

## LAMAR CISD REFUNDING BONDS, SERIES 2024A

On November 12, 2024, Lamar CISD entered the market to price refunding bonds with a par amount of \$195,385,000. The bonds were originally set to price on October 23, 2024, but due to unfavorable market conditions, the pricing was postponed. Delaying the transaction enabled the District to achieve its savings target.

A syndicate of five underwriting firms led by RBC Capital Markets negotiated rates and maturities for this transaction. A negotiated sale process allowed the underwriters to place the bonds with buyers commanding varying terms such as maturities, rates, etc. The District has used this method since 2003, and it has resulted in low interest rates and favorable maturities which translates into the lowest possible tax rates for the community.

The proceeds from the sale will be used to refinance a portion of the Series 2015 and Series 2016A bonds for debt service savings and to pay the costs of issuance. The market yielded strong investor participation with 20 accounts submitting priority orders in excess of the available par amount. Almost all maturities were either fully subscribed or oversubscribed.

This sale transaction continued to capture low interest rates. The bonds were sold at a par amount of \$195,385,000 and the True Interest Cost (TIC) was 3.569%. The Bonds were sold at a premium and are being utilized to refund \$211,585,000 in outstanding debt. Savings in interest costs to the District's taxpayers as a result of this transaction will total \$21,336,825 (or \$15.068 million in present value) over an 19-year repayment schedule. The transaction was scheduled to close on December 10, 2024.

The TIC of 3.569% achieved on this sale is favorable in light of an economic environment of rising interest rates and recent volatility in the market. Comparatively, the rate is still historically low when compared to the District's most recent sales:

Bond Series	True Interest Cost (TIC)	Par Value (in millions)
<b>2024A</b>	<b>3.57%</b>	<b>\$195.385</b>
<b>2024</b>	4.28%	\$345.090
<b>2023A</b>	4.28%	\$521.73
<b>2023</b>	4.27%	\$636.36
<b>2022</b>	3.60%	\$410.96
<b>2021</b>	2.42%	\$225.43
<b>2019</b>	2.85%	\$137.8
<b>2018</b>	3.79%	\$289.3
<b>2017</b>	3.76%	\$ 93.0

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