

March 2, 2018

New Hampton Community School District
Attn: Board of Directors, Jay Jurrens & Bob Ayers
710 W Main
New Hampton IA 50659-1004

Dear Board, Jay & Bob -

The Official Statement that is being prepared is the Issuer's communication to the market and ultimately, the accuracy of the information contained in the official statement is the Issuer's responsibility. There are a few items that we want to specifically call your attention to with respect to the official statement. These are representations that the Issuer (you) are making to the marketplace and you need to ensure that they are accurate.

MATERIALLY ACCURATE FINANCIAL STATEMENTS

The official statement will include the audited financial statements for the most recent fiscal years for which audits are available. Quite often, the audited financial statements are somewhat dated at the time of publication of the official statement. For example, for the bonds in question, the most recent audit that can be included is the audited for the period ending June 30, 2017 assuming it is available by approx April 17th. As the bonds are being dated June 6, 2018, the audits may not present a clear picture of the Issuer's financial position as of June 30, 2018 or the expected financial position for the period ending June 30, 2019. Under securities laws and prior rulings, you are responsible for the accurate and full disclosure of material changes in financial position since the most recent audit was printed. If you know that the financial position of the Issuer has changed in that time, or is likely to change during the current fiscal year, it is the Issuer's responsibility to disclose this actual or expected change in the official statement.

Please carefully review the most recent audit, and the interim financial statements and budgets since that time to see if you expect material changes to occur in financial statements. If so, please contact us to discuss the modification of the official statement to include disclosure about the potential changes.

MATERIAL EVENTS NOTICES

If you have prior bonds outstanding for which a continuing disclosure obligation exists, you have a responsibility to have disclosed, under the prior continuing disclosure certificate, the following items if they have occurred. Please carefully review the following to see if any of the events have occurred and, if so, check to see if a disclosure was made. If a disclosure was not made, please contact us so that adequate disclosure can be made and noted in the official statement. Please call if you are unclear what these items mean in the context of your debt management practices.

LIST OF MATERIAL EVENTS THAT MUST BE DISCLOSED

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of Holders of the Bonds, if material;
8. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
9. Defeasances of the Bonds;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes on the Bonds;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

BOND INSURANCE RATING DOWNGRADES

Over the past 8+ years, many of the bond insurers practicing in the municipal bond industry have had their ratings lowered, which is a cause for a material event filing under number 11 above. If you have municipal debt outstanding that was insured by a municipal bond insurance company, it is quite possible that a material event notice is required under item 11 above. If a notice has not been prepared, or you are unaware, please contact us so that we can attempt to ascertain if you are in compliance under the terms of your prior certificate and, if not, we can help to remedy the situation.

If you would like to review any of this, please call or email me at matthew.r.gillaspie@pjc.com or (800)333-6008.

Very truly yours,

Via Email

Matthew R. Gillaspie
Managing Director