

Barton Community College

Study Session

October 13, 2026

Certificates of Participation

Detail: The College used Gilmore & Bell (Bond Council) and Raymond-James (Public Finance/Debt Investment Bank) to secure the Certificates of Participation for financing for these projects. Both entities review the COP's annually to determine if it would be beneficial to the College to refinance the COPs. They also do the annual preparation and filing of the College's audited financial statements and operating data (collectively, the "Annual Report") with the Municipal Securities Rulemaking Board each fiscal year for the life of the financing.

The following is the information on each of the Certificates of Participation:

1. Dorm – 2021 issue (COP 17). This COP includes the refinancing of Cottonwood dorm and is rolled into the COP for Bluestem dorm. The current COP has relatively low interest rates (2-3 percent) and cannot be prepaid or refinanced until 2031, however at this time, it would not make sense to prepay as we can make more money investing the dollars. There is a penalty if we pay the COP before 2031. Current principle is approximately \$2,345,000. The last payment on this issue will be in 2033.
2. Library/Tech – 2015 issue (COP 16). This COP includes the financing for the Library renovation, nursing addition to the Technical Building, and the CNH, welding, office additions to the Technical Building. The current COP has relatively low interest rates (2-3 percent) and will be eligible for prepayment or refinancing as of Dec 1, 2026. However, at this time, it does not make sense to prepay as we can make more money investing the dollars. It would cost around \$15,000 to refinance the issue and at this time would likely result in a higher interest rate. Current principle is approximately \$3,050,000. Depending on what rates do in the future, it may be beneficial to refinance or pay off these coupons early. The last payment on this issue will be in 2037.