



Treasury Department
Kurt A. Dawson, Director

From: Kurt A. Dawson, City Treasurer *KAD*
To: Mayor Barnett and City Council
Date: April 18, 2016
Re: Interest Rate for Hickory Lawn and Norton Lawn
Paving SAD #811

I have determined an interest rate for the Hickory Lawn and Norton Lawn Paving SAD #811, and am recommending a rate of 3.00% to commence on August 1, 2016.

This rate is based on the rate of a 12-22 year Tax-Exempt Merrill Lynch listing in the Wall Street Journal on March 23, 2016 of 2.073% and April 18, 2016 of 1.909. From this I used 2.00% and added the 1.00% pursuant to the Ordinance, rounded. Typically, the rate is 1.00% over the bond rate if the city were to sell bonds to finance the SAD project. Since it has been decided not to sell bonds for this SAD, I used the aforementioned methodology.

If you have any questions, please contact me.