

\$190,000

REMSEN CENTRAL SCHOOL DISTRICT

ONEIDA COUNTY, NEW YORK

SCHOOL DISTRICT (SERIAL) BONDS, 2009

NOTICE OF PRIVATE BOND SALE

SALE DATE: July 9, 2009 (Thursday)

Location: Fiscal Advisors & Marketing, Inc.

120 Walton Street, Suite 600

Syracuse, New York 13202

Telephone: 315.752.0051, Ext. 1

Telefax: 315.752.0057

Facsimile or Telephone

Bids Until: 11:30 A.M. (Prevailing Time)

Bonds Dated:

July 15, 2009

Bonds Due:

June 15, 2010 - 2014

Facsimile or telephone bids will be received and considered by the undersigned President of the Board of Education of Remsen Central School District (the "School District"), Oneida County, New York for the purchase IN FEDERAL FUNDS at not less than par and accrued interest of \$190,000 SCHOOL DISTRICT (SERIAL) BONDS, 2009, due, without option of prior redemption, on June 15 of each year as follows:

<u>Year</u>	<u>Amount</u>
2010	\$35,000
2011	35,000
2012	40,000
2013	40,000
2014	40,000

The Bonds will be dated July 15, 2009 and will mature on in the years and amounts stated above and will bear interest payable semi-annually on June 15 and December 15 in each year to maturity, commencing December 15, 2009. Such interest will be payable to the registered owners of the Bonds as shown on the registration books of the School District as of the close of business on the last business day of the calendar month next preceding each interest payment date. The Bonds will be issued in registered form as follows: (1) registered in the name of the purchaser or (2) by means of a book-entry system with no physical distribution of bond certificates made to the public. 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 \$1,000 or any integral multiple thereof 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. 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 School 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.

Each bid must be for all of the \$190,000 Bonds and may state different rates of interest for different maturities, provided, however, that (i) only one rate of interest may be bid for bonds of the same maturity, (ii)

the maximum difference between the highest and lowest interest rate bid may not exceed one and one-half per centum per annum, (iii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on any single maturity of said Bonds shall not be less than the rate of interest applicable to any prior maturity, and (iv) all rates of interest bid must be stated in a multiple of one-eighth or one-hundredth of one per centum 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 as will produce the lowest net 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 Sale will be rejected.

No Good Faith Deposit is required.

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 1:30 p.m. Prevailing Time, of the day of such bid opening and then only if such award has not been made prior to the withdrawal. The successful bidder will be promptly notified of the award to him.

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 School 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 School District in a timely manner. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the School 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.

In the event that prior to the delivery of the Bonds, any income tax law of the United States of America shall provide that the interest thereon is taxable, or shall be taxable at a future date, for federal income tax purposes, the successful bidder may, at his election, be relieved of his obligations under the contract to purchase the Bonds.

The Bonds 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 23, 2009 at such place in New York, New York and on such business day and at such hour, as the Sale Officer shall fix 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.

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, for the purpose of acquisition of school buses. The Bonds are general obligations of the School District. There is no limitation, either as to rate or amount,

upon ad valorem taxes upon taxable real property in the School District which may be required to pay the Bonds and the interest thereon. The State Constitution requires the School District to pledge its faith and credit for the payment of the principal of the Bonds and the interest thereon and to make annual appropriations for the amounts required for the payment of such interest and the redemption of the Bonds. The State Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the Bonds and certain other obligations of the School District, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; and also that the fiscal officer of the School District may be required to set apart and apply such revenues as aforesaid at the suit of any holder of such obligations.

The obligation hereunder to deliver and accept the Bonds shall be conditioned on the availability and the delivery at the time of delivery of the Bonds of (a) the approving opinion of Timothy R. McGill, Esq., Fairport, 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 Remsen Central School District, New York, and, unless paid from other sources, are payable from ad valorem taxes levied upon all the taxable real property within the School District without limitation as to rate or amount and that among other things, the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), includes certain requirements that must be met subsequent to the issuance of the Bonds in order that interest thereon be and remain excludable from gross income to the recipients thereof, and that under the existing statute, regulations and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code and will continue to be so excluded if the School District complies with all such requirements, under existing statutes, interest on the Bonds is exempt from New York State and New York City personal income taxation, and under the Internal Revenue Code, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; and, interest on the Bonds owned by corporations will not be included in the calculation of adjusted current earnings for purposes of calculating the 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 Internal Revenue Code; and (c) a 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 population of the School District is estimated to be 3,550. No debt statement is required to be filed pursuant to Section 109.00 of the Local Finance Law, in connection with the sale of the Bonds herein described. The full valuation of real property subject to taxation by the School District to be \$206,775,624, its debt limit to be \$20,677,562, and its total net indebtedness subject to the debt limit (inclusive of the Bonds) to be \$3,555,000.

The Bonds will be designated as, or will be deemed designated as, "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code; however, financial institutions incurring debt to acquire or carry tax-exempt obligations should consult the provisions of the Internal Revenue Code before purchasing the Bonds.

The purchaser shall be obligated to furnish to the School District, on or prior to the date of issuance of the Bonds, the offering price(s)/yield(s) of the Bonds (including, without limitation, the “issue price” of the Bonds as defined in Section 1273 or 1274 of the Internal Revenue Code).

The Remsen Central School District will act as Paying Agent for the Bonds. The School District contact information is as follows: Ms. Tracy Leone, Business Administrator, 9733 Main Street, P.O. Box 406, Remsen, New York 13438-0406, telephone: 315.831.3797 Ext. 222, telefax: 315.831.2173, email address: tgeorge@remsenbsd.org.

Dated: June 30, 2009
Remsen, New York

President of the Board of Education
Remsen Central School District

PROPOSAL FOR BONDS

Mr. William McDonald
President of the Board of Education
Remsen Central School District
Oneida 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

SALE DATE: July 9, 2009
TIME: 11:30 AM, Prevailing Time

\$190,000 School District (Serial) Bonds, 2009

Dated: July 15, 2009

Due: June 15, 2010-2014

Dear Sir:

For the \$190,000 School District (Serial) Bonds, 2009 of the Remsen Central School District, Oneida 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 Ninety Thousand Dollars (\$190,000) plus a premium of _____ Dollars (\$ _____) 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 (stated in a multiple of 1/8th or 1/100th of one percent) per annum stated in the following table:

<u>Year</u>	<u>Interest Rate</u>
2010	_____ %
2011	_____ %
2012	_____ %
2013	_____ %
2014	_____ %

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 \$190,000 Bonds therein described:

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

Signature of Bidder

Bank/Institution

Telephone () _____

Telefax () _____

Email Address _____