

General Obligation Urban Renewal Refunding Bonds

Hansen Family Hospital Project

Advanced Refunding vs. Current Refunding Analysis



Tim Oswald

MANAGING DIRECTOR

Tel: +1 515 247-2358

Email: timothy.oswald@psc.com

Garrett Pochop

INVESTMENT BANKING ANALYST

Tel: +1 515 247-2359

Email: garrett.pochop@psc.com

Refunding Analysis

	Advanced Refunding (1)	Current Refunding (2)	Breakeven Current Refunding (3)
Date of issue:	3/1/21	4/1/22	4/1/22
Par Amount:	\$15,145,000	\$12,175,000	\$12,910,000
Costs of Issuance:	\$188,550	\$158,850	\$166,200
AIC:	1.919710%	1.174706%	2.345530%
Average Coupon:	1.702%	3.00%	3.00%
5 Year Yield:	1.109%	0.620%	1.780%
10 Year Yield:	2.041%	1.120%	2.280%
Yield to Maturity:	2.141%	1.190%	2.350%
Gross Savings:	\$546,540.44	\$1,407,915.75	\$545,398.80
NPV Savings:	\$498,136.75	\$1,337,143.39	\$486,512.08
Annual Average Savings:	\$45,545	\$127,992.34	\$49,581.71
Savings as % of Remaining Interest:	3.470127%	10.031083%	3.649753%
Average Annual P&I:	\$1,481,616.34	\$1,393,310.66	\$1,478,139.34

(1) Assumes taxable advance refunding. Rates are estimates assuming an “A1” Moody’s rating

(2) Yields derived from 0.4% over 1/4/21 MMD rates

(3) Yields derived from 1.56% over 1/4/21 MMD rates

(3) Current refunding that produces comparable savings to advanced refunding

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank and institutional securities firm driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and FINRA; in Europe through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Sandler Hong Kong Ltd., authorized and regulated by the Securities and Futures Commission. Asset management products and services are offered through separate investment advisory affiliates.

© 2020 Piper Sandler Companies. 800 Nicollet Mall, Minneapolis, Minnesota 55402-7036

Disclosure

Piper Sandler is providing the information contained herein for discussion purposes only in anticipation of being engaged to serve as underwriter or placement agent on a future transaction and not as a financial advisor or municipal advisor. In providing the information contained herein, Piper Sandler is not recommending an action to you and the information provided herein is not intended to be and should not be construed as a “recommendation” or “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934. Piper Sandler is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act or under any state law to you with respect to the information and material contained in this communication. As an underwriter or placement agent, Piper Sandler’s primary role is to purchase or arrange for the placement of securities with a view to distribution in an arm’s-length commercial transaction, is acting for its own interests and has financial and other interests that differ from your interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

The information contained herein may include hypothetical interest rates or interest rate savings for a potential refunding. Interest rates used herein take into consideration conditions in today’s market and other factual information such as credit rating, geographic location and market sector. Interest rates described herein should not be viewed as rates that Piper Sandler expects to achieve for you should we be selected to act as your underwriter or placement agent. Information about interest rates and terms for SLGs is based on current publically available information and treasury or agency rates for open-market escrows are based on current market interest rates for these types of credits and should not be seen as costs or rates that Piper Sandler could achieve for you should we be selected to act as your underwriter or placement agent. More particularized information and analysis may be provided after you have engaged Piper Sandler as an underwriter or placement agent or under certain other exceptions as describe in the Section 15B of the Exchange Act.

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank and institutional securities firm driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member [SIPC](#) and [FINRA](#); in Europe through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Sandler Hong Kong Ltd., authorized and regulated by the Securities and Futures Commission. Asset management products and services are offered through separate investment advisory affiliates.

© 2020 Piper Sandler Companies. 800 Nicollet Mall, Minneapolis, Minnesota 55402-7036