

**ARLINGTON CENTRAL SCHOOL DISTRICT  
MINUTES OF THE BUSINESS MEETING  
CENTRAL ADMINISTRATION OFFICE  
MARCH 15, 2016**

President Kelly Lappan called the meeting to order at 7:00 pm at Central Administration Office, 144 Todd Hill Road, LaGrangeville, NY 12540

**1) Call to Order**

***Open Meeting***      7:00 pm

**2) Pledge of Allegiance**

**3) Roll Call**

Board Members present were Mrs. Baxter, Mrs. Eraca, Mrs. Fasulo, Mrs. Herr, Mrs. Lappan, Mr. McCormick, Mr. McLeod, and Mr. Rossi. Board Member absent was Mr. Bodnar. Also present were Dr. Lyons and Mr. Sheldon.

**4) Reading of the District Mission**

By Mrs. Lappan

**5) Approval of the Agenda**

Motion by Mrs. Baxter, seconded by Mrs. Eraca, to approve the agenda as written. The motion was carried unanimously.

There was an audience of approximately 5 people.

**6) New Business**

**a) Refunding of Serial Bonds**

Motion by Mr. McLeod, seconded by Mr. Rossi, to approve the following resolution. The motion was carried unanimously.

**REFUNDING BOND RESOLUTION OF THE ARLINGTON CENTRAL SCHOOL DISTRICT, NEW YORK, ADOPTED MARCH 15, 2016, AUTHORIZING THE REFUNDING OF ALL OR A PORTION OF CERTAIN OUTSTANDING SERIAL BONDS OF SAID DISTRICT, STATING THE PLAN OF REFUNDING, APPROPRIATING AN AMOUNT NOT TO EXCEED \$37,700,000 THEREFOR, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$37,700,000 REFUNDING SERIAL BONDS OF THE DISTRICT TO FINANCE SAID APPROPRIATION, AND MAKING CERTAIN OTHER DETERMINATIONS ALL RELATIVE THERETO.**

Recitals

WHEREAS, the Arlington Central School District, in the County of Dutchess, New York (herein called the “District”), has heretofore issued on May 14, 2009, \$56,107,212 School District Serial Bonds, Series 2009A, which are currently outstanding in the principal amount of \$41,840,000 (the “Outstanding Bonds”), which bonds were issued pursuant to a bond resolution adopted by the Board of Education on January 10, 2006, following the approval of a proposition by a majority of the qualified voters of the District present and voting at a Special District Meeting duly called and held on December 13, 2005, authorizing the issuance of \$59,840,000 serial bonds to finance the construction and reconstruction of certain school buildings and facilities; and

WHEREAS, said Outstanding Bonds mature on May 15 in the years and in the principal amounts and bear interest payable on May 15 and November 15 in each year, as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2016	\$2,745,000	5.00%
2017	2,860,000	5.00
2018	2,985,000	5.00
2019	3,110,000	5.00
2020	3,240,000	5.00
2021	3,380,000	5.00
2022	3,525,000	5.00
2023	3,675,000	4.00
2024	3,830,000	4.00
2025	3,990,000	4.00
2026	4,160,000	4.25
2027	4,340,000	4.50

WHEREAS, the Outstanding Bonds maturing on or after May 15, 2020, are subject to redemption prior to maturity, at the option of the District, May 15, 2019, and thereafter on any date, in whole or in part, and if in part in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at the price of par (100% of the principal amount), plus accrued interest to the date of redemption; and

WHEREAS, Sections 90.00 and 90.10 of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called “Law”), permit the District to refund all or a portion of the Outstanding Bonds by the issuance of new bonds, the issuance of which will result in present value debt service savings for the District; and

WHEREAS, in order effectuate the refunding, it is now necessary to adopt a refunding bond resolution;

THEREFORE, THE BOARD OF EDUCATION OF THE ARLINGTON CENTRAL SCHOOL DISTRICT, NEW YORK HEREBY RESOLVES (by the favorable vote of two-thirds of all the members of said Board of Education), AS FOLLOWS:

Section 1. In this resolution, the following definitions apply, unless a different meaning clearly appears from the context:

- (a) “Bond To Be Refunded” or “Bonds To Be Refunded” means all or a portion of the Outstanding Bonds, as shall be determined in accordance with Section 8 hereof.
- (b) “Escrow Contract” means the contract to be entered into by and between the District and the Escrow Holder pursuant to Section 10 hereof.
- (c) “Escrow Holder” means the bank or trust company designated as such pursuant to Section 10 hereof.
- (d) “Financial Advisor” means Bernard P. Donegan, Inc.
- (e) “Outstanding Bonds” means the \$41,840,000 bonds referred to in the Recitals hereto.
- (f) “Present Value Savings” means the dollar savings which result from the issuance of the Refunding Bonds computed by discounting the principal and interest payments on both the Refunding Bonds and the Bonds To Be Refunded from the respective maturities thereof to the date of issue of the Refunding Bonds at a rate equal to the effective interest cost of the Refunding Bonds. The effective interest cost of the Refunding Bonds shall be that rate which is arrived at by doubling the semi-annual interest rate (compounded semi-annually), necessary to discount the debt service payments on the Refunding Bonds from the maturity dates thereof to the date of issue of the Refunding Bonds and to the bona fide initial public offering price

including estimated accrued interest, or, if there is no public offering, to the price bid, including estimated accrued interest.

- (g) “Redemption Date” or “Redemption Dates” means May 15, 2019, or any date thereafter with respect to the Outstanding Bonds maturing on or after May 15, 2020, as determined by the President of the Board of Education pursuant to Section 8 hereof.
- (h) “Refunding Bond” or “Refunding Bonds” means all or a portion of the \$37,700,000 Refunding Serial Bonds of the Arlington Central School District, authorized pursuant to Section 2 hereof.
- (i) “Refunding Bond Amount Limitation” means an amount of Refunding Bonds which does not exceed the principal amount of Bonds To Be Refunded plus the aggregate amount of unmatured interest payable on such Bonds To Be Refunded, to and including the Redemption Date, plus any redemption premiums payable on such Bonds To Be Refunded as of such Redemption Date, plus costs and expenses incidental to the issuance of the Refunding Bonds, including the development of the refunding financial plan, and of executing and performing the terms and conditions of the Escrow Contract and all fees and charges of the Escrow Holder as referred to in Section 10 hereof.
- (j) “Refunding Financial Plan” means the proposed plan for the refunding of all or a portion of the Outstanding Bonds, prepared for the District by the Financial Advisor, in the form attached hereto as Exhibit A.

Section 2. (a) The Board of Education of the District (herein called the “Board of Education”), hereby authorizes the refunding of the Bonds To Be Refunded and appropriates an amount not to exceed \$37,700,000 therefor to accomplish such refunding. The plan of financing said appropriation includes the issuance of not to exceed \$37,700,000 Refunding Bonds and the levy and collection of a tax upon all the taxable real property within the District to pay the principal of and interest on said Refunding Bonds as the same shall become due and payable. Serial Bonds of the District in the maximum principal amount of not to exceed \$37,700,000 are hereby authorized to be issued pursuant to the provisions of the Law. The Refunding Financial Plan, which is hereby accepted and approved, includes the deposit of all the proceeds of said Refunding Bonds with an Escrow Holder

pursuant to an Escrow Contract as authorized in Section 10 hereof, the payment of all costs incurred by the District in connection with said refunding from such proceeds, and the investment of a portion of such proceeds by the Escrow Holder in certain obligations, the principal of and interest thereon, together with the balance of such proceeds to be held uninvested, shall be sufficient to pay (a) the principal of and interest on the Bonds To Be Refunded becoming due and payable on and prior to the Redemption Date and (b) the principal of and interest on and premium, if any, on the Bonds To Be Refunded to be called for redemption prior to maturity on the Redemption Date.

Section 3. The Bonds To Be Refunded referred to in Section 1 hereof are all or a portion of the Outstanding Bonds, as referred to in the Recitals hereof. In accordance with the Refunding Financial Plan, the Refunding Bonds herein authorized in the aggregate principal amount of not to exceed \$37,700,000 shall mature in amounts and on dates to be determined. The President of the Board of Education, the chief fiscal officer of the District, is hereby authorized to approve all details of the Refunding Financial Plan not contained herein.

Section 4. The issuance of the Refunding Bonds will not exceed the Refunding Bond Amount Limitation. The maximum period of probable usefulness applicable to the purposes for which the Outstanding Bonds were issued, as measured from the date of issuance of the first bond anticipation note or bond issued for the purposes for which the Outstanding Bonds were issued, is twenty-five (25) years.

Section 5. The aggregate amount of estimated Present Value Savings is set forth in the proposed Refunding Financial Plan attached hereto as **Exhibit A**, computed in accordance with subdivision two of paragraph b of Section 90.10 of the Law. Said Refunding Financial Plan has been prepared based upon the assumption that the Refunding Bonds will be issued in the aggregate principal amount and will mature, be of such terms, and bear such interest as set forth therein. The Board of Education recognizes that the principal amount of the Refunding Bonds, the provisions, if any, for the

redemption thereof prior to maturity, and whether or not all of the Refunding Bonds will be insured, and the resulting present value savings, may vary from such assumptions and that the Refunding Financial Plan may vary from that attached hereto as **Exhibit A**.

Section 6. (a) Following discussions with respect to the appointment of an underwriter for the refunding of the Outstanding Bonds, and based upon the written recommendation received from the Financial Advisor, it is hereby determined that Piper Jaffray & Co. is hereby appointed as underwriter.

(b) Prior to the issuance of the Refunding Bonds the President of the Board of Education shall file with the Board of Education all requisite certifications, including a certificate approved by the State Comptroller setting forth the Present Value Savings to the District resulting from the issuance of the Refunding Bonds. In connection with the sale of Refunding Bonds, the District authorizes the preparation of an Official Statement and approves its use in connection with such sale, and further consents to the distribution of a Preliminary Official Statement prior to the date said Official Statement is distributed. The President of the Board of Education and her designees are hereby further authorized and directed to take any and all actions necessary to accomplish said refunding, and to execute any contracts and agreements for the purchase of and payment for services rendered or to be rendered to the District in connection with said refunding, including the preparation of the Refunding Financial Plan.

Section 7. Each of the Refunding Bonds authorized by this resolution shall contain the recital of validity prescribed by Section 52.00 of the Law and said Refunding Bonds shall be general obligations of the District payable as to both principal and interest by a general tax upon all the taxable real property within the District without limitation as to rate or amount. The faith and credit of the District are hereby irrevocably pledged to the punctual payment of the principal of and interest on said Refunding Bonds and provision shall be made annually in the budget of the District for (a) the

amortization and redemption of the Refunding Bonds to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 8. Subject to the provisions of this resolution and of the Law, and pursuant to the provisions of Section 21.00 of the Law with respect to the issuance of bonds having substantially level or declining annual debt service, and Sections 50.00, 56.00 to 60.00, 90.10 and 168.00 of the Law, the powers and duties of the Board of Education relative to determining the amount of Bonds To Be Refunded, the Redemption Date, prescribing the terms, form and contents and as to the sale and issuance of the Refunding Bonds, and executing any arbitrage certification relative thereto, as well as executing any agreements for credit enhancements and executing the Escrow Contract described in Section 10 and the Official Statement referred to in Section 6, are hereby delegated to the President of the Board of Education, the chief fiscal officer of the District.

Section 9. The validity of the Refunding Bonds authorized by this resolution may be contested only if:

(a) such obligations are authorized for an object or purpose for which the District is not authorized to expend money, or

(b) the provisions of law which should be complied with at the date of the publication of such resolution, or a summary thereof, are not substantially complied with,

and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

(c) such obligations are authorized in violation of the provisions of the constitution.

Section 10. Prior to the issuance of the Refunding Bonds, the District shall contract with a bank or trust company located and authorized to do business in this state, for the purpose of having such bank or trust company act as the Escrow Holder of the proceeds, if required by law, inclusive of any premium from the sale of the Refunding Bonds, together with all income derived from the investment of such proceeds. Such Escrow Contract shall contain such terms and conditions as

shall be necessary in order to accomplish the Refunding Financial Plan, including provisions authorizing the Escrow Holder, without further authorization or direction from the District, except as otherwise provided therein, (a) to make all required payments of principal, interest and redemption premiums to the appropriate paying agent with respect to the Bonds To Be Refunded, (b) to pay costs and expenses incidental to the issuance of the Refunding Bonds, including the development of the Refunding Financial Plan, and of executing and performing the terms and conditions of the Escrow Contract and all of its fees and charges as the Escrow Holder, (c) at the appropriate time or times to cause to be given on behalf of the District the notice of redemption authorized to be given pursuant to Section 13 hereof, and (d) to invest the monies held by it consistent with the provisions of the Refunding Financial Plan. The Escrow Contract shall be irrevocable and shall constitute a covenant with the holders of the Refunding Bonds.

Section 11. The proceeds, inclusive of any premium, from the sale of the Refunding Bonds, immediately upon receipt, shall be placed in escrow by the District with the Escrow Holder in accordance with the Escrow Contract. All moneys held by the Escrow Holder, if invested, shall be invested only in direct obligations of the United States of America or in obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which obligations shall mature or be subject to redemption at the option of the holder thereof not later than the respective dates when such moneys will be required to make payments in accordance with the Refunding Financial Plan. Any such moneys remaining in the custody of the Escrow Holder after the full execution of the provisions of the Escrow Contract shall be returned to the District and shall be applied by the District only to the payment of the principal of or interest on the Refunding Bonds then outstanding.

Section 12. That portion of such proceeds from the sale of the Refunding Bonds, together with interest earned thereon, which shall be required for the payment of the principal of and



interest on the Bonds To Be Refunded, including any redemption premiums, in accordance with the Refunding Financial Plan, shall be irrevocably committed and pledged to such purpose and the holders of the Bonds To Be Refunded shall have a lien upon such moneys and the investments thereof held by the Escrow Holder. All interest earned from the investment of such moneys not required for such payments on the Bonds To Be Refunded shall be irrevocably committed and pledged to the payment of the principal of and interest on the Refunding Bonds, or such portion thereof as shall be required by the Refunding Financial Plan, and the holders of such Refunding Bonds shall have a lien upon such moneys held by the Escrow Holder. The pledges and liens provided for herein shall become valid and binding upon the issuance of the Refunding Bonds and the moneys and investments held by the Escrow Holder shall immediately be subject thereto without any further act. Such pledges and liens shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the District irrespective of whether such parties have notice thereof. Neither this resolution, the Escrow Contract, nor any other instrument relating to such pledges and liens, need be filed or recorded.

Section 13. In accordance with the provisions of Section 53.00 and of paragraph h of Section 90.10 of the Law, the Board of Education hereby elects to call in and redeem all the Bonds To Be Refunded which are subject to prior redemption according to their terms on the Redemption Date, as such date is determined by the President of the Board of Education. The sums to be paid therefor on such Redemption Date shall be the par value thereof, the accrued interest to the Redemption Date and the redemption premiums, if any. The Escrow Holder is hereby authorized and directed to cause notice(s) of such call for redemption to be given in the name of the District by mailing such notice(s) to the registered holders of the Bonds To Be Refunded which are subject to prior redemption at least thirty days prior to such Redemption Date. Upon the issuance of the Refunding Bonds, the election to call in and redeem the Bonds To Be Refunded subject to prior redemption on the Redemption Date

and the direction to the Escrow Holder to cause notice thereof to be given as provided in this Section shall become irrevocable and the provisions of this Section shall constitute a covenant with the holders, from time to time, of the Refunding Bonds, provided that this Section may be amended from time to time as may be necessary to comply with the requirements of paragraph a of Section 53.00 of the Law, as the same may be amended from time to time.

Section 14. This bond resolution shall take effect immediately, and the District Clerk is hereby authorized and directed to publish the foregoing resolution, in summary, together with a Notice attached in substantially the form prescribed by Section 81.00 of the Law in the “*The Poughkeepsie Journal*,” the official newspaper said District for such publication.

#### EXHIBIT A

#### PROPOSED REFUNDING FINANCIAL PLAN

##### Sources and Uses of Funds

Arlington Central School District  
Refunding of Series 2009A

Dated Date 04/12/2016

Delivery Date 04/12/2016

Sources:		
Bond Proceeds:		
	Par Amount	28,565,000.00
	Premium	5,701,038.65
		34,266,038.65

Uses:		
Refunding Escrow Deposits:		
	Cash Deposit	0.20
	SLGS Purchases	34,031,537.00
		34,031,537.20
Delivery Date Expenses:		
	Cost of Issuance	115,000.00
	Underwriter's Discount	118,544.75
		233,544.75
Other Uses of Funds:		

	Additional Proceeds	956.70
		34,266,038.65

### Bond Pricing

#### Arlington Central School District Refunding of Series 2009A

Bond Component		Maturity Date	Amount	Rate	Yield	Price	
Bond Component:							
		May 15, 2016	550,000	2.000%	0.550%	100.132	
		May 15, 2017	65,000	2.000%	0.750%	101.356	
		May 15, 2018	70,000	3.000%	0.850%	104.447	
		May 15, 2019	70,000	3.000%	0.950%	106.230	
		May 15, 2020	3,300,000	3.000%	1.000%	107.998	
		May 15, 2021	3,370,000	4.000%	1.100%	114.320	
		May 15, 2022	3,475,000	4.000%	1.300%	115.762	
		May 15, 2023	3,495,000	5.000%	1.500%	123.461	
		May 15, 2024	3,335,000	5.000%	1.680%	125.018	
		May 15, 2025	3,520,000	5.000%	1.820%	126.533	
		May 15, 2026	3,700,000	5.000%	1.960%	125.201	C
		May 15, 2027	3,615,000	5.000%	2.060%	124.260	C
			28,565,000				

Dated Date 04/12/2016  
Delivery Date 04/12/2016  
First Coupon 05/15/2016

Par Amount 28,565,000.00  
Premium 5,701,038.65

Production 34,266,038.65 119.958126%  
Underwriter's Discount -118,544.75 -0.415000%

Purchase Price 34,147,493.90 119.543126%  
Accrued Interest

Net Proceeds 34,147,493.90

### Bond Debt Service

#### Arlington Central School District Refunding of Series 2009A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
May 15, 2016	550,000	2.000%	116,650.42	666,650.42	
Jun 30, 2016					666,650.42
Nov 15, 2016			630,775.00	630,775.00	

May 15, 2017	65,000	2.000%	630,775.00	695,775.00	
Jun 30, 2017					1,326,550.00
Nov 15, 2017			630,125.00	630,125.00	
May 15, 2018	70,000	3.000%	630,125.00	700,125.00	
Jun 30, 2018					1,330,250.00
Nov 15, 2018			629,075.00	629,075.00	
May 15, 2019	70,000	3.000%	629,075.00	699,075.00	
Jun 30, 2019					1,328,150.00
Nov 15, 2019			628,025.00	628,025.00	
May 15, 2020	3,300,000	3.000%	628,025.00	3,928,025.00	
Jun 30, 2020					4,556,050.00
Nov 15, 2020			578,525.00	578,525.00	
May 15, 2021	3,370,000	4.000%	578,525.00	3,948,525.00	
Jun 30, 2021					4,527,050.00
Nov 15, 2021			511,125.00	511,125.00	
May 15, 2022	3,475,000	4.000%	511,125.00	3,986,125.00	
Jun 30, 2022					4,497,250.00
Nov 15, 2022			441,625.00	441,625.00	
May 15, 2023	3,495,000	5.000%	441,625.00	3,936,625.00	
Jun 30, 2023					4,378,250.00
Nov 15, 2023			354,250.00	354,250.00	
May 15, 2024	3,335,000	5.000%	354,250.00	3,689,250.00	
Jun 30, 2024					4,043,500.00
Nov 15, 2024			270,875.00	270,875.00	
May 15, 2025	3,520,000	5.000%	270,875.00	3,790,875.00	
Jun 30, 2025					4,061,750.00
Nov 15, 2025			182,875.00	182,875.00	
May 15, 2026	3,700,000	5.000%	182,875.00	3,882,875.00	
Jun 30, 2026					4,065,750.00
Nov 15, 2026			90,375.00	90,375.00	
May 15, 2027	3,615,000	5.000%	90,375.00	3,705,375.00	
Jun 30, 2027					3,795,750.00
	28,565,000		10,011,950.42	38,576,950.42	38,576,950.42

### Savings

#### Arlington Central School District Refunding of Series 2009A

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 04/12/2016 @ 1.7941051%
May 15, 2016	669,575.00	666,650.42	2,924.58		2,919.80
Jun 30, 2016				2,924.58	
Nov 15, 2016	669,575.00	630,775.00	38,800.00		38,392.13
May 15, 2017	669,575.00	695,775.00	-26,200.00		-25,694.09
Jun 30, 2017				12,600.00	
Nov 15, 2017	669,575.00	630,125.00	39,450.00		38,344.27
May 15, 2018	669,575.00	700,125.00	-30,550.00		-29,429.73
Jun 30, 2018				8,900.00	

Nov 15, 2018	669,575.00	629,075.00	40,500.00		38,667.99
May 15, 2019	669,575.00	699,075.00	-29,500.00		-27,915.16
Jun 30, 2019				11,000.00	
Nov 15, 2019	669,575.00	628,025.00	41,550.00		38,968.22
May 15, 2020	3,909,575.00	3,928,025.00	-18,450.00		-17,149.74
Jun 30, 2020				23,100.00	
Nov 15, 2020	588,575.00	578,525.00	10,050.00		9,258.67
May 15, 2021	3,968,575.00	3,948,525.00	20,050.00		18,307.06
Jun 30, 2021				30,100.00	
Nov 15, 2021	504,075.00	511,125.00	-7,050.00		-6,379.91
May 15, 2022	4,029,075.00	3,986,125.00	42,950.00		38,522.14
Jun 30, 2022				35,900.00	
Nov 15, 2022	415,950.00	441,625.00	-25,675.00		-22,823.34
May 15, 2023	4,090,950.00	3,936,625.00	154,325.00		135,964.81
Jun 30, 2023				128,650.00	
Nov 15, 2023	342,450.00	354,250.00	-11,800.00		-10,303.71
May 15, 2024	4,172,450.00	3,689,250.00	483,200.00		418,177.05
Jun 30, 2024				471,400.00	
Nov 15, 2024	265,850.00	270,875.00	-5,025.00		-4,310.13
May 15, 2025	4,255,850.00	3,790,875.00	464,975.00		395,280.98
Jun 30, 2025				459,950.00	
Nov 15, 2025	186,050.00	182,875.00	3,175.00		2,675.11
May 15, 2026	4,346,050.00	3,882,875.00	463,175.00		386,780.41
Jun 30, 2026				466,350.00	
Nov 15, 2026	97,650.00	90,375.00	7,275.00		6,021.07
May 15, 2027	4,437,650.00	3,705,375.00	732,275.00		600,670.91
Jun 30, 2027				739,550.00	
	<u>40,967,375.00</u>	<u>38,576,950.42</u>	<u>2,390,424.58</u>	<u>2,390,424.58</u>	<u>2,024,944.80</u>

#### Savings Summary

PV of savings from cash flow	2,024,944.80
Plus: Refunding funds on hand	956.70
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Net PV Savings	2,025,901.50

#### Summary of Refunding Results

##### Arlington Central School District Refunding of Series 2009A

Dated Date	04/12/2016
Delivery Date	04/12/2016
Arbitrage yield	1.656160%
Escrow yield	0.801616%
Value of Negative Arbitrage	823,709.09
Bond Par Amount	28,565,000.00

True Interest Cost	1.847440%
Effective Interest Cost	1.794105%
Net Interest Cost	2.074459%
Average Coupon	4.688923%
Average Life	7.475
Par amount of refunded bonds	30,140,000.00
Average coupon of refunded bonds	4.367497%
Average life of refunded bonds	7.810
PV of prior debt to 04/12/2016 @ 1.794105%	36,290,983.45
Net PV Savings	2,025,901.50
Percentage savings of refunded bonds	6.721637%
Percentage savings of refunding bonds	7.092251%

#### Bond Summary Statistics

##### Arlington Central School District Refunding of Series 2009A

Dated Date	04/12/2016
Delivery Date	04/12/2016
Last Maturity	05/15/2027
Arbitrage Yield	1.656160%
True Interest Cost (TIC)	1.847440%
Net Interest Cost (NIC)	2.074459%
All-In TIC	1.899406%
Average Coupon	4.688923%
Average Life (years)	7.475
Duration of Issue (years)	6.555
Par Amount	28,565,000.00
Bond Proceeds	34,266,038.65
Total Interest	10,011,950.42
Net Interest	4,429,456.52
Total Debt Service	38,576,950.42
Maximum Annual Debt Service	4,556,050.00
Average Annual Debt Service	3,478,012.06
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.150000
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Total Underwriter's Discount	4.150000
Bid Price	119.543126

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	28,565,000.00	119.958	4.689%	7.475
	28,565,000.00			7.475

	TIC	All-In TIC	Arbitrage Yield
Par Value	28,565,000.00	28,565,000.00	28,565,000.00
+ Accrued Interest			
+ Premium (Discount)	5,701,038.65	5,701,038.65	5,701,038.65
- Underwriter's Discount	-118,544.75	-118,544.75	
- Cost of Issuance Expense		-115,000.00	
- Other Amounts			
Target Value	34,147,493.90	34,032,493.90	34,266,038.65
Target Date	04/12/2016	04/12/2016	04/12/2016
Yield	1.847440%	1.899406%	1.656160%

Proof of Arbitrage Yield

Arlington Central School District  
Refunding of Series 2009A

Date	Debt Service	Present Value to 04/12/2016 @ 1.6561603323%
May 15, 2016	666,650.42	665,643.28
Nov 15, 2016	630,775.00	624,649.46
May 15, 2017	695,775.00	683,359.47
Nov 15, 2017	630,125.00	613,798.20
May 15, 2018	700,125.00	676,383.47
Nov 15, 2018	629,075.00	602,751.54
May 15, 2019	699,075.00	664,321.30
Nov 15, 2019	628,025.00	591,902.04
May 15, 2020	3,928,025.00	3,671,686.99
Nov 15, 2020	578,525.00	536,329.94
May 15, 2021	3,948,525.00	3,630,473.78
Nov 15, 2021	511,125.00	466,094.56
May 15, 2022	3,986,125.00	3,605,091.81
Nov 15, 2022	441,625.00	396,129.85
May 15, 2023	3,936,625.00	3,502,083.25
Nov 15, 2023	354,250.00	312,558.12
May 15, 2024	3,689,250.00	3,228,326.94
Nov 15, 2024	270,875.00	235,086.05
May 15, 2025	11,105,875.00	9,559,368.62
	38,030,450.42	34,266,038.65

### Proceeds Summary

Delivery date	04/12/2016
Par Value	28,565,000.00
Premium (Discount)	5,701,038.65

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Target for yield calculation 34,266,038.65

### Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Net Present Value (NPV) to 04/12/2016 @ 1.6561603323%
BOND	05/15/2026	5.000%	1.960%	05/15/2025	100.000	107,884.34
BOND	05/15/2027	5.000%	2.060%	05/15/2025	100.000	139,423.07

### Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Net Present Value (NPV) to 04/12/2016 @ 1.6561603323%	Increase to NPV
BOND	05/15/2026	5.000%	1.960%			213,069.64	105,185.30
BOND	05/15/2027	5.000%	2.060%			343,279.72	203,856.65

### Prior Bond Debt Service

#### Arlington Central School District Refunding of Series 2009A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
May 15, 2016			669,575	669,575	
Jun 30, 2016					669,575
Nov 15, 2016			669,575	669,575	
May 15, 2017			669,575	669,575	
Jun 30, 2017					1,339,150
Nov 15, 2017			669,575	669,575	
May 15, 2018			669,575	669,575	
Jun 30, 2018					1,339,150
Nov 15, 2018			669,575	669,575	
May 15, 2019			669,575	669,575	
Jun 30, 2019					1,339,150
Nov 15, 2019			669,575	669,575	
May 15, 2020	3,240,000	5.000%	669,575	3,909,575	
Jun 30, 2020					4,579,150



Nov 15, 2020			588,575	588,575	
May 15, 2021	3,380,000	5.000%	588,575	3,968,575	
Jun 30, 2021					4,557,150
Nov 15, 2021			504,075	504,075	
May 15, 2022	3,525,000	5.000%	504,075	4,029,075	
Jun 30, 2022					4,533,150
Nov 15, 2022			415,950	415,950	
May 15, 2023	3,675,000	4.000%	415,950	4,090,950	
Jun 30, 2023					4,506,900
Nov 15, 2023			342,450	342,450	
May 15, 2024	3,830,000	4.000%	342,450	4,172,450	
Jun 30, 2024					4,514,900
Nov 15, 2024			265,850	265,850	
May 15, 2025	3,990,000	4.000%	265,850	4,255,850	
Jun 30, 2025					4,521,700
Nov 15, 2025			186,050	186,050	
May 15, 2026	4,160,000	4.250%	186,050	4,346,050	
Jun 30, 2026					4,532,100
Nov 15, 2026			97,650	97,650	
May 15, 2027	4,340,000	4.500%	97,650	4,437,650	
Jun 30, 2027					4,535,300
	30,140,000		10,827,375	40,967,375	40,967,375

Unrefunded Bond Debt Service

Arlington Central School District  
Refunding of Series 2009A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
May 15, 2016	2,745,000	5.000%	292,500	3,037,500	
Jun 30, 2016					3,037,500
Nov 15, 2016			223,875	223,875	
May 15, 2017	2,860,000	5.000%	223,875	3,083,875	
Jun 30, 2017					3,307,750
Nov 15, 2017			152,375	152,375	
May 15, 2018	2,985,000	5.000%	152,375	3,137,375	
Jun 30, 2018					3,289,750
Nov 15, 2018			77,750	77,750	
May 15, 2019	3,110,000	5.000%	77,750	3,187,750	
Jun 30, 2019					3,265,500
	11,700,000		1,200,500	12,900,500	12,900,500

Form 8038 Statistics

Arlington Central School District  
Refunding of Series 2009A

Dated Date 04/12/2016

Delivery Date 04/12/2016

Bond Component			Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:								
			05/15/2016	550,000.00	2.000%	100.132	550,726.00	550,000.00
			05/15/2017	65,000.00	2.000%	101.356	65,881.40	65,000.00
			05/15/2018	70,000.00	3.000%	104.447	73,112.90	70,000.00
			05/15/2019	70,000.00	3.000%	106.230	74,361.00	70,000.00
			05/15/2020	3,300,000.00	3.000%	107.998	3,563,934.00	3,300,000.00
			05/15/2021	3,370,000.00	4.000%	114.320	3,852,584.00	3,370,000.00
			05/15/2022	3,475,000.00	4.000%	115.762	4,022,729.50	3,475,000.00
			05/15/2023	3,495,000.00	5.000%	123.461	4,314,961.95	3,495,000.00
			05/15/2024	3,335,000.00	5.000%	125.018	4,169,350.30	3,335,000.00
			05/15/2025	3,520,000.00	5.000%	126.533	4,453,961.60	3,520,000.00
			05/15/2026	3,700,000.00	5.000%	125.201	4,632,437.00	3,700,000.00
			05/15/2027	3,615,000.00	5.000%	124.260	4,491,999.00	3,615,000.00
				28,565,000.00			34,266,038.65	28,565,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	05/15/2027	5.000%	4,491,999.00	3,615,000.00		
Entire Issue			34,266,038.65	28,565,000.00	7.6056	1.6562%

Proceeds used for accrued interest

Proceeds used for bond issuance costs (including underwriters' discount) 233,544.75

Proceeds used for credit enhancement

Proceeds allocated to reasonably required reserve or replacement fund

Proceeds used to currently refund prior issues

Proceeds used to advance refund prior issues 34,031,537.20

Remaining weighted average maturity of the bonds to be currently refunded

Remaining weighted average maturity of the bonds to be advance refunded 7.8098

#### Form 8038 Statistics

Arlington Central School District  
Refunding of Series 2009A

#### Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Series 2009A:					
BOND	05/15/2020	3,240,000.00	5.000%	100.000	3,240,000.00
BOND	05/15/2021	3,380,000.00	5.000%	100.000	3,380,000.00
BOND	05/15/2022	3,525,000.00	5.000%	100.000	3,525,000.00
BOND	05/15/2023	3,675,000.00	4.000%	100.000	3,675,000.00
BOND	05/15/2024	3,830,000.00	4.000%	100.000	3,830,000.00
BOND	05/15/2025	3,990,000.00	4.000%	100.000	3,990,000.00
BOND	05/15/2026	4,160,000.00	4.250%	100.000	4,160,000.00

	BOND	05/15/2027	4,340,000.00	4.500%	100.000	4,340,000.00
			30,140,000.00			30,140,000.00

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Series 2009A	05/15/2019	05/14/2009	7.8098
All Refunded Issues	05/15/2019		7.8098

#### Summary of Bonds Refunded

#### Arlington Central School District Refunding of Series 2009A

	Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2009A, SERIES09:						
	BOND	May 15, 2020	5.000%	3,240,000.00	May 15, 2019	100.000
		May 15, 2021	5.000%	3,380,000.00	May 15, 2019	100.000
		May 15, 2022	5.000%	3,525,000.00	May 15, 2019	100.000
		May 15, 2023	4.000%	3,675,000.00	May 15, 2019	100.000
		May 15, 2024	4.000%	3,830,000.00	May 15, 2019	100.000
		May 15, 2025	4.000%	3,990,000.00	May 15, 2019	100.000
		May 15, 2026	4.250%	4,160,000.00	May 15, 2019	100.000
		May 15, 2027	4.500%	4,340,000.00	May 15, 2019	100.000
				30,140,000.00		

#### Escrow Requirements

#### Arlington Central School District Refunding of Series 2009A

Period Ending	Interest	Principal Redeemed	Total
May 15, 2016	669,575.00		669,575.00
Nov 15, 2016	669,575.00		669,575.00
May 15, 2017	669,575.00		669,575.00
Nov 15, 2017	669,575.00		669,575.00
May 15, 2018	669,575.00		669,575.00
Nov 15, 2018	669,575.00		669,575.00
May 15, 2019	669,575.00	30,140,000.00	30,809,575.00
	4,687,025.00	30,140,000.00	34,827,025.00

#### Escrow Descriptions

#### Arlington Central School District Refunding of Series 2009A

Purchase Date	Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
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Apr 12, 2016:

	SLGS	Certificate	05/15/2016	05/15/2016	645,703	0.210%	0.210%
	SLGS	Certificate	11/15/2016	11/15/2016	537,216	0.430%	0.430%
	SLGS	Note	05/15/2017	05/15/2016	538,591	0.500%	0.500%
	SLGS	Note	11/15/2017	05/15/2016	539,936	0.580%	0.580%
	SLGS	Note	05/15/2018	05/15/2016	541,503	0.660%	0.660%
	SLGS	Note	11/15/2018	05/15/2016	543,289	0.740%	0.740%
	SLGS	Note	05/15/2019	05/15/2016	30,685,299	0.810%	0.810%
					34,031,537		

#### SLGS Summary

SLGS Rates File	09FEB16
Total Certificates of Indebtedness	1,182,919.00
Total Notes	32,848,618.00
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Total original SLGS	34,031,537.00

#### Escrow Cost

#### Arlington Central School District Refunding of Series 2009A

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	05/15/2016	645,703	0.210%	645,703.00
SLGS	11/15/2016	537,216	0.430%	537,216.00
SLGS	05/15/2017	538,591	0.500%	538,591.00
SLGS	11/15/2017	539,936	0.580%	539,936.00
SLGS	05/15/2018	541,503	0.660%	541,503.00
SLGS	11/15/2018	543,289	0.740%	543,289.00
SLGS	05/15/2019	30,685,299	0.810%	30,685,299.00
		34,031,537		34,031,537.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
04/12/2016	34,031,537	0.20	34,031,537.20	0.801616%
	34,031,537	0.20	34,031,537.20	

#### Escrow Sufficiency

#### Arlington Central School District Refunding of Series 2009A

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
Apr 12, 2016		0.20	0.20	0.20
May 15, 2016	669,575.00	669,575.60	0.60	0.80
Nov 15, 2016	669,575.00	669,574.24	-0.76	0.04

May 15, 2017	669,575.00	669,575.88	0.88	0.92
Nov 15, 2017	669,575.00	669,574.40	-0.60	0.32
May 15, 2018	669,575.00	669,575.59	0.59	0.91
Nov 15, 2018	669,575.00	669,574.63	-0.37	0.54
May 15, 2019	30,809,575.00	30,809,574.46	-0.54	
	34,827,025.00	34,827,025.00		

Escrow Statistics

Arlington Central School District  
Refunding of Series 2009A

	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:							
	34,031,537.20	2.875	0.801616%	0.801616%	33,207,828.08	823,709.09	0.03
	34,031,537.20				33,207,828.08	823,709.09	0.03

Delivery date 04/12/2016

Arbitrage yield 1.656160%

7) **Adjournment**

Motion by Mr. Rossi, seconded by Mrs. Herr, to adjourn the meeting at 7:03 pm. The motion was carried unanimously.

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Margie Flynn, District Clerk