July 14, 2017


Lylia Iverson, Business Manager
Mark Ristau , Superintendent of Schools
Independent School District No. 763 (Medford Public Schools), Minnesota
750 2nd Ave SE
Medford, MN 55049-0038

RE:     Potential Refunding of Existing Bonds

As your Municipal Advisor one of the services we provide is to monitor your outstanding bond issues and alert you to any potential refunding opportunities. An updated status report for your outstanding debt is attached. It includes general information about your existing debt and a brief comment regarding potential savings based on current market conditions. We will continue to monitor your issues on an ongoing basis and will contact you if we identify refunding opportunities that merit consideration.

If you have any questions about this information, please contact me.

Sincerely,

Ehlers

Greg Crowe CIPMA
Senior Municipal Advisor/ Principal

Jeff Seeley CIPMA
Senior Municipal Advisor/ Vice President

# Medford Public School
## Status Report on Refunding of Existing Bond Issues

| Original Bond Amount | Title | Call Date | Callable Amount | Callable Rates | | Status |
| --- | --- | --- | --- | --- | --- | --- |
| | | | | Low | High | |
| $11,120,000 | General Obligation School Building Refunding Bonds, Series 2015A | 02/01/2025 | $5,020,000 | 3.000% | 4.000% | Because these are advance refunding bonds, they can only be refunded on a tax-exempt basis through a current refunding. We could not close on a current refunding earlier than 90 days before the call date of February 1, 2025. We will contact you within six months of the call date to discuss your options. |
| $1,040,000 | General Obligation Facilities Maintenance Bonds, Series 2016A | 02/01/2026 | $350,000 | 2.125% | 2.125% | As of July 11, 2017, we estimate that this refunding would not generate sufficient savings to be considered. |
| $730,000 | General Obligation Facilities Maintenance Bonds, Series 2017A | 02/01/2026 | $420,000 | 3.000% | 3.000% | Our latest estimate, as of July 11, 2017, is that an advance refunding these bonds now would not produce any savings. We will continue to monitor this issue for a potential refunding at a future date. |