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Kevin Faught
Senior Vice President
Public Finance
Stephens Inc.

August 17, 2017

Dr. Doug Brubaker
Superintendent
Fort Smith School District
3205 Jenny Lind
Fort Smith, AR 72902

Re: \$9,165,000 Fort Smith School District No. 100 of Sebastian County, Arkansas
Refunding Bonds, Series 2017

Dear Dr. Brubaker:

On August 14, 2017, the District received qualified bids from six investment firms in connection with the above referenced bond issue. The best bid was received from the firm of Raymond James & Associates, Inc. with an interest rate of 2.749449%. The reduction in interest rates from the issuance of the refunding bonds will result in a net savings to the District of \$778,751.50. Of this amount, \$723,135.28 in savings will be realized by 2019. A detailed Bid Summary, a chart depicting the recent history of the tax-exempt market and a Proceeds Sheet are attached for your review in connection with this financing.

Based upon the competitive interest rate received and our assessment of the current interest rate market, we would recommend the Board accept Raymond James & Associates, Inc.'s bid and authorize this financing to achieve the significant savings.

I appreciate the opportunity to work on this transaction and look forward to reviewing this information with you and your Board.

Sincerely,

Kevin Faught

Attachments

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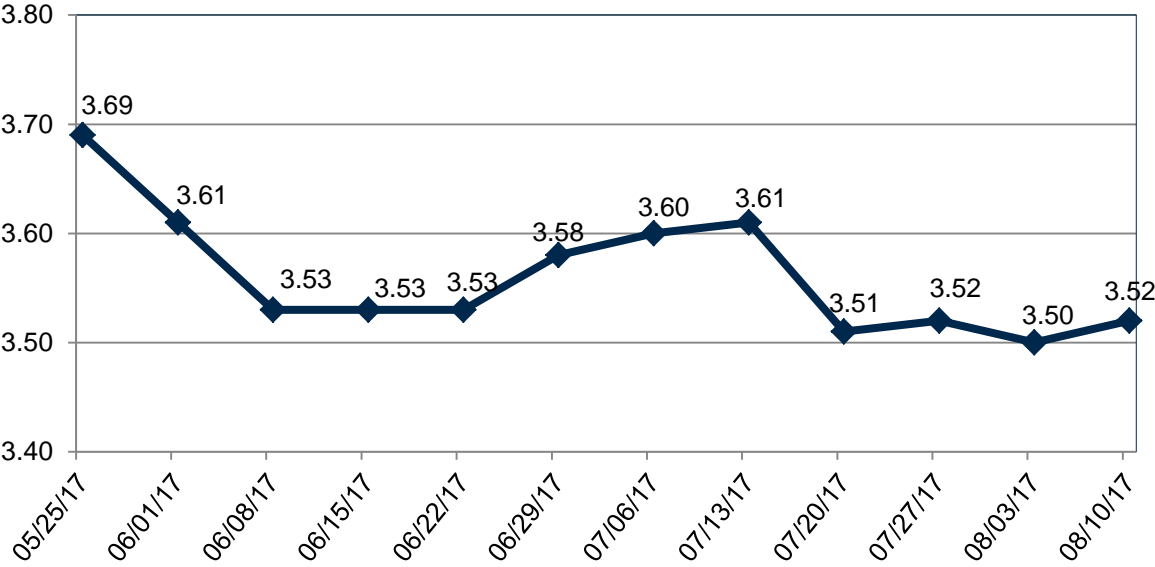


BID RESULTS

ISSUER			
Fort Smith School District No. 100 of Sebastian County, Arkansas			
ISSUE SIZE	ISSUE DESCRIPTION	DATED	MATURITY
\$9,350,000	Refunding Bonds, Series 2017	09/12/2017	12/01/2038
SALE DATE		TIME	
August 15, 2017		10:00 a.m. CST	

BIDDER	TIC (%)
RAYMOND JAMES & ASSOCIATES, INC.	2.749449
ROSS, SINCLAIRE & ASSOCIATES, LLC	2.766982
FTN FINANCIAL CAPITAL MARKETS	2.781813
WELLS FARGO BANK, NATIONAL ASSOCIATION	2.822287
CREWS & ASSOCIATES, INC.	2.824773
STIFEL, NICOLAUS & CO., INC.	2.863309

**General Obligation Bond Index
Most Recent Twelve Weeks**



ISSUER		
Fort Smith School District No. 100 of Sebastian County, Arkansas		
ISSUE SIZE	ISSUE DESCRIPTION	DATED / CLOSING DATE
\$9,165,000	Refunding Bonds, Series 2017	09/12/2017

Proceeds Sheet

Receipt of Funds

\$ 9,165,000.00	Par amount of bonds
64,334.45	Reoffering Premium
<u>\$ 9,229,334.45</u>	Total

Distribution of Funds

\$ 9,106,356.25	Cost to refund the 09/01/2013 bond issue
60,444.58	Underwriter's discount
5,910.50	Escrow and prepaid trustee fees
<u>56,467.67</u>	Financial Advisor, Bond Counsel and Rating Agency fees
\$ 155.45	Net Remaining

The refunding produced a total savings, net of issuance costs, of \$778,751.50. Of this amount, \$155.45 will be transferred to the District at closing. This amount should be placed in the Debt Service Fund and used to make a portion of the first payment on this new issue. A breakdown per year of the savings appears below.

<u>School Year</u>	<u>Savings</u>	<u>School Year</u>	<u>Savings</u>	<u>School Year</u>	<u>Savings</u>
2017/2018	\$466,511.70	2025/2026	\$2,442.50	2033/2034	\$2,867.50
2018/2019	252,078.58	2026/2027	4,942.50	2034/2035	4,152.50
2019/2020	4,545.00	2027/2028	762.50	2035/2036	4,607.50
2020/2021	1,445.00	2028/2029	1,916.24	2036/2037	4,755.00
2021/2022	1,670.00	2029/2030	2,751.24	2037/2038	4,737.50
2022/2023	1,880.00	2030/2031	4,393.74	2038/2039	5,040.00
2023/2024	902.50	2031/2032	167.50		
2024/2025	4,892.50	2032/2033	1,290.00		