

June 20, 2017

**General Obligation Bonds Pricing Results**

The Jefferson City School District (the “District”) successfully sold \$85,000,000 of General Obligation Bonds on June 20<sup>th</sup> with \$122,580,000 in total orders.

- Allowed the District to lower interest rates in the range of 1 to 5 basis points (0.01% - 0.05%) in most maturities.
- The District received orders from retail and a variety of Banks and Trust Departments, Insurance Companies, and Investment Advisors including Nuveen, Franklin Fund, Eaton Vance, US Bank, Northern Trust, State Farm, UMB Bank, St. Paul and Commerce Bank.
- The deposit to the project fund was \$91,721,910.
- The District received an enhanced rating of “AA+” from Standard and Poor’s based on the enrollment in the Missouri Direct Deposit Program.
- The District secured an underlying rating of “AA-” from S&P.
  - The District is in the top 25% of all 181 schools rated by S&P, and only 15 of those schools are rated higher than the District.
  - S&P’s report discussed a potential upside scenario upon an improvement to the District’s underlying economy leading to improved wealth and income levels.
  - S&P’s report discussed a potential downside scenario being the deterioration of the District’s finances, specifically decreasing reserves below 20%, or increased debt burden to a level not comparable with peers.

Below is a summary of the analysis from the pre-pricing phase of the financing to final pricing, including a summary of final pricing results.

Jefferson City School District General Obligation Bonds, Series 2017		
	Pre-Pricing Yields	Final Pricing Results
Total Debt Service	\$136,510,516	\$135,526,323
Maturity Dates	3/1/2018 - 2037	
True Interest Cost	3.37%	3.35%

Jefferson City School District General Obligation Bonds, Series 2017			
	Pre-Pricing Yields	Final Pricing Yields	Difference in Yields from Pre-Pricing to Final Pricing
3/1/2018	0.900%	0.870%	-0.030%
3/1/2019	1.020%	1.020%	0.000%
3/1/2020	1.120%	1.120%	0.000%
3/1/2021	1.230%	1.200%	-0.030%
3/1/2022	1.350%	1.310%	-0.040%
3/1/2023	1.490%	1.440%	-0.050%
3/1/2024	1.600%	1.570%	-0.030%
3/1/2025	1.750%	1.710%	-0.040%
3/1/2026	1.930%	1.900%	-0.030%
3/1/2027	2.090%	2.050%	-0.040%
3/1/2028	2.300%	2.280%	-0.020%
3/1/2029	2.500%	2.480%	-0.020%
3/1/2030	2.650%	2.650%	0.000%
3/1/2031	2.960%	2.960%	0.000%
<b>3/1/2032</b>	2.830%	2.860%	0.030%
3/1/2033	3.110%	3.125%	0.015%
<b>3/1/2033</b>	2.910%	3.030%	N/A
3/1/2034	2.980%	2.980%	0.000%
3/1/2035	3.040%	3.030%	-0.010%
3/1/2036	2.780%	2.750%	-0.030%
3/1/2037	3.280%	3.260%	-0.020%
3/1/2037	2.810%	2.780%	-0.030%

\*Note that 2032 maturity was bifurcated between pre-pricing and final pricing. 4% coupon yield shown above. 3.5% coupon priced at a yield of 3.05%. Additionally, the couponing of the bold 2033 maturity above was changed between pre-pricing and final pricing from a 4% coupon to a 3.75% coupon.