

Memo

To: Tim Hockensmith- Nelson County School District
From: Joe Nance- Ross, Sinclaire & Associates, LLC
Subject: Bond Issue
Date: June 3, 2013
cc: File

I am writing in follow-up to our recent conversations related to the steps needed to refinancing of your 2010A and 2010B series bonds. We are projecting a savings of \$905,283. In order to complete the issues, action is required by your Board and the Nelson County School District Finance Corporation.

Action Required by the Nelson County Board of Education

1. Adopt a Resolution authorizing the Nelson County School District Finance Corporation to issue refunding revenue bonds.

Action Required by the Nelson County School District Finance Corporation

1. Confirm Officers
2. Adopt a Resolution authorizing the issuance of Refunding Revenue Bonds.

I have attached a copy of the meeting notice for the Finance Corporation. You should provide a copy of the notice to your local newspaper at least 24 hours prior to the meeting.

REFINANCING OF 2010A and 2010B BONDS

NELSON COUNTY SCHOOL BOARD RESOLUTION

RESOLUTION OF THE BOARD OF EDUCATION OF THE NELSON COUNTY SCHOOL DISTRICT INITIATING THE REFINANCING PROCESS IN ORDER TO REFUND AND RETIRE SCHOOL BUILDING REVENUE BONDS (SERIES 2010A & 2010B) ORIGINALLY ISSUED TO FINANCE THE PROJECT; CONFIRMING THE ACCEPTANCE OF AN OFFER OF ASSISTANCE FROM THE SCHOOL FACILITIES CONSTRUCTION COMMISSION; AUTHORIZING AND APPROVING THE EXECUTION OF A CONTRACT, LEASE AND OPTION WITH THE NELSON COUNTY SCHOOL DISTRICT FINANCE CORPORATION AND ANY FURTHER NECESSARY INSTRUMENTS; APPROVING THE PLAN OF REFINANCING SAID PROJECT GENERALLY.

NELSON COUNTY SCHOOL DIST. FINANCE CORPORATION RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NELSON COUNTY SCHOOL DISTRICT FINANCE CORPORATION, RELATING TO AND PROVIDING FOR THE ISSUANCE OF \$28,100,000 PRINCIPAL AMOUNT (SUBJECT TO A PERMITTED ADJUSTMENT OF \$2,810,000) OF SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES OF 2013 (THE REFUNDING BONDS) IN ACCORDANCE WITH SECTIONS 58.180 AND 162.120 THROUGH 162.290 AND 162.385 OF THE KENTUCKY REVISED STATUTES FOR THE PURPOSE OF REFUNDING AT OR PRIOR TO THEIR RESPECTIVE MATURITIES THE OUTSTANDING NELSON COUNTY SCHOOL DISTRICT FINANCE CORPORATION SCHOOL BUILDING REVENUE BONDS, SERIES OF 2010A, DATED JUNE 1, 2010 AND NELSON COUNTY SCHOOL DISTRICT FINANCE CORPORATION SCHOOL BUILDING REVENUE BONDS, SERIES OF 2010B, DATED DECEMBER 1, 2010 (THE PRIOR ISSUES) THROUGH THE DEPOSIT AND INVESTMENT IN THE ESCROW FUND OF THE NET PROCEEDS OF THE REFUNDING BONDS; PROVIDING FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SAID PRIOR ISSUES AS SAME MATURE OR BY REDEMPTION IN ADVANCE OF MATURITY; PROVIDING FOR THE CREATION OF CERTAIN FUNDS TO EFFECT THE DEFEASEMENT OF THE RIGHTS OF THE REGISTERED OWNERS OF THE BONDS OF THE PRIOR ISSUES AND THE TRANSFER OF CERTAIN AMOUNTS INTO CERTAIN FUNDS; PROVIDING FOR THE PAYMENT OF SAID REFUNDING BONDS AND THE INTEREST THEREON, PROVIDING FOR THE RIGHTS OF THE REGISTERED OWNERS OF SAID REFUNDING BONDS AND THE ENFORCEMENT THEREOF; AND PROVIDING FOR AN ADVERTISED PUBLIC COMPETITIVE SALE OF SAID REFUNDING BONDS.

MEETING NOTICE

Nelson County School District Finance Corporation

There will be a special meeting of the Nelson County School District Finance Corporation on Tuesday, June 18, 2013 in immediately before the regular meeting of the Nelson County Board of Education (approximately 4:45 p.m.). The meeting will be held at the Central Office of the District. The purpose of the meeting is to consider adopting a resolution authorizing the issuance of refunding revenue bonds for school building purposes. Agenda Items are as follows:

1. Call to Order
2. Confirm Officers
3. Consider Resolution for refunding revenue bonds
4. Adjourn

NELSON COUNTY SCHOOL DISTRICT FINANCE CORPORATION

SCHOOL BUILDING REVENUE BONDS, SERIES 2013

PROJECTED REFINANCING OF SERIES 2010B BABS

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2014	1,644,584.38	1,644,584.38	1,695,808.25	51,223.87
06/30/2015	1,638,197.50	1,638,197.50	1,695,579.36	57,381.86
06/30/2016	1,635,865.00	1,635,865.00	1,692,732.85	56,867.85
06/30/2017	1,642,132.50	1,642,132.50	1,696,807.74	54,675.24
06/30/2018	1,641,507.50	1,641,507.50	1,693,304.58	51,797.08
06/30/2019	1,638,747.50	1,638,747.50	1,692,824.38	54,076.78
06/30/2020	1,638,308.75	1,638,308.75	1,690,669.64	52,360.89
06/30/2021	1,634,847.50	1,634,847.50	1,687,584.48	52,736.98
06/30/2022	1,638,390.00	1,638,390.00	1,687,592.79	49,202.79
06/30/2023	1,628,592.50	1,628,592.50	1,680,694.57	52,102.07
06/30/2024	2,507,850.00	2,507,850.00	2,556,457.63	48,607.63
06/30/2025	2,500,375.00	2,500,375.00	2,553,594.23	53,219.23
06/30/2026	2,513,065.00	2,513,065.00	2,566,356.80	53,291.80
06/30/2027	2,535,231.25	2,535,231.25	2,607,973.63	52,742.38
06/30/2028	2,546,860.00	2,546,860.00	2,599,325.92	52,465.92
06/30/2029	3,359,146.25	3,359,146.25	3,414,490.68	55,344.43
06/30/2030	3,867,160.00	3,867,160.00	3,917,783.16	50,623.16
06/30/2031	2,067,555.00	2,067,555.00	2,074,118.23	6,563.23
Total	\$38,298,415.63	\$38,298,415.63	\$39,203,698.82	\$905,283.19

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	4,666,150.87
Effects of changes in Credit Enhancement Expenses	(4,060,634.90)
Net PV Cashflow Savings @ 4.951%(Bond Yield)	605,515.97
Accrued Interest Credit to Debt Service Fund	
Contingency or Rounding Amount	63,561.36
Net Present Value Benefit	3,754.69
Net PV Benefit / \$27,290,000 Refunded Principal	\$672,832.02
Net PV Benefit / \$28,100,000 Refunding Principal	2.463%
Refunding Bond Information	2.394%

Refunding Dated Date	7/01/2013
Refunding Delivery Date	7/30/2013

Nelson CSD SERIES 2013 RE | Issue Summary | 5/31/2013 | 2:43 PM

Ross, Sinlcaire & Associates, LLC
Public Finance - LTheinert