



TUCSON UNIFIED  
SCHOOL DISTRICT

### *Summary of Sale Results Refunding Bonds, Series 2016*

Governing Board Meeting  
September 27, 2016

Presented by:  
Robert Casillas, Managing Director  
Randie Stein, Director

# Summary of Sale Results

## Refunding Bonds, Series 2016



STIFEL

- Net Present Value Savings:  
\$10,567,380 / 15.0%
- Financing Team:
  - ❖ Financial Advisor: Stifel
  - ❖ Underwriters: RBC Capital Markets and Piper Jaffray
- Ratings:
  - ❖ Underlying: “Aa3” (Moody’s) / “A” (Fitch)
  - ❖ BAM-Insured: “AA” (S&P)

- Market Timing: Fortuitous
  - ❖ Post-Brexit
  - ❖ US 10yr yield declines from 1.54% to 1.50%
  - ❖ Open Market Security Savings of \$24,199.28

- Strong reception from investors:

- ❖ Arizona Retail: \$10,665,000
- ❖ Buyers: Goldman Sachs, Keybank National Assoc, Gurtin Fixed Income, Blackrock Financial Mgmt, Income Research & Mgmt, Wells Capital Mgmt, Goldman Sachs Asset Mgmt, Columbia Mgmt, Franklin Municipal, Fifth Third Bank, First Source Bank, Northern Trust, Vanguard, Mackay Shields Financial Corp, California Bank and Trust, Cantor Fitzgerald & Co, INTL FCStone Securities, Inc, Morgan Stanley, Aetna Services Inc., Eaton Vance, Bluefin Trading LLC, Troubadour Capital, Ferry Capital Mgmt, State Farm Ins Co, Lake Forest Securities LLC, First National Bank of Omaha, Multi-Bank Securities Inc, Merrill Lynch & Co, Bernardi Securities, Inc

### Final MMD Read

Thursday, August 04, 2016 15:00

Final MMD read (5% coupon)

2017-2018:	unchanged
2019-2022:	2bp bump
2023-2024:	3bp bump
2025-2028:	4bp bump
2029:	3bp bump
2030-2046:	2bp bump

tsy 10yr 1.501%

Preliminary reads are subject to change on holiday shortened sessions.

© 2016 THOMSON REUTERS. ALL RIGHTS RESERVED.

### BLOOMBERG NEWS

Aug 04, 2016 07:43:27

#### Bonds Jump Globally as Bank of England Eases Policy Post-Brexit

- Treasuries join rally after BOE announces asset purchases
- U.K. 10-year government bond yield reached record low

By Lukanyo Mnyanda

(Bloomberg) -- Bonds jumped globally as investors favored fixed income after the Bank of England cut interest rates in response to the U.K.'s decision to leave the European Union.

European securities climbed with Treasuries after the BOE reduced its key rate for the first time in more than seven years and announced asset purchases and loans to ramp up defenses against a Brexit-induced slump. The moves, which reinforced the trend for monetary easing worldwide, sent benchmark German 10-year bonds higher and the yield of U.K. gilts down to a record low. Italian securities ended their longest run of declines in more than three months.

"Bond yields globally are driven by not just what's happening in the country but what's happening in the world," Martin van Vliet, senior interest-rate strategist at ING Groep NV in Amsterdam, said before the central bank's announcements. "If the BOE would also jump on the QE bandwagon, that helps to reinforce the downward pressure on global bond yields," he said, referring to quantitative easing.

Six weeks after the Brexit vote sent shock waves across the financial world, BOE Governor Mark Carney and the Monetary Policy Committee have published their first full assessment of what the result means for the economy.

# Summary of Sale Results

## Refunding Bonds, Series 2016

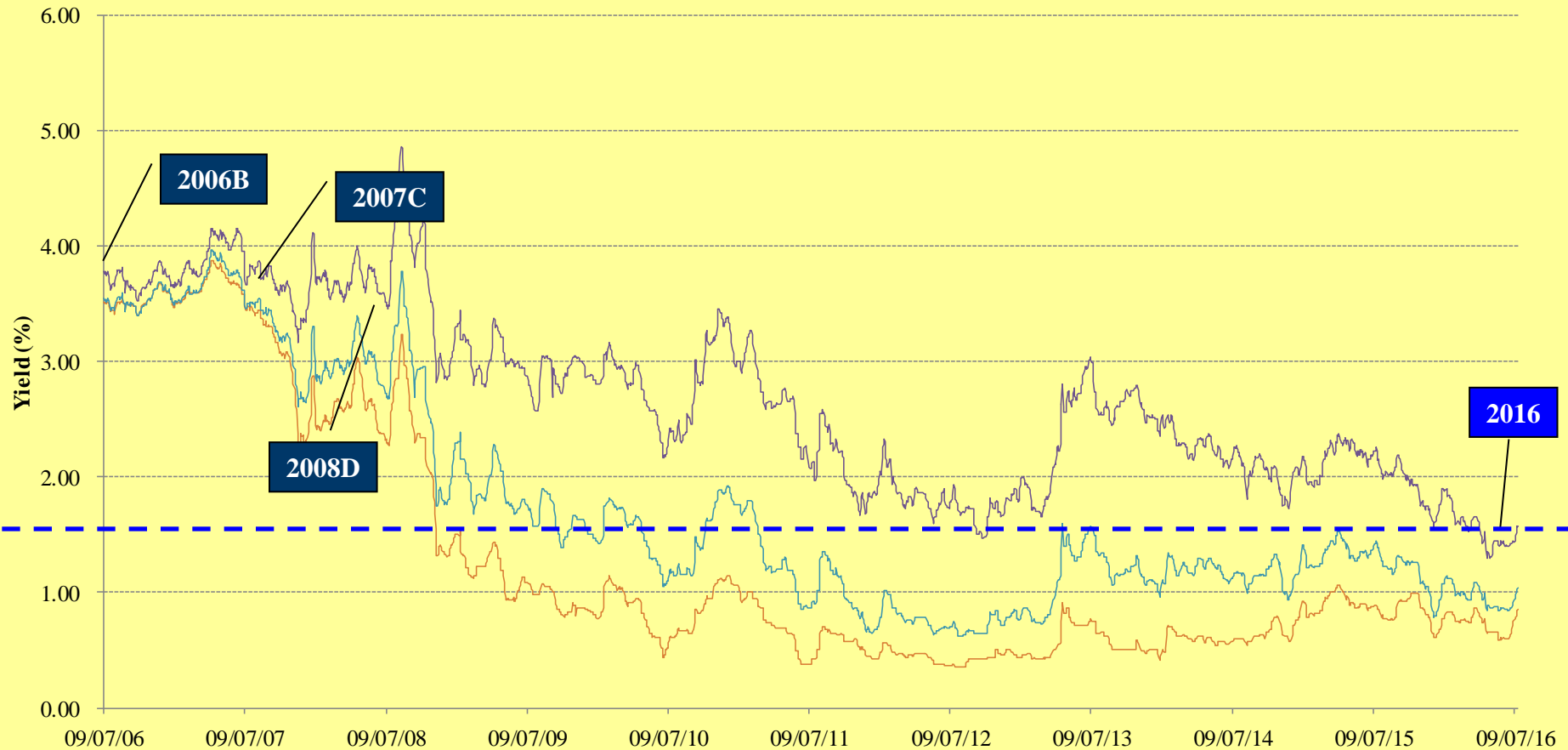


STIFEL

### Natural AAA Municipal Market Data Yields

Daily over 10-Year Period Ending 09/15/16

— 3-yr MMD — 5-yr MMD — 10-yr MMD



Source: Municipal Market Data and Bloomberg.

# Summary of Sale Results

## Refunding Bonds, Series 2016



STIFEL

*General Obligation Refunding Bonds NPV Savings: ~\$10.6 million (15.0% of par value refunded)<sup>1</sup>*

Period End July 1	Prior Bonds Being Refunded	Refunding Bonds <sup>2</sup>			Gross	PV
	Debt Service	Principal	Interest	Debt Service	Savings	Savings
2017	\$3,616,043	\$285,000	\$2,414,765	\$2,699,765	\$916,278	<b>\$908,592</b>
2018	5,916,555	2,005,000	2,835,200	4,840,200	1,076,355	<b>1,044,512</b>
2019	7,915,730	4,085,000	2,755,000	6,840,000	1,075,730	<b>1,025,922</b>
2020	7,832,318	4,165,000	2,591,600	6,756,600	1,075,718	<b>1,008,219</b>
2021	8,035,868	4,535,000	2,425,000	6,960,000	1,075,868	<b>990,951</b>
2022	8,223,268	4,950,000	2,198,250	7,148,250	1,075,018	<b>973,247</b>
2023	8,389,655	5,365,000	1,950,750	7,315,750	1,073,905	<b>955,624</b>
2024	8,828,455	6,070,000	1,682,500	7,752,500	1,075,955	<b>941,037</b>
2025	12,731,020	10,280,000	1,379,000	11,659,000	1,072,020	<b>921,527</b>
2026	13,296,770	11,360,000	865,000	12,225,000	1,071,770	<b>905,442</b>
2027	11,271,750	9,900,000	297,000	10,197,000	1,074,750	<b>892,309</b>
<b>Totals</b>	<b>\$96,057,430</b>	<b>\$63,000,000</b>	<b>\$21,394,065</b>	<b>\$84,394,065</b>	<b>\$11,663,365</b>	<b>\$10,567,380</b>

**Net PV Savings: \$10,567,380**

All-in-TIC<sup>1</sup>: 1.85%

Stifel, Nicolaus & Company, Incorporated (“Stifel”) is providing the information for discussion purposes and is declaring that it has done so within the regulatory framework of MSRB Rule G-23 as a financial advisor, as defined therein, and not an underwriter to the issuer for this proposed issuance of municipal securities. A “financial advisory relationship” shall be deemed to exist when a firm enters into an agreement to render financial advisory or consultant services to or on behalf of an issuer with respect to the issuance of municipal securities, including advice with respect to the structure, timing, terms and other similar matters. Accordingly, any services provided by Stifel as they relate to our role as financial advisor should not be construed as those of an underwriter or placement agent.

These materials have been prepared by Stifel for the client or potential client to whom such materials are directly addressed and delivered for discussion purposes only. All terms and conditions are subject to further discussion and negotiation. Stifel does not express any view as to whether financing options presented in these materials are achievable or will be available at the time of any contemplated transaction. These materials do not constitute an offer or solicitation to sell or purchase any securities and are not a commitment by Stifel to provide or arrange any financing for any transaction or to purchase any security in connection therewith and may not be relied upon as an indication that such an offer will be provided in the future. Where indicated, this presentation may contain information derived from sources other than Stifel. While we believe such information to be accurate and complete, Stifel does not guarantee the accuracy of this information. This material is based on information currently available to Stifel or its sources and are subject to change without notice. Stifel does not provide accounting, tax or legal advice; however, you should be aware that any proposed indicative transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and /or counsel as you deem appropriate.

## Contact Information

---



# STIFEL

## STIFEL

**ROBERT CASILLAS**  
*Managing Director*

2325 E. Camelback Road  
Suite 750  
Phoenix, AZ 85016

Phone: (602) 794-4001  
Fax: (602) 794-4046  
Cell: (602) 432-4884  
rcasillas@stifel.com

## STIFEL

**RANDIE STEIN**  
*Director*

2325 E. Camelback Road  
Suite 750  
Phoenix, AZ 85016

Phone: (602) 794-4002  
Fax: (602) 794-4046  
Cell: (602) 573-0414  
rstein@stifel.com

## STIFEL

**SANDRA DAY**  
*Vice President*

2325 E. Camelback Road  
Suite 750  
Phoenix, AZ 85016

Phone: (602) 794-4010  
Fax: (602) 794-4046  
sday@stifel.com