

\$3,300,000
Unified School District No. 471
Cowley County, Kansas (Dexter)
General Obligation Bonds
Series 2019

Request for Proposals for the Investment of Bond Proceeds

USD 471 Cowley County, Kansas (Dexter) is soliciting proposals from our local banks for the investment of all of the proceeds of the above referenced bond issue. The closing of this bond issue is expected to occur on or about December 18, 2019.

Attached you will find an estimate of the construction draw schedule for this project. Please note that the construction draw schedule is an estimate only and the District desires to maintain flexibility in regards to accessing the bond proceeds to pay for construction expenses, as necessary, without penalty. The final construction draw schedule will be determined at a later date by the District's architect and construction manager.

The District is authorized to invest the proceeds of the bonds in eligible investments as set forth in K.S.A. 10-131. We have attached a copy of this statute for your reference.

If you are interested in assisting the District with the investment of the bond proceeds, we would appreciate receiving a letter which sets forth the type of investment, maturity dates, estimated interest rates and any costs associated with holding the funds by no later than Friday, November 15, 2019. Please note that the District will only consider investment options consisting of collateralized deposits with the bank pursuant to K.S.A. 10-131.

Thank you for your interest in the District's project.

10-131

Chapter 10.—BONDS AND WARRANTS Article 1.—GENERAL BOND LAW

10-131. Investment of proceeds of bonds or temporary notes and certain funds authorized; disposition of interest received therefrom.

(a) The governing body of any municipality, as defined in K.S.A. 10-101, and amendments thereto, which has issued or may issue bonds or temporary notes for any purpose, is hereby authorized and empowered to invest any portion of the proceeds of such bonds, notes or funds held pursuant to the resolution or ordinance authorizing the issuance of such bonds or notes, which is not currently needed, in: (1) Investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein; (2) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (3) direct obligations of the United States government or any agency thereof; (4) the municipality's temporary notes issued pursuant to K.S.A. 10-123, and amendments thereto; (5) interest-bearing time deposits in commercial banks located in the county or counties in which the municipality is located; (6) subject to the limitations provided in subsection (b), obligations of the federal national mortgage association, federal home loan banks or the federal home loan mortgage corporation; (7) repurchase agreements for securities described in (3) or (6); (8) investment agreements with or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's investors service or Standard and Poor's corporation; (9) investments in shares or units of a money market fund or trust the portfolio of which is comprised entirely of securities described in (3) or (6); (10) receipts evidencing ownership interests in securities or portions thereof described in (3) or (6); (11) municipal bonds or other obligations issued by any municipality of the state of Kansas as defined in K.S.A. 10-1101, and amendments thereto, which are general obligations of the municipality issuing the same; or (12) bonds of any municipality of the state of Kansas as defined in K.S.A. 10-1101, and amendments thereto, which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (3) or (6). The interest received on any such investment shall upon receipt thereof be set aside and used for the purpose of paying interest on the bonds or notes issued or used for paying the cost of the project for which the bonds or notes were issued.

(b) No moneys authorized to be invested pursuant to subsection (a) shall be invested in a derivative.

For the purposes of this section, "derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

History: L. 1947, ch. 106, § 1; L. 1949, ch. 113, § 1; L. 1953, ch. 56, § 1; L. 1971, ch. 38, § 1; L. 1971, ch. 39, § 1; L. 1976, ch. 62, § 1; L. 1977, ch. 54, § 2; L. 1980, ch. 52, § 1; L. 1987, ch. 60, § 2; L. 1988, ch. 66, § 1; L. 1989, ch. 48, § 64; L. 1994, ch. 103, § 1; L. 1996, ch. 84, § 1; July 1.

PROJECT FUND

Unified School District No. 471
Cowley County, Kansas (Dexter)
General Obligation Bonds
Series 2019
-Preliminary-

Project Fund (PROJ)

| Date | Deposit | Interest @ 1% | Principal | Scheduled Draws | Balance |
|------------|-----------|------------------|--------------|--------------------|--------------|
| 12/18/2019 | 3,300,000 | | | | 3,300,000.00 |
| 01/01/2020 | | 1,191.67 | 7,140.74 | 8,332.41 | 3,292,859.26 |
| 02/01/2020 | | 2,744.05 | 5,588.36 | 8,332.41 | 3,287,270.90 |
| 03/01/2020 | | 2,739.39 | 5,593.02 | 8,332.41 | 3,281,677.88 |
| 04/01/2020 | | 2,734.73 | 5,597.68 | 8,332.41 | 3,276,080.20 |
| 05/01/2020 | | 2,730.07 | 5,602.34 | 8,332.41 | 3,270,477.86 |
| 06/01/2020 | | 2,725.40 | 5,607.01 | 8,332.41 | 3,264,870.85 |
| 07/01/2020 | | 2,720.73 | 13,944.08 | 16,664.81 | 3,250,926.77 |
| 08/01/2020 | | 2,709.11 | 13,955.70 | 16,664.81 | 3,236,971.07 |
| 09/01/2020 | | 2,697.48 | 13,967.33 | 16,664.81 | 3,223,003.74 |
| 10/01/2020 | | 2,685.84 | 313,945.47 | 316,631.31 | 2,909,058.27 |
| 11/01/2020 | | 2,424.22 | 414,195.92 | 416,620.14 | 2,494,862.35 |
| 12/01/2020 | | 2,079.05 | 831,161.22 | 833,240.27 | 1,663,701.13 |
| 01/01/2021 | | 1,386.42 | 831,853.85 | 833,240.27 | 831,847.28 |
| 02/01/2021 | | 693.21 | 415,926.93 | 416,620.14 | 415,920.35 |
| 03/01/2021 | | 346.60 | 316,284.71 | 316,631.31 | 99,635.64 |
| 04/01/2021 | | 83.03 | 16,581.78 | 16,664.81 | 83,053.86 |
| 05/01/2021 | | 69.21 | 16,595.60 | 16,664.81 | 66,458.26 |
| 06/01/2021 | | 55.38 | 16,609.43 | 16,664.81 | 49,848.83 |
| 07/01/2021 | | 41.54 | 8,290.87 | 8,332.41 | 41,557.96 |
| 08/01/2021 | | 34.63 | 8,297.78 | 8,332.41 | 33,260.18 |
| 09/01/2021 | | 27.72 | 8,304.69 | 8,332.41 | 24,955.49 |
| 10/01/2021 | | 20.80 | 8,311.61 | 8,332.41 | 16,643.88 |
| 11/01/2021 | | 13.87 | 8,318.54 | 8,332.41 | 8,325.34 |
| 12/01/2021 | | 6.94 | 8,325.34 | 8,332.28 | |
| | 3,300,000 | 32,961.09 | 3,300,000.00 | 3,332,961.09 | |

Yield To Receipt Date: 1.0020953%
Arbitrage Yield: 3.0403345%
Value of Negative Arbitrage: 65,513.88