

LEHIGH COUNTY AUTHORITY
WORKSHOP AGENDA
Monday, April 13, 2015 – 12:00 PM

INITIAL ITEMS *(Collectively 5 Minutes)*

1. **Identify items for April Board Meeting**

- *Review Board Discussion items, February 2015 – April 2015 (To be distributed at a later date)*

ACTION/DISCUSSION ITEMS

1. **Resolution 4-2015-1, Proposal for Water Revenue Bond (Approval)**

Authorizes the issuance of a Water Revenue Bond, Series 2015, for the purpose of the refunding on a current basis the Authority's 2010AA Water Revenue Bonds. Subject to changes under consideration, we recommend approval of the attached Resolution.

INFORMATION ITEMS

1. ***None.***

OTHER ITEMS

1. ***None.***

RESOLUTION No. 4-2015-1

(Duly adopted April 13, 2015)

AUTHORIZING THE ISSUANCE OF A WATER REVENUE BOND, SERIES OF 2015, IN THE PRINCIPAL AMOUNT OF \$6,486,000 (THE "BOND" OR "2015 BOND"), FOR THE PURPOSE OF THE REFUNDING ON A CURRENT BASIS THE AUTHORITY'S 2010AA WATER REVENUE BONDS (THE "REFUNDING PROJECT"); AND SETTING FORTH SOURCES OF PAYMENT AND TERMS OF THE BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE TO THE BANK OF NEW YORK ("TRUSTEE"), AND SECURING SAID BOND BY A PLEDGE OF CERTAIN REVENUES OF THE AUTHORITY AS SECURITY FOR PAYMENT OF THE BOND; AUTHORIZING EXECUTION AND DELIVERY OF THE BOND FOR AUTHENTICATION; AUTHORIZING THE APPROPRIATE OFFICIALS OF THE AUTHORITY TO ACCEPT AND ENTER INTO A COMMITMENT LETTER AND RELATED DOCUMENTATION REQUIRED ON BEHALF OF THE AUTHORITY; PROVIDING FOR THE SALE OF THE BOND PURSUANT TO SAID COMMITMENT LETTER; MAKING CERTAIN COVENANTS WITH RESPECT TO THE BOND; AND AUTHORIZING OTHER NECESSARY ACTION.

WITNESSETH:

WHEREAS, the Lehigh County Authority (the "Authority") is a body corporate and politic organized by the Board of the County Commissioners of Lehigh County, Pennsylvania (hereinafter called the "County") under the Municipality Authorities Act (the Act of June 19, 2001, as amended and supplemented), of the Commonwealth of Pennsylvania (hereinafter called the "Act"), as evidenced by its Certificate of Incorporation dated September 21, 1966; and

WHEREAS, pursuant to such incorporation, as amended, the Authority owns and operates, among other things, a suburban water system (the "Water System") in the Lehigh Valley; and

WHEREAS, the Authority previously issued \$14,700,000 aggregate principal amount of its Adjustable/Fixed Rate Water Revenue Bonds, 1984 Series (the "1984 Bonds") pursuant to a Trust Indenture (the "Original Indenture"), dated as of November 1, 1984, between the Authority and First Valley Bank now by successor The Bank of New York Mellon (the "Trustee") in regards to the Authority's Water System revenues ("Water Revenues"); and

WHEREAS, the Authority, under the Original Indenture, pledged the Authority's Water Revenues as security for the Authority's 1984 Bonds and future additional bonds issued under the Original Indenture and supplements thereto, on a party lien basis; and

WHEREAS, the Original Indenture and supplements thereto related solely to the Authority's suburban operations; and

WHEREAS, the Water Revenues pledged under the Original Indenture and supplements thereto do not relate to the Authority's City of Allentown operations but solely and exclusively to its suburban operations; and

WHEREAS, the Authority and the Trustee, or its predecessor in interest, previously entered into a series of the First through the Eighth Supplemental Indentures in connection with the Authority's issuance of additional bonds under the Original Indenture; and

WHEREAS, under the provisions of the Original Indenture by the issuance of Additional Bonds, the Authority then issued its Water Revenue Bonds, 2010AA Series, dated as of June 18, 2010 (the "2010AA Bonds") in the original aggregate principal amount of \$10,070,000 for the purpose of the acquisition of Capital Additions as defined and as documented by the provisions of the Original Trust Indenture pursuant to the Seventh Supplemental Indenture dated March 30, 2010 and to refund the Authority's Water Revenue Bonds, Series of 2001 and to refund the Authority's Water Revenue Bonds, Series of 2003; and

WHEREAS, the Authority, for the purpose of interest rate savings, is interested in refunding its 2010AA Bonds ("Refunding Project") on a current basis; and

WHEREAS, the Authority and Trustee is considering entering into additional supplemental indentures, including but not limited to a supplemental indenture related to this Refunding Project; and

WHEREAS, ESSA Bank & Trust (the "Lender" or "Purchaser") submitted its Proposal (the "Proposal"), dated March 17, 2015, for the purchase of the 2015 Bond and, after consultation with the Financial Advisor, the Authority believes that it is in the best interest of the Authority to accept the Proposal and for the Authority to proceed with the sale of the 2015 Bond to the Lender pursuant thereto; and

WHEREAS, the Authority desires to authorize the issuance of the 2015 Bond and the undertaking of the Refunding Project, and desires to authorize the

appropriate Officials to execute on behalf of the Authority a Commitment Letter constituting a bond purchase agreement (the "Bond Purchase Agreement") and any related documentation as required (the "Related Documentation"), between the Authority and ESSA Bank & Trust (the "Lender"), and to execute and to approve the form and substance of a supplemental indenture to bear such designation as deemed appropriate by the parties (the "Supplemental Indenture"), (the Original Indenture as supplemented by all prior supplemental indentures, being referred to collectively as the "Indenture"); and such other documents as shall be necessary or appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Lehigh County Authority as follows:

1. Authorization of the Water Revenue Bond, 2015 Series and the Refunding Project:

a. The Authority hereby authorizes the issuance of its Water Revenue Bond, Series of 2015, in the principal amount of \$6,486,000 (the "2015 Bond") for the purpose of financing the Refunding Project. The 2015 Bond shall consist of one fully registered bond in the denomination of \$6,486,000. The 2015 Bond shall be an obligation of the Authority, and shall bear interest payable at such times and at such rates and mature as shall be specified in the Bond Purchase Agreement, the Ninth Supplemental Indenture and the 2015 Bond. The 2015 Bond shall bear interest from its original date on the principal balance outstanding from time to time until the Authority's obligation with respect to the payment of the principal thereof shall have been discharged, payable as specified in the Bond Purchase Agreement.

b. The Chairman, Assistant Chairman, Chief Executive Officer and Chief Financial Officer of the Authority are hereby authorized, empowered and directed to take all such further action and execute such additional documents and certificates as they may deem necessary and proper to carry out the purposes of this Resolution as well as to undertake and implement the Refunding Project as defined in the Preamble hereof. The Secretary, Assistant Secretary, Solicitor or Chief Administrative Officer is authorized to attest to their signature and apply the Authority seal thereto. Persons serving in all of the above named positions shall be deemed "Officials" for purposes of this Resolution.

c. The 2015 Bond shall be a direct obligation of the Authority and shall be secured by and payable from the Pledged Revenues (as defined in the Original Indenture). The Bank is purchasing the Bond as an investment for its own account, and not with a view towards distribution or resale.

d. The 2015 Bond shall be subject to prepayment of principal and to such other terms and conditions as are set forth in the Supplemental Indenture and the 2015 Bond set forth therein and in the Bond Purchase Agreement.

e. All of the costs of issuance shall be paid by funds made available by the Authority.

2. Authorization of Supplemental Indenture.

a. The 2015 Bond shall be secured by and issued under the Original Indenture and the Supplemental Indenture.

b. The Supplemental Indenture shall be in form and substance as shall be approved by the appropriate Officials of the Authority, with the advice of counsel to the Authority, which approval shall be conclusively evidenced by the execution thereof. The appropriate Officials of the Authority are hereby authorized and directed to execute and acknowledge the Supplemental Indenture.

3. Execution of 2015 Bond - Delivery to the Trustee.

The 2015 Bond shall be executed by the manual signature of the appropriate Official of the Authority and by the actual impression of the Authority seal thereon, all attested by the manual signature of the Solicitor or Customer Care & Communications Manager of the Authority. The 2015 Bond shall thereupon be delivered to the Trustee for delivery to the Lender at Settlement.

4. Authorization and Execution of Assignment. The 2015 Bond is secured by the Assignment. The Assignment shall be in form and substance as shall be approved by the appropriate Officials of the Authority, with the advice of counsel to the Authority, which approval shall be conclusively evidenced by the execution thereof. The appropriate Officials of the Authority are hereby authorized and directed to execute, acknowledge and deliver the Assignment.

5. Award and Sale of 2015 Bond - Authentication and Delivery of 2015 Bond - Application of Proceeds.

a. The Authority hereby authorizes the appropriate Officials to enter into the Bond Purchase Agreement and Related Documentation as required and as approved by counsel, on behalf of the Authority providing for the Authority to sell the 2015 Bond to the Lender, for a purchase price specified therein and determining the final terms and conditions of the 2015 Bond. The Authority hereby accepts the proposal of the Lender as contained in the Bond Purchase Agreement and the Related Documentation, and the appropriate officers and/or officials of the

Authority are hereby authorized and directed, after executing the Bond Purchase Agreement and the Related Documentation, to deliver them to the Lender. The interest rates for the 2015 Bond established by the Lender and agreed to by the Authority is as set forth in Concord Public Financial Advisors, Inc. ("Financial Advisor") report dated April 13, 2015.

b. The Trustee is hereby requested to deliver the 2015 Bond upon the instructions of the appropriate Officials of the Authority to the Lender upon receipt of the purchase price thereof. Upon receipt of the purchase price for the 2015 Bond, the Trustee shall deposit the same in the 2015 Bond Settlement Account as authorized by the Supplemental Indenture, and if requested to do so shall pay the costs and expenses of the financing as finally ascertained and set forth in the Closing Statement signed by the appropriate Officials of the Authority.

6. Federal Tax Code Covenants.

The Authority covenants with the registered owners of the 2015 Bond that no part of the proceeds of such 2015 Bond shall at any time be applied or spent for any purpose where such application or expenditure would cause, or be used directly or indirectly to acquire securities or obligations the acquisition of which would cause, the 2015 Bond to be an "arbitrage bond" or "private activity bond" as defined in Section 103 and Section 148 of the Internal Revenue Code of 1986, as amended and supplemented (the "Code"), or under any similar statutory provision or any rule or regulation promulgated thereunder, with the effect that interest on the 2015 Bond would no longer be exempt from federal income taxes.

7. Appointment of Professionals. The Authority appoints Concord Public Financial Advisors, Inc., its Financial Advisor, and King, Spry, Herman, Freund & Faul, LLC ("KingSpry") Bond Counsel, in regards to the Authority's issuance and sale of the Bond.

~~8. Further Authorization to Officials. The appropriate Officials of the Authority, or any other appropriate officers of the Authority, are hereby authorized and directed to deliver the certificates required under the Bond Purchase Agreement and the Supplemental Indenture in connection with the issuance of the 2015 Bond, and to execute and deliver such further documents and to take such further action as may be necessary or expedient in order to carry out the terms of the Supplemental Indenture and the intent and purpose of this Resolution.~~

9. Severability. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution,

it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.

10. Repealer. All prior Resolution or parts thereof inconsistent herewith, are hereby repealed, but only so far as they are inconsistent.

11. Effective Date. This Resolution shall become effective immediately.

On motion of _____, seconded by _____, this resolution was adopted the 13th day of April, 2015.

∞ ∞

I, Bradford E. Landon, Solicitor of Lehigh County Authority, do hereby certify that the foregoing is a true, correct and complete copy of a resolution which was duly adopted by the Authority at a public meeting of the Authority held on the 13th of April 2015, after notice thereof had been duly given as required by law, at which meeting a quorum was present and voting and which resolution No. 4-2015-1 is now in full force and effect on the date of this certification.

Bradford E. Landon, Solicitor

PROPOSAL
LEHIGH COUNTY AUTHORITY
Water Revenue Bond, 2015 Series, (Suburban Water System)
March 18, 2015

The undersigned financial institution hereby agrees to purchase the Water Revenue Bond 2015 Series, (Suburban Water System) (the "Bond"), to be issued by the Lehigh County Authority, Lehigh County, Pennsylvania (the "Authority") in the proposed principal amount of \$7,115,000 subject to the terms and conditions set forth in the term sheet (the "Term Sheet") dated February 20, 2015, which is attached hereto and incorporated hereby by this reference. The final aggregate principal amount of any one principal installment of the Bond or of the Bond itself shall not differ from the principal amount of such installment or the entire Bond itself as presented on the Preliminary Bond Amortization Schedule by more than \$700,000. The Bank agrees to be legally bound to such terms from the date of acceptance of this Proposal to the Closing Date of the Bond. *The undersigned understands if the savings are not adequate, the Authority will not proceed with the issuance of the Bond.*

Interest Rate. The Authority shall only consider proposals which clearly express the rate of interest and/or the method of setting such rate of interest and the maximum rate of interest to be charged during the full term of the Bond. Therefore, a qualified proposer must respond to I or II below, or both if the bank wishes to provide an option.

I. Fixed Rate of Interest

A fixed rate of interest for the full term of the Bond equal to 1.75% per annum.
and/or

II. Fixed/Variable Rate of Interest - (5 Year Fixed Rate, Variable Rate Thereafter)

Initial Interest Rate: The initial interest rate on the Bond shall be 1.60% for a period of approximately 5 years ending November 1, 2020.

Interest Rate Reset: After the initial interest rate period, the rate shall be reset at 60% of Wall Street Journal Prime floating.

Maximum or Cap Interest Rate: In no instance shall the interest rate ever exceed 2.75%.

Cost & Expenses.

The Bank shall request the reimbursement of its legal fees only, subject to a maximum of \$ 2,000.


The Bank acknowledges that the Authority reserves the right to reject any and all proposals received in connection with this request for proposals.

Any Additional Covenants: _____

Respectfully submitted,

Date: 3/17/15

ESSA Bank & Trust

By: 
Steven M. Levendusky
Commercial Loan Officer

200 Palmer St.
P.O. Box L.
Stroudsburg, Pa 18360-0160

Ph. 484-821-1222
Fax 610-691-5658
Slevenu@essabank.com

ACCEPTED this ___ day of _____, 2015

LEHIGH COUNTY AUTHORITY

By: _____
Authorized Officer



Presentation to

Lehigh County Authority

Consideration of Refinancing, Water Revenue Bonds, 2010 AA Series

April 13, 2015

- The Lehigh County Authority (the "LCA") issued Water Revenue Bonds, 2010 AA Series (the "2010 Bonds").
- The 2010 Bonds are callable on May 1, 2015.
- Under current market conditions, the 2010 Bonds can be refinanced for interest rate savings.
- With this Background, Concord Public Financial Advisors, Inc. ("Concord") solicited bank proposals on behalf of LCA from twenty eight banks and received eleven proposals from seven banks. **Please see page two for a summary.**
- The two best proposals from First Niagara Bank and ESSA Bank & Trust, were virtually the same when analyzed in the worst case (i.e. the ESSA proposal was fixed for five years and has an interest rate cap of 2.75% for the last year). **Please see page 3, row 20.**
- The ESSA Bank & Trust proposal was slightly more favorable due to the possible upside of lower rates in the last year when the rate would revert to a variable rate. **Please see page 3, row 22.**
- The bank proposals were compared to the current bond market. The ESSA Bank & Trust proposal provided the potential for the largest savings since bank financing allows LCA to release an amount in the Debt Service Reserve Fund which under current market conditions costs LCA due to low reinvestment rates. **Please see page 3, row 24.**
- Pages four and five represent the final numbers.



Lehigh County Authority
Summary of Bank Proposals Received
March 18, 2015

| Fixed Rate Proposals | |
|---------------------------------|--|
| <u>Institution</u> | <u>All-In Borrowing Rate</u> <u>Comments</u> |
| 1 First Niagara Bank | 1.577 \$1mm Depository Relationship; subject to final credit approval; favorable review of Indenture |
| 2 First Niagara Bank | 1.648 Subject to final credit approval; favorable review of Indenture |
| 3 ESSA Bank & Trust | 1.758 |
| 4 Lafayette Ambassador Bank | 1.798 \$2,000,000 depository relationship |
| 5 TD Bank | 2.048 |
| 6 First Keystone Community Bank | 2.402 Contingent upon final due diligence |
| 7 Univest Bank & Trust Co | 2.496 |
| 8 QNB Bank | 2.708 |
| 9 National Penn Bank | 2.31 Late submittal |

| Fixed/Variable Rate Proposals | |
|--------------------------------------|---|
| <u>Institution</u> | <u>Initial Rate</u> <u>Initial Years</u> <u>Variable Rate</u> <u>Cap Rate</u> <u>All-in Borrowing Rate Based on Avg</u> <u>All-in Borrowing Rate Based on Cap</u> <u>Comments</u> |
| 9 ESSA Bank & Trust | 1.60 5 2.05 (1) 2.75 1.625 1.653 |
| 10 First Keystone Community Bank | 2.20 5 2.05 (1) 2.40 2.196 2.210 Contingent upon final due diligence |
| 11 QNB Bank | 2.15 5 2.28 (2) 3.00 2.171 2.256 |
| 12 National Penn Bank | 2.05 5 2.69 (3) N/A 2.081 N/A Late submittal |

(1) Based on seven year Average Prime (3.42%) times 60%
 (2) Based on seven year Average Prime (3.42%) times 66%
 (3) Based on ten year average Libor (1.78%) times 67% plus 1.50



**Lehigh County Authority
Proposed Refunding of Certain Refundable Obligations**

| | | | | | |
|----|---|----------------|--|--|--|
| 1 | Bonds Being Refunded | 2010 AA Series | | | |
| 2 | Principal Amount of Bonds to be Refunded | 6,890,000 | | | |
| 3 | Interest Rate Ranges | 2.00% - 3.25% | | | |
| 4 | Proposed Amount of Series of 2015 | | | | |
| 5 | Interest Rate Ranges | | | | |
| 6 | Estimated Underwriters Discount | | | | |
| 7 | Estimated Issuance Costs | | | | |
| 8 | Estimated Municipal Bond Insurance Costs | | | | |
| 9 | Cost of Refunding the 2010 AA Series | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | Potential Present Value of Savings as a Percent of Refunded Principal | | | | |

| Bank #1 First Niagara Bank No Deposit Relationship | Bank #2 ESSA Bank & Trust | Bond Issue |
|--|---|---------------------------|
| 6,575,000 1.64% | 6,575,000 1.60% first Five years; Cap of 2.75% thereafter | 7,100,000 40% to 1.65% |
| 0.00 | 0.00 | 49,700.00 |
| 45,050.00 | 44,550.00 | 61,700.00 |
| 0.00 | 0.00 | 0.00 |
| 6,988,469.00 | 6,988,469.00 | 6,988,469.00 |
| 748,930.53 | 747,619.72 | 310,691.99 |
| 1.10 | -4.50 | 1,385.00 |
| -3.62 | -0.58 | -2,207.50 |
| -1.03 | -0.58 | -2,387.50 |
| 0.20 | -5.14 | -237.50 |
| -1.77 | -4.02 | -1,672.50 |
| -1.79 | 1.17 | 1,952.50 |
| 748,923.61 | 747,606.08 | 307,524.49 |
| 746,245.64 | 745,416.54 | |
| 460,554.55 | 460,554.55 | |

| Annual Debt Service Savings Fiscal Year |
|--|
| 2015 |
| 2016 |
| 2017 |
| 2018 |
| 2019 |
| 2020 |
| 2021 |
| Total |
| Present Value of the Savings |
| Less: DSRF Release |

| | | |
|-------|-------|-------|
| 4.84% | 4.94% | 4.46% |
|-------|-------|-------|



**Lehigh County Authority
Water Revenue Bond, Series of 2015
Composition of the Issue
ESSA Bank & Trust**

| Assumptions | |
|-----------------------------|--------------|
| Dated Date | 5/20/2015 |
| Settlement Date | 5/20/2015 |
| Yield | |
| Sources | |
| Bond | 6,486,000.00 |
| DSRF Release | 460,554.55 |
| Total | 6,946,554.55 |
| Uses | |
| Cost of the Escrow | 6,900,393.93 |
| Estimated Costs of Issuance | |
| Legal Fee | 10,500.00 |
| Financial Advisor | 23,000.00 |
| BNY Mellon Trustee Fees | 3,750.00 |
| BNY Mellon Redemption Fee | 300.00 |
| Bank Fee | 2,000.00 |
| Engineers | 2,500.00 |
| Miscellaneous | 4,110.62 |
| Total | 6,946,554.55 |



**Lehigh County Authority
Water Revenue Bonds
2010 AA Series**

**Lehigh County Authority
Water Revenue Bond, Series of 2015**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|-------------|------------------|---------------|-----------------|---------------------|---------------------|----------------------------|-------------|------------------|---------------|-----------------|---------------------|---------------------|------------------------------|----------------|
| <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Debt Service</u> | <u>Debt Service</u> | <u>Annual Debt Service</u> | <u>Date</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Debt Service</u> | <u>Debt Service</u> | <u>Existing Debt Service</u> | <u>Savings</u> |
| 5/1/2015 | | | | | | | 5/20/2015 | | | | | | | |
| 11/1/2015 | 910,000 | 2.000 | 98,468.75 | 1,008,468.75 | 1,008,468.75 | 1,008,468.75 | 11/1/2015 | 204,945 | 1.600 | 46,410.93 | 251,355.93 | 251,355.93 | 1,008,468.75 | 757,112.82 |
| 5/1/2016 | | | 89,368.75 | 89,368.75 | 89,368.75 | | 5/1/2016 | | | 50,248.44 | 50,248.44 | 50,248.44 | | |
| 11/1/2016 | 930,000 | 2.500 | 89,368.75 | 1,019,368.75 | 1,019,368.75 | 1,108,737.50 | 11/1/2016 | 1,008,240 | 1.600 | 50,248.44 | 1,058,488.44 | 1,108,736.88 | 1,108,737.50 | 0.62 |
| 5/1/2017 | | | 77,743.75 | 77,743.75 | 77,743.75 | | 5/1/2017 | | | 42,182.52 | 42,182.52 | 42,182.52 | | |
| 11/1/2017 | 950,000 | 3.000 | 77,743.75 | 1,027,743.75 | 1,027,743.75 | 1,105,487.50 | 11/1/2017 | 1,021,120 | 1.600 | 42,182.52 | 1,063,302.52 | 1,105,485.04 | 1,105,487.50 | 2.46 |
| 5/1/2018 | | | 63,493.75 | 63,493.75 | 63,493.75 | | 5/1/2018 | | | 34,013.56 | 34,013.56 | 34,013.56 | | |
| 11/1/2018 | 980,000 | 3.000 | 63,493.75 | 1,043,493.75 | 1,043,493.75 | 1,106,987.50 | 11/1/2018 | 1,038,960 | 1.600 | 34,013.56 | 1,072,973.56 | 1,106,987.12 | 1,106,987.50 | 0.38 |
| 5/1/2019 | | | 48,793.75 | 48,793.75 | 48,793.75 | | 5/1/2019 | | | 25,701.88 | 25,701.88 | 25,701.88 | | |
| 11/1/2019 | 1,005,000 | 3.000 | 48,793.75 | 1,053,793.75 | 1,053,793.75 | 1,102,587.50 | 11/1/2019 | 1,051,180 | 1.600 | 25,701.88 | 1,076,881.88 | 1,102,583.76 | 1,102,587.50 | 3.74 |
| 5/1/2020 | | | 33,718.75 | 33,718.75 | 33,718.75 | | 5/1/2020 | | | 17,292.44 | 17,292.44 | 17,292.44 | | |
| 11/1/2020 | 1,040,000 | 3.125 | 33,718.75 | 1,073,718.75 | 1,073,718.75 | 1,107,437.50 | 11/1/2020 | 1,072,850 | 1.600 | 17,292.44 | 1,090,142.44 | 1,107,434.88 | 1,107,437.50 | 2.62 |
| 5/1/2021 | | | 17,468.75 | 17,468.75 | 17,468.75 | | 5/1/2021 | | 1.950 * | 10,614.87 | 10,614.87 | 10,614.87 | | |
| 11/1/2021 | 1,075,000 | 3.250 | 17,468.75 | 1,092,468.75 | 1,092,468.75 | 1,109,937.50 | 11/1/2021 | 1,088,705 | 1.950 * | 10,614.87 | 1,099,319.87 | 1,109,934.75 | 1,109,937.50 | 2.75 |
| 5/1/2022 | | | 0.00 | 0.00 | 0.00 | | 5/1/2022 | | | | 0.00 | 0.00 | | |
| Totals | 6,890,000 | | 759,643.75 | 7,649,643.75 | 7,649,643.75 | 7,649,643.75 | Totals | 6,486,000 | | 406,518.36 | 6,892,518.36 | 6,892,518.36 | 7,649,643.75 | 757,125.39 |

| | |
|--------------------------|---------------------|
| Call Requirements | |
| Principal | 6,890,000.00 |
| Accrued Interest | 10,393.93 |
| Totals | 6,900,393.93 |

* Assumed rate of 60% of current prime rate of 3.25%.

Present Value of Savings 756,964.88
 Less: DSRF release 460,554.55
 Net Present Value Savings 296,410.33
 Savings as a Percent of Refunded Principal 4.30%