Cherokee County School District

Agenda Request Form

Meeting Date	Agenda Item Number
April 15, 2021	D-3

Title

Selection of Bond Underwriter

Requested Action

School Board Consideration of Superintendent's Recommendation for Approval of Bond Underwriter

Summary Explanation and Background

In preparation for potential voter consideration of Ed-SPLOST renewal on November 3, 2021, the School District issued a Request for Proposals (RFP) on March 5, 2021 for proposed Bond Underwriter Services related to bond sales associated with the pending referendum. Upon the School District's receipt of responses to the RFP, a committee chaired by Kenneth Owen (Chief Financial Officer) and consisting of select senior staff and Office of Financial Management divisional leadership was established by the Superintendent of Schools for purposes of proposing a Bond Underwriter to serve the School District.

The sole respondent to the recent RFP was Citigroup Global Markets, Inc. Based upon that organization's response to the RFP and its proposed fees for bond underwriting services, and a comparison of proposed fees to actual fees charged for like services rendered to school districts in Georgia over the past 24 months, the Superintendent is recommending to the School Board for approval Citigroup Global Markets, Inc. to serve as the School District's Bond Underwriter.

Services provided by the bond underwriter include development of advantageous financial structuring plan, assist bond counsel in preparation of legal documents, assist the financing team with assembly and preparation of data necessary to obtain credit ratings, assist with the development of all necessary or desirable documents related to the issuance of bonds, prepare annual debt service schedules, market the bonds and provide bond purchase contracts.

Priority Area

Organizational Effectiveness

Financial Impact

Bond Underwriter fee of 2.75% and related cost of issuance will be deducted from proceeds of bond sales

Exhibits: (List)

N/A

Source of Additional Information

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