

Financial Advisory Services

Assuming that the financial advisor has been employed during the initial stages of the financing plan, the issuer of the bonds should expect the following minimum services to be performed by the financial advisor:

1. Analysis Of Financial Resources:

The financial advisor will analyze the financial resources and debt of the issuer to determine the extent of its borrowing capacity. Such an analysis should include an overview of existing debt, projected sources of income, historical interest payment dates, future debt projections, the current political environment, and all other factors affecting an issuer's ability to issue new debt.

2. Financing Plan:

Based on the analysis of the issuer's financial resources, the financial advisor will create a financing plan for submission to the governing body of the issuer. This plan will include a calendar of events, debt service schedules, estimated interest rates, annual debt service, and projected sources of income.

3. Publicity:

In some instances a bond issue will require providing information to the public concerning the bond issue. The financial advisor will help to create and distribute the appropriate brochures, articles, and other literature needed to more fully educate the public regarding the bond issue. If needed, the financial advisor will also attend any and all public meetings to explain and discuss questions related to the financing.

4. Legal Proceedings:

The financial advisor will provide all relevant information to bond counsel for the preparation of the necessary petitions, orders, resolutions, notices, certificates, and other necessary documents as required by statute. The financials advisor is responsible for reviewing all documents and providing input, support, and advice in the creation of these documents.

5. Structuring The Bond Issue:

The financial advisor will submit his written recommendations pertaining to the various provisions, terms, and conditions of the proposed bond issue. He will include recommendations regarding the date of the issue, interest payment dates, principal payment dates, establishment of specific funds, redemption dates, call dates, place of payment, trustee involvement, paying agent, and any and all specific details of

the bond issue. The financial advisor will also make recommendations regarding the appropriate time to obtain both bond ratings and insurance. He will also make recommendations regarding the security of the bonds and how to establish the most attractive bond structure for investors.

6. Selecting Date Of Bond Sale:

In the event a public bond sale is required, the financial advisor will recommend the date and time when best to conduct the bond sale. He will base this recommendation on a review of many factors, including general trends in the bond market, the offering of other regional and state bond issues, market trends, and any and all other information impacting the sale of bonds.

7. Notice Of Sale And Related Documents:

If a public bond sale is required, the financial advisor will prepare and submit the following:

A. Official Notice of Sale:

This document provides all necessary information relating to the bond sale including the timing of the sale, the location, terms and conditions of bond bids and how bonds will be awarded.

B. Prospectus:

This document will describe the bonds being offered, provide financial and demographic information of the issuer, illustrate debt service payments, provide the necessary legal disclosures, requirements, and all applicable state and federal regulations and statutes.

C. Uniform Bid Form:

This document will contain the necessary information needed for an underwriter to bid on the bonds.

D. Bond Rating And Insurance:

If necessary and economies of sale dictate that a bond rating and/or bond insurance will contribute to a more successful bond offering, the financial advisor will secure these services. The financial advisor will contact the appropriate rating agencies and insurance firms and supply the needed information.

8. Bond Sale – The Award Of Bonds:

The financial advisor will be present during the bond sale to answer questions, review data, and to tabulate and compare all incoming bids.

9. Issuance Of Bonds:

Once the winning bid is accepted by the issuer, the financial advisor will proceed with officially completing the issuance of bonds. This will include reviewing documents submitted by bond counsel, attending all meetings involving bond ordinances and resolutions, and helping to complete all necessary certificates and forms. Finally, the financial advisor will aid bond counsel in submitting a transcript of the bond issue to the Attorney General of the State of Kansas.

10. Delivery Of The Bonds And Closing The Bond Issue:

The financial advisor will work closely with the underwriter during the delivery of the bonds. This includes providing necessary information to the Depository Trust Company, notifying purchasers of the time that payment for the bonds can be made, assisting the issuer in the establishment of the correct bond accounts and escrow accounts, completing all closing documents, and finally providing notification and instruction for the receipt and transfer of bond proceeds.