

Kevin Faught
Senior Vice President
Public Finance
Stephens Inc.

December 8, 2021

Ms. Terrie Metz, Superintendent
Gentry Public Schools
201 S Giles
Gentry, AR 72734

**RE: Potential Refunding Opportunities:
Series December 6, 2016 and May 21, 2017**

Dear Ms. Metz:

As an ongoing service to the Gentry School District, Stephens reviews the District's outstanding bonds to determine if any debt can be refunded to realize a savings to the District. Based on the current interest rate market, we believe the District could refund its Series December 6, 2016 and May 21, 2017 bonds and potentially achieve a net savings of \$1,065,000 combined. The bonds would be structured so that most of the savings occurs on an accelerated basis within the first few years. A detailed savings analysis for each issue is attached for your review.

If you would like to proceed, I have included a Resolution for the Board's consideration. This resolution will allow the District to obtain approval from the Department of Education (DOE) for the refundings. After DOE approval, we will monitor market conditions and work to ensure the bonds are offered at the most appropriate time to maximize potential savings. If these refundings are successful, the financings will be brought back to the Board for their final approval. I have also attached a preliminary schedule of events to implement these refundings. In the event that the interest rate market should increase and we would not be able to realize an acceptable refunding savings for the District, the District would not be obligated for any expenses from Stephens associated with attempting this refunding.

If you have any questions or need addition information, please feel free to contact me.

Sincerely,



Kevin Faught

Gentry School District No. 19 of Benton County, Arkansas

Refunding Bonds

Series 2022

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings
04/01/2022	-	-	36,846.91	36,846.91	355,334.38	318,487.47
04/01/2023	-	-	156,057.50	156,057.50	467,238.76	311,181.26
04/01/2024	285,000.00	0.900%	156,057.50	441,057.50	468,488.76	27,431.26
04/01/2025	315,000.00	1.050%	153,492.50	468,492.50	469,408.76	916.26
04/01/2026	315,000.00	1.200%	150,185.00	465,185.00	469,988.76	4,803.76
04/01/2027	320,000.00	1.350%	146,405.00	466,405.00	470,351.26	3,946.26
04/01/2028	325,000.00	1.500%	142,085.00	467,085.00	470,356.26	3,271.26
04/01/2029	335,000.00	1.600%	137,210.00	472,210.00	474,856.26	2,646.26
04/01/2030	340,000.00	1.650%	131,850.00	471,850.00	474,156.26	2,306.26
04/01/2031	345,000.00	1.700%	126,240.00	471,240.00	472,631.26	1,391.26
04/01/2032	350,000.00	1.700%	120,375.00	470,375.00	470,993.76	618.76
04/01/2033	355,000.00	1.700%	114,425.00	469,425.00	474,243.76	4,818.76
04/01/2034	360,000.00	1.750%	108,390.00	468,390.00	471,493.76	3,103.76
04/01/2035	370,000.00	1.750%	102,090.00	472,090.00	473,618.76	1,528.76
04/01/2036	375,000.00	1.800%	95,615.00	470,615.00	474,681.26	4,066.26
04/01/2037	380,000.00	1.800%	88,865.00	468,865.00	470,468.76	1,603.76
04/01/2038	385,000.00	1.850%	82,025.00	467,025.00	470,268.76	3,243.76
04/01/2039	390,000.00	1.850%	74,902.50	464,902.50	469,768.76	4,866.26
04/01/2040	400,000.00	1.900%	67,687.50	467,687.50	468,968.76	1,281.26
04/01/2041	405,000.00	1.950%	60,087.50	465,087.50	467,868.76	2,781.26
04/01/2042	410,000.00	1.950%	52,190.00	462,190.00	466,468.76	4,278.76
04/01/2043	420,000.00	2.000%	44,195.00	464,195.00	464,768.76	573.76
04/01/2044	425,000.00	2.000%	35,795.00	460,795.00	462,768.76	1,973.76
04/01/2045	430,000.00	2.050%	27,295.00	457,295.00	460,468.76	3,173.76
04/01/2046	435,000.00	2.100%	18,480.00	453,480.00	457,343.76	3,863.76
04/01/2047	445,000.00	2.100%	9,345.00	454,345.00	458,906.26	4,561.26
Total	\$8,915,000.00	-	\$2,438,191.91	\$11,353,191.91	\$12,075,910.88	\$722,718.97

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	722,718.97
Contingency or Rounding Amount	4,865.62
Net Present Value Benefit	\$727,584.59
Net PV Benefit / \$8,570,000 Refunded P+I	6.025%
Net PV Benefit / \$8,915,000 Refunding Principal	8.161%

Refunding Bond Information

Refunding Dated Date	1/06/2022
Refunding Delivery Date	1/06/2022

Gentry School District No. 19 of Benton County, Arkansas

Refunding Bonds

Series 2022

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings
04/01/2022	-	-	12,267.15	12,267.15	116,125.00	103,857.85
04/01/2023	-	-	51,955.00	51,955.00	156,125.00	104,170.00
04/01/2024	35,000.00	0.900%	51,955.00	86,955.00	159,812.50	72,857.50
04/01/2025	105,000.00	1.050%	51,640.00	156,640.00	158,412.50	1,772.50
04/01/2026	105,000.00	1.200%	50,537.50	155,537.50	156,812.50	1,275.00
04/01/2027	110,000.00	1.350%	49,277.50	159,277.50	160,212.50	935.00
04/01/2028	110,000.00	1.500%	47,792.50	157,792.50	158,512.50	720.00
04/01/2029	110,000.00	1.600%	46,142.50	156,142.50	160,962.50	4,820.00
04/01/2030	110,000.00	1.650%	44,382.50	154,382.50	158,262.50	3,880.00
04/01/2031	115,000.00	1.700%	42,567.50	157,567.50	160,562.50	2,995.00
04/01/2032	115,000.00	1.700%	40,612.50	155,612.50	157,712.50	2,100.00
04/01/2033	120,000.00	1.700%	38,657.50	158,657.50	159,862.50	1,205.00
04/01/2034	120,000.00	1.750%	36,617.50	156,617.50	156,862.50	245.00
04/01/2035	120,000.00	1.750%	34,517.50	154,517.50	158,862.50	4,345.00
04/01/2036	125,000.00	1.800%	32,417.50	157,417.50	160,712.50	3,295.00
04/01/2037	125,000.00	1.800%	30,167.50	155,167.50	157,412.50	2,245.00
04/01/2038	130,000.00	1.850%	27,917.50	157,917.50	159,112.50	1,195.00
04/01/2039	130,000.00	1.850%	25,512.50	155,512.50	160,375.00	4,862.50
04/01/2040	135,000.00	1.900%	23,107.50	158,107.50	161,475.00	3,367.50
04/01/2041	135,000.00	1.950%	20,542.50	155,542.50	157,412.50	1,870.00
04/01/2042	140,000.00	1.950%	17,910.00	157,910.00	158,350.00	440.00
04/01/2043	140,000.00	2.000%	15,180.00	155,180.00	159,125.00	3,945.00
04/01/2044	145,000.00	2.000%	12,380.00	157,380.00	159,737.50	2,357.50
04/01/2045	150,000.00	2.050%	9,480.00	159,480.00	160,187.50	707.50
04/01/2046	150,000.00	2.100%	6,405.00	156,405.00	160,293.76	3,888.76
04/01/2047	155,000.00	2.100%	3,255.00	158,255.00	160,231.26	1,976.26
Total	\$2,935,000.00	-	\$823,197.15	\$3,758,197.15	\$4,093,525.02	\$335,327.87

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	335,327.87
Contingency or Rounding Amount	2,175.00
Net Present Value Benefit	\$337,502.87
Net PV Benefit / \$2,795,000 Refunded P+I	8.245%
Net PV Benefit / \$2,935,000 Refunding Principal	11.499%

Refunding Bond Information

Refunding Dated Date	1/06/2022
Refunding Delivery Date	1/06/2022

GENTRY SCHOOL DISTRICT
 REFUNDING BONDS, SERIES 2022
 (REFUNDING SERIES DECEMBER 6, 2016 AND MAY 21, 2017)

PRELIMINARY SCHEDULE OF EVENTS

December 2021						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

January 2022						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February 2022						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

2021-2022 Dates	Event	Responsible Parties
December 20	School Board Authorizes Issuance of Refunding Bonds	School Board
December 21	File Application with Department of Education	Stephens
December 21	Prepare Preliminary Official Statement (POS)	Stephens
January 4	Department of Education Approves Application	Department of Education
January 5	Publish First Notice of Sale	Stephens
January 12	Distribute POS to Investors	Stephens
January 12	Publish Second Notice of Sale	Stephens
January 19	Offer Bond Issue @ 10:00 a.m. and 11:00 a.m.	Stephens
January 24	School Board Approves Bond Resolution	School District / Stephens
February 8	Bond Issue Closes	Stephens

**RESOLUTION TO REFUND OUTSTANDING BONDS
IN ORDER TO PRODUCE DEBT SERVICE SAVINGS**

BE IT RESOLVED by the Board of Directors of Gentry School District No. 19 of Benton County, Arkansas (the "District") that:

1. The District recognizes that debt service savings may be achieved by refunding the District's outstanding bond issues dated December 6, 2016 and May 25, 2017 (the "Prior Bonds").

2. The District authorizes Stephens Inc., as Municipal Advisor for the District, to file an application with the State Board of Education to issue refunding bonds (the "Bonds") in order to refund the Prior Bonds.

3. The District hereby expresses its intent to retain Friday, Eldredge & Clark, LLP, Little Rock, Arkansas as Bond Counsel for the Bonds ("Bond Counsel").

4. The Superintendent of Schools is authorized to offer the Bonds for public sale.

CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of the above District, certify the foregoing to be a true copy of a Resolution duly adopted by the Board at a regular meeting of the Board held on the 20th day of December, 2021. The Resolution appears in the official minutes of the meeting which are in my custody. At the time of the meeting the duly elected (or appointed), qualified and serving members of the Board and their respective votes on the adoption of the Resolution were as follows:

<u>Director</u>	<u>Vote</u> <u>(Aye, Nay, Abstain or Absent)</u>
<u>Gary Dunlap</u>	_____
<u>Jon Holt</u>	_____
<u>John Skaggs</u>	_____
<u>Randall Bolinger</u>	_____
<u>Jim Barnes</u>	_____
<u>Melissa Holland</u>	_____
<u>David Williamson II</u>	_____

I further certify that the meeting of the Board was duly convened and held in all respects according to law; that to the extent required by law due and proper notice of the meeting was given to the members of the Board and to the public; that the meeting was open to the public; that a legal quorum was present throughout the meeting; that all other requirements and proceedings under the law incident to the proper adoption and passage of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

CERTIFIED under my hand and seal of the District this 20th day of December, 2021.

(SEAL)

Secretary

CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of the above District, certify the foregoing to be a true copy of a Resolution duly adopted by the Board at a regular meeting of the Board held on the 20th day of December, 2021. The Resolution appears in the official minutes of the meeting which are in my custody. At the time of the meeting the duly elected (or appointed), qualified and serving members of the Board and their respective votes on the adoption of the Resolution were as follows:

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<u>David Williamson II</u>	_____

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CERTIFIED under my hand and seal of the District this 20th day of December, 2021.

(SEAL)

Secretary