

Quakertown Community School District

BOND SALE DOCUMENT ***General Obligation Bonds, Series A of 2021***

\$9,485,000
Results of Competitive Sale

March 29, 2021
(Parameters October 22, 2020)

Prepared by:
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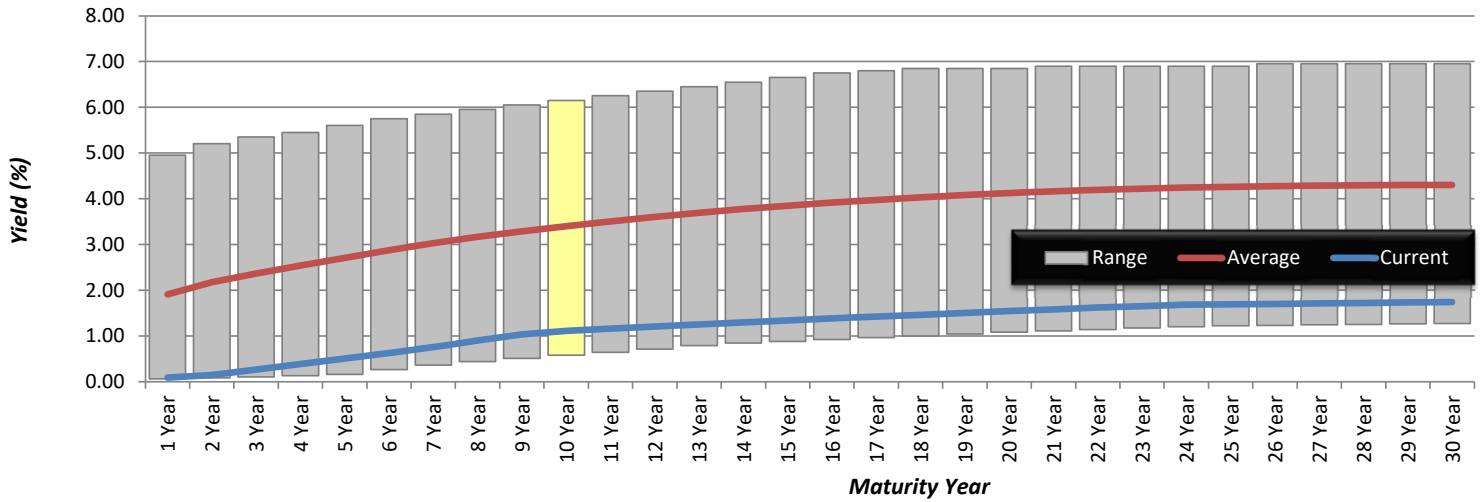


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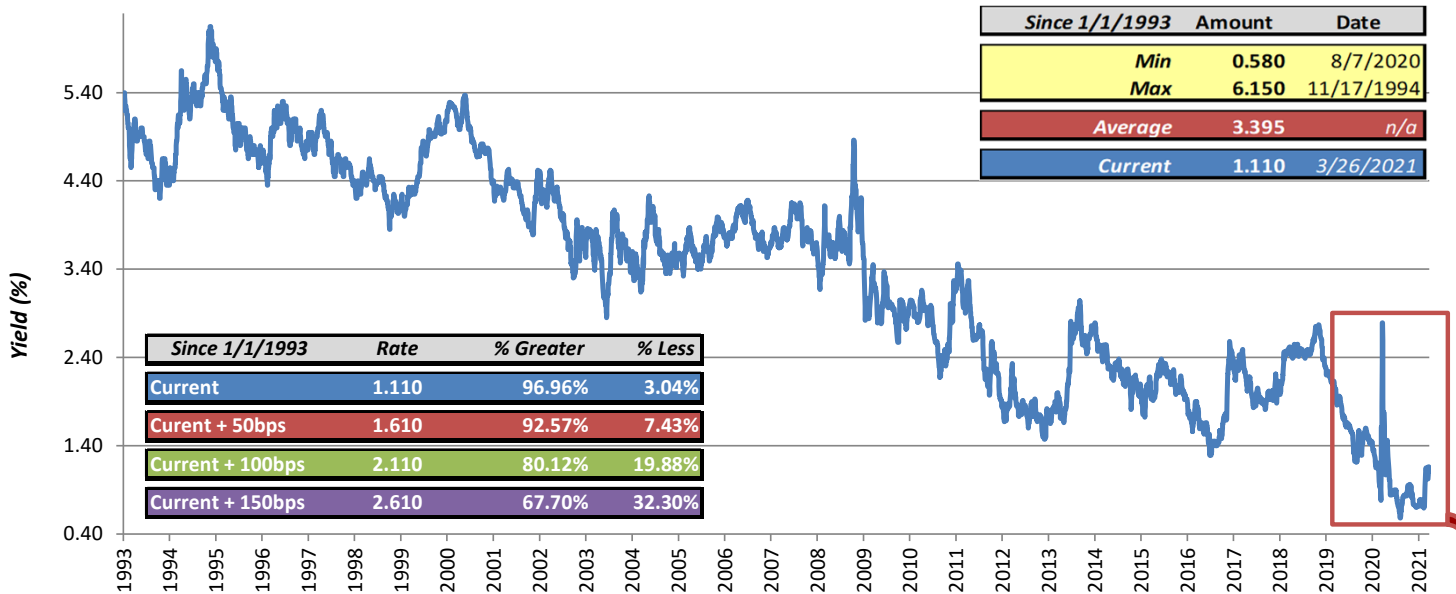
MUNICIPAL MARKET UPDATE

March 26, 2021

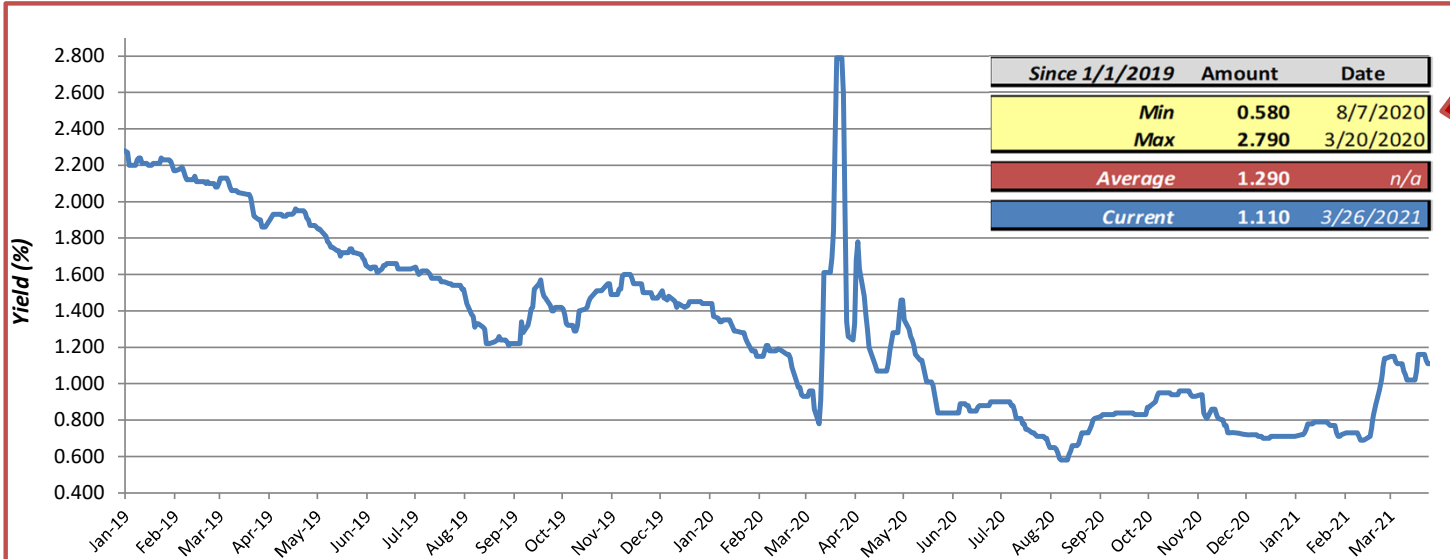
HISTORICAL MMD CURVE ILLUSTRATION - SINCE JANUARY 1, 1993



SPOT ANALYSIS - 10 YEAR MMD - SINCE JANUARY 1, 1993



SPOT ANALYSIS - 10 YEAR MMD - SINCE JANUARY 1, 2019



Quakertown Community School District
(Bucks County, Pennsylvania)
General Obligation Bonds, Series A of 2021

March 29, 2021

1	2	3	4
<u>Bidder</u>	True Interest <u>Cost</u>	Interest <u>Rate Range*</u>	Number of Bids
1. Janney Montgomery Scott	1.686606	2.000-3.000	8
2. Robert Baird	1.692709	2.000	8
3. FHN Financial	1.922205	2.000	3
4. JP Morgan Securities	2.369405	3.000-5.000	3
TOTAL			22

Based on Preliminary Issue Size of \$9,870,000*

*2022 through 2033 General Obligation Bonds, Series of 2020

1. Moody's: Aa3	Bid Alone
2. Moody's: Aa3	Bid Alone
3. Moody's: Aa3 BAM	Estrada Hinojosa, Academy Securities
4. Moody's: Aa3 BAM	Bid Alone

BOND INSURANCE:

Assured Guaranty Municipal	\$ 26,156
Build America Mutual	\$ 22,900

PAYING AGENT:

MANUFACTURERS AND TRADERS TRUST COMPANY

OPTIONAL REDEMPTION DATE:

2/01/26 @ Par

Quakertown Community School District**Internet Bond Sale**

Monday, March 29, 2021



Bidder:	# of Bids Submitted:
Janney Montgomery Scott	8
Robert Baird	8
FHN Financial	3
JP Morgan Securities	3
Total Bids	22

Chronology of Bids

Time:	Bidder:	Bid (TIC):	Winner?
12:02:28 pm	FHN Financial	2.160973	no
12:12:28 pm	Janney Montgomery Scott	1.839789	no
12:12:57 pm	Robert Baird	1.999465	no
12:13:02 pm	FHN Financial	2.000519	no
12:13:21 pm	Robert Baird	1.877744	no
12:13:36 pm	FHN Financial	1.922205	no
12:13:43 pm	Robert Baird	1.806542 * ⁽¹⁾	no
12:14:01 pm	Janney Montgomery Scott	1.785197 *	no
12:14:30 pm	Robert Baird	1.757559 *	no
12:14:58 pm	Janney Montgomery Scott	1.758017	no
12:15:21 pm	Janney Montgomery Scott	1.730916 *	no
12:15:51 pm	Robert Baird	1.729783 *	no
12:16:00 pm	JP Morgan Securities	2.379651	no
12:16:30 pm	Janney Montgomery Scott	1.720096 *	no
12:17:11 pm	Robert Baird	1.722411	no
12:17:13 pm	JP Morgan Securities	2.373726	no
12:17:47 pm	Robert Baird	1.694327 *	no
12:18:47 pm	Janney Montgomery Scott	1.714692	no
12:19:11 pm	Janney Montgomery Scott	1.709290	no
12:19:45 pm	Janney Montgomery Scott	1.686606 * ⁽²⁾	YES
12:20:14 pm	Robert Baird	1.692709	no
12:21:06 pm	JP Morgan Securities	2.369405	no

(1)First activation of the two-minute rule extended the auction period until 12:15:43

(2)Eighth and Final activation of the two-minute rule extended the auction period until 12:21:45

* Indicates new leading bid.

Rating Action: Moody's assigns Aa3 GOLT rating to Quakertown Community School District, PA's Series A of 2021 bonds

22 Mar 2021

New York, March 22, 2021 -- Moody's Investors Service has assigned a Aa3 general obligation limited tax (GOLT) rating to Quakertown Community School District, PA's \$9.9 million General Obligation Bonds, Series A of 2021. Concurrently, Moody's has affirmed the district's issuer and existing GOLT ratings, affecting \$134.7 million in debt outstanding. The district's issuer rating reflects the district's standalone credit quality and ability to repay debt and debt-like obligations.

RATINGS RATIONALE

The district's Aa3 issuer rating reflects its solid reserves, above average income, moderate leverage, and declining enrollment.

The absence of distinction between the issuer and GOLT ratings reflects Pennsylvania school districts' ability to apply for exceptions to the cap on property tax increases in order to cover debt service, the Commonwealth's history of granting such exceptions, and the district's full faith and credit pledge supporting all general obligation debt.

We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety. The pandemic has not had a material impact on the district given its reliance on state aid and local property tax revenue, which are stable year over year.

RATING OUTLOOK

Outlooks are not typically assigned to local governments with this amount of debt outstanding.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Materially improved reserves and liquidity
- Significant reduction in leverage
- Stabilization of enrollment trend

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Material draws on reserves and liquidity
- Significant additional borrowing leading to outsized leverage

LEGAL SECURITY

All of the district's rated debt, including the Series A of 2021 bonds, are secured by its GOLT pledge, which is subject to the limitations of Pennsylvania's Act 1 index.

USE OF PROCEEDS

Proceeds from the sale of the Series A of 2021 bonds will be used to refund the district's Series AAA of 2016 bonds for savings.

PROFILE

Quakertown Community School District is located in Bucks County (Aaa negative) and is comprised of the Boroughs of Quakertown, Richlandtown, and Trumbauersville, and the Townships of Haycock, Richland and Milford. The district serves 4,865 students through five elementary schools, one sixth grade center, one middle school, and one senior high school.

METHODOLOGY

The principal methodology used in these ratings was US K-12 Public School Districts Methodology published in January 2021 and available at https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM_1202421. Alternatively, please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found at: https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

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Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_1243406.

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CREDIT OPINION

22 March 2021



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Quakertown Community School District, PA

Update to credit analysis

Summary

Quakertown Community School District's (Aa3) solid reserve position will decline modestly in the current fiscal year but remain healthy. The district's total leverage will remain moderate due to an absence of near term borrowing plans. That said, enrollment will continue to decline precipitously due to shifting demographics within the district.

Credit strengths

- » Solid reserves and liquidity
- » Manageable fixed costs ratio
- » Above average income levels

Credit challenges

- » Declining enrollment which will persist in the medium term
- » Projected operating deficit in the current fiscal year

Rating outlook

Outlooks are not typically assigned to local governments with this amount of debt outstanding.

Factors that could lead to an upgrade

- » Materially improved reserves and liquidity
- » Significant reduction in leverage
- » Stabilization of enrollment trend

Factors that could lead to a downgrade

- » Material draws on reserves and liquidity
- » Significant additional borrowing leading to outsized leverage

Key indicators

Exhibit 1

Quakertown Community School District, PA

	2017	2018	2019	2020	Aa Medians
Economy					
Resident income	110.8%	113.4%	117.9%	N/A	121.7%
Full value (\$000)	\$3,476,670	\$3,508,391	\$3,604,009	\$3,619,710	\$3,848,156
Population	36,544	36,382	36,476	N/A	29,777
Full value per capita	\$95,137	\$96,432	\$98,805	N/A	\$104,849
Enrollment	5,262	5,163	5,111	5,002	4,489
Enrollment trend	N/A	-0.8%	-0.8%	-1.7%	-0.1%
Financial performance					
Operating revenue (\$000)	\$104,273	\$105,930	\$111,539	\$112,808	\$73,583
Available fund balance (\$000)	\$13,210	\$14,994	\$21,744	\$25,870	\$18,249
Net cash (\$000)	\$13,013	\$13,721	\$19,783	\$24,040	\$22,186
Available fund balance ratio	12.7%	14.2%	19.5%	22.9%	25.4%
Net cash ratio	12.5%	13.0%	17.7%	21.3%	30.4%
Leverage					
Debt (\$000)	\$144,631	\$147,761	\$150,226	\$149,922	\$49,675
ANPL (\$000)	\$154,529	\$155,170	\$135,662	\$142,920	\$96,635
OPEB (\$000)	N/A	\$12,402	\$9,955	\$10,314	\$12,399
Long-term liabilities ratio	N/A	297.7%	265.2%	268.7%	284.4%
Implied debt service (\$000)	\$10,519	\$10,743	\$10,887	\$10,953	\$3,456
Pension tread water (\$000)	\$7,147	\$7,077	\$6,680	\$6,324	\$3,192
OPEB contributions (\$000)	N/A	\$889	\$756	\$709	\$507
Fixed-costs ratio	N/A	17.7%	16.4%	15.9%	11.6%

For definitions of the metrics in the table above please refer to the [US K-12 Public School Districts Methodology](#) or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published [K12 Median Report](#).

Sources: US Census Bureau, Quakertown Community School District, PA's financial statements and Moody's Investors Service

Profile

Quakertown Community School District is located in [Bucks County](#) (Aaa negative) just outside of [Allentown](#) (A3 stable) and is comprised of the Boroughs of Quakertown, Richlandtown, and Trumbauersville, and the Townships of Haycock, Richland and Milford. The district serves 4,865 students through five elementary schools, one sixth grade center, one middle school, and one senior high school.

Detailed credit considerations

Economy: growing economy outside of Allentown; declining enrollment

The district's economy will continue to grow in the near term, as management reports ongoing residential development within the district. Over the last five years, the district's property tax base has expanded by a compound 1.3% annually, on average. The district's full value per capita exceeds national medians at \$99,000.

Despite ongoing residential expansion, the district has seen declining enrollment over the last three years, having declined by a compound average 1.7% annually. While enrollment was 4,865 at the start of the current school year, it was over 5,100 last year. Moreover, management projects that enrollment will decline to 4,000 by 2026 - a decline of 21.6%. Management reports that the decline is being driven by sharply declining birthrates in the district along with an aging population. Notably, the median age in the district is 43 years, while the median age across the nation is 38.

Financial operations: reserves to remain healthy despite projected draw

The district's reserve position will remain solid in the near to middle term despite a projected deficit for the current fiscal year (2021). In fiscal 2020, the district ran its fourth consecutive operating surplus, which brought fund balance to a five year high of \$25.9 million or

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22.9% of operating revenue. The district reports that its \$4.2 million surplus was driven predominantly by operational savings from the coronavirus. Specifically, the district saved \$1.4 million in purchased services and \$2.4 million in personnel expenses. The district also increased its property tax levy by 2.7%. While cyber/charter school tuition remained level at \$2.6 million or a very manageable 2.3% of the district's budget, special education costs increased by \$800,000 to \$15.6 million or 13.8% of the district's budget.

With less than four months left in the current fiscal year, the district is projecting an operating deficit of \$4 million. Although this compares favorably to the district's initial expectation of a \$7.3 million deficit at the start of the fiscal year, the district has seen its costs grow. Specifically, cyber/charter school tuition will grow by \$1.7 million to \$4.3 million. Earned income tax revenue, which accounts for about 9.5% of the district's revenue, will decline by about \$200,000 - far less than initially anticipated. On the other hand, the district did not increase its property tax levy in fiscal 2021 - the first year without an increase in more than ten years. The district has budgeted for \$1 million in pay as you go capital expenses for the current fiscal year. That said, it maintains \$1.7 million in leftover bond proceeds. Management may finance its 2021 capital budget through those leftover proceeds, which would further reduce its deficit.

Future assessments of the district's credit quality will assess its ability to return to and maintain structurally balanced financial operations in fiscal 2022 and beyond.

Liquidity

The district's liquidity will decline in fiscal 2021 but remain healthy. At the end of fiscal 2020, the district had net cash of \$24.0 million or 21.3% of operating revenue.

Leverage: manageable leverage with no near term borrowing plans

The district's moderate leverage will remain manageable in the near to middle term. After the district issues its Series A of 2021 refunding bonds, its net direct debt will be \$142.9 million or a moderate 128% of annual revenue, a slight decline from the end of fiscal 2020. Favorably, the district does not have any plans to issue additional long term debt over the next three to five years.

When incorporating the district's other long term liabilities - Moody's adjusted net pension liability (ANPL) and adjusted net other post-employment benefits (OPEB) liability, the district's total leverage amounts to 262.5% of annual revenue, which is moderate. The district's fixed costs ratio is manageable at 15.9% of operating revenue.

Legal security

All of the district's rated debt is secured by its general obligation limited tax (GOLT) pledge, which is subject to the limitations of Pennsylvania's Act 1.

Debt structure

All of the district's debt is fixed rate and matures over the long term, with a moderate 60% of principal maturing over the next ten years.

Debt-related derivatives

Quakertown Community School District is not party to any swaps or other derivatives.

Pensions and OPEB

The district's pension liabilities are expected to grow but remain moderate. The district contributes to the Public School Employee Retirement System (PSERS), a multi-employer cost-sharing plan administered by the Commonwealth of Pennsylvania. During fiscal 2020, the district contributed \$6.7 million, which was matched in full by the state's reimbursement for half the annual cost. The fiscal 2020 three-year average Moody's adjusted net pension liability, under Moody's methodology for adjusting reported pension data, was \$148.5 million, or a moderate 133% of annual operating revenues. The district's adjusted OPEB liability amounted to \$10.3 million or 9.2% of revenue.

ESG considerations

Environmental

Environmental considerations are not material to the CTC's credit profile. According to data of Moody's affiliate, Four Twenty-Seven, Bucks County is at elevated risk for extreme rainfall and hurricanes due to its location along the Delaware River.

Social

The district has favorable wealth and income levels. Adjusted median household income is an above average 118% of the nation. Poverty in the district is a below average 7% when compared to the commonwealth and nation, while unemployment in Bucks County as of December 2020 was below average at 5.3%.

Governance

The district's fund balance policy mirrors the state's recommendation to maintain 5% to 8% of annual expenditures as unassigned. The district has remained in compliance with its policy over the long term. Favorably, the district also has a history of conservative budgeting.

Pennsylvania school districts have an Institutional Framework score ¹ of A. Revenue primarily consists of locally controlled property taxes and state aid. Property tax is subject to the Act 1 cap, which requires state, and sometimes voter, approval for property tax increases above an Act 1 index, driven by the consumer price index. The state has never denied a request for an Act 1 exception when the district has demonstrated need. Property taxes have historically been resilient and state aid has grown modestly in recent years, though the Commonwealth has delayed aid to districts in the past.

Rating methodology and scorecard factors

The US K-12 Public School Districts Methodology includes a scorecard, a tool providing a composite score of a school district's credit profile based on the weighted factors we consider most important, universal and measurable, as well as possible notching factors dependent on individual credit strengths and weaknesses. Its purpose is not to determine the final rating, but rather to provide a standard platform from which to analyze and compare school district credits.

Exhibit 2

Quakertown Community School District, PA

	Measure	Weight	Score
Economy			
Resident Income (MHI Adjusted for RPP / US MHI)	117.9%	10.0%	Aa
Full value per capita (full valuation of the tax base / population)	99,528	10.0%	A
Enrollment trend (three-year CAGR in enrollment)	-1.7%	10.0%	A
Financial performance			
Available fund balance ratio (available fund balance / operating revenue)	22.9%	20.0%	Aa
Net cash ratio (net cash / operating revenue)	21.3%	10.0%	Aa
Institutional framework			
Institutional Framework	A	10.0%	A
Leverage			
Long-term liabilities ratio ((debt + ANPL + adjusted net OPEB) / operating revenue)	271.3%	20.0%	A
Fixed-costs ratio (adjusted fixed costs / operating revenue)	15.9%	10.0%	Aa
Notching factors			
No notchings applied			
Scorecard-Indicated Outcome			Aa3
Assigned Rating			Aa3

Sources: US Census Bureau, Quakertown Community School District, PA's financial statements and Moody's Investors Service

Appendix

Exhibit 3

Key Indicators Glossary

	Definition	Typical Source*
Economy		
Resident income	Median Household Income (MHI), adjusted for Regional Price Parity (RPP), as a % of the US	MHI: American Community Survey (US Census Bureau) RPP: US Bureau of Economic Analysis
Full value (\$000)	Estimated market value of taxable property accessible to the district	State repositories, district's audited financial reports, offering documents or continuing disclosure
Population	Population of school district	American Community Survey (US Census Bureau)
Full value per capita	Full value / population of school district	
Enrollment	Student enrollment of school district	State data publications
Enrollment trend	3-year Compound Annual Growth Rate (CAGR) of Enrollment	State data publications; Moody's Investors Service
Financial performance		
Operating revenue (\$000)	Total annual operating revenue in what we consider to be the district's operating funds	Audited financial statements
Available fund balance (\$000)	Committed, assigned and unassigned fund balances in what we consider to be the district's operating funds	Audited financial statements
Net cash (\$000)	Net cash (cash and liquid investments minus short-term debt) in what we consider to be the district's operating funds	Audited financial statements
Available fund balance ratio	Available fund balance / Operating Revenue	Audited financial statements
Net cash ratio	Net Cash / Operating Revenue	Audited financial statements
Leverage		
Debt (\$000)	District's direct gross debt outstanding	Audited financial statements; official statements
ANPL (\$000)	District's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Investors Service
OPEB (\$000)	District's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Investors Service
Long-term liabilities ratio	Debt, ANPL and OPEB liabilities as % of operating revenue	Audited financial statements, official statements; Moody's Investors Service
Implied debt service (\$000)	Annual cost to amortize district's long-term debt over 20 years with level payments	Audited financial statements; official statements; Moody's Investors Service
Pension tread water (\$000)	Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met	Audited financial statements; Moody's Investors Service
OPEB contributions (\$000s)	District's actual contribution in a given period, typically the fiscal year	Audited financial statements; official statements
Fixed-costs ratio	Implied debt service, pension tread water and OPEB contributions as % of operating revenue	Audited financial statements, official statements, pension system financial statements

*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the [US K-12 Public School Districts Methodology](#).

Source: Moody's Investors Service

Endnotes

- The institutional framework score categorically assesses whether a district has the legal ability to raise the bulk of its operating revenue at the local level or if the state determines the bulk of its operating revenue. Beyond the local versus state categorization, the strength of the institutional framework score is a measure of the district's flexibility in raising additional locally determined operating revenue. See [US K-12 Public School Districts Methodology](#) for more details.

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REPORT NUMBER

1272943

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

QUAKERTOWN COMMUNITY SCHOOL DISTRICT
SERIES AAA OF 2016

Optional Redemption: August 1, 2021

1	2	3	4	5	6	7	8
<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
8/1/2021	5,000	2.000	133,055.00	138,055.00			
2/1/2022			133,005.00	133,005.00	271,060.00	17,369.81	253,690.19
8/1/2022	5,000	2.000	133,005.00	138,005.00			
2/1/2023			132,955.00	132,955.00	270,960.00	17,363.40	253,596.60
8/1/2023	5,000	2.000	132,955.00	137,955.00			
2/1/2024			132,905.00	132,905.00	270,860.00	17,356.99	253,503.01
8/1/2024	5,000	2.000	132,905.00	137,905.00			
2/1/2025			132,855.00	132,855.00	270,760.00	17,350.59	253,409.41
8/1/2025	5,000	2.000	132,855.00	137,855.00			
2/1/2026			132,805.00	132,805.00	270,660.00	17,344.18	253,315.82
8/1/2026	5,000	2.000	132,805.00	137,805.00			
2/1/2027			132,755.00	132,755.00	270,560.00	17,337.77	253,222.23
8/1/2027	910,000	2.150	132,755.00	1,042,755.00			
2/1/2028			122,972.50	122,972.50	1,165,727.50	74,701.04	1,091,026.46
8/1/2028	925,000	2.300	122,972.50	1,047,972.50			
2/1/2029			112,335.00	112,335.00	1,160,307.50	74,353.72	1,085,953.78
8/1/2029	960,000	2.450	112,335.00	1,072,335.00			
2/1/2030			100,575.00	100,575.00	1,172,910.00	75,161.30	1,097,748.70
8/1/2030	985,000	3.000	100,575.00	1,085,575.00			
2/1/2031			85,800.00	85,800.00	1,171,375.00	75,062.94	1,096,312.06
8/1/2031	1,010,000	3.000	85,800.00	1,095,800.00			
2/1/2032			70,650.00	70,650.00	1,166,450.00	74,747.34	1,091,702.66
8/1/2032	1,160,000	3.000	70,650.00	1,230,650.00			
2/1/2033			53,250.00	53,250.00	1,283,900.00	82,273.66	1,201,626.34
8/1/2033	3,550,000	3.000	53,250.00	3,603,250.00			
2/1/2034					3,603,250.00	230,900.04	3,372,349.96
TOTALS	9,530,000		2,818,780.00	12,348,780.00	12,348,780.00	791,322.79	11,557,457.21
PE%	16.41%	<i>(Temporary)</i>					
CARF%	39.05%	<i>(2019-2020)</i>					
Net	6.41%	<i>Effective Reimbursement</i>					

QUAKERTOWN COMMUNITY SCHOOL DISTRICT REQUIRED TO CALL BONDS SETTLE: 5/4/2021

1	2	3	4
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SERIES AAA OF 2016

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
8/1/2021	9,530,000.00	133,055.00	9,663,055.00
<hr/>			
TOTALS	9,530,000.00	133,055.00	9,663,055.00
<hr/>			

QUAKERTOWN COMMUNITY SCHOOL DISTRICT

SERIES A OF 2021
REFUNDS THE SERIES AAA OF 2016

Settle 5/4/2021
Dated 5/4/2021

1	2	3	4	5	6	7	8	9	10	11
<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Proposed Local Effort</u>	<u>Existing Local Effort</u>	<u>Savings</u>
8/1/2021				46,001.25	46,001.25					
2/1/2022				95,175.00	95,175.00	141,176.25	9,046.72	132,129.53	253,690.19	121,560.66
8/1/2022	10,000	3.000	0.400	95,175.00	105,175.00					
2/1/2023				95,025.00	95,025.00	200,200.00	12,829.03	187,370.97	253,596.60	66,225.62
8/1/2023	10,000	3.000	0.450	95,025.00	105,025.00					
2/1/2024				94,875.00	94,875.00	199,900.00	12,809.80	187,090.20	253,503.01	66,412.81
8/1/2024	15,000	3.000	0.600	94,875.00	109,875.00					
2/1/2025				94,650.00	94,650.00	204,525.00	13,106.18	191,418.82	253,409.41	61,990.59
8/1/2025	15,000	3.000	0.700	94,650.00	109,650.00					
2/1/2026				94,425.00	94,425.00	204,075.00	13,077.34	190,997.66	253,315.82	62,318.16
8/1/2026	15,000	3.000	0.800	94,425.00	109,425.00					
2/1/2027				94,200.00	94,200.00	203,625.00	13,048.50	190,576.50	253,222.23	62,645.73
8/1/2027	920,000	2.000	0.900	94,200.00	1,014,200.00					
2/1/2028				85,000.00	85,000.00	1,099,200.00	70,437.89	1,028,762.11	1,091,026.46	62,264.35
8/1/2028	930,000	2.000	1.000	85,000.00	1,015,000.00					
2/1/2029				75,700.00	75,700.00	1,090,700.00	69,893.20	1,020,806.80	1,085,953.78	65,146.98
8/1/2029	960,000	2.000	1.150	75,700.00	1,035,700.00					
2/1/2030				66,100.00	66,100.00	1,101,800.00	70,604.50	1,031,195.50	1,097,748.70	66,553.20
8/1/2030	980,000	2.000	1.200	66,100.00	1,046,100.00					
2/1/2031				56,300.00	56,300.00	1,102,400.00	70,642.95	1,031,757.05	1,096,312.06	64,555.01
8/1/2031	995,000	2.000	1.250	56,300.00	1,051,300.00					
2/1/2032				46,350.00	46,350.00	1,097,650.00	70,338.56	1,027,311.44	1,091,702.66	64,391.22
8/1/2032	1,135,000	2.000	1.300	46,350.00	1,181,350.00					
2/1/2033				35,000.00	35,000.00	1,216,350.00	77,944.99	1,138,405.01	1,201,626.34	63,221.33
8/1/2033	3,500,000	2.000	1.350	35,000.00	3,535,000.00					
2/1/2034						3,535,000.00	226,526.51	3,308,473.49	3,372,349.96	63,876.47

TOTALS	9,485,000			1,911,601.25	11,396,601.25	11,396,601.25	730,306.17	10,666,295.08	11,557,457.21	891,162.14
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PE% 16.41% (Estimated)
CARF% 39.05% (2019-2020)

Net 6.41% Effective Reimbursement

February 1, 2026 Optional Redemption

Savings Allocation	Amount	Percentage
School District's Share	891,162.14	9.35%
State's Share	61,016.61	0.64%
Total Savings	952,178.75	9.99%

QUAKERTOWN COMMUNITY SCHOOL DISTRICT

SERIES A OF 2021

Composition of the Issue

SOURCES:

Bonds	9,485,000.00
Original Issue (Discount)/Premium	343,126.15
Accrued Interest	0.00
Total	9,828,126.15

USES:

Required to Call Bonds	9,663,055.00
Underwriter's Discount	\$7.50 71,137.50
Bond Insurance	\$0.00 0.00
Legal Fees	17,500.00
Financial Advisor	39,500.00
Credit Rating (Moody's Aa3)	16,200.00
OS Printing/Word Processing	10,000.00
Internet Auction Administrator	2,750.00
Paying/Redemption Agent (M&T)	2,000.00
Miscellaneous Expenses/Rounding	5,983.65
Total	9,828,126.15

Dated Date 5/4/2021

Settlement Date 5/4/2021

Yield of the Issue 1.216042

(OID)/OIP Calculations

<u>Date</u>	<u>Price</u>	<u>(OID)/OIP</u>
8/1/2022	103.216%	321.60
8/1/2023	105.680%	568.00
8/1/2024	107.692%	1,153.80
8/1/2025	109.595%	1,439.25
8/1/2026	110.215%	1,532.25
8/1/2027	105.094%	46,864.80
8/1/2028	104.619%	42,956.70
8/1/2029	103.910%	37,536.00
8/1/2030	103.675%	36,015.00
8/1/2031	103.441%	34,237.95
8/1/2032	103.208%	36,410.80
8/1/2033	102.974%	104,090.00
TOTAL		343,126.15

QUAKERTOWN COMMUNITY SCHOOL DISTRICT SUMMARY OF OUTSTANDING INDEBTEDNESS

[illegible]

Local Effort Requirements																											
28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	
Fiscal Year Ended	Del Val Note Series B of 2000 (1)	Del Val Note Series C of 2000 (1)	Del Val Note Series of 2003 (1)	89 Emmaus Series A of 2004 (2)	G.O. Bonds Series of 2013	G.O. Bonds Series A of 2013	G.O. Bonds Series of 2014	G.O. Bonds Series A of 2014	Lease Rev Series of 2014	G.O. Bonds Series of 2015	Lease Rev Series of 2015	G.O. Bonds Series of 2016	G.O. Bonds Series A of 2016	G.O. Bonds Series AA of 2016	G.O. Bonds Series AAA of 2016	G.O. Bonds Series A of 2017	G.O. Bonds Series of 2017	G.O. Bonds Series A of 2018	G.O. Bonds Series A of 2018	G.O. Bonds Series of 2019	G.O. Bonds Series A of 2019	G.O. Bonds Series of 2020	G.O. Bonds Series A of 2020	G.O. Bonds Series of 2021	G.O. Bonds Series A of 2021	Total Local Effort	
6/30/2021	501,766	954,171	389,606	909,862	517,895	637,225	1,636,228	691,480	322,057	613,388	94,858	703,843	136,275	123,113	253,784	318,789	270,354	361,863	325,279	368,550	295,540	166,339	169,440			10,761,703	
6/30/2022	412,126		388,909	881,319					323,167	613,267	96,811			122,646		318,690	269,699	361,738	329,186	368,450	216,923	174,619	193,775	5,594,941	132,130	10,798,394	
6/30/2023			388,605	940,481					322,520	613,122	95,296			122,179		318,590	268,970	361,613	328,344	368,350	215,051	174,385	193,625	5,947,573	187,371	10,846,075	
6/30/2024			386,808	908,767					321,688	612,897	95,298			255,749		318,474	268,168	361,488	332,111	366,250	217,742	178,714	193,475	5,856,355	187,090	10,865,152	
6/30/2025									322,181	612,832	96,778			4,819,085		368,100	215,636	361,350	361,350	214,747	183,325	2,670,015	191,419			10,982,299	
6/30/2026									322,427	612,687	94,797					318,205	266,563	361,200	330,145	367,900	214,162	203,282	193,175	7,527,975	190,598	11,003,516	
6/30/2027									322,427	612,542						318,071	5,356,906	361,050	329,163	367,700	217,952	229,768	193,025	2,523,154	190,576	11,022,335	
6/30/2028									322,181	1,316,961						558,151	3,864,403	360,900	328,180	367,500	689,562	2,220,561	192,875		1,028,762	11,250,036	
6/30/2029									323,198	1,340,834						609,760		360,744	1,700,799	367,300	1,383,265	2,151,210	192,725		1,020,807	11,250,640	
6/30/2030									322,396	1,335,850						605,410		360,581	1,744,611	1,390,986	2,096,318	192,575		1,031,195	11,247,024		
6/30/2031									322,859	1,336,240						610,704		360,419	1,806,768	366,900	1,383,832	2,037,074	192,425		1,031,757	11,248,978	
6/30/2032									323,013	1,336,070						366,700		360,256	1,839,542	367,275			192,275		1,027,311	11,915,957	
6/30/2033									322,859	3,318,259						1,044,043		537,123	1,864,834	547,800	2,634,555	285,700		1,338,405	9,828,743		
6/30/2034									322,396	3,308,714						1,047,690		585,110		584,300			356,575		3,308,473	9,513,258	
6/30/2035									323,136							812,750		805,200		805,200			444,900			8,606,957	
6/30/2036									323,392										1,272,463		1,183,300		796,325			3,575,480	
6/30/2037									323,161										1,268,163		1,187,500		801,900			3,580,724	
6/30/2038									322,429										1,266,438		1,190,100		806,725			3,585,691	
6/30/2039									322,698										1,267,063		1,191,100		800,950			3,581,811	
6/30/2040									322,515										1,271,094		1,190,500		794,725			3,578,834	
6/30/2041									321,809										1,273,438				802,825			3,586,372	
6/30/2042									322,087										1,269,188		1,194,300		800,175			3,585,749	
6/30/2043									321,840										1,268,344		1,193,400		801,850			3,585,434	
6/30/2044									322,578																	322,578	
6/30/2045																											
TOTAL	913,892	954,171	1,553,928	3,640,428	517,895	637,225	1,636,228	691,480	7,741,012	24,785,744	573,838	703,843	136,275	5,442,771	253,784	13,570,722	10,832,429	16,424,370	11,756,768	15,868,600	10,464,746	9,847,016	9,785,365	30,122,014	10,666,295	189,520,840	

Principal *:	411,000	0	1,163,000	2,900,000	0	0	0	0	6,219,315	18,645,000	450,885	0	0	5,330,000	0	9,380,000	9,795,000	9,740,000	9,175,000	9,095,000	9,070,000	8,920,000	6,295,000	29,360,000	9,485,000	145,434,200
PE Status:	0.00%	17.88%	12.92%	24.04%	27.83%	18.08%	19.16%	19.16%	46.15%	8.55%	0.00%	24.87%	16.97%	16.97%	16.41%	1.50%	16.41%	0.00%	16.41%	0.00%	16.41%	16.41%	0.00%	21.03%	16.41%	
PE Status:	Temp	Perm	Perm	Perm	Temp	Perm	Perm	Est.	Estimated	Temp	Perm	Temp	Temp	Temp	Temp	Temp	Temp	Est.	Temp	Est.	Temp	Temp	Est.	Est.	Est.	
Call Date:	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	50.00%	39.05%	50.00%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	39.05%	
Call Date:	Anytime	Anytime	Anytime	Anytime	5/15/2018	3/1/2019	9/1/2019	9/1/2019	5/15/2022	2/1/2023	Anytime	2/1/2021	2/1/2021	8/1/2021	8/1/2021	5/15/2022	8/15/2022	9/1/2023	2/1/2024	9/1/2025	2/1/2025	8/1/2025	9/1/2025	Noncallable	2/1/2026	
Purpose:			New Money	Cur Ref 08	Cur Ref 2009	Cur Ref 2009A	Cur Ref 2009A	New Money	New Money	Cur Ref 10A	Cur Ref 10A	Cur Ref 10A	Cur Ref 10A	New Money	New Money	Cur Ref 2011	New Money	Cur Ref 2013B	New Money	Cur Ref 2014AA	Cur Ref 2012	New Money	Cur Ref 2013, 2014, 2016, 2016A	Cur Ref 2016AAA		

(2) Interest rate is variable. The analysis assumes 3.50%. PFM is the Program Administrator for the Emmaus Bond Pool program.

QUAKERTOWN COMMUNITY SCHOOL DISTRICT GENERAL OBLIGATION BONDS SERIES A OF 2021

SUMMARY OF FINANCING

2021A Bonds Principal:	\$9,485,000
Pricing Date:	3/29/2021
Settlement Date:	5/4/2021
Credit Rating:	Moody's Aa3
Overall Arbitrage Yield:	1.216042%
Use of Proceeds:	1) Currently refunding the District's Outstanding General Obligation Bonds Series AAA of 2016 (2) paying the costs and expenses related to the issuance of the Bonds.

FINANCING TEAM MEMBERS

Issuer	Quakertown Community School District
Solicitor	Begley Carlin & Mandio LLP
Bond Counsel	Fox Rothschild LLP
Financial Advisor	PFM Financial Advisors LLC
Underwriter	Janney Montgomery Scott
Paying Agent	M&T
Rating Agency	Moody's Investors Service



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