

**NOTICE OF PRIVATE BOND SALE**

**\$121,160**

**WILLSBORO CENTRAL SCHOOL DISTRICT  
ESSEX COUNTY, NEW YORK**

**SCHOOL DISTRICT (SERIAL) BONDS, 2009**

**(BANK QUALIFIED)**

Facsimile or telephone bids will be received and considered by Andrea Robare, President of the Board of Education of the Willsboro Central School District, Essex County, New York (the "District") at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street, Syracuse, New York 13202 (telephone number: (315) 752-0051, **Ext. 1**; facsimile number: (315) 752-0057) at **11:00 o'clock a.m.** (Prevailing Time) on **Wednesday, July 1, 2009** for the purchase in Federal Funds at not less than par and accrued interest of \$121,160 School District (Serial) Bonds, 2009 (the "Bonds"), dated July 15, 2009, bearing interest from the date of the Bonds, payable July 15, 2010 and semiannually thereafter on January 15 and July 15. Such interest will be payable to the registered owners of the Bonds as shown on the registration books of the District as of the close of business on the Record Date, being the last business day of the calendar month preceding each interest payment date. The Bonds will be payable in annual installments on July 15 in the following years and amounts:

**MATURITIES**

<u>YEAR</u>	<u>AMOUNT*</u>	<u>YEAR</u>	<u>AMOUNT*</u>
2010	\$6,160	2017	\$10,000
2011	5,000	2018	10,000
2012	5,000	2019	10,000
2013	5,000	2020	10,000
2014	10,000	2021	10,000
2015	10,000	2022	10,000
2016	10,000	2023	10,000

\* The principal amounts of the installments listed in the table above are expected to provide for, together with interest thereon, substantially level or declining annual debt service on the Bonds. The District reserves the right, after selecting the low bidder, to adjust the principal amounts of such maturities to the extent necessary to meet the requirements of substantially level or declining debt service.

The Bonds maturing on or before July 15, 2018 shall not be subject to redemption prior to maturity. The Bonds maturing on or after July 15, 2019 shall be subject to redemption prior to maturity, at the option of the District on or after July 15, 2018 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 par, plus accrued interest, to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by lot in any customary manner of selection as determined by the President of the Board of Education of the District. Notice of such call for redemption shall be given by mailing such notice to the registered holder not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable together with interest to such redemption date. Interest shall cease to be paid thereon after such redemption date.

The timely delivery of all proposals submitted by facsimile must be legible and complete, signed by an authorized representative of the bidder and shall be the sole responsibility of the bidder. The District shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

The Bonds will be issued pursuant to the Constitution and statutes of the State of New York, including, among others, the Education Law and the Local Finance Law, to finance a capital improvement project consisting of the construction of alterations, renovations and improvements to the District's existing K-12 school building to consist of technology and security system improvements, including other appurtenant and related improvements, and the acquisition and installation in and around the foregoing improvements of

original furnishings, equipment, machinery, and apparatus, and other services incidental thereto. The proceeds of the Bonds will be applied to refinance a portion of the District's \$233,000 Bond Anticipation Notes, 2008A (New Issue), dated July 16, 2008 and maturing July 16, 2009 with the remaining principal balance of such note being retired Excel grant moneys received from New York State.

The Bonds will be issued in registered form by means of a book-entry system with no physical distribution of bond certificates made to the public. Alternatively, at the option of the winning bidder, the Bonds may be registered in the name of the purchaser thereof. If the Bonds are issued in book entry form, one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC") and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of \$5,000 or any integral multiple thereof (except for one necessary odd denomination maturing July 15, 2010) for any single maturity, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Additionally, the successful bidder, as a condition to delivery of the Bonds shall be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., its nominee. Principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest to participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the District determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the District will discontinue the book-entry system with DTC. If the District fails to identify another qualified securities depository to replace DTC, the District will deliver replacement Bonds in the form of fully registered certificates.

Each bid must be for all of said \$121,160 in Bonds and may state different rates of interest for Bonds maturing in different calendar years, provided, however, that (i) only one rate of interest may be bid for all Bonds maturing in any one calendar year, (ii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on Bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to Bonds maturing in any prior calendar year and (iii) all rates of interest bid must be stated in a multiple of one-eighth or one-hundredth of one percentum per annum. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase said Bonds at such rate or rates of interest which will produce the least interest cost computed in accordance with the net interest cost method of calculation, that being the rate or rates of interest which will produce the least interest cost over the life of the Bonds, after accounting for the premium offered, if any. If two or more such bidders offer to purchase the Bonds at the same net interest cost, computed as described above, the Bonds will be awarded to the bidder whose bid offers to purchase the Bonds at the highest premium dollar amount, and if two or more bidders offer the same lowest interest cost and the same premium, then to one of said bidders selected by lot from among all said bidders. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Private Bond Sale will be rejected.

Award of the Bonds to the successful bidder, or the rejection of all bids, is expected to be made promptly after opening of the bids, but such successful bidder may not withdraw his proposal until after 2:00 p.m., New York time, of the day of such bid opening and then only if such award has not been made prior to the withdrawal.

The Bonds, if DTC, will be executed and delivered in escrow to DTC, not less than 24 hours prior to the time set for the delivery thereof. It shall be the responsibility of the purchaser to verify the CUSIP numbers at such time. The closing will be held on or about July 15, 2009 at such place in Rochester, New York or New York, New York and on such business day and at such hour as the Sale Officer shall affix on three business days' notice to the successful bidder, or at such other place and time as may be agreed upon with the successful bidder on or against receipt of Federal Funds, in an amount equal to the par amount of such Bonds, plus the premium, if any, plus accrued interest from the date of such Bonds until said day of delivery.

As a condition of the purchasers obligation to accept delivery of and pay for the Bonds, the District will furnish without cost to the purchaser the following, dated as of the date of delivery and payment for the Bonds: (a) the approving opinion of Harris Beach PLLC, Rochester, New York, Bond Counsel, which will be furnished without cost to the successful bidder, to the effect that the Bonds are valid and legally binding obligations of the District, and, unless paid from other sources, are payable from ad valorem taxes levied upon all the taxable real property within the District without limitation as to rate or amount; and that under the existing statutes, regulations, rulings and other court decisions, and subject to the continuing compliance by the District with certain requirements of the Code of 1986, as amended (the "Code"), subsequent to the issuance of the Bonds, interest on the Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and will continue to be so excluded if the District complies with all such requirements, under existing statutes, interest on the Bonds is exempt from personal income taxes imposed by New York State or any of its political subdivisions (including the City of New York), and under the Code, interest on the Bonds is not an "item of tax preference" for purposes of Federal alternative minimum tax on individuals and corporations and, pursuant to the American Recovery and Reinvestment Act of 2009, which was signed into law on February 17, 2009, is not included the calculation of "adjusted current earnings" for purposes of calculating the Federal alternative minimum tax imposed on corporations; (b) the usual closing certificates in form satisfactory to Bond Counsel

evidencing, among other things, the proper execution and delivery of the Bonds, the receipt of payment therefor and the fact that the Bonds will not be arbitrage obligations within the meaning of the Code; and (c) a no litigation certificate, in form and tenor satisfactory to Bond Counsel and dated as of the date of such delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Bonds. A copy of the approving opinion will be delivered with the Bonds.

The Bonds shall be designated or deemed designated as "qualified tax exempt obligations" pursuant to Section 265(b)(3) of the Code.

The Bonds are general obligations of the District. There is no constitutional or legal limitation, either as to the rate or amount, on ad valorem taxes upon taxable real property in the District which may be required to pay the Bonds and the interest thereon. The State Constitution requires the District to pledge its faith and credit for the payment of such interest and the redemption of the Bonds. The State Constitution also provides that if at any time the District fails to make the required appropriations for annual debt service on the Bonds and certain other obligations of the District, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; also that the fiscal officer of the District may be required to set apart and apply such revenues as aforesaid at the suit of any holder of the Bonds.

If the Bonds are registered by means of a book-entry system, the deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the successful bidder to obtain CUSIP numbers for the Bonds prior to delivery and the District will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of the successful bidder to obtain such numbers and supply them to the District in a timely manner. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the District; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the purchaser.

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder and any increased costs of insurance of the bids resulting by reason of the same, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with the terms of its proposal.

In the event that prior to the delivery of the Bonds, the income received by private holders from bonds of the same type and character shall be includable in gross income for Federal income tax purposes, the successful bidder may at his election, be relieved of his obligations under the contract to purchase the Bonds, and in such case, the deposit accompanying his bid will be returned.

The successful bidder will be required to provide the District prior to the delivery of the Bonds certain information regarding the reoffering price to the public of each maturity of the Bonds. The successful bidder shall furnish to the District a certificate acceptable to Bond Counsel, dated as of the date of the delivery of and payment for the Bonds, stating the initial prices at which a bona fide public offering of all Bonds was made and stating that 10% or more of the Bonds of each maturity were in fact sold to the public (excluding bondhouses, brokers and other intermediaries) at or below such initial respective public offering prices. Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

The current population as estimated by the District is 2,616. A Debt Statement is not required to be filed in connection with the sale of the Bonds. The average valuation of the real estate subject to taxation by the District to be \$409,606,267, its debt limit to be \$40,960,626, and its total net indebtedness subject to the debt limit to be \$10,028,000. The indebtedness to be evidenced by the Bonds will not increase the District net indebtedness.

The School District's contact information is as follows: Ms. Sheila Vanags, Business Manager, Willsboro Central School District, 18 Farrell Road, P.O. Box 180, Willsboro, New York 12996, Phone: 518.963.4456, Ext. 208, Telefax: 518.963.7577, Email: svanaga@willsborocsd.org.

DATED: June 22, 2009  
Willsboro, New York

Andrea Robare, President of the Board of Education  
Willsboro Central School District

Copies of the Notice of Private Bond Sale may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street, Syracuse, New York 13202 (telephone number: (315) 752-0051; facsimile number: (315) 752-0057).

# PROPOSAL FOR BONDS

**SALE DATE: July 1, 2009**  
**11:00 o'clock A.M., Prevailing Time**

Ms. Andrea Robare, President of the Board of Education  
 Willsboro Central School District  
 Essex County, New York  
 c/o Fiscal Advisors & Marketing, Inc.  
 120 Walton Street • Suite 600  
 Syracuse, New York 13202  
 Telephone # 315-752-0051 Ext. 1  
 Telefax # 315-752-0057

## \$121,160 School District (Serial) Bonds, 2009

**Dated: July 15, 2009**

**Maturity: July 15, 2010-2023**

Dear Madam:

For the \$121,160 School District (Serial) Bonds, 2009 of the Willsboro Central School District, Essex County, New York, subject to the annexed Notice of Bond Sale, which is hereby made a part of this bid, we will pay One Hundred Twenty-One Thousand One Hundred Sixty Dollars (\$121,160) plus a premium of \_\_\_\_\_ (\$ \_\_\_\_\_) and accrued interest to date of delivery, provided that the bonds maturing in the several years set forth below shall bear interest from their date until maturity at the respective rates per annum stated in the following table:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2010	_____ %	2017	_____ %
2011	_____ %	2018	_____ %
2012	_____ %	2019	_____ %
2013	_____ %	2020	_____ %
2014	_____ %	2021	_____ %
2015	_____ %	2022	_____ %
2016	_____ %	2023	_____ %

The following is our computation of the net interest cost, made as provided in the above mentioned Notice of Bond Sale, but not constituting any part of the foregoing proposal for the purchase of the \$121,160 Bonds therein described:

Gross Interest	\$ _____
Premium Bid Over Par	\$ _____
Net Interest Cost (NIC)	\$ _____
Effective NIC Rate	_____ % (four decimals)

\_\_\_\_\_  
Print Name of Bidder

\_\_\_\_\_  
Bank/Institution

Telephone (    ) \_\_\_\_\_

Telefax (    ) \_\_\_\_\_

Email Address: \_\_\_\_\_