

Liana McLaren, Director of Finance and Operations

The finance committee met on August 2nd to discuss locking in the interest rate for our building financing. On August 2nd the base interest rate was 2.63%. Our consultant Bob Baldwin presented a spreadsheet that showed the interest rate steadily declining since May 17th from a rate of 2.88% down to 2.63%

With hopes in getting the best possible rate, the finance committee decided to watch the interest rate for the next several days and lock it in when it when it either reached below 2.5% or above 2.7%. On August 9th the interest rate was 2.71% and it was locked in on that day.

Currently our interest rate is locked in for either a 15 or 20 year period. We can make that decision later.

The interest rate on a tax-exempt bond consists of a few additional components:

Base Rate	2.71%
Bank's Spread	1.45%
Subtotal	4.16%
Tax Exempt Factored in at .79	3.29%
2 Basis Points to Lock	.020%
Locked In Interest Rate	3.31%