

Memo

To: Board of Education
Keevin O’Neill, Superintendent
Stephen Goss, Assistant Superintendent
Vicksburg Community Schools

From: Jesse Nelson, CPA, Partner
Karlee Stoddard, Manager
Baker Tilly Municipal Advisors, LLC

Subject: Bond Sale – 2024 School Building and Site Bonds, Series III

Date: May 2, 2024

Today, the bond sale for the 2024 School Building and Site Bonds, Series III (the “2024 Bonds”) was completed. The 2024 Bonds are being issued to finance capital improvements to the school district. We are very pleased with the result and excited to share the below information with you.

As a part of the bond sale process, Vicksburg Community Schools (the “District”) bond rating was reviewed by S&P Global Ratings bond rating agency. Good news was received as the District received the strong bond rating of A+. This is a compliment to the District’s financial/management practices. Thank you to Keevin and Steve for their fine work representing the District on the bond rating conference call. The 2024 Bonds also received a bond rating of AA for participation in the Michigan School Bond Qualification and Loan Program.

A total of 10 bids were received for the 2024 Bonds. UBS Financial Services, Inc was the winning bidder by providing the lowest True Interest Cost (“TIC”) of 4.064972%.

We also have good news concerning the bond issue construction fund deposit. This is the total dollar amount to be deposited into the construction bank account to fund the capital improvements. The bond pricing came in favorable and therefore the total amount available for capital improvements is \$83,401.88 higher than what was budgeted.

Further information regarding the above items are enclosed with this memorandum.

We at Baker Tilly are very pleased with the result and the favorable variances received by the school district. We thank you for allowing us to be a part of this successful financing. It is our recommendation that the school district accept the lowest True Interest Cost (“TIC”) bid received from UBS Financial Services, Inc.

Please let us know if you have any questions or comments and have a great week.

**VICKSBURG COMMUNITY SCHOOLS
COUNTIES OF KALAMAZOO AND ST. JOSEPH, STATE OF MICHIGAN**

SUMMARY OF 2024 BUILDING AND SITE BONDS, SERIES III

I. Bond Ratings

Vicksburg Community Schools	A+
Michigan School Bond Qualification and Loan Program	AA

II. Bids Received

	True Interest Cost ("TIC")
UBS Financial Services, Inc.	4.064972%
Robert W. Baird & Co., Inc.	4.087051%
Janney Montgomery Scott LLC	4.096167%
BNYMellon Capital Markets	4.109524%
KeyBanc Capital Markets	4.121417%
StoneX Financial Inc.	4.150247%
Fidelity Capital Markets	4.166248%
BOK Financial Securities, Inc.	4.225399%
Bernardi Securities, Inc.	4.241546%
TD Securities	4.274304%

III. Deposit to Construction Fund

	Budget [1]	Actual	Difference
Par amount of bonds	\$9,745,000.00	\$9,660,000.00	(\$85,000.00)
Plus bond premium/(discount)	-	129,148.35	129,148.35
Less underwriter's discount	(97,450.00)	(46,468.32)	50,981.68
Less bond issuance costs	(80,516.00)	(92,244.15)	(11,728.15)
Deposit to construction fund	\$9,567,034.00	\$9,650,435.88	\$83,401.88

[1] Assumes figures from preliminary application to the State of Michigan Treasury

**VICKSBURG COMMUNITY SCHOOLS
COUNTIES OF KALAMAZOO AND ST. JOSEPH, STATE OF MICHIGAN**

2024 BUILDING AND SITE BONDS, SERIES III - PRICING SUMMARY

<u>Maturity</u>	<u>Coupon</u>	<u>Yield</u>	<u>Yield to Maturity</u>	<u>Maturity Value</u>	<u>Price</u>
11/01/24	5.000%	3.670%		\$1,680,000	100.547%
11/01/25	5.000%	3.500%		2,105,000	102.060%
11/01/26	5.000%	3.500%		100,000	103.451%
11/01/27	5.000%	3.350%		100,000	105.290%
11/01/28	5.000%	3.250%		100,000	107.151%
11/01/29	5.000%	3.200%		100,000	108.892%
11/01/30	5.000%	3.200%		100,000	110.372%
11/01/31	5.000%	3.200%		100,000	111.805%
11/01/32	5.000%	3.200%		100,000	113.194%
11/01/33	5.000%	3.210%		100,000	114.452%
11/01/34	5.000%	3.250%	3.316%	100,000	114.738%
11/01/35	5.000%	3.350%	3.609%	100,000	113.828%
11/01/36	5.000%	3.350%	3.609%	100,000	113.828%
11/01/37	5.000%	3.570%	3.916%	100,000	111.857%
11/01/38	5.000%	3.570%	3.916%	100,000	111.857%
11/01/39	4.000%	4.000%		100,000	100.000%
11/01/40	4.000%	4.000%		100,000	100.000%
11/01/41	4.000%	4.070%		1,475,000	99.129%
11/01/42	4.000%	4.110%		1,450,000	98.585%
11/01/43	4.000%	4.160%		1,450,000	97.879%
Total				\$9,660,000	