

CASE STUDY

FINANCING FOR K-12 SCHOOLS

JULY 2, 2024



\$30,000,000 | GENERAL OBLIGATION BONDS | SERIES 2024

School District of University City | University City, Missouri

SCHOOL DISTRICT OF UNIVERSITY CITY

Client Profile

The School District of University City is located in St. Louis County, Missouri, encompasses approximately six square miles, and serves a population of approximately 34,355.

The Project

In April 2024, the voters of the District approved the issuance of \$65,000,000 of the District's general obligation bonds for the purpose of constructing, renovating, repairing, expanding, improving, furnishing, and equipping school sites, buildings, and related facilities for school purposes in the District, including, but not limited to, safety and security improvements at elementary

schools and Julia Goldstein Early Childhood Education Center, multi-purpose athletic facility upgrades at University City High School, building upgrades for academic programming at all schools, and roof repairs throughout school sites.

The Stifel Difference

Stifel served as sole underwriter on the District's \$30 million Series 2024 General Obligation Bonds, the first tranche in connection with the District's \$65 million voter authorization from April 2024. Stifel assisted the District with the affirmation of its "AA-" underlying rating while also helping the District secure an "AA+" enhanced rating from enrollment in the Missouri Direct Deposit Program. Stifel's aggressive marketing

campaign of the District's attractive credit led to over \$141 million of orders on the day of pricing – more than 4.7x oversubscribed. Extreme demand for the District's bonds allowed the District to lower interest rates by as much as eight basis points (0.08%) between pre-pricing and final pricing. The premium structure on the financing allowed the District to receive additional funds for its project fund while maintaining flexibility for the issuance of the remaining voter authorization in the coming years. Ultimately, the strong demand and successful execution on the day of pricing allowed the District to achieve a true interest cost of 4.345%.

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