



Finance Department
Joe Snyder, Chief Financial Officer

From: **Joe Snyder, Chief Financial Officer**
To: Mayor Bryan K. Barnett and City Council
Date: April 23, 2020
Re: Interest Rate for Bolinger Street and Michelson Street SAD Paving

Mayor Barnett and City Council,

I have determined an interest rate for the Bolinger Street and Michelson Street Special Assessment District (SAD) Paving projects, and I am recommending an interest rate of 3.00% to commence on August 1, 2020.

This interest rate is based on the 12-22 year Tax-Exempt bond listing in the Wall Street Journal on April 22, 2020 of 2.099%. I then added the 1.00% Administrative Fee, rounded. Typically the rate is set at 1.00% over the bond rate if the City were to sell the bonds to finance the SAD project. Since it has been decided to not sell bonds for this SAD, I used the aforementioned methodology.

Below is a screenshot and website link to the data selected.

<https://www.wsj.com/market-data/bonds/benchmarks>

Tax-Exempt ICE Data Services

Muni Master	565.95	-0.28	0.02	4.24	1.717
7-12 years	399.15	-0.29	0.04	4.50	1.657
12-22 years	452.42	-0.34	-0.11	5.25	2.099
22-plus years	430.20	-0.60	-2.40	3.13	2.979
Bond Buyer 6% Muni	129.88	-0.98	-2.90	0.92	3.810

If you have any questions, feel free to contact me.

Thank you,

Joseph Snyder