



Scott County, Iowa
*General Obligation Solid Waste
Revenue Bonds, Series 2015A*

October 6, 2015

Doug Green, Springsted Incorporated

Presentation Outline

- I. Remaining Process
- II. Series 2015A Bond Structure
- III. Municipal Market
- IV. Credit Rating

I. Remaining Process

DATE	EVENT
October 8	Board of Commissioners authorizes bond sale
October 9	Springsted Scheduled Sales emailed to underwriters
Week of October 19	Moody's credit rating conference call
October 15	Terms of Offering provided to market
November 2	Receipt of credit rating
November 5	Receive bids at 10:30 a.m.; Board considers award at 5:00 p.m.
November 13	Distribute Final Official Statement
December 7	Receipt of bond proceeds

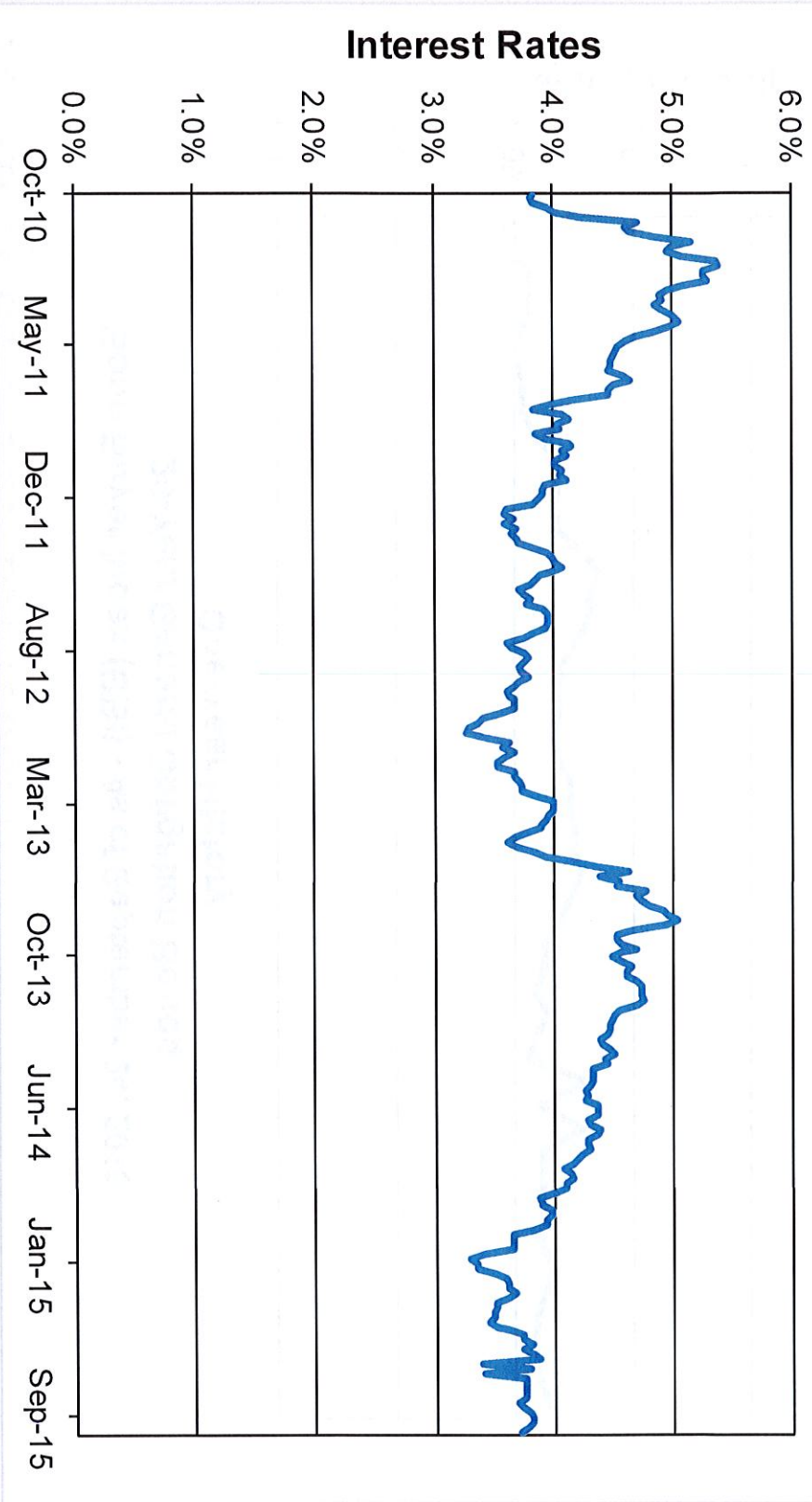


II. Bond Structure

- Par Amount of \$8,780,000
- Equal annual payments of principal and interest
- Estimated \$600,000 annual debt service
- Estimated true interest rate of 3.2%
 - 0.10% change = \$5,000 annually in total interest cost
- First interest payment on 6/1/2016
- First principal payment on 6/1/2017
- Final principal payment on 6/1/2035
 - 19 repayment periods
- First optional call date on 6/1/2024
 - 8-year call

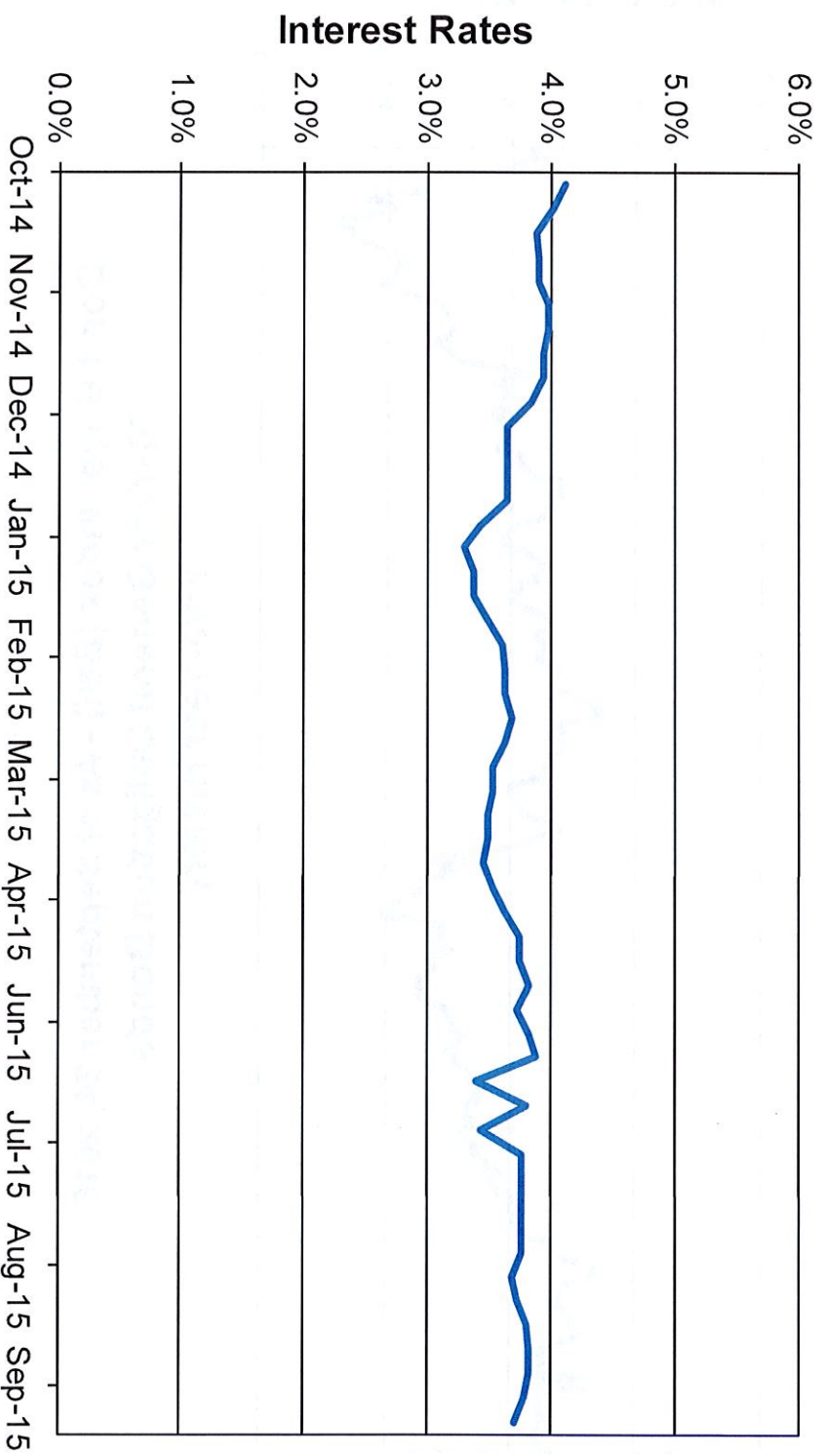
III. Municipal Market

Bond Buyer Index (BBI) - As of September 24, 2015
20-Year General Obligation Bonds
Five-Year History



Municipal Market Market (cont'd)

Bond Buyer Index (BBI) - As of September 24, 2015
20-Year General Obligation Bonds
One-Year History



IV. Credit Rating

- New bond issue requires updated credit rating
- County general obligation rating is Aa2

Investment Grade Quality	Moody's	Standard & Poor's & Fitch
Highest Quality	Aaa	AAA
High Quality	Aa1	AA+
	Aa2	AA
	Aa3	AA-
Upper Medium Quality	A1	A+
	A2	A
	A3	A-
	Baa1	BBB+
Medium Quality	Baa2	BBB
	Baa3	BBB-



Moody's G.O. Rating Criteria

Factor 1: Economy/Tax Base	30%
<i>Full Value (market value of taxable property)</i>	10%
<i>Full Value per Capita</i>	10%
<i>Median Family Income</i>	10%
Factor 2: Finances	30%
<i>Fund Balance as % of Operating Revenue</i>	10%
<i>5-Year Dollar Change in Fund Balance as % of Revenues</i>	5%
<i>Cash Balance as % of Revenues</i>	10%
<i>5-Year Dollar Change in Cash Balance as % of Revenues</i>	5%
Factor 3: Management	20%
<i>Institutional Framework</i>	10%
<i>Operating History: 5-Year Average of Operating Revenues / Operating Expenditures</i>	10%
Factor 4: Debt/Pensions	20%
<i>Net Direct Debt / Full Value</i>	5%
<i>Net Direct Debt / Operating Revenue</i>	5%
<i>3-Year Average of Moody's Adjusted Net Pension Liability / Full Value</i>	5%
<i>3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues</i>	5%



Scott County G.O. Rating (Nov 2012)

Strengths

- Healthy financial position and strong management
- Demonstrated ability to make changes to meet constraints
- Large and stable tax base
- Modest *direct* debt levels

Challenges

- Moderate tax base concentration with Mid-America Energy
- Heavy reliance on manufacturing sector
- Financial risk with golf course and mental health services
- Elevated *overlapping* debt levels

Credit Rating Impact on Interest Rates

Municipal Market Data (MMD)
Municipal Yield Curves as of 09/25/2015

