interest cost.

The original resolution from last October to borrow the tax note allowed for the loan to be callable at any time with a 3-day notice feature. This resolution amends the original and provides the District with the flexibility to execute the early redemption process. The attached documents to be executed include both the District and Regions Bank (holder of the 2024 Maintenance Tax Note) to evidence and confirm the payoff amount.

**Fiscal Implications:**

The early redemption of the 2024 Maintenance Tax provides approximately \$100k in interest savings.

**Administrative Recommendation:**

That the Board approves the Resolution as presented.

**Motion Language** (fill in the blank):

I move that the board approves *the Resolution authorizing the Defeasance of certain portions of the District’s currently Outstanding Obligations and other matters related thereto*, as submitted.

Moises Santiago, CFO

**Contact Person**

Dr. Robert Sormani

**Approved by Superintendent**