

# REQUEST FOR LEGISLATIVE ACTION


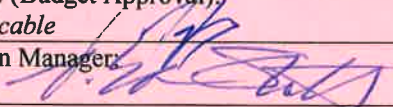
Completed by County Counselor's Office:

Res/Ord No.: 20105

Sponsor(s): Theresa Galvin

Date: March 11, 2019

<b>SUBJECT</b>	<p>Action Requested  <input checked="" type="checkbox"/> Resolution  <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Awarding a Twelve Month Term and Supply Contract, with Two Twelve Month Options to Extend for Financial Advisory Services for Jackson County, Missouri Administration to Springsted Incorporated of St. Paul, MN under the terms and conditions of Request for Qualifications No. 66-18.</u></p>																														
<b>BUDGET INFORMATION</b> <i>To be completed By Requesting Department and Finance</i>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td></td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td></td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td></td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td></td> </tr> <tr> <td>Source of funding (name of fund) and account code number:</td> <td></td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p><b>OTHER FINANCIAL INFORMATION:</b></p> <p><input type="checkbox"/> No budget impact (no fiscal note required)  <input checked="" type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract:          Department: Administration Estimated Use: \$50,000.00</p> <p>Prior Year Budget (if applicable):          Prior Year Actual Amount Spent (if applicable):</p>	Amount authorized by this legislation this fiscal year:		Amount previously authorized this fiscal year:		Total amount authorized after this legislative action:		Amount budgeted for this item * (including transfers):		Source of funding (name of fund) and account code number:																					
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<b>PRIOR LEGISLATION</b>	<p>Prior ordinances and (date):          Prior resolutions and (date):</p>																														
<b>CONTACT INFORMATION</b>	<p>RLA drafted by (name, title, &amp; phone): Barbara Casamento, Purchasing Administrator, 881-3253</p>																														
<b>REQUEST SUMMARY</b>	<p>Jackson County, Missouri Administration requires a term and supply contract for an experienced and qualified financial firm to provide Financial Advisory Services. The Purchasing Department issued Request for Qualifications No. 66-18 in response to those requirements.</p> <p>Twenty-five notifications were distributed and four responses were received and evaluated as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Description</th> <th>George Baum Denver, CO</th> <th>Springsted St. Paul, MN</th> <th>Columbia Capital Overland Park, KS</th> <th>PFM Des Moines, IA</th> </tr> </thead> <tbody> <tr> <td>Responsiveness to RFQ (10 pts)</td> <td>8.67</td> <td>10.00</td> <td>8.67</td> <td>9.00</td> </tr> <tr> <td>Qualifications (40 pts)</td> <td>36.00</td> <td>37.67</td> <td>34.33</td> <td>35.67</td> </tr> <tr> <td>Experience (40 pts)</td> <td>38.33</td> <td>37.00</td> <td>35.00</td> <td>34.33</td> </tr> <tr> <td>References (10 pts)</td> <td>9.67</td> <td>9.67</td> <td>7.67</td> <td>9.33</td> </tr> <tr> <td><b>Total (100 pts)</b></td> <td><b>92.67</b></td> <td><b>94.34</b></td> <td><b>85.67</b></td> <td><b>88.33</b></td> </tr> </tbody> </table> <p>The above scores are a combined average based on individual scores from the three members of the Evaluation Committee. Springsted Incorporated of St. Paul, MN is recommended for award as the best proposal received. In accordance with the RFQ, administration will negotiate pricing for this contract.</p> <p>Pursuant to Section 1054.6 of the Jackson County Code, the Purchasing Department recommends the award of a Twelve Month Term and Supply Contract with Two Twelve Month Options to Extend for Financial Advisory Services to Springsted Incorporated of St. Paul, MN as the best proposal received. Pricing will be negotiated for these services.</p>	Description	George Baum Denver, CO	Springsted St. Paul, MN	Columbia Capital Overland Park, KS	PFM Des Moines, IA	Responsiveness to RFQ (10 pts)	8.67	10.00	8.67	9.00	Qualifications (40 pts)	36.00	37.67	34.33	35.67	Experience (40 pts)	38.33	37.00	35.00	34.33	References (10 pts)	9.67	9.67	7.67	9.33	<b>Total (100 pts)</b>	<b>92.67</b>	<b>94.34</b>	<b>85.67</b>	<b>88.33</b>
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CLEARANCE	<input type="checkbox"/> Tax Clearance Completed N/A <input checked="" type="checkbox"/> Business License Verified <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage	
COMPLIANCE	<input type="checkbox"/> MBE Goals <input type="checkbox"/> WBE Goals No goals assigned <input type="checkbox"/> VBE Goals	
ATTACHMENTS	Recommendation Memo from V. Edwin Stoll, Evaluation Matrices from Evaluation Committee, and pertinent pages of Springsted Incorporated's response.	
REVIEW	Department Director: 	Date: 3-5-2019
	Finance (Budget Approval): <i>If applicable</i>	Date: 3/5/19
	Division Manager: 	Date: 3/5/19
	County Counselor's Office:	Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the \_\_\_\_\_ Fund in \_\_\_\_\_.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # \_\_\_\_\_
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.



**V. EDWIN STOLL**

**CHIEF ADMINISTRATIVE OFFICER**

415 East 12<sup>th</sup> Street, Suite 200  
Kansas City, Missouri 64106  
(816) 881-3064  
Fax: (816) 881-3133  
[www.jacksongov.org](http://www.jacksongov.org)

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**Memorandum**

TO: Barbara Casamento, Purchasing Administrator

FROM: V. Edwin Stoll, Chief Administrative Officer

DATE: February 25, 2019

RE: Financial Advisory Services RFQ 66-18

Four proposals were received on RFQ 66-18. Those proposals were reviewed by Bob Crutsinger, Director of Finance and Purchasing, John Gordon, Treasurer, and me. Attached are the rating forms used by the reviewers to evaluate the proposals and as you can see, Springsted Incorporated received the highest average score. Accordingly, it is the recommendation of that review team that the proposal of Springsted Incorporated be selected.

Average

RFQ – Financial Advisor

Bidder	Responsiveness 10 pts	Qualifications 40 pts	Experience 40 pts	References 10 pts	Total 100 pts
Scoring	8.67	36	38.33	9.67	92.67
Baum	10	37.67	37	9.67	94.34
Springsted	8.67	34.33	35	7.67	85.67
Columbia	9	35.67	34.33	9.33	88.33
PFM					



Springsted Incorporated  
9229 Ward Parkway Suite 104  
Kansas City MO 64114

Tel: 816 333 7200  
Fax: 816 333 7299  
www.springsted.com

## 1. Cover Letter

October 23, 2018

Mr. Bob Crutsinger  
Director of Finance and Purchasing  
Office of the Jackson County Purchasing Department  
Jackson County Courthouse  
415 East 12<sup>th</sup> Street, Room G-1  
Kansas City, Missouri 64106

Re: **Statement of Qualifications to Provide Financial Advisory Services, RFP No. 66-18**

Dear Mr. Crutsinger:

Thank you for the opportunity to provide Jackson County with our qualifications to provide municipal advisory services. We want to stress that, if selected as advisor, Jackson County would be a priority client for Springsted.

Included with our qualifications is a preliminary financing analysis for the planned detention center project (Appendix II). We have prepared this estimate to bring ourselves current with the recent conversations at the Courthouse as well as demonstrate a small facet of the firm's analytical capabilities. In this document, we discuss possible financing scenarios, the summary of the results is in the table below.

Scenario	Preliminary Estimated Amortization Scenarios		
	Avg. Annual Debt Service	Total Interest Cost	True Interest Cost
20-Year General Obligation	\$12,392,679	\$68,950,754	3.23%
20-Year Special Obligation	\$13,116,974	\$83,507,895	3.86%
30-Year General Obligation	\$9,995,194	\$119,295,488	3.65%
30-Year Special Obligation	\$10,708,890	\$142,177,712	4.21%

The preliminary financing analysis also discusses the considerations that will impact a successful financing of the proposed detention center while balancing the capital needs of the organization as a whole. Those considerations are legal authority, method of sale, structure of debt, investment of bond proceeds, and credit enhancements. As municipal advisor to Jackson County, Springsted will work with staff and elected officials to craft the optimal financing program.

As detailed in the following qualifications, Springsted provides the following key advantages to Jackson County:

### **Unparalleled Expertise in Jackson County and the Kansas City Area**

Springsted is proud to maintain deep and long-standing relationships with municipal governments within the broader Kansas City area and Jackson County, in particular. We have proudly served as municipal advisor to large, sophisticated area governmental entities such as Johnson County, KS and the Unified Government of Wyandotte County since the 1980's. We are also the current municipal advisor for nearly every major city within Jackson County. These Jackson County cities include Independence, Blue Springs, Grandview, Grain Valley, and Oak Grove. This unparalleled experience uniquely provides Springsted with the necessary context to effectively serve Jackson County as municipal advisor.

### **Confidence that Comes from Independent Advice**

We work only for public and non-profit entities. We do not buy or sell bonds. As a truly independent advisor, Springsted has no affiliation with any underwriting firm. In the bond sale process, we work only for the issuer. Our independence gives us the freedom to tell our clients "like it is" without compromise. The advantages of selecting an independent financial advisor include:

- Free flow of information from all industry sources. As we do not underwrite bonds, investment banks more freely share their ideas and innovations with us;
- Preservation of potential bidders in a sale. When employing an underwriter as an advisor, the SEC prohibits that firm from purchasing your bonds, thereby reducing the pool of prospective bidders. With several excellent local underwriters in the Missouri bond market, the County is best served by maintaining access to these firms, which would be precluded if they were to serve as your advisor; and
- A holistic view. As stated in our mission statement, Springsted works with clients "in the long-term process of building their communities on a fiscally sound and well-managed basis." In this regard, we are different from an underwriter, who's primary focus is solely Jackson County's debt. As a full service advisor with expertise in public finance and financial planning, economic development, organizational management and investments – we are more equipped than an underwriter to craft solutions for the County's opportunities and challenges.

### **Lower Cost of Capital with an Independent Municipal Advisor**

Year after year, Springsted is one of the top municipal advisory firms in the Midwest. We are frequently "in the market" selling obligations of the type Jackson County anticipates issuing in the near-term. In 2017, we advised 225 transactions totaling \$3.364 billion in par value. We have served Missouri communities for over 20 years. Our familiarity with Missouri, its laws, and the regional capital market gives us the knowledge to aid the County in structuring and marketing its debt obligations to achieve the lowest possible cost while balancing the County's risks.

### **Stadium and Entertainment Center Experience**

Though we understand the detention center may be top of mind at the current time, stadium-related debt remains a significant portion of Jackson County's debt portfolio. Our service team includes expertise in this area. We have experience assisting clients finance and administer contracts for facilities for NBA, NHL, NFL, MLB, and MLS franchises, as well as NASCAR. Recently we completed the financing of the US Soccer Federation's National/Olympic Training Facility using subordinate lien sales tax increment revenue capital appreciation bonds in Wyandotte County, Kansas.

Jackson County, Missouri  
October 23, 2018  
Page 3

We believe after reviewing our qualifications, you will agree that Springsted uniquely possesses the public finance expertise to become Jackson County's financial advisor. We would welcome the opportunity to further discuss how we can assist Jackson County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tom Kaleko".

Tom Kaleko, CIPMA  
Executive Vice President  
[tkaleko@springsted.com](mailto:tkaleko@springsted.com)  
(816) 333-7294

sml

## 4. Firm Profile

### History and Leadership

Springsted is one of the largest and longest established independent public sector advisory firms in the United States. For over 60 years, we have continually grown in the range of our client relationships, the comprehensiveness of our services and our prominence within the industry. Our managed growth is focused on providing clients with a balance of national perspective and local expertise.

The Springsted Group is comprised of three companies: Springsted Incorporated, Springsted Investment Advisors and Springsted Human Capital Advisors. This structure was created to both delineate our service areas and to ensure compliance with federal regulatory requirements. This proposal is from Springsted Incorporated (SI), which provides Public Finance, Economic Development and Operational Finance/Fiscal Planning Services. However, Jackson County would have access to the services of all our related companies. Springsted Investment Advisors (SIA) provides Municipal Investment Advisor Services. Springsted Human Capital Services provides Classification and Compensation and Organizational Management as well as Executive Recruitment Services through Springsted | Waters.

Springsted is equally owned and managed by three employee-principals, two of which are women. Our headquarters are located in Saint Paul, Minnesota, with offices strategically located throughout the United States. Specifically, our regional offices include Jackson County, Missouri, Milwaukee, Wisconsin; Des Moines, Iowa; Richmond, Virginia; Denver, Colorado; Atlanta, Georgia and Dallas, Texas. Saint Paul has been our corporate home since the firm first opened its doors in the early 1950s.

Currently, we have a staff of nearly 80 professionals, including client representatives, consultants, project managers, analytical professionals and support personnel. Our size provides both subject matter expertise and contingency in the case of unforeseen circumstances.

### Our Philosophy and Service Focus

Our service philosophy is reflected in our Mission Statement which highlights *“the long-term process of building their (client) communities on a fiscally sound and well-managed basis.”* Our services are built around the concept that, in order for our clients to accomplish their goals they need diversified, coordinated services. We believe optimal results cannot be achieved if a financial advisory firm focuses on one area. Springsted is unique among public sector advisors in its range of service offerings.

With a foundation in public finance, Springsted services include all related financial and management areas. Eight Practice Groups are spread across The Springsted Group: Public Finance, Operational Finance/Fiscal Planning, Housing/Economic Development, Investments, Executive Search, Compensation, Classification and Organizational Management. Each Practice Group has its own service offerings and dedicated professional staffs. This service approach permits us to focus individually or in combination each Practice Group’s dedicated professional resources within the larger entity perspective, ensuring the many dimensions of projects and policy decisions are comprehensively addressed.



This comprehensive approach is reflected in our eight Practice Groups:

**Springsted Incorporated**

- Public Finance
- Economic Development
- Operational Finance/Fiscal Planning

**Springsted Investment Advisors**

- Investments

**Springsted Human Capital Advisors**

- Classification and Compensation
- Organizational Management
- Community Surveys

**Springsted | Waters Executive Recruitment**

- Executive Recruitment

**Bond Market Experience**

In today’s municipal bond market, Springsted’s high quality financial advisory services mean being responsive to our clients’ funding objectives, whether the

<b>2017 Total Sales</b>		
<b>225 Issues worth \$3.364 Billion</b>		
Category	Volume In Millions	Number Of Issues
<b>Total Sales</b>	<b>\$3,364</b>	<b>225</b>
Competitive	1,807	156
Negotiated	889	31
Taxable	2,631	21
General Obligation	1,470	141
Revenue	1,226	46
Refunding	1,443	76
Education	509	24
Higher Education & Student Loan	760	27
Utility (Water; Sewer; Electric)	217	8
Housing & Economic Development	97	7
Transportation	133	13

issuance is straightforward or highly complex. For relatively straightforward financings, our expertise yields efficient and cost-effective bond structures and rate options or derivative products, our expertise is reflected in the depth and sophistication of our analyses and market knowledge. The quality of our comprehensive service is a result of a large and multi-talented professional staff, state-of-the-art analytical resources and time-tested systems.

Our results are best illustrated by our clients’ ongoing trust in us, with an annual average between 200 and 300 bond issues covering the full range of municipal bond and leasing tools. With an average of more than one bond sale per business day over more than two decades, our experience covers all segments of the national and many regional markets we serve. To successfully perform at this level on an ongoing basis requires a range and depth of expertise. The accompanying table of 2017 Bond Market participation, shown by

industry group, demonstrates the variety and magnitude of assisting our clients in meeting their financial objectives.

Our experience extends to assisting our clients with regulatory compliance at the federal and state levels. We have dedicated staff in both arbitrage/rebate compliance and in continuing disclosure. For arbitrage compliance, we currently track over 1,300 issues; representing 240 various municipalities, school districts, colleges, universities and nonprofit groups. We provide approximately 200 clients with continuing disclosure services.

Springsted’s Bond Market experience can best be summarized as being comprehensive, from concept to compliance and as being tailored from straight forward to complex.

## Missouri Bond Issuance Experience

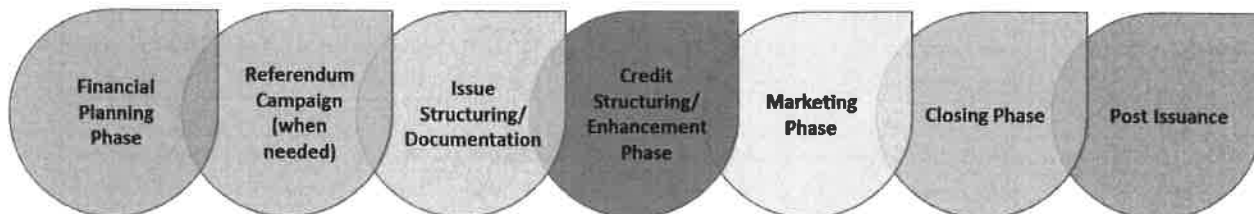
List of Missouri Bond Issues			
Sale Date	Issuer	Par Amt	Bond Issue
6/11/2018	Grain Valley	3,380,000	General Obligation Refunding Bonds, Series 2018A
3/19/2018	Oak Grove	1,726,000	General Obligation Refunding Bonds, Series 2018A
12/18/2017	Gladstone	7,132,000	Certificates of Participation, Series 2017
12/18/2017	Gladstone	3,988,000	Refunding Certificates of Participation 2017B
11/16/2017	Blue Springs	11,915,000	General Obligation Refunding Bonds, Series 2017A
9/5/2017	Sedalia	5,695,000	Certificates of Participation, Series 2017B
8/10/2017	Lee's Summit	14,575,000	General Obligation Bonds, Series 2017A
5/15/2017	Oak Grove	5,005,000	Certificates of Participation, Series 2017
3/7/2017	Parkville	2,353,700	Parkville, MO Lease Purchase 2017
1/17/2017	Sedalia	3,638,100	Refunding Certificates of Participation, Series 2017
12/15/2016	Blue Springs	9,265,000	Special Obligation Revenue Bonds (White Oak Marketplace Project) Series 2016
11/9/2016	Grain Valley	3,035,000	Taxable Neighborhood Improvement District Limited General Obligation Bonds, Series 2016
7/19/2016	Oak Grove	6,995,000	2016 COP - City Facilities
1/21/2016	Lee's Summit	14,075,000	General Obligation Bonds, Series 2016A
11/17/2015	Parkville	3,383,722	Refunding Lease Purchase Agreement of 2015
7/22/2015	Gladstone	23,510,000	Certificates of Participation 2015A and Taxable 2015B
6/10/2015	Warson Woods	1,300,000	Taxable Certificates of Participation (City of Warson Woods, Missouri, Lessee), Series 2015
5/21/2015	Grandview	24,345,000	Taxable Special Assessment, Tax-Exempt Tax Increment and Special District Revenue Bonds Series 2015 & 2015A
5/18/2015	Grain Valley	3,125,000	Taxable Neighborhood Improvement District Limited General Obligation Refunding Temporary Notes, Series 2015
5/12/2015	Carthage	2,920,000	Refunding Certificates of Participation, Series 2015
4/23/2015	Nixa	2,885,000	Leasehold Revenue Refunding Bonds, Series 2015
1/22/2015	Lee's Summit	3,970,000	General Obligation Bonds, Series 2015A
7/16/2014	Lee's Summit	7,432,500	Refunding Lease Purchase Agreement of 2014
5/20/2014	Parkville	5,375,000	Limited General Obligation Bonds, Series 2014A
5/20/2014	Parkville	3,675,000	Limited General Obligation Bonds (Brink Meyer Road Improvement Project) Series 2014B
12/9/2013	Grain Valley	5,850,000	General Obligation Refunding Bonds, Series 2013
10/3/2013	Lee's Summit	6,840,000	General Obligation Bonds, Series 2013C
9/12/2013	Carthage	1,450,000	Refunding Certificates of Participation, Series 2013
8/21/2013	Raytown	2,310,000	Sewerage System Refunding Bonds, Series 2013
1/24/2013	Lee's Summit	13,740,000	General Obligation Refunding Bonds, Series 2013B
1/24/2013	Lee's Summit	24,360,000	General Obligation Bonds, Series 2013A
9/11/2012	Carthage	2,135,000	Refunding Certificates of Participation, Series 2012
9/11/2012	Carthage	2,170,000	Combined Waterworks and Wastewater Treatment System Refunding Revenue Bonds, Series 2012
5/22/2012	Grain Valley	3,015,000	Taxable Neighborhood Improvement District Temporary Notes, Series 2012
5/3/2012	Lee's Summit	7,940,000	Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2012
11/9/2011	Grain Valley	5,234,676	General Obligation Bonds, Series 2011 (Capital Appreciation Bonds)
5/5/2011	Lee's Summit	12,000,000	General Obligation Bonds, Series 2011-A

## Large County Bond Issuance Experience

List of Large County Bond Issues				
Sale Date	Issuer	State	Part Amt.	Bond Issue
7/25/2018	Johnson County	KS	232,790,000	General Obligation Internal Improvement Bonds, Series 2018A
8/8/2018	Johnson County	KS	148,595,000	Lease Purchase Revenue Bonds, Series 2018A
9/29/2015	Unified Govt of Wyandotte County/Kansas City	KS	72,900,000	Sales Tax Special Obligation Revenue Bonds, Series 2015A
8/11/2015	Unified Govt of Wyandotte County/Kansas City	KS	65,229,560	Sales Tax Special Obligation Capital Appreciation Revenue Bonds, Series 2015
2/8/2018	Unified Govt of Wyandotte County/Kansas City	KS	65,020,000	Municipal Temporary Notes, Series 2018-I
2/6/2014	Unified Govt of Wyandotte County/Kansas City	KS	62,765,000	Municipal Temporary Notes, Series 2014-I
2/2/2017	Unified Govt of Wyandotte County/Kansas City	KS	62,255,000	Municipal Temporary Notes, Series 2017-I
2/4/2016	Unified Govt of Wyandotte County/Kansas City	KS	60,470,000	Municipal Temporary Notes, Series 2016-I
2/5/2015	Unified Govt of Wyandotte County/Kansas City	KS	60,275,000	Municipal Temporary Notes, Series 2015-I
2/7/2013	Unified Govt of Wyandotte County/Kansas City	KS	52,545,000	Municipal Temporary Notes, Series 2013-I
11/13/2017	Washington County	MN	42,380,000	General Obligation Refunding Bonds, Series 2017A
11/18/2015	Johnson County	KS	41,725,000	Public Building Commission Lease Purchase Rev Ref Bonds, Series 2015B
9/26/2013	Johnson County	KS	40,685,000	Internal Improvement Bonds, Series 2013A
11/17/2014	Washington County	MN	39,155,000	General Obligation Capital Improvement Plan Ref Bonds, Series 2014A
2/2/2012	Unified Govt of Wyandotte County/Kansas City	KS	39,030,000	Municipal Temporary Notes, Series 2012-I
12/11/2014	Sedgwick County	KS	38,895,000	Revenue Bonds, Series 2014-3
11/5/2014	Johnson County	KS	38,480,000	General Obligation Internal Improvement Refunding Bonds, Series 2014B
5/11/2015	St. Louis County	MN	38,415,000	General Obligation Capital Improvement Bonds, Series 2015C
12/12/2011	Ramsey County	MN	37,765,000	General Obligation Capital Improvement Plan Ref Bonds, Series 2011B
7/26/2012	Johnson County	KS	37,350,000	Internal Improvement Bonds, Series 2012A
3/24/2011	Johnson County	KS	35,395,000	Lease Purchase Revenue Bonds, Series 2011A
9/28/2016	Johnson County	KS	34,445,000	General Obligation Internal Improvement Bonds, Series 2016A
2/8/2018	Unified Govt of Wyandotte County/Kansas City	KS	34,025,000	General Obligation Improvement Bonds, Series 2018-A
7/21/2016	La Crosse County	WI	31,425,000	General Obligation Corporate Purpose Bonds, Series 2016A
11/18/2015	Johnson County	KS	30,515,000	General Obligation Internal Improvement Bonds, Series 2015A
2/5/2015	Unified Govt of Wyandotte County/Kansas City	KS	29,655,000	General Obligation Improvement Bonds, Series 2015-A
6/10/2013	Crow Wing County	MN	29,520,000	General Obligation Refunding Bonds, Series 2013A
7/26/2012	Johnson County	KS	27,005,000	Internal Improvement Refunding Bonds, Series 2012B
2/7/2018	St. Croix County	WI	27,000,000	General Obligation Highway Maintenance Facility Bonds, Series 2018A
2/4/2016	Unified Govt of Wyandotte County/Kansas City	KS	26,825,000	General Obligation Improvement Bonds, Series 2016-A
8/27/2014	Sedgwick County	KS	25,745,000	Refunding Revenue Bonds, Series 2014-2
11/18/2015	Johnson County	KS	25,540,000	General Obligation Refunding Bonds, Series 2015B
3/26/2012	Scott County	MN	24,570,000	General Obligation Law Enforcement Center Ref Bonds, Series 2012A
2/22/2018	Unified Govt of Wyandotte County/Kansas City	KS	24,430,000	Revenue Bonds (Juvenile Justice Facility), Series 2018-A
8/8/2016	St. Louis County	MN	23,315,000	General Obligation Capital Improvement Bonds, Series 2016A
10/4/2017	Johnson County	KS	23,125,000	Lease Purchase Revenue Improvement and Ref Bonds, Series 2017B
6/3/2013	Ramsey County	MN	22,700,000	General Obligation Capital Improvement Plan Bonds, Series 2013A
2/13/2012	Washington County	MN	22,475,000	General Obligation Capital Improvement Plan Ref Bonds, Series 2012A
2/2/2017	Unified Govt of Wyandotte County/Kansas City	KS	21,995,000	General Obligation Improvement Bonds, Series 2017A
6/10/2015	Johnson County	KS	21,460,000	Lease Purchase Revenue Bonds, Series 2015A
8/5/2013	St. Louis County	MN	20,650,000	General Obligation Capital Improvement Bonds, Series 2013A
2/5/2015	Unified Govt of Wyandotte County/Kansas City	KS	20,615,000	General Obligation Refunding Bonds, Series 2015-D
11/5/2014	Johnson County	KS	20,205,000	General Obligation Internal Improvement Bonds, Series 2014A
1/23/2013	Anoka County	MN	20,145,000	General Obligation Refunding Bonds, Series 2013A
4/4/2016	Washington County	MN	20,000,000	General Obligation Capital Improvement Plan Bonds, Series 2016A

## The Bond Issue Process

When it comes to the issuance of new debt, Springsted maintains processes that have been proven successful. What we wish to emphasize is that we will not take a “cookie cutter” approach. For each of the County’s debt issuances, we will prepare a customized plan of finance designed to best achieve your goals at the lowest possible cost.



Springsted’s debt issuance services permit clients to select the service approach best meeting their needs and resources. The selection ranges from a full-service approach, whereby we perform all steps in the process, to a “menu-like” approach. Our objective is to complement the client’s resources to yield an optimal financing program. We would welcome an opportunity to discuss the details underlying each of the following service components:

### Financial Planning

- Identify client financing objectives
- Establish financial framework
- Determine type of financing
- Identify funding alternatives, including tax rate impact
- Identify preliminary sale date
- Develop financing plan
- Complete special planning studies

### Referendum Campaign (when needed)

- Provide assistance during the referendum process, including scientific surveys

### Issue Structuring/Documentation

- Prepare and present sale recommendations
- Assist with underwriter selection (negotiated sales only)
- Coordinate timetable and activities of other participants
- Draft/review financing documents
- Coordinate selection of trustee
- Oversee authorization process

### Credit Structuring/Enhancement

- Analyze and recommend use of credit enhancement and ratings
- Prepare and attend rating agency presentation(s)
- Select credit enhancement provider, if appropriate

**Marketing**

- Monitor market conditions
- Generate presale market interest
- Prepare and distribute official statement
- Arrange for necessary publications
- Conduct sale
- Assist with investment of bond proceeds

**Closing**

- Coordinate closing process
- Deliver bond record
- Conduct post sale analysis

**Post-Sale Phase/Regulatory Compliance**

- Arbitrage/Rebate
- Continuing Disclosure

October 23, 2018

## **Preliminary Financing Analysis for the Detention Center Project**

### INTRODUCTION

The Springsted Incorporated Kansas City office has been following the discussions at the County Legislature regarding the proposed detention center project. It is our understanding the Legislature has reversed previous voluntary reductions of the property tax levy in order to generate additional revenue to finance capital needs. This policy has been enacted with the passage of the 2018 levy rates. The new levy rates are expected to generate an additional \$19.5 million annually and have been earmarked for capital project needs, including a new detention center facility.

To aid these discussions, we have prepared estimated amortization schedules for a detention center costing \$180 million, the current upper bound of preliminary cost estimates. We have provided schedules for four scenarios: General Obligation bonds amortized over 20 and 30 years as well as Special Obligation bonds amortized over 20 and 30 years.

### ASSUMPTIONS

Springsted has provided these amortization schedules on a preliminary basis for discussion purposes. The financing will be subject to market conditions at the time of issuance. The following assumptions were used for developing the schedules:

- Net bond proceeds in the amount of \$180 million deposited in the project fund
- July 1, 2019, bond delivery date
- Current market rates
- Level debt service payments
- The County's current Special Obligation (A1) and Long-Term Issuer Rating (Aa2) ratings by Moody's Investor's Services
- 20- and 30-year amortizations for each G.O. and Special Obligation bond scenario

## DEBT SERVICE SCHEDULES

The following table summarizes the attached debt service schedules for each of the scenarios:

<b>Preliminary Estimated Amortization Scenarios</b>			
<b>Scenario</b>	<b>Avg. Annual Debt Service</b>	<b>Total Interest Cost</b>	<b>True Interest Cost</b>
20-Year General Obligation	\$12,392,679	\$68,950,754	3.23%
20-Year Special Obligation	\$13,116,974	\$83,507,895	3.86%
30-Year General Obligation	\$9,995,194	\$119,295,488	3.65%
30-Year Special Obligation	\$10,708,890	\$142,177,712	4.21%

The assumed scenarios result in a range of average annual debt service payments between \$10 million and \$13 million. This indicates the County will have flexibility when balancing the capital needs of the entire organization with available revenues under a variety of considerations.

## CONSIDERATIONS

**Legal Authority:** While we have assumed in our preliminary analysis that the detention center project is financed through special obligation bonds, the County could issue general obligation bonds if it receives voter approval. As the table above illustrates, the interest cost associated with general obligation bonds is significantly less than special obligation bonds – which would allow the County to finance a greater amount of its capital needs. As your municipal advisor, Springsted will work with the County and bond counsel to investigate all options to lower your cost of capital. Springsted is a leader in the field of financial referendums. Our referendum team leader, Dr. Don Lifto, literally wrote the book on the subject (*School Finance Elections: A Comprehensive Planning Model for Success*) and is a nationally sought lecturer. While an election may seem daunting, the financial benefits are significant. A random sample scientific survey (which Springsted can design and execute) would be helpful in determining whether an election could be favorable.

**Method of Sale:** The legal authority for the issuance will dictate the method of sale. For special obligation bonds, we would anticipate issuing the bonds through a negotiated sale with a single underwriter or a syndicate of underwriters. At the County's discretion, we would draft and circulate a request for proposal or request for qualifications for underwriting services and assist you in evaluating the responses. Acting on behalf of the County, we would serve as the coordinator of the transaction. At the time of bond pricing, we would advocate on the County's behalf to obtain optimal rates and terms.

For general obligation bonds, we would most likely recommend a competitive sale in which underwriters are invited to bid on the bonds with award to the bidder offering the lowest true interest cost. A competitive sale is possible under these circumstances due to the security strength of the full faith and credit pledge and the routine characteristics of general obligation bonds.

**Structure of Debt:** Given the range of annual debt service payments with the estimated \$19.5 million annual revenue stream, the County will have flexibility regarding structure of the debt. If hired as your municipal advisor, Springsted will work with staff and elected officials to structure the financing in a manner that takes into consideration your other capital needs. The debt can be structured in a variety of ways (front-loading principal, back-loading principal, level debt service, etc.) to accomplish your long-term goals. Other structuring considerations include when debt service will begin and the number of bond issues. In this preliminary analysis, we have assumed a single bond issue. However, the project could be financed through multiple issues; which could prove advantageous under certain conditions.

**Investment of Bond Proceeds:** Detention center projects take a long time to construct. As a result, particular attention will need to be paid to investment of the bond proceeds. For this task, we would call on our related company, Springsted Investment Advisors, to take bids on the County's behalf from large banks and insurance companies interested in acquiring the rights to invest the bond funds. The investment would most likely be in the form of a guaranteed investment contract (GIC) or a repurchase agreement (REPO). Prior to issuing the request for proposals for the investment, we would discuss with you the relative risks and returns associated with all of the County's investment options so as to tailor the investment to your financing goals, legal authorities and risk tolerance. With projects like the detention center which have a strong likelihood of cost over-runs and change orders, many of our clients choose to borrow the entire anticipated project cost and use the interest earnings to address unanticipated costs. However, the project could be "net funded" with anticipated interest earnings used to reduce the amount borrowed. This approach may be optimal if the County were to construct the project through an arrangement under which the maximum cost is fixed.

**Credit Enhancements:** Springsted will evaluate all credit enhancement options to lower your cost of capital. Prior to the recession, insured municipal bonds had become a major share of the market. Since then, the cost-effectiveness of bond insurance is now limited. Springsted will monitor the cost-effectiveness of bond insurance and make a recommendation, if advantageous to the County, at the time of bond issuance.

The Credit rating will be critical to the success of the project financing. Prior to the issuance of any debt, Springsted will utilize the credit rating agency methodology in order to understand the County's strengths and areas for improvement. Our goal is to know the County better than the rating agency analysts. Understanding that not all credit rating characteristics are directly under the County's control, we will work with you to develop short- and long-term strategies to strengthen the County's creditworthiness.

## CONCLUSION

It is the mission of Springsted to provide high quality, independent financial advisory services to jurisdictions like Jackson County and work with you in the long-term process of building your community on a fiscally sound and well-managed basis. As your municipal advisor, we will work with County staff and elected officials to craft the optimal financing structure for the proposed detention center while balancing the capital needs of the entire organization. We have provided these preliminary amortization schedules for discussion purposes and to demonstrate the value of a municipal advisor to your organization. We look forward to the opportunity to speak with you about this project and how to best serve Jackson County.



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**\$181,520,000**

**Jackson County, Missouri**  
Special Obligation Bonds, Series 2019  
(Dentation Center Project) - 20 Year Term

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**Sources & Uses**

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**Dated 07/01/2019 | Delivered 07/01/2019**

**Sources Of Funds**

Par Amount of Bonds..... \$181,520,000.00

**Total Sources..... \$181,520,000.00**

**Uses Of Funds**

Deposit to Project Construction Fund..... 180,000,000.00

Total Underwriter's Discount (0.700%)..... 1,270,640.00

Costs of Issuance..... 246,800.00

Rounding Amount..... 2,560.00

**Total Uses..... \$181,520,000.00**



**\$181,520,000**

**Jackson County, Missouri**  
**Special Obligation Bonds, Series 2019**  
**(Detention Center Project) - 20 Year Term**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
12/01/2019	-	-	2,688,419.79	2,688,419.79
12/01/2020	6,665,000.00	2.250%	6,452,207.50	13,117,207.50
12/01/2021	6,815,000.00	2.450%	6,302,245.00	13,117,245.00
12/01/2022	6,980,000.00	2.600%	6,135,277.50	13,115,277.50
12/01/2023	7,165,000.00	2.750%	5,953,797.50	13,118,797.50
12/01/2024	7,360,000.00	2.900%	5,756,760.00	13,116,760.00
12/01/2025	7,575,000.00	3.050%	5,543,320.00	13,118,320.00
12/01/2026	7,805,000.00	3.200%	5,312,282.50	13,117,282.50
12/01/2027	8,055,000.00	3.300%	5,062,522.50	13,117,522.50
12/01/2028	8,320,000.00	3.450%	4,796,707.50	13,116,707.50
12/01/2029	8,605,000.00	3.550%	4,509,667.50	13,114,667.50
12/01/2030	8,910,000.00	3.650%	4,204,190.00	13,114,190.00
12/01/2031	9,240,000.00	3.700%	3,878,975.00	13,118,975.00
12/01/2032	9,580,000.00	3.800%	3,537,095.00	13,117,095.00
12/01/2033	9,945,000.00	3.850%	3,173,055.00	13,118,055.00
12/01/2034	10,325,000.00	3.900%	2,790,172.50	13,115,172.50
12/01/2035	10,730,000.00	4.000%	2,387,497.50	13,117,497.50
12/01/2036	11,160,000.00	4.050%	1,958,297.50	13,118,297.50
12/01/2037	11,610,000.00	4.100%	1,506,317.50	13,116,317.50
12/01/2038	12,085,000.00	4.150%	1,030,307.50	13,115,307.50
12/01/2039	12,590,000.00	4.200%	528,780.00	13,118,780.00
<b>Total</b>	<b>\$181,520,000.00</b>	-	<b>\$83,507,894.79</b>	<b>\$265,027,894.79</b>

**Yield Statistics**

Bond Year Dollars .....	\$2,187,113.33
Average Life .....	12.049 Years
Average Coupon .....	3.8181787%
Net Interest Cost (NIC) .....	3.8762753%
True Interest Cost (TIC) .....	3.8616072%
Bond Yield for Arbitrage Purposes .....	3.7857917%
All Inclusive Cost (AIC) .....	3.8764216%
<b>IRS Form 8038</b>	
Net Interest Cost .....	3.8181787%
Weighted Average Maturity .....	12.049 Years



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**\$182,070,000**

Jackson County, Missouri  
Special Obligation Bonds, Series 2019  
(Detention Center Project) - 30 Year Term

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**Sources & Uses**

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**Dated 07/01/2019 | Delivered 07/01/2019**

**Sources Of Funds**

Par Amount of Bonds..... \$182,070,000.00

**Total Sources..... \$182,070,000.00**

**Uses Of Funds**

Deposit to Project Construction Fund..... 180,000,000.00

Total Underwriter's Discount (1.000%)..... 1,820,700.00

Costs of Issuance..... 246,800.00

Rounding Amount..... 2,500.00

**Total Uses..... \$182,070,000.00**

**\$182,070,000**

**Jackson County, Missouri**  
**Special Obligation Bonds, Series 2019**  
**(Detention Center Project) - 30 Year Term**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
12/01/2019	-	-	2,981,016.67	2,981,016.67
12/01/2020	3,555,000.00	2.250%	7,154,440.00	10,709,440.00
12/01/2021	3,635,000.00	2.450%	7,074,452.50	10,709,452.50
12/01/2022	3,725,000.00	2.600%	6,985,395.00	10,710,395.00
12/01/2023	3,820,000.00	2.750%	6,888,545.00	10,708,545.00
12/01/2024	3,925,000.00	2.900%	6,783,495.00	10,708,495.00
12/01/2025	4,040,000.00	3.050%	6,669,670.00	10,709,670.00
12/01/2026	4,165,000.00	3.200%	6,546,450.00	10,711,450.00
12/01/2027	4,295,000.00	3.300%	6,413,170.00	10,708,170.00
12/01/2028	4,435,000.00	3.450%	6,271,435.00	10,706,435.00
12/01/2029	4,590,000.00	3.550%	6,118,427.50	10,708,427.50
12/01/2030	4,755,000.00	3.650%	5,955,482.50	10,710,482.50
12/01/2031	4,925,000.00	3.700%	5,781,925.00	10,706,925.00
12/01/2032	5,110,000.00	3.800%	5,599,700.00	10,709,700.00
12/01/2033	5,305,000.00	3.850%	5,405,520.00	10,710,520.00
12/01/2034	5,510,000.00	3.900%	5,201,277.50	10,711,277.50
12/01/2035	5,720,000.00	4.000%	4,986,387.50	10,706,387.50
12/01/2036	5,950,000.00	4.050%	4,757,587.50	10,707,587.50
12/01/2037	6,190,000.00	4.100%	4,516,612.50	10,706,612.50
12/01/2038	6,445,000.00	4.150%	4,262,822.50	10,707,822.50
12/01/2039	6,715,000.00	4.200%	3,995,355.00	10,710,355.00
12/01/2040	6,995,000.00	4.300%	3,713,325.00	10,708,325.00
12/01/2041	7,295,000.00	4.300%	3,412,540.00	10,707,540.00
12/01/2042	7,610,000.00	4.300%	3,098,855.00	10,708,855.00
12/01/2043	7,935,000.00	4.300%	2,771,625.00	10,706,625.00
12/01/2044	8,280,000.00	4.300%	2,430,420.00	10,710,420.00
12/01/2045	8,635,000.00	4.400%	2,074,380.00	10,709,380.00
12/01/2046	9,015,000.00	4.400%	1,694,440.00	10,709,440.00
12/01/2047	9,410,000.00	4.400%	1,297,780.00	10,707,780.00
12/01/2048	9,825,000.00	4.400%	883,740.00	10,708,740.00
12/01/2049	10,260,000.00	4.400%	451,440.00	10,711,440.00
<b>Total</b>	<b>\$182,070,000.00</b>	<b>-</b>	<b>\$142,177,711.67</b>	<b>\$324,247,711.67</b>

**Yield Statistics**

Bond Year Dollars.....	\$3,405,912.50
Average Life.....	18.707 Years
Average Coupon.....	4.1744382%
Net Interest Cost (NIC).....	4.2278952%
True Interest Cost (TIC).....	4.2146551%
Bond Yield for Arbitrage Purposes.....	4.1329589%
All Inclusive Cost (AIC).....	4.2258241%

**IRS Form 8038**

Net Interest Cost.....	4.1744382%
Weighted Average Maturity.....	18.707 Years

**\$181,155,000**

**Jackson County, Missouri**  
**General Obligation Bonds, Series 2019**  
**(Detention Center Project) - 20 Year Term**

**Sources & Uses**

**Dated 07/01/2019 | Delivered 07/01/2019**

**Sources Of Funds**

Par Amount of Bonds..... \$181,155,000.00

**Total Sources..... \$181,155,000.00**

**Uses Of Funds**

Deposit to Project Construction Fund..... 180,000,000.00

Total Underwriter's Discount (0.500%)..... 905,775.00

Costs of Issuance..... 246,800.00

Rounding Amount..... 2,425.00

**Total Uses..... \$181,155,000.00**

**\$181,155,000**

**Jackson County, Missouri**  
**General Obligation Bonds, Series 2019**  
**(Detention Center Project) - 20 Year Term**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
12/01/2019	-	-	2,252,179.17	2,252,179.17
12/01/2020	6,990,000.00	2.000%	5,405,230.00	12,395,230.00
12/01/2021	7,125,000.00	2.150%	5,265,430.00	12,390,430.00
12/01/2022	7,280,000.00	2.200%	5,112,242.50	12,392,242.50
12/01/2023	7,440,000.00	2.300%	4,952,082.50	12,392,082.50
12/01/2024	7,610,000.00	2.400%	4,780,962.50	12,390,962.50
12/01/2025	7,795,000.00	2.600%	4,598,322.50	12,393,322.50
12/01/2026	7,995,000.00	2.700%	4,395,652.50	12,390,652.50
12/01/2027	8,215,000.00	2.800%	4,179,787.50	12,394,787.50
12/01/2028	8,445,000.00	2.850%	3,949,767.50	12,394,767.50
12/01/2029	8,685,000.00	3.000%	3,709,085.00	12,394,085.00
12/01/2030	8,945,000.00	3.050%	3,448,535.00	12,393,535.00
12/01/2031	9,215,000.00	3.150%	3,175,712.50	12,390,712.50
12/01/2032	9,510,000.00	3.200%	2,885,440.00	12,395,440.00
12/01/2033	9,810,000.00	3.250%	2,581,120.00	12,391,120.00
12/01/2034	10,130,000.00	3.300%	2,262,295.00	12,392,295.00
12/01/2035	10,465,000.00	3.300%	1,928,005.00	12,393,005.00
12/01/2036	10,810,000.00	3.350%	1,582,660.00	12,392,660.00
12/01/2037	11,170,000.00	3.450%	1,220,525.00	12,390,525.00
12/01/2038	11,560,000.00	3.500%	835,160.00	12,395,160.00
12/01/2039	11,960,000.00	3.600%	430,560.00	12,390,560.00
<b>Total</b>	<b>\$181,155,000.00</b>	<b>-</b>	<b>\$68,950,754.17</b>	<b>\$250,105,754.17</b>

**Yield Statistics**

Bond Year Dollars.....	\$2,150,686.25
Average Life.....	11.872 Years
Average Coupon.....	3.2059885%
Net Interest Cost (NIC).....	3.2481041%
True Interest Cost (TIC).....	3.2348930%
Bond Yield for Arbitrage Purposes.....	3.1822312%
All Inclusive Cost (AIC).....	3.2493068%
<b>IRS Form 8038</b>	
Net Interest Cost.....	3.2059885%
Weighted Average Maturity.....	11.872 Years

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**\$183,100,000**

**Jackson County, Missouri**  
General Obligation Bonds, Series 2019  
(Detention Center Project) - 30 Year Term

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**Sources & Uses**

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**Dated 07/01/2019 | Delivered 07/01/2019**

**Sources Of Funds**

Par Amount of Bonds..... \$183,100,000.00

**Total Sources..... \$183,100,000.00**

**Uses Of Funds**

Deposit to Project Construction Fund..... 180,000,000.00

Original Issue Discount (OID)..... 1,567,864.80

Total Underwriter's Discount (0.700%)..... 1,281,700.00

Costs of Issuance..... 246,800.00

Rounding Amount..... 3,635.20

**Total Uses..... \$183,100,000.00**

**\$183,100,000**

**Jackson County, Missouri**  
**General Obligation Bonds, Series 2019**  
**(Detention Center Project) - 30 Year Term**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
12/01/2019	-	-	2,539,660.42	2,539,660.42
12/01/2020	3,900,000.00	2.000%	6,095,185.00	9,995,185.00
12/01/2021	3,980,000.00	2.150%	6,017,185.00	9,997,185.00
12/01/2022	4,065,000.00	2.200%	5,931,615.00	9,996,615.00
12/01/2023	4,155,000.00	2.300%	5,842,185.00	9,997,185.00
12/01/2024	4,250,000.00	2.400%	5,746,620.00	9,996,620.00
12/01/2025	4,350,000.00	2.600%	5,644,620.00	9,994,620.00
12/01/2026	4,465,000.00	2.700%	5,531,520.00	9,996,520.00
12/01/2027	4,585,000.00	2.800%	5,410,965.00	9,995,965.00
12/01/2028	4,710,000.00	2.850%	5,282,585.00	9,992,585.00
12/01/2029	4,845,000.00	3.000%	5,148,350.00	9,993,350.00
12/01/2030	4,990,000.00	3.050%	5,003,000.00	9,993,000.00
12/01/2031	5,145,000.00	3.150%	4,850,805.00	9,995,805.00
12/01/2032	5,305,000.00	3.200%	4,688,737.50	9,993,737.50
12/01/2033	5,475,000.00	3.250%	4,518,977.50	9,993,977.50
12/01/2034	5,655,000.00	3.300%	4,341,040.00	9,996,040.00
12/01/2035	5,840,000.00	3.300%	4,154,425.00	9,994,425.00
12/01/2036	6,035,000.00	3.350%	3,961,705.00	9,996,705.00
12/01/2037	6,235,000.00	3.450%	3,759,532.50	9,994,532.50
12/01/2038	6,450,000.00	3.500%	3,544,425.00	9,994,425.00
12/01/2039	6,675,000.00	3.600%	3,318,675.00	9,993,675.00
12/01/2040	6,915,000.00	3.700%	3,078,375.00	9,993,375.00
12/01/2041	7,175,000.00	3.700%	2,822,520.00	9,997,520.00
12/01/2042	7,440,000.00	3.700%	2,557,045.00	9,997,045.00
12/01/2043	7,715,000.00	3.700%	2,281,765.00	9,996,765.00
12/01/2044	8,000,000.00	3.700%	1,996,310.00	9,996,310.00
12/01/2045	8,295,000.00	3.800%	1,700,310.00	9,995,310.00
12/01/2046	8,610,000.00	3.800%	1,385,100.00	9,995,100.00
12/01/2047	8,935,000.00	3.800%	1,057,920.00	9,992,920.00
12/01/2048	9,275,000.00	3.800%	718,390.00	9,993,390.00
12/01/2049	9,630,000.00	3.800%	365,940.00	9,995,940.00
<b>Total</b>	<b>\$183,100,000.00</b>	<b>-</b>	<b>\$119,295,487.92</b>	<b>\$302,395,487.92</b>

**Yield Statistics**

Bond Year Dollars.....	\$3,350,016.67
Average Life.....	18.296 Years
Average Coupon.....	3.5610416%
Net Interest Cost (NIC).....	3.6461028%
True Interest Cost (TIC).....	3.6481193%
Bond Yield for Arbitrage Purposes.....	3.5925422%
All Inclusive Cost (AIC).....	3.6588878%

**IRS Form 8038**

Net Interest Cost.....	3.6566018%
Weighted Average Maturity.....	18.208 Years