



## NEWS RELEASE

**FOR IMMEDIATE RELEASE**

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### **PUBLIC SAFETY FACILITIES BONDS SOLD**

On Tuesday, August 1, 2006 the City of Escondido's \$84.3 million General Obligation Bond was offered for sale. There was high interest in the sale with ten institutions submitting bids. The successful bidder was Citigroup Global Markets, Inc. In addition to the \$84,350,000 paid by Citigroup, they also paid a premium of \$127,032.55 which will be used to offset first year debt service payments.

The cost of issuance for the bonds was much lower than the City's \$1.7 million estimate. Instead, the City costs will include \$275,000 for the MBIA insurance and \$293,000 for the Underwriter fee. The savings realized will be put towards actual construction costs for the public safety facilities.

In November 2004, Escondido voters approved Proposition P, an \$84.3 million General Obligation Bond for the construction of a much-needed new joint Police and Fire Facility, as well as the construction of three new neighborhood fire stations and the construction of a replacement Fire Station 1.

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