

Memo

TO: Haysville Board of Education

FR: Clint Schutte, Assistant Superintendent of Business/Finance

DA: December 15, 2014

RE: Series 2007 Bond Refinancing

We are asking for a resolution authorizing **the offering for sale of general obligation refunding bonds, series 2015, of United School District No. 261, Sedgwick County, Kansas (Haysville).**

This refunding of bonds will save the district just over \$120,000 per year for a total of just over \$2.1 million.

Thank you for your consideration.

cls

attach

Unified School District No. 261

Sedgwick County, Kansas (Haysville)

General Obligation Refunding Bonds

Advance Refunding of New Money Portion of Series 2007

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
11/01/2015	1,089,466.67	641,100.00	1,730,566.67	1,853,450.00	122,883.33
11/01/2016	1,093,400.00	644,100.00	1,737,500.00	1,856,450.00	118,950.00
11/01/2017	1,090,700.00	626,100.00	1,716,800.00	1,838,450.00	121,650.00
11/01/2018	1,683,000.00	32,900.00	1,715,900.00	1,835,250.00	119,350.00
11/01/2019	2,050,600.00	42,500.00	2,093,100.00	2,211,250.00	118,150.00
11/01/2020	2,022,400.00	41,500.00	2,063,900.00	2,186,250.00	122,350.00
11/01/2021	2,048,600.00	40,500.00	2,089,100.00	2,210,000.00	120,900.00
11/01/2022	2,062,000.00	39,500.00	2,101,500.00	2,220,000.00	118,500.00
11/01/2023	2,058,000.00	43,500.00	2,101,500.00	2,221,750.00	120,250.00
11/01/2024	2,052,200.00	42,250.00	2,094,450.00	2,215,500.00	121,050.00
11/01/2025	2,049,600.00	41,000.00	2,090,600.00	2,211,500.00	120,900.00
11/01/2026	2,050,000.00	39,750.00	2,089,750.00	2,209,500.00	119,750.00
11/01/2027	2,048,200.00	38,500.00	2,086,700.00	2,209,250.00	122,550.00
11/01/2028	2,029,200.00	57,250.00	2,086,450.00	2,205,500.00	119,050.00
11/01/2029	2,018,600.00	60,000.00	2,078,600.00	2,198,250.00	119,650.00
11/01/2030	2,021,000.00	57,500.00	2,078,500.00	2,197,500.00	119,000.00
11/01/2031	4,315,800.00	55,000.00	4,370,800.00	4,492,750.00	121,950.00
11/01/2032	4,321,200.00	52,500.00	4,373,700.00	4,494,000.00	120,300.00
Total	\$38,103,966.67	\$2,595,450.00	\$40,699,416.67	\$42,866,600.00	\$2,167,183.33

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	2,167,183.33
Gross PV Debt Service Savings	1,709,588.36
Net PV Cashflow Savings @ 2.871%(Bond Yield)	1,709,588.36
Contingency or Rounding Amount	266.31
Net Future Value Benefit	\$2,167,449.64
Net Present Value Benefit	\$1,709,854.67
Net PV Benefit / \$24,365,000 Refunded Principal	7.018%
Net PV Benefit / \$25,545,000 Refunding Principal	6.694%

Refunding Bond Information

Refunding Dated Date	3/01/2015
Refunding Delivery Date	3/01/2015

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
UNIFIED SCHOOL DISTRICT NO. 261,
SEDGWICK COUNTY, KANSAS (HAYSVILLE)
HELD ON DECEMBER 15, 2014**

The governing body met in regular session at the usual meeting place in the District, at 7:00 P.M., the following members being present and participating, to-wit:

Absent:

The President declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Refunding Bonds, Series 2015, came on for consideration and was discussed.

Member _____ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL
OBLIGATION REFUNDING BONDS, SERIES 2015, OF UNIFIED SCHOOL
DISTRICT NO. 261, SEDGWICK COUNTY, KANSAS (HAYSVILLE).**

Member _____ seconded the motion to adopt the Resolution. Thereupon, the Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye: _____.

Nay: _____.

The President declared the Resolution duly adopted; the Clerk designating the same Resolution No. 2014/2015-__.

* * * * *

(Other Proceedings)

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CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of Unified School District No. 261, Sedgwick County, Kansas (Haysville), held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Clerk

RESOLUTION NO. 2014/2015-[]

A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015, OF UNIFIED SCHOOL DISTRICT NO. 261, SEDGWICK COUNTY, KANSAS (HAYSVILLE).

WHEREAS, Unified School District No. 261, Sedgwick County, Kansas (Haysville) (the “Issuer”) has previously issued and has outstanding general obligation bonds; and

WHEREAS, due to the current interest rate environment, the Issuer has the opportunity to issue its general obligation refunding bonds in order to achieve an interest cost savings on all or a portion of the debt represented by such general obligation bonds described as follows (the “Refunded Bonds”):

<u>Description</u>	<u>Series</u>	<u>Dated Date</u>	<u>Years</u>	<u>Amount</u>
G.O. Refunding and School Improvement Bonds	2007	February 1, 2007	2018 to 2032	\$24,825,000

; and

WHEREAS, the Issuer hereby selects the firm of George K. Baum & Company, Wichita, Kansas (the “Purchaser”), as underwriter for one or more series of general obligation refunding bonds of the Issuer in order to provide funds to refund the Refunded Bonds; and

WHEREAS, the Issuer desires to authorize the Purchaser to proceed with the offering for sale of said general obligation refunding bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation refunding bonds; and

WHEREAS, the Issuer desires to authorize the Purchaser, in conjunction with the Assistant Superintendent for Business & Finance and Gilmore & Bell, P.C. (“Bond Counsel”), to proceed with the preparation and distribution of a preliminary official statement and all other preliminary action necessary to sell said general obligation refunding bonds; and

WHEREAS, due to the volatile nature of the municipal bond market and the desire of the Issuer to achieve maximum benefit of timing of the sale of said general obligation refunding bonds, the governing body desires to authorize the President to confirm the sale of such general obligation refunding bonds, if necessary, prior to the next meeting of the governing body to adopt the necessary resolution providing for the issuance thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF UNIFIED SCHOOL DISTRICT NO. 261, SEDGWICK COUNTY, KANSAS (HAYSVILLE), AS FOLLOWS:

Section 1. The Purchaser is hereby authorized to proceed with the offering for sale of general obligation refunding bonds (the “Bonds”) in one or more series, in accordance with the presentation made by the Purchaser this date. The offering for sale of the Bonds, the pricing of the Bonds and the structuring

of the repayment terms of the Bonds shall be determined by the Issuer's Assistant Superintendent for Business & Finance. The confirmation of the sale of the Bonds shall be subject to the execution of a bond purchase agreement between the Purchaser and the Issuer (the "Bond Purchase Agreement") in a form approved by Bond Counsel and the Issuer's legal counsel, the adoption of a resolution by the Board of the Issuer authorizing the issuance of the Bonds and the execution of various documents necessary to deliver the Bonds. The President is hereby authorized to execute the Bond Purchase Agreement subject to the following parameters: (a) the principal amount of the Bonds shall not exceed \$26,500,000; and (b) the present value savings associated with refunding the Refunded Bonds shall be not less than 4% of the outstanding principal of the Refunded Bonds.

Section 2. The Purchaser, in conjunction with the Assistant Superintendent for Business & Finance, Clerk and Bond Counsel, is hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Bonds. The Issuer hereby consents to the use and public distribution by the Purchaser of the Preliminary Official Statement in connection with the offering for sale of the Bonds.

Section 3. For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the President and Assistant Superintendent for Business & Finance or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Preliminary Official Statement, and to execute the "Certificate Deeming Preliminary Official Statement Final" in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official's signature thereon being conclusive evidence of such official's and the Issuer's approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to certain national repositories and the Municipal Securities Rulemaking Board, as applicable; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

Section 4. The Issuer agrees to provide to the Purchaser within seven business days of the date of the purchase contract for the Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 5. The President, Assistant Superintendent for Business & Finance, Clerk, and the other officers and representatives of the Issuer, the Purchaser and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds.

Section 6. The officers and representatives of the Issuer are hereby authorized and directed to take such action as may be necessary, after consultation with the Purchaser and Bond Counsel, to subscribe for or arrange for purchase of the securities to be deposited in the escrow for the Refunded Bonds and to provide for notice of redemption of the Refunded Bonds.

Section 7. This Resolution shall be in full force and effect from and after its adoption.

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ADOPTED by the governing body on December 15, 2014.

(SEAL)

President

ATTEST:

Clerk

EXHIBIT A

**CERTIFICATE DEEMING
PRELIMINARY OFFICIAL STATEMENT FINAL**

_____, 20__

To: George K. Baum & Company
Wichita, Kansas

Re: Unified School District No. 261, Sedgwick County, Kansas (Haysville), General
Obligation Refunding Bonds, Series 2015

The undersigned are the duly acting President and Assistant Superintendent for Business & Finance of Unified School District No. 261, Sedgwick County, Kansas (Haysville) (the "Issuer"), and are authorized to deliver this Certificate to the addressee (the "Purchaser") on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the above-referenced bonds (the "Bonds").

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

**UNIFIED SCHOOL DISTRICT NO. 261,
SEDGWICK COUNTY, KANSAS (HAYSVILLE)**

By: _____
Title: President

By: _____
Title: Assistant Superintendent for Business & Finance

**UNIFIED SCHOOL DISTRICT NO. 261,
SEDGWICK COUNTY, KANSAS (HAYSVILLE)**

Office of the Board of Education
1745 W. Grand Avenue
Haysville, Kansas 67060

December 15, 2014

Gilmore & Bell, P.C.
100 N. Main, Suite 800
Wichita, Kansas 67202

Re: Subscription for Purchase of United States Treasury Time Deposit Securities – State and Local Government Series

Issuer: Unified School District No. 261, Sedgwick County, Kansas (Haysville)

Tax I.D. No: 48-0697340

Bonds: General Obligation Refunding Bonds, Series 2015 (the “Bonds”)

Underwriter: George K. Baum & Company, Wichita, Kansas

Escrow Agent: Security Bank of Kansas City, Wichita, Kansas - ABA No. 1010-0092-5

Bond Counsel: Gilmore & Bell, P.C., Wichita, Kansas

In connection with the issuance of the Bonds, the Issuer authorizes Bond Counsel to submit an initial subscription on its behalf for the purchase of United States Treasury Time Deposit Securities - State and Local Government Series (the “SLGS”), to be issued as entries on the books of the Bureau of the Public Debt, Department of the Treasury. The total amount of the subscription and the issue date will be determined at a later date. The Issuer certifies that the SLGS will be purchased solely from proceeds of the Bonds, and not from any amounts received from either: (a) the sale or redemption before maturity of any marketable security, or (b) the redemption before maturity of a time deposit SLGS (other than a zero-interest SLG).

The Issuer agrees that the final subscription and payment for the SLGS will be submitted to the U.S. Treasury on or before the issue date. The Issuer further authorizes Bond Counsel, Escrow Agent, and Underwriter to file the final subscription for SLGS, to amend or cancel such subscription, and to re-subscribe for SLGS, all on behalf of the Issuer. The Issuer understands that, if it fails to settle on the subscription for the SLGS or makes an untimely or unauthorized change to the subscription, the Bureau of Public Debt may bar the Issuer from subscribing for SLGS for six months beginning on the earlier of (a) the date the subscription is withdrawn, or (b) the proposed issue date of the SLGS.

**UNIFIED SCHOOL DISTRICT NO. 261,
SEDGWICK COUNTY, KANSAS (HAYSVILLE)**

By: _____
Name: Debra M. Coleman, Clerk