



UMB Bank Public Finance Transaction Highlight

TRANSACTION HIGHLIGHT

Entity Name

Crawford County Memorial Hospital

Location

Denison, Iowa

Type

Hospital Revenue Bonds

Amount

\$1,565,000

Series 2020A (bank qualified)

\$975,000

Series 2020B (taxable)

\$5,190,000

Series 2020C (converting Cinderella bond structure)

TRANSACTION SUMMARY

UMB Bank completes a private placement of tax-exempt, taxable and converting Cinderella bonds for Crawford County Memorial Hospital to lower their debt service payments by approximately \$100,000 per year.

TRANSACTION DETAILS

Crawford County Memorial Hospital is a public county hospital located in Denison, IA. The hospital was originally founded in 1951, and recently completed a complete replacement of its hospital facilities in 2009. A combination of tax-exempt revenue bonds and a USDA Guaranteed Loan were issued with the assistance of UMB Bank to finance the construction of the new facilities. Recently, UMB Bank was engaged to assist the hospital in identifying potential refunding opportunities for its outstanding debt. Due to varying call dates for the hospital's outstanding bonds, a tax-exempt refunding of all of the bonds was not possible in the current tax environment. Accordingly, UMB Bank put together a refunding structure that utilized a \$1,565,000 tax-exempt bank qualified bond issue, a \$975,000 taxable bond issue, and a \$5,190,000 Cinderella bond structure with an interest rate that initially is taxable and then converts to tax-exempt at a date in the future.

TRANSACTION SIGNIFICANCE

The bond refunding structure that UMB Bank put together reduced the hospital's annual debt service payments by approximately \$100,000 per year. In addition, UMB Bank was able to complete the financing through a private placement of the bonds which also reduced the issuance costs of the financing.

UMB BANK'S ROLE

UMB Bank served as placement agent for the bond issue and utilized its experience and extensive distribution network to structure the financing and place the bonds with banks and institutional investors throughout the Midwest.