



Raytown Quality Schools

2019 Bond Issue

Fact Sheet

Two Issuance Options

Two Options

1. Issue entire bond authorization at one time at the outset of spending needs
2. Two separate issuances of the bonds
 - a. Portion at the outset of spending (including paying off leases)
 - b. Portion when needed based on progression of projects

Option 1: Issue Entire Bond Authorization at Once

1. Advantages
 - ii. Eliminates Risk of Interest Rates Increasing
 - iii. Maximizes interest that can be earned on projects funds
2. Potential Disadvantages
 - iv. Potential for Arbitrage Rebate Calculations
 - v. Cash Flow
 - vi. Flexibility of Future Issues

Option 2: Two Separate Bond Issuances

1. Advantages
 - vii. Cash Flow
 - viii. Flexibility of Future Issues
 - ix. Avoid Arbitrage Rebate Calculations
2. Potential Disadvantages
 - x. Interest Rate Risk
 - xi. Decreases Interest that can be earned on project funds



George K. Baum & Company

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