

Encl. 10, 20  
Nov. 18, 2010

**EXTRACT OF MINUTES OF MEETING OF BOARD OF  
EDUCATION ADOPTING BOND RESOLUTION**

At a meeting of the Board of Education of the Horseheads Central School District, New York, duly held on the 18<sup>th</sup> day of November, 2010:

Present:

Absent:

\_\_\_\_\_ presented the following resolution and moved that it be adopted:

**REFUNDING BOND RESOLUTION OF THE  
HORSEHEADS CENTRAL SCHOOL DISTRICT DATED  
NOVEMBER 18, 2010 AUTHORIZING THE REFUNDING  
OF ALL OR A PORTION OF CERTAIN OUTSTANDING  
SERIAL BONDS, STATING THE PLAN OF REFUNDING,  
AUTHORIZING THE ISSUANCE OF NOT TO EXCEED  
\$13,200,000 REFUNDING BONDS AND DETERMINING  
OTHER MATTERS IN CONNECTION THEREWITH.**

WHEREAS, the Horseheads Central School District, New York (the "School District") has heretofore duly issued (a) \$4,400,000 aggregate principal amount of School District (Serial) Bonds, 1998, such bonds being dated March 15, 1998 and maturing in annual installments in each of the years 1998 to 2013, both inclusive (the "1998 Bonds"); (b) \$4,850,000 aggregate principal amount of School District (Serial) Bonds, 1999, such bonds being dated November 15, 1999 and maturing in annual installments in each of the years 2000 to 2014, both inclusive (the "1999 Bonds") and (c) \$14,975,000 aggregate principal amount of School District (Serial) Bonds, 2004, such bonds being dated June 15, 2004 and maturing in annual installments in each of the years 2005 to 2020, both inclusive (the "2004 Bonds", and, collectively with the 1998 Bonds, the 1999 Bonds, the "Prior Bonds"), as more fully described therein; and

WHEREAS, (a) the 1998 Bonds and the 1999 Bonds were authorized pursuant to a bond resolution dated January 27, 1997; and (b) the 2004 Bonds were authorized pursuant to a bond resolution dated January 8, 2001. The Prior Bonds were used to pay costs of construction of

additions to and reconstruction of various School District buildings, including site work thereat, and the acquisition of original furnishings, equipment, machinery or apparatus required for the purpose for which such additions and reconstructed buildings are to be used; and

WHEREAS, it would be in the public interest to refund all or a portion of the (a) \$900,000 outstanding principal balance of the 1998 Bonds, (b) the \$1,325,000 outstanding principal balance of the 1999 Bonds and (c) the \$10,310,000 outstanding principal balance of the 2004 Bonds (collectively, the "Refunded Bonds") (all such outstanding principal balances being stated as of the date hereof) by the issuance of refunding bonds pursuant to Section 90.10 of the Local Finance Law; and

WHEREAS, such refunding will result in present value savings in debt service as required by Section 90.10 of the Local Finance Law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION AS FOLLOWS:

Section 1. The School District is hereby authorized to refund all or a portion of the outstanding principal balance of the Refunded Bonds.

Section 2. Attached hereto as Appendix "A" and incorporated herein by reference is the estimated financial plan for the refunding of the Refunded Bonds (the "Refunding Financial Plan") showing the sources and amounts of all amounts of moneys required to accomplish the Refunding Financial Plan. The Refunding Financial Plan has been prepared based upon the assumption that the Refunding Bonds (as defined herein) will be issued in a single series to refund all of the Refunded Bonds. This Board of Education recognizes that the Refunding Bonds may be issued in series, and for only one or more of the Refunded Bonds, or portions thereof, and that the Refunding Financial Plan also will most probably be different from that attached hereto. The President of the Board of Education is hereby authorized and directed to determine which of the Refunded Bonds will be refunded and the timing thereof.

Section 3. Subject only to the issuance of the Refunding Bonds as herein authorized, the School District hereby elects to redeem all of the Refunded Bonds that are callable at a present value savings, if any. Upon the issuance of the Refunding Bonds, the election to redeem such callable Refunded Bonds shall become irrevocable. The Escrow Agent (as defined herein) for the Refunding Bonds is hereby authorized and directed to cause notice of such call for redemption to be given in the name of the School District in the manner and within the time provided in the Refunded Bonds and in Section 53 of the Local Finance Law. Upon the issuance of the Refunded Bonds, the election to call in and redeem the callable Refunded Bonds and the direction to the Escrow Agent to cause notice thereof to be given as provided in this Section 3 shall become irrevocable, provided that this Section may be amended from time to time as may be necessary in order to comply with the publication requirements of paragraph a of Section 53.00 of the Local Finance Law, or any successor law thereto.

Section 4. The School District is hereby authorized to issue its serial general obligation refunding bonds (the "Refunding Bonds") in the aggregate principal amount of not to exceed \$13,200,000, in order to refund (including advance refund) all or a portion of the Refunded Bonds. The Refunding Bonds described herein are hereby authorized to be consolidated for purposes of sale in one or more refunding serial bond issues. The Refunding Bonds shall each be designated substantially "SCHOOL DISTRICT REFUNDING (SERIAL) BOND" together with such series designation and year as is appropriate on the date of sale thereof, shall be of the denomination of \$5,000 or any integral multiple thereof (except for any odd denominations, if necessary) not exceeding the principal amount of each respective maturity, shall be dated on such dates, and shall mature on such dates in such years, bearing interest on such dates, at the rate or rates of interest per annum, as may be necessary to sell the same, all as shall be determined by the President of the Board of Education pursuant to Sections 5 and 10 hereof. It is hereby further determined that such Refunding Bonds may be issued to refund all or a portion of

the Refunded Bonds, subject to the limitation hereinafter described in Section 13 hereof relating to approval by the State Comptroller.

Section 5. The President of the Board of Education is hereby authorized and directed to determine the amount of the Refunding Bonds to be issued, the maturities and terms thereof, the provisions relating to the redemption of Refunding Bonds prior to maturity, if any, whether the Refunding Bonds will be insured by a policy or policies of municipal bond insurance or otherwise enhanced by a credit enhancement facility or facilities, whether the Refunding Bonds shall be sold at a discount in the manner authorized by paragraph c of Section 57.00 of the Local Finance Law, and the rate or rates of interest to be borne thereby, whether the Refunding Bonds shall be issued having substantially level or declining annual debt service and all matters related thereto, and to prepare, or cause to be provided, a final Refunding Financial Plan and, in accordance herewith, all powers in connection therewith are hereby delegated to the President of the Board of Education, provided that the terms of the Refunding Bonds to be issued, including the rate or rates of interest borne thereby, shall comply with the requirements of Section 90.10 of the Local Finance Law.

The Refunding Bonds may be subject to redemption prior to maturity upon such terms as the President of the Board of Education shall prescribe, which terms shall be in compliance with the requirements of Section 53.00 (b) of the Local Finance Law. If less than all of the Refunding Bonds of any maturity are to be redeemed, the particular Refunding Bonds of such maturity to be redeemed shall be selected by the School District by lot in any customary manner of selection as determined by the President of the Board of Education. Notice of such call for redemption shall be given by mailing such notice to the registered owners not less than thirty (30) days prior to such date and as otherwise provided in Securities and Exchange Commission Release No. 34-23856, as the same may be amended from time to time. 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, and interest shall cease to be paid thereon after such redemption date.

The Refunding Bonds shall be issued in registered form and shall not be registrable to bearer or convertible into bearer coupon form. In the event said Refunding Bonds are issued in non-certificated form, such bonds, when issued, shall be issued initially in registered form in denominations such that one bond shall be issued for each maturity of bonds and shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the bonds in accordance with the book-entry-only system of DTC. In the event that either DTC shall discontinue the book-entry-only system, or the School District shall terminate its participation in such book-entry-only system, such bonds shall thereafter be issued in certificated form of the denomination of \$5,000 each or any integral multiple thereof (except for any odd denominations, if necessary) not exceeding the principal amount of each respective maturity. In the case of non-certificated Refunding Bonds, principal of and interest on the bonds shall be payable by check or draft mailed by the Fiscal Agent (as defined herein) to the Depository Trust Company, New York, New York, or to its nominee, Cede & Co., while the Refunding Bonds are registered in the name of Cede & Co. in accordance with such book-entry-only system. Principal shall be payable only upon surrender of the bonds at the principal corporate trust office of such Fiscal Agent (or at the office of the School District Clerk as Fiscal Agent as hereinafter provided).

In the event said Refunding Bonds are issued in certificated form, principal of and interest on the Refunding Bonds shall be payable by check or draft mailed by the Fiscal Agent to the registered owners of the Refunding Bonds as shown on the registration books of the School District maintained by the Fiscal Agent, as of the close of business on the fifteenth day of the calendar month or last business day of the calendar month preceding each interest payment date as appropriate and as provided in a certificate of the President of the Board of Education

providing for the details of the Refunding Bonds. Principal shall be payable only upon surrender of bonds at the principal corporate trust office of a bank or trust company or banks or trust companies located or authorized to do business in the State of New York, as shall hereafter be designated by the President of the Board of Education as fiscal agent of the School District for the Refunding Bonds (collectively, the "Fiscal Agent"). Refunding Bonds in certificated form may be transferred or exchanged at any time prior to maturity at the principal corporate trust office of the Fiscal Agent for bonds of the same maturity of any authorized denomination or denominations in the same aggregate principal amount. Principal and interest on the Refunding Bonds shall be payable in lawful money of the United States of America.

The President of the Board of Education, as chief fiscal officer of the School District, is hereby authorized and directed to enter into an agreement or agreements containing such terms and conditions as he/she shall deem proper with the Fiscal Agent, for the purpose of having such bank or trust company or banks or trust companies act in connection with the Refunding Bonds as the Fiscal Agent for said School District, to perform the services described in Section 70.00 of the Local Finance Law, and to execute such agreement or agreements on behalf of the School District, regardless of whether the Refunding Bonds are initially issued in certificated or non-certificated form; provided, however, that the President of the Board of Education is hereby authorized to name the School District Clerk as the Fiscal Agent in connection with the Refunding Bonds if said Refunding Bonds are issued in non-certificated form.

The President of the Board of Education is hereby further delegated all powers of this Board of Education with respect to agreements for credit enhancement, derived from and pursuant to Section 168.00 of the Local Finance Law, for said Refunding Bonds, including, but not limited to the determination of the provider of such credit enhancement facility or facilities and the terms and contents of any agreement or agreements related thereto.

Section 6. The maximum amount of Refunding Bonds authorized to be issued does not exceed the amount sufficient to pay the sum of (a) the principal amount of the Refunded Bonds, which will be outstanding as of the date of issue of the Refunding Bonds, (b) the aggregate amount of unmatured interest payable on the Refunded Bonds to and including either the dates the Refunded Bonds mature or, if such Refunded Bonds are to be called for redemption prior to their maturities, the dates set for such redemption in accordance with the Refunding Financial Plan, (c) redemption premiums, if any, payable on the Refunded Bonds as of such redemption dates and (d) costs and expenses incident to the issuance of the Refunding Bonds, including the development of the Refunding Financial Plan, and of executing and performing the terms and conditions of the escrow contract and all fees and charges of the Escrow Holder.

Section 7. The maximum period of probable usefulness permitted by law at the time of issuance of the Refunded Bonds for the object or purpose or objects or purposes for which the Refunded Bonds were issued is twenty (20) years.

Section 8. The President of the Board of Education is hereby authorized and directed to contract on behalf of the School District with a bank or trust company located and authorized to do business in the State of New York for the purpose of having such bank or trust company act as the escrow holder (the "Escrow Holder") of the proceeds, inclusive of any premium, from the sale of the Refunding Bonds, together with all income derived from the investment of such proceeds, and any other moneys provided by the School District to accomplish the Refunding Financial Plan. The contract with the Escrow Holder shall comply in all respects with Section 90.10 of the Local Finance Law.

Section 9. That portion of the proceeds of the sale of the Refunding Bonds, together with interest earned thereon, which shall be required for the payment of the principal of and interest on, the Refunded Bonds to be refunded, including any redemption premiums, in accordance with the Refunding Financial Plan, shall be irrevocably committed and pledged to such purpose and

the holders of the Refunded Bonds to be refunded shall have a lien upon such moneys and the investments thereof held by the Escrow Holder. All interest earned from the investment of the proceeds of the sale of the Refunding Bonds not required for such payments on the Refunded Bonds to be refunded, shall be irrevocably committed and pledged to the payment of the principal of and interest on the Refunding Bonds and the holders of the Refunding Bonds shall have a lien upon such moneys held by the Escrow Holder. The pledges and liens provided for in this Section shall become valid and binding upon the issuance of the Refunding Bonds and the moneys and investments held by the Escrow Holder shall immediately be subject thereto without any further act.

Section 10. Subject to the provisions of the Local Finance Law and this Resolution, the power to determine the final Refunding Financial Plan, to prescribe the terms, form and contents of the Refunding Bonds and to sell (including the power to sell the Refunding Bonds at a discount and pursuant to a private sale), issue and deliver the Refunding Bonds is hereby delegated to the President of the Board of Education, the chief fiscal officer of the School District. The Refunding Bonds shall be sold at private sale to Jefferies & Company, Inc. (the "Underwriter") for purchase prices to be determined by the President of the Board of Education, plus accrued interest from the date or dates of the Refunding Bonds to the date or dates of delivery of payment for the Refunding Bonds. Subject to the approval of the terms and conditions of such private sale by the State Comptroller as required by subdivision 2 of paragraph f of Section 90.10 of the Local Finance Law, the President of the Board of Education is hereby authorized to execute and deliver a purchase contract for the Refunding Bonds in the name and on behalf of the School District providing the terms and conditions for the sale and delivery of the Refunding Bonds to the Underwriter. After the Refunding Bonds have been duly executed, they shall be delivered by the President of the Board of Education to the Underwriter



in accordance with said purchase contract upon the receipt by the School District of said purchase price, including accrued interest.

Section 11. The President of the Board of Education is hereby authorized to execute and the District Clerk is hereby authorized to attest any Refunding Bonds issued pursuant to this Resolution, and the District Clerk is hereby authorized to affix to such Refunding Bonds the corporate seal of the School District. The President of Board of Education and all other officers, employees and agents of the School District are hereby authorized and directed for and on behalf of the School District to execute and deliver all certificates and other documents, perform all acts and do all things required or contemplated to be executed, performed or done by this resolution or any document or agreement approved hereby.

Section 12. The faith and credit of the Horseheads Central School District, New York are hereby irrevocably pledged for the payment of the principal of and interest on such Refunding Bonds as the same become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on the Refunding Bonds becoming due and payable in such year. There shall be levied annually on all taxable real property of the School District, a tax sufficient to pay the principal of and interest on such Refunding Bonds as the same becomes due and payable.

Section 13. Notwithstanding anything to the contrary contained herein, the School District shall not issue the Refunding Bonds until it shall have obtained the approval of the Office of the State Comptroller in accordance with the provisions of Section 90.10 of the Local Finance Law.

Section 14. This Resolution shall be published in summary form by the District Clerk together with a notice in substantially the form prescribed by Section 81.00 of the Local Finance Law, and such publication shall be in each of the official newspapers of the School District. The validity of the Refunding Bonds may be contested only if such obligations are authorized for an

object or purpose for which the School District is not authorized to expend money, or the provisions of law which should be complied with at the date of publication of the summary of this Resolution are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty (20) days after the date of such publication; or if said obligations are authorized in violation of the provisions of the Constitution.

Section 15. This Resolution shall take effect immediately upon its adoption.

The Motion having been duly seconded by \_\_\_\_\_, it was adopted and the following votes were cast:

AYES

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APPENDIX A

Refunding Financial Plan

[Jefferies & Company Financial Plan]

## Horseheads Central School District, New York

### Refunding

## Total Issue Sources And Uses

Dated 12/30/2010 | Delivered 12/30/2010

	Ref of Ser 98	Ref of Ser 99	Ref of Ser 2004	Issue Summary
<b>Sources Of Funds</b>				
Par Amount of Bonds	\$910,000.00	\$1,330,000.00	\$10,660,000.00	\$12,900,000.00
Reoffering Premium	27,699.90	54,248.40	845,712.20	927,660.50
<b>Total Sources</b>	<b>\$937,699.90</b>	<b>\$1,384,248.40</b>	<b>\$11,505,712.20</b>	<b>\$13,827,660.50</b>
<b>Uses Of Funds</b>				
Total Underwriter's Discount (0.621%)	9,782.50	14,297.50	55,965.00	80,045.00
Costs of Issuance	4,585.27	6,701.55	53,713.18	65,000.00
Gross Bond Insurance Premium	3,042.58	4,527.73	40,817.52	48,387.83
Deposit to Net Cash Escrow Fund	919,056.76	1,358,767.48	11,353,450.39	13,631,274.63
Rounding Amount	1,232.79	(45.86)	1,766.11	2,953.04
<b>Total Uses</b>	<b>\$937,699.90</b>	<b>\$1,384,248.40</b>	<b>\$11,505,712.20</b>	<b>\$13,827,660.50</b>

## Horseheads Central School District, New York

### Refunding

## Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/15/2011	Serial Coupon	2.500%	0.760%	1,570,000.00	100.794%	1,582,465.80
06/15/2012	Serial Coupon	3.000%	0.840%	1,625,000.00	103.124%	1,675,765.00
06/15/2013	Serial Coupon	3.250%	1.080%	1,680,000.00	105.250%	1,768,200.00
06/15/2014	Serial Coupon	3.500%	1.370%	1,390,000.00	107.170%	1,489,663.00
06/15/2015	Serial Coupon	4.000%	1.670%	1,095,000.00	109.969%	1,204,160.55
06/15/2016	Serial Coupon	4.000%	1.950%	1,135,000.00	110.565%	1,254,912.75
06/15/2017	Serial Coupon	4.000%	2.210%	1,185,000.00	110.717%	1,311,996.45
06/15/2018	Serial Coupon	4.000%	2.450%	1,235,000.00	110.506%	1,364,749.10
06/15/2019	Serial Coupon	4.000%	2.680%	975,000.00	109.929%	1,071,807.75
06/15/2020	Serial Coupon	4.000%	2.870%	1,010,000.00	109.301%	1,103,940.10
<b>Total</b>	-	-	-	<b>\$12,900,000.00</b>	-	<b>\$13,827,660.50</b>

### Bid Information

Par Amount of Bonds	\$12,900,000.00
Reoffering Premium or (Discount)	927,660.50
Gross Production	\$13,827,660.50
Total Underwriter's Discount (0.621%)	\$(80,045.00)
Bid (106.571%)	13,747,615.50
Total Purchase Price	\$13,747,615.50
Bond Year Dollars	\$57,767.50
Average Life	4.478 Years
Average Coupon	3.8450650%
Net Interest Cost (NIC)	2.3777772%
True Interest Cost (TIC)	2.2565025%

# Horseheads Central School District, New York

## Refunding

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	1,570,000.00	2.500%	209,297.92	1,779,297.92	-
06/30/2011	-	-	-	-	1,779,297.92
12/15/2011	-	-	208,700.00	208,700.00	-
06/15/2012	1,625,000.00	3.000%	208,700.00	1,833,700.00	-
06/30/2012	-	-	-	-	2,042,400.00
12/15/2012	-	-	184,325.00	184,325.00	-
06/15/2013	1,680,000.00	3.250%	184,325.00	1,864,325.00	-
06/30/2013	-	-	-	-	2,048,650.00
12/15/2013	-	-	157,025.00	157,025.00	-
06/15/2014	1,390,000.00	3.500%	157,025.00	1,547,025.00	-
06/30/2014	-	-	-	-	1,704,050.00
12/15/2014	-	-	132,700.00	132,700.00	-
06/15/2015	1,095,000.00	4.000%	132,700.00	1,227,700.00	-
06/30/2015	-	-	-	-	1,360,400.00
12/15/2015	-	-	110,800.00	110,800.00	-
06/15/2016	1,135,000.00	4.000%	110,800.00	1,245,800.00	-
06/30/2016	-	-	-	-	1,356,600.00
12/15/2016	-	-	88,100.00	88,100.00	-
06/15/2017	1,185,000.00	4.000%	88,100.00	1,273,100.00	-
06/30/2017	-	-	-	-	1,361,200.00
12/15/2017	-	-	64,400.00	64,400.00	-
06/15/2018	1,235,000.00	4.000%	64,400.00	1,299,400.00	-
06/30/2018	-	-	-	-	1,363,800.00
12/15/2018	-	-	39,700.00	39,700.00	-
06/15/2019	975,000.00	4.000%	39,700.00	1,014,700.00	-
06/30/2019	-	-	-	-	1,054,400.00
12/15/2019	-	-	20,200.00	20,200.00	-
06/15/2020	1,010,000.00	4.000%	20,200.00	1,030,200.00	-
06/30/2020	-	-	-	-	1,050,400.00
<b>Total</b>	<b>\$12,900,000.00</b>	<b>-</b>	<b>\$2,221,197.92</b>	<b>\$15,121,197.92</b>	<b>-</b>

#### Yield Statistics

Bond Year Dollars	\$57,767.50
Average Life	4.478 Years
Average Coupon	3.8450650%
Net Interest Cost (NIC)	2.3777772%
True Interest Cost (TIC)	2.2565025%
Bond Yield for Arbitrage Purposes	2.2005804%
All Inclusive Cost (AIC)	2.4584698%

#### IRS Form 8038

Net Interest Cost	2.0517625%
Weighted Average Maturity	4.559 Years

## Horseheads Central School District, New York

### Refunding

## Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	1,779,297.92	1,779,297.92	1,802,284.38	22,986.46	-
06/30/2011	-	-	-	-	22,986.46
12/15/2011	208,700.00	208,700.00	255,584.38	46,884.38	-
06/15/2012	1,833,700.00	1,833,700.00	1,810,584.38	(23,115.62)	-
06/30/2012	-	-	-	-	23,768.76
12/15/2012	184,325.00	184,325.00	221,890.63	37,565.63	-
06/15/2013	1,864,325.00	1,864,325.00	1,851,890.63	(12,434.37)	-
06/30/2013	-	-	-	-	25,131.26
12/15/2013	157,025.00	157,025.00	186,540.63	29,515.63	-
06/15/2014	1,547,025.00	1,547,025.00	1,536,540.63	(10,484.37)	-
06/30/2014	-	-	-	-	19,031.26
12/15/2014	132,700.00	132,700.00	157,509.38	24,809.38	-
06/15/2015	1,227,700.00	1,227,700.00	1,212,509.38	(15,190.62)	-
06/30/2015	-	-	-	-	9,618.76
12/15/2015	110,800.00	110,800.00	135,750.00	24,950.00	-
06/15/2016	1,245,800.00	1,245,800.00	1,230,750.00	(15,050.00)	-
06/30/2016	-	-	-	-	9,900.00
12/15/2016	88,100.00	88,100.00	108,375.00	20,275.00	-
06/15/2017	1,273,100.00	1,273,100.00	1,258,375.00	(14,725.00)	-
06/30/2017	-	-	-	-	5,550.00
12/15/2017	64,400.00	64,400.00	79,625.00	15,225.00	-
06/15/2018	1,299,400.00	1,299,400.00	1,289,625.00	(9,775.00)	-
06/30/2018	-	-	-	-	5,450.00
12/15/2018	39,700.00	39,700.00	49,375.00	9,675.00	-
06/15/2019	1,014,700.00	1,014,700.00	1,014,375.00	(325.00)	-
06/30/2019	-	-	-	-	9,350.00
12/15/2019	20,200.00	20,200.00	25,250.00	5,050.00	-
06/15/2020	1,030,200.00	1,030,200.00	1,035,250.00	5,050.00	-
06/30/2020	-	-	-	-	10,100.00
<b>Total</b>	<b>\$15,121,197.92</b>	<b>\$15,121,197.92</b>	<b>\$15,262,084.42</b>	<b>\$140,886.50</b>	<b>-</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	132,641.61
Net PV Cashflow Savings @ 2.115%(EIC)	132,641.61
Contingency or Rounding Amount	2,953.04
Net Present Value Benefit	\$135,594.65
Net PV Benefit / \$12,535,000 Refunded Principal	1.082%
Net PV Benefit / \$12,900,000 Refunding Principal	1.051%

### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

HORSEHEADS CSD Refunding | Issue Summary | 10/18/2010 | 3:28 PM

## Horseheads Central School District, New York

### Refunding

## Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
12/30/2010	-	-	-	1.63	-	1.63
06/15/2011	3,382,416.00	0.150%	19,867.05	3,402,283.05	3,402,284.38	0.30
12/15/2011	196,711.00	0.200%	19,498.93	216,209.93	216,209.38	0.85
06/15/2012	1,127,087.00	0.240%	19,121.68	1,146,208.68	1,146,209.38	0.15
12/15/2012	179,841.00	0.310%	17,769.18	197,610.18	197,609.38	0.95
06/15/2013	8,745,218.00	0.400%	17,490.43	8,762,708.43	8,762,709.38	-
<b>Total</b>	<b>\$13,631,273.00</b>	<b>-</b>	<b>\$93,747.27</b>	<b>\$13,725,021.90</b>	<b>\$13,725,021.90</b>	<b>-</b>

### Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	1.63
Cost of Investments Purchased with Bond Proceeds	13,631,273.00
Total Cost of Investments	\$13,631,274.63
Target Cost of Investments at bond yield	\$13,183,286.67
Actual positive or (negative) arbitrage	(447,987.96)
Yield to Receipt	0.3714562%
Yield for Arbitrage Purposes	2.2005804%
State and Local Government Series (SLGS) rates for	10/15/2010



## Horseheads Central School District, New York

### Refunding

## Escrow Summary Cost

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
<b>Escrow</b>								
06/15/2011	SLGS-CI	0.150%	0.150%	100-.000000	3,382,416	3,382,416.00	-	3,382,416.00
12/15/2011	SLGS-CI	0.200%	0.200%	100-.000000	196,711	196,711.00	-	196,711.00
06/15/2012	SLGS-NT	0.240%	0.240%	100-.000000	1,127,087	1,127,087.00	-	1,127,087.00
12/15/2012	SLGS-NT	0.310%	0.310%	100-.000000	179,841	179,841.00	-	179,841.00
06/15/2013	SLGS-NT	0.400%	0.400%	100-.000000	8,745,218	8,745,218.00	-	8,745,218.00
<b>Subtotal</b>		-	-	-	<b>\$13,631,273</b>	<b>\$13,631,273.00</b>	-	<b>\$13,631,273.00</b>
<b>Total</b>		-	-	-	<b>\$13,631,273</b>	<b>\$13,631,273.00</b>	-	<b>\$13,631,273.00</b>

### Escrow

Cash Deposit	1.63
Cost of Investments Purchased with Bond Proceeds	13,631,273.00
Total Cost of Investments	\$13,631,274.63

Delivery Date 12/30/2010

## Horseheads Central School District, New York

### Refunding

## Total Refunded Debt Service

DATE	HORSEHEADS CSD 1998	HORSEHEADS CSD 1999	HORSEHEADS CSD Ser 2004	TOTAL P+I	Fiscal Total
06/15/2011	319,687.50	359,700.00	1,122,896.88	1,802,284.38	-
06/30/2011	-	-	-	-	1,802,284.38
12/15/2011	13,125.00	26,250.00	216,209.38	255,584.38	-
06/15/2012	313,125.00	351,250.00	1,146,209.38	1,810,584.38	-
06/30/2012	-	-	-	-	2,066,168.76
12/15/2012	6,562.50	17,718.75	197,609.38	221,890.63	-
06/15/2013	306,562.50	367,718.75	1,177,609.38	1,851,890.63	-
06/30/2013	-	-	-	-	2,073,781.26
12/15/2013	-	8,531.25	178,009.38	186,540.63	-
06/15/2014	-	333,531.25	1,203,009.38	1,536,540.63	-
06/30/2014	-	-	-	-	1,723,081.26
12/15/2014	-	-	157,509.38	157,509.38	-
06/15/2015	-	-	1,212,509.38	1,212,509.38	-
06/30/2015	-	-	-	-	1,370,018.76
12/15/2015	-	-	135,750.00	135,750.00	-
06/15/2016	-	-	1,230,750.00	1,230,750.00	-
06/30/2016	-	-	-	-	1,366,500.00
12/15/2016	-	-	108,375.00	108,375.00	-
06/15/2017	-	-	1,258,375.00	1,258,375.00	-
06/30/2017	-	-	-	-	1,366,750.00
12/15/2017	-	-	79,625.00	79,625.00	-
06/15/2018	-	-	1,289,625.00	1,289,625.00	-
06/30/2018	-	-	-	-	1,369,250.00
12/15/2018	-	-	49,375.00	49,375.00	-
06/15/2019	-	-	1,014,375.00	1,014,375.00	-
06/30/2019	-	-	-	-	1,063,750.00
12/15/2019	-	-	25,250.00	25,250.00	-
06/15/2020	-	-	1,035,250.00	1,035,250.00	-
06/30/2020	-	-	-	-	1,060,500.00
<b>Total</b>	<b>\$959,062.50</b>	<b>\$1,464,700.00</b>	<b>\$12,838,321.92</b>	<b>\$15,262,084.42</b>	<b>-</b>

### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/30/2010
Average Life	4.506 Years
Average Coupon	4.7855786%
Weighted Average Maturity (Par Basis)	4.506 Years

### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

## Horseheads Central School District, New York

### Refunding

## Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
<b>Dated 3/15/1998   Delivered 3/15/1998</b>							
HORSEHEADS CSD 1998	06/15/2011	Serial	Coupon	4.375%	300,000	-	-
HORSEHEADS CSD 1998	06/15/2012	Serial	Coupon	4.375%	300,000	06/15/2011	100.000%
HORSEHEADS CSD 1998	06/15/2013	Serial	Coupon	4.375%	300,000	06/15/2011	100.000%
<b>Subtotal</b>	-	-	-	-	<b>\$900,000</b>	-	-
<b>Dated 11/15/1999   Delivered 11/15/1999</b>							
HORSEHEADS CSD 1999	06/15/2011	Serial	Coupon	5.200%	325,000	-	-
HORSEHEADS CSD 1999	06/15/2012	Serial	Coupon	5.250%	325,000	06/15/2011	100.000%
HORSEHEADS CSD 1999	06/15/2013	Serial	Coupon	5.250%	350,000	06/15/2011	100.000%
HORSEHEADS CSD 1999	06/15/2014	Serial	Coupon	5.250%	325,000	06/15/2011	100.000%
<b>Subtotal</b>	-	-	-	-	<b>\$1,325,000</b>	-	-
<b>Dated 6/15/2004   Delivered 6/17/2004</b>							
HORSEHEADS CSD Ser 2004	06/15/2011	Serial	Coupon	3.750%	890,000	-	-
HORSEHEADS CSD Ser 2004	06/15/2012	Serial	Coupon	4.000%	930,000	-	-
HORSEHEADS CSD Ser 2004	06/15/2013	Serial	Coupon	4.000%	980,000	-	-
HORSEHEADS CSD Ser 2004	06/15/2014	Serial	Coupon	4.000%	1,025,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2015	Serial	Coupon	4.125%	1,055,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2016	Serial	Coupon	5.000%	1,095,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2017	Serial	Coupon	5.000%	1,150,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2018	Serial	Coupon	5.000%	1,210,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2019	Serial	Coupon	5.000%	965,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2020	Serial	Coupon	5.000%	1,010,000	06/15/2013	101.000%
<b>Subtotal</b>	-	-	-	-	<b>\$10,310,000</b>	-	-
<b>Total</b>	-	-	-	-	<b>\$12,535,000</b>	-	-

## Horseheads Central School District, New York

Refunding of Series 1998

### Sources & Uses

Dated 12/30/2010 | Delivered 12/30/2010

#### Sources Of Funds

Par Amount of Bonds	\$910,000.00
Reoffering Premium	27,699.90

<b>Total Sources</b>	<b>\$937,699.90</b>
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#### Uses Of Funds

Total Underwriter's Discount (1.075%)	9,782.50
Costs of Issuance	4,585.27
Gross Bond Insurance Premium ( 32.0 bp)	3,042.58
Deposit to Net Cash Escrow Fund	919,056.76
Rounding Amount	1,232.79

<b>Total Uses</b>	<b>\$937,699.90</b>
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## Horseheads Central School District, New York

Refunding of Series 1998

### Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/15/2011	Serial Coupon	2.500%	0.760%	305,000.00	100.794%	307,421.70
06/15/2012	Serial Coupon	3.000%	0.840%	305,000.00	103.124%	314,528.20
06/15/2013	Serial Coupon	3.250%	1.080%	300,000.00	105.250%	315,750.00
<b>Total</b>	-	-	-	<b>\$910,000.00</b>	-	<b>\$937,699.90</b>

### Bid Information

Par Amount of Bonds	\$910,000.00
Reoffering Premium or (Discount)	27,699.90
Gross Production	\$937,699.90
Total Underwriter's Discount (1.075%)	\$(9,782.50)
Bid (101.969%)	927,917.40
Total Purchase Price	\$927,917.40
Bond Year Dollars	\$1,322.08
Average Life	1.453 Years
Average Coupon	3.0865899%
Net Interest Cost (NIC)	1.7313500%
True Interest Cost (TIC)	1.7024943%

## Horseheads Central School District, New York

### Refunding of Series 1998

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	305,000.00	2.500%	12,157.29	317,157.29	-
06/30/2011	-	-	-	-	317,157.29
12/15/2011	-	-	9,450.00	9,450.00	-
06/15/2012	305,000.00	3.000%	9,450.00	314,450.00	-
06/30/2012	-	-	-	-	323,900.00
12/15/2012	-	-	4,875.00	4,875.00	-
06/15/2013	300,000.00	3.250%	4,875.00	304,875.00	-
06/30/2013	-	-	-	-	309,750.00
<b>Total</b>	<b>\$910,000.00</b>	<b>-</b>	<b>\$40,807.29</b>	<b>\$950,807.29</b>	<b>-</b>

### Yield Statistics

Bond Year Dollars	\$1,322.08
Average Life	1.453 Years
Average Coupon	3.0865899%
Net Interest Cost (NIC)	1.7313500%
True Interest Cost (TIC)	1.7024943%
Bond Yield for Arbitrage Purposes	2.2005804%
All Inclusive Cost (AIC)	2.2854920%

### IRS Form 8038

Net Interest Cost	0.9527054%
Weighted Average Maturity	1.467 Years

## Horseheads Central School District, New York

### Refunding of Series 1998

## Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	317,157.29	317,157.29	319,687.50	2,530.21	-
06/30/2011	-	-	-	-	2,530.21
12/15/2011	9,450.00	9,450.00	13,125.00	3,675.00	-
06/15/2012	314,450.00	314,450.00	313,125.00	(1,325.00)	-
06/30/2012	-	-	-	-	2,350.00
12/15/2012	4,875.00	4,875.00	6,562.50	1,687.50	-
06/15/2013	304,875.00	304,875.00	306,562.50	1,687.50	-
06/30/2013	-	-	-	-	3,375.00
<b>Total</b>	<b>\$950,807.29</b>	<b>\$950,807.29</b>	<b>\$959,062.50</b>	<b>\$8,255.21</b>	<b>-</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	8,157.67
Net PV Cashflow Savings @ 0.966%(EIC)	8,157.67
Contingency or Rounding Amount	1,232.79
Net Present Value Benefit	\$9,390.46
Net PV Benefit / \$900,000 Refunded Principal	1.043%
Net PV Benefit / \$910,000 Refunding Principal	1.032%

### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

# Horseheads Central School District, New York

## Refunding of Series 1998

### Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
12/30/2010	-	-	-	0.76	-	0.76
06/15/2011	919,056.00	0.150%	630.74	919,686.74	919,687.50	-
<b>Total</b>	<b>\$919,056.00</b>	<b>-</b>	<b>\$630.74</b>	<b>\$919,687.50</b>	<b>\$919,687.50</b>	<b>-</b>

#### Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.76
Cost of Investments Purchased with Bond Proceeds	919,056.00
Total Cost of Investments	\$919,056.76
Target Cost of Investments at bond yield	\$910,508.31
Actual positive or (negative) arbitrage	(8,548.45)
Yield to Receipt	0.1497409%
Yield for Arbitrage Purposes	2.2005804%
State and Local Government Series (SLGS) rates for	10/15/2010



**Horseheads Central School District, New York**

Refunding of Series 1998

**Escrow Summary Cost**

<b>Maturity</b>	<b>Type</b>	<b>Coupon</b>	<b>Yield</b>	<b>Price</b>	<b>Par Amount</b>	<b>Principal Cost</b>	<b>+Accrued Interest</b>	<b>= Total Cost</b>
<b>Escrow</b>								
06/15/2011	SLGS-CI	0.150%	0.150%	100-.000000	919,056	919,056.00	-	919,056.00
<b>Subtotal</b>		-	-	-	<b>\$919,056</b>	<b>\$919,056.00</b>	-	<b>\$919,056.00</b>
<b>Total</b>		-	-	-	<b>\$919,056</b>	<b>\$919,056.00</b>	-	<b>\$919,056.00</b>

**Escrow**

Cash Deposit	0.76
Cost of Investments Purchased with Bond Proceeds	919,056.00
<b>Total Cost of Investments</b>	<b>\$919,056.76</b>

Delivery Date 12/30/2010

## Horseheads Central School District, New York

Refunding of Series 1998

### Total Refunded Debt Service

DATE	HORSEHEADS CSD 1998	TOTAL P+I	Fiscal Total
06/15/2011	319,687.50	319,687.50	-
06/30/2011	-	-	319,687.50
12/15/2011	13,125.00	13,125.00	-
06/15/2012	313,125.00	313,125.00	-
06/30/2012	-	-	326,250.00
12/15/2012	6,562.50	6,562.50	-
06/15/2013	306,562.50	306,562.50	-
06/30/2013	-	-	313,125.00
<b>Total</b>	<b>\$959,062.50</b>	<b>\$959,062.50</b>	-

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/30/2010
Average Life	1.458 Years
Average Coupon	4.3750000%
Weighted Average Maturity (Par Basis)	1.458 Years

#### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

## Horseheads Central School District, New York

Refunding of Series 1998

### Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
<b>Dated 3/15/1998   Delivered 3/15/1998</b>							
HORSEHEADS CSD 1998	06/15/2011	Serial	Coupon	4.375%	300,000	-	-
HORSEHEADS CSD 1998	06/15/2012	Serial	Coupon	4.375%	300,000	06/15/2011	100.000%
HORSEHEADS CSD 1998	06/15/2013	Serial	Coupon	4.375%	300,000	06/15/2011	100.000%
<b>Subtotal</b>	-	-	-	-	<b>\$900,000</b>	-	-
<b>Total</b>	-	-	-	-	<b>\$900,000</b>	-	-

## Horseheads Central School District, New York

Refunding of Series 1999

### Sources & Uses

Dated 12/30/2010 | Delivered 12/30/2010

#### Sources Of Funds

Par Amount of Bonds	\$1,330,000.00
Reoffering Premium	54,248.40
<b>Total Sources</b>	<b>\$1,384,248.40</b>

#### Uses Of Funds

Total Underwriter's Discount (1.075%)	14,297.50
Costs of Issuance	6,701.55
Gross Bond Insurance Premium ( 32.0 bp)	4,527.73
Deposit to Net Cash Escrow Fund	1,358,767.48
Rounding Amount	(45.86)
<b>Total Uses</b>	<b>\$1,384,248.40</b>

## Horseheads Central School District, New York

Refunding of Series 1999

### Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/15/2011	Serial Coupon	2.500%	0.760%	330,000.00	100.794%	332,620.20
06/15/2012	Serial Coupon	3.000%	0.840%	330,000.00	103.124%	340,309.20
06/15/2013	Serial Coupon	3.250%	1.080%	350,000.00	105.250%	368,375.00
06/15/2014	Serial Coupon	3.500%	1.370%	320,000.00	107.170%	342,944.00
<b>Total</b>	-	-	-	<b>\$1,330,000.00</b>	-	<b>\$1,384,248.40</b>

#### Bid Information

Par Amount of Bonds	\$1,330,000.00
Reoffering Premium or (Discount)	54,248.40
Gross Production	\$1,384,248.40
Total Underwriter's Discount (1.075%)	\$(14,297.50)
Bid (103.004%)	1,369,950.90
Total Purchase Price	\$1,369,950.90
Bond Year Dollars	\$2,599.58
Average Life	1.955 Years
Average Coupon	3.2665092%
Net Interest Cost (NIC)	1.7296899%
True Interest Cost (TIC)	1.6878019%

# Horseheads Central School District, New York

Refunding of Series 1999

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	330,000.00	2.500%	18,665.63	348,665.63	-
06/30/2011	-	-	-	-	348,665.63
12/15/2011	-	-	16,237.50	16,237.50	-
06/15/2012	330,000.00	3.000%	16,237.50	346,237.50	-
06/30/2012	-	-	-	-	362,475.00
12/15/2012	-	-	11,287.50	11,287.50	-
06/15/2013	350,000.00	3.250%	11,287.50	361,287.50	-
06/30/2013	-	-	-	-	372,575.00
12/15/2013	-	-	5,600.00	5,600.00	-
06/15/2014	320,000.00	3.500%	5,600.00	325,600.00	-
06/30/2014	-	-	-	-	331,200.00
<b>Total</b>	<b>\$1,330,000.00</b>	<b>-</b>	<b>\$84,915.63</b>	<b>\$1,414,915.63</b>	<b>-</b>

### Yield Statistics

Bond Year Dollars	\$2,599.58
Average Life	1.955 Years
Average Coupon	3.2665092%
Net Interest Cost (NIC)	1.7296899%
True Interest Cost (TIC)	1.6878019%
Bond Yield for Arbitrage Purposes	2.2005804%
All Inclusive Cost (AIC)	2.1231248%

### IRS Form 8038

Net Interest Cost	1.1191038%
Weighted Average Maturity	1.980 Years

## Horseheads Central School District, New York

### Refunding of Series 1999

## Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	348,665.63	348,665.63	359,700.00	11,034.37	-
06/30/2011	-	-	-	-	11,034.37
12/15/2011	16,237.50	16,237.50	26,250.00	10,012.50	-
06/15/2012	346,237.50	346,237.50	351,250.00	5,012.50	-
06/30/2012	-	-	-	-	15,025.00
12/15/2012	11,287.50	11,287.50	17,718.75	6,431.25	-
06/15/2013	361,287.50	361,287.50	367,718.75	6,431.25	-
06/30/2013	-	-	-	-	12,862.50
12/15/2013	5,600.00	5,600.00	8,531.25	2,931.25	-
06/15/2014	325,600.00	325,600.00	333,531.25	7,931.25	-
06/30/2014	-	-	-	-	10,862.50
<b>Total</b>	<b>\$1,414,915.63</b>	<b>\$1,414,915.63</b>	<b>\$1,464,700.00</b>	<b>\$49,784.37</b>	<b>-</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	48,813.21
Net PV Cashflow Savings @ 1.142%(EIC)	48,813.21
Contingency or Rounding Amount	(45.86)
Net Present Value Benefit	\$48,767.35
Net PV Benefit / \$1,325,000 Refunded Principal	3.681%
Net PV Benefit / \$1,330,000 Refunding Principal	3.667%

### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

## Horseheads Central School District, New York

Refunding of Series 1999

### Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
12/30/2010	-	-	-	0.48	-	0.48
06/15/2011	1,358,767.00	0.150%	932.52	1,359,699.52	1,359,700.00	-
<b>Total</b>	<b>\$1,358,767.00</b>	<b>-</b>	<b>\$932.52</b>	<b>\$1,359,700.00</b>	<b>\$1,359,700.00</b>	<b>-</b>

#### Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.48
Cost of Investments Purchased with Bond Proceeds	1,358,767.00
Total Cost of Investments	\$1,358,767.48
Target Cost of Investments at bond yield	\$1,346,129.15
Actual positive or (negative) arbitrage	(12,638.33)
Yield to Receipt	0.1497426%
Yield for Arbitrage Purposes	2.2005804%
State and Local Government Series (SLGS) rates for	10/15/2010



## Horseheads Central School District, New York

Refunding of Series 1999

### Escrow Summary Cost

<b>Maturity</b>	<b>Type</b>	<b>Coupon</b>	<b>Yield</b>	<b>Price</b>	<b>Par Amount</b>	<b>Principal Cost</b>	<b>+Accrued Interest</b>	<b>= Total Cost</b>
<b>Escrow</b>								
06/15/2011	SLGS-CI	0.150%	0.150%	100-.000000	1,358,767	1,358,767.00	-	1,358,767.00
<b>Subtotal</b>		-	-	-	<b>\$1,358,767</b>	<b>\$1,358,767.00</b>	-	<b>\$1,358,767.00</b>
<b>Total</b>		-	-	-	<b>\$1,358,767</b>	<b>\$1,358,767.00</b>	-	<b>\$1,358,767.00</b>

#### Escrow

Cash Deposit	0.48
Cost of Investments Purchased with Bond Proceeds	1,358,767.00
Total Cost of Investments	\$1,358,767.48

Delivery Date 12/30/2010

## Horseheads Central School District, New York

Refunding of Series 1999

### Total Refunded Debt Service

DATE	HORSEHEADS CSD 1999	TOTAL P+I	Fiscal Total
06/15/2011	359,700.00	359,700.00	-
06/30/2011	-	-	359,700.00
12/15/2011	26,250.00	26,250.00	-
06/15/2012	351,250.00	351,250.00	-
06/30/2012	-	-	377,500.00
12/15/2012	17,718.75	17,718.75	-
06/15/2013	367,718.75	367,718.75	-
06/30/2013	-	-	385,437.50
12/15/2013	8,531.25	8,531.25	-
06/15/2014	333,531.25	333,531.25	-
06/30/2014	-	-	342,062.50
<b>Total</b>	<b>\$1,464,700.00</b>	<b>\$1,464,700.00</b>	<b>-</b>

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/30/2010
Average Life	1.968 Years
Average Coupon	5.2471434%
Weighted Average Maturity (Par Basis)	1.968 Years

#### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

## Horseheads Central School District, New York

### Refunding of Series 1999

## Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
<b>Dated 11/15/1999   Delivered 11/15/1999</b>							
HORSEHEADS CSD 1999	06/15/2011	Serial	Coupon	5.200%	325,000	-	-
HORSEHEADS CSD 1999	06/15/2012	Serial	Coupon	5.250%	325,000	06/15/2011	100.000%
HORSEHEADS CSD 1999	06/15/2013	Serial	Coupon	5.250%	350,000	06/15/2011	100.000%
HORSEHEADS CSD 1999	06/15/2014	Serial	Coupon	5.250%	325,000	06/15/2011	100.000%
Subtotal	-	-	-	-	<b>\$1,325,000</b>	-	-
Total	-	-	-	-	<b>\$1,325,000</b>	-	-

## Horseheads Central School District, New York

Refunding of Series 2004

### Sources & Uses

Dated 12/30/2010 | Delivered 12/30/2010

#### Sources Of Funds

Par Amount of Bonds	\$10,660,000.00
Reoffering Premium	845,712.20
<b>Total Sources</b>	<b>\$11,505,712.20</b>

#### Uses Of Funds

Total Underwriter's Discount (0.525%)	55,965.00
Costs of Issuance	53,713.18
Gross Bond Insurance Premium (32.0 bp)	40,817.52
Deposit to Net Cash Escrow Fund	11,353,450.39
Rounding Amount	1,766.11
<b>Total Uses</b>	<b>\$11,505,712.20</b>

## Horseheads Central School District, New York

### Refunding of Series 2004

## Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/15/2011	Serial Coupon	2.500%	0.760%	935,000.00	100.794%	942,423.90
06/15/2012	Serial Coupon	3.000%	0.840%	990,000.00	103.124%	1,020,927.60
06/15/2013	Serial Coupon	3.250%	1.080%	1,030,000.00	105.250%	1,084,075.00
06/15/2014	Serial Coupon	3.500%	1.370%	1,070,000.00	107.170%	1,146,719.00
06/15/2015	Serial Coupon	4.000%	1.670%	1,095,000.00	109.969%	1,204,160.55
06/15/2016	Serial Coupon	4.000%	1.950%	1,135,000.00	110.565%	1,254,912.75
06/15/2017	Serial Coupon	4.000%	2.210%	1,185,000.00	110.717%	1,311,996.45
06/15/2018	Serial Coupon	4.000%	2.450%	1,235,000.00	110.506%	1,364,749.10
06/15/2019	Serial Coupon	4.000%	2.680%	975,000.00	109.929%	1,071,807.75
06/15/2020	Serial Coupon	4.000%	2.870%	1,010,000.00	109.301%	1,103,940.10
<b>Total</b>	-	-	-	<b>\$10,660,000.00</b>	-	<b>\$11,505,712.20</b>

### Bid Information

Par Amount of Bonds	\$10,660,000.00
Reoffering Premium or (Discount)	845,712.20
Gross Production	\$11,505,712.20
Total Underwriter's Discount (0.525%)	\$(55,965.00)
Bid (107.409%)	11,449,747.20
Total Purchase Price	\$11,449,747.20
Bond Year Dollars	\$53,845.83
Average Life	5.051 Years
Average Coupon	3.8916196%
Net Interest Cost (NIC)	2.4249375%
True Interest Cost (TIC)	2.2981361%

# Horseheads Central School District, New York

## Refunding of Series 2004

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	935,000.00	2.500%	178,475.00	1,113,475.00	-
06/30/2011	-	-	-	-	1,113,475.00
12/15/2011	-	-	183,012.50	183,012.50	-
06/15/2012	990,000.00	3.000%	183,012.50	1,173,012.50	-
06/30/2012	-	-	-	-	1,356,025.00
12/15/2012	-	-	168,162.50	168,162.50	-
06/15/2013	1,030,000.00	3.250%	168,162.50	1,198,162.50	-
06/30/2013	-	-	-	-	1,366,325.00
12/15/2013	-	-	151,425.00	151,425.00	-
06/15/2014	1,070,000.00	3.500%	151,425.00	1,221,425.00	-
06/30/2014	-	-	-	-	1,372,850.00
12/15/2014	-	-	132,700.00	132,700.00	-
06/15/2015	1,095,000.00	4.000%	132,700.00	1,227,700.00	-
06/30/2015	-	-	-	-	1,360,400.00
12/15/2015	-	-	110,800.00	110,800.00	-
06/15/2016	1,135,000.00	4.000%	110,800.00	1,245,800.00	-
06/30/2016	-	-	-	-	1,356,600.00
12/15/2016	-	-	88,100.00	88,100.00	-
06/15/2017	1,185,000.00	4.000%	88,100.00	1,273,100.00	-
06/30/2017	-	-	-	-	1,361,200.00
12/15/2017	-	-	64,400.00	64,400.00	-
06/15/2018	1,235,000.00	4.000%	64,400.00	1,299,400.00	-
06/30/2018	-	-	-	-	1,363,800.00
12/15/2018	-	-	39,700.00	39,700.00	-
06/15/2019	975,000.00	4.000%	39,700.00	1,014,700.00	-
06/30/2019	-	-	-	-	1,054,400.00
12/15/2019	-	-	20,200.00	20,200.00	-
06/15/2020	1,010,000.00	4.000%	20,200.00	1,030,200.00	-
06/30/2020	-	-	-	-	1,050,400.00
<b>Total</b>	<b>\$10,660,000.00</b>	<b>-</b>	<b>\$2,095,475.00</b>	<b>\$12,755,475.00</b>	<b>-</b>

#### Yield Statistics

Bond Year Dollars	\$53,845.83
Average Life	5.051 Years
Average Coupon	3.8916196%

Net Interest Cost (NIC)	2.4249375%
True Interest Cost (TIC)	2.2981361%
Bond Yield for Arbitrage Purposes	2.2005804%
All Inclusive Cost (AIC)	2.4792624%

#### IRS Form 8038

Net Interest Cost	2.1207928%
Weighted Average Maturity	5.122 Years

## Horseheads Central School District, New York

Refunding of Series 2004

### Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
12/30/2010	-	-	-	-	-
06/15/2011	1,113,475.00	1,113,475.00	1,122,896.88	9,421.88	-
06/30/2011	-	-	-	-	9,421.88
12/15/2011	183,012.50	183,012.50	216,209.38	33,196.88	-
06/15/2012	1,173,012.50	1,173,012.50	1,146,209.38	(26,803.12)	-
06/30/2012	-	-	-	-	6,393.76
12/15/2012	168,162.50	168,162.50	197,609.38	29,446.88	-
06/15/2013	1,198,162.50	1,198,162.50	1,177,609.38	(20,553.12)	-
06/30/2013	-	-	-	-	8,893.76
12/15/2013	151,425.00	151,425.00	178,009.38	26,584.38	-
06/15/2014	1,221,425.00	1,221,425.00	1,203,009.38	(18,415.62)	-
06/30/2014	-	-	-	-	8,168.76
12/15/2014	132,700.00	132,700.00	157,509.38	24,809.38	-
06/15/2015	1,227,700.00	1,227,700.00	1,212,509.38	(15,190.62)	-
06/30/2015	-	-	-	-	9,618.76
12/15/2015	110,800.00	110,800.00	135,750.00	24,950.00	-
06/15/2016	1,245,800.00	1,245,800.00	1,230,750.00	(15,050.00)	-
06/30/2016	-	-	-	-	9,900.00
12/15/2016	88,100.00	88,100.00	108,375.00	20,275.00	-
06/15/2017	1,273,100.00	1,273,100.00	1,258,375.00	(14,725.00)	-
06/30/2017	-	-	-	-	5,550.00
12/15/2017	64,400.00	64,400.00	79,625.00	15,225.00	-
06/15/2018	1,299,400.00	1,299,400.00	1,289,625.00	(9,775.00)	-
06/30/2018	-	-	-	-	5,450.00
12/15/2018	39,700.00	39,700.00	49,375.00	9,675.00	-
06/15/2019	1,014,700.00	1,014,700.00	1,014,375.00	(325.00)	-
06/30/2019	-	-	-	-	9,350.00
12/15/2019	20,200.00	20,200.00	25,250.00	5,050.00	-
06/15/2020	1,030,200.00	1,030,200.00	1,035,250.00	5,050.00	-
06/30/2020	-	-	-	-	10,100.00
<b>Total</b>	<b>\$12,755,475.00</b>	<b>\$12,755,475.00</b>	<b>\$12,838,321.92</b>	<b>\$82,846.92</b>	<b>-</b>

#### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	76,377.40
Net PV Cashflow Savings @ 2.192%(EIC)	76,377.40
Contingency or Rounding Amount	1,766.11
Net Present Value Benefit	\$78,143.51
Net PV Benefit / \$10,310,000 Refunded Principal	0.758%
Net PV Benefit / \$10,660,000 Refunding Principal	0.733%

#### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

HORSEHEADS CSD Refunding | Ref of Ser 2004 | 10/18/2010 | 3:28 PM

## Horseheads Central School District, New York

Refunding of Series 2004

### Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
12/30/2010	-	-	-	0.39	-	0.39
06/15/2011	1,104,593.00	0.150%	18,303.79	1,122,896.79	1,122,896.88	0.30
12/15/2011	196,711.00	0.200%	19,498.93	216,209.93	216,209.38	0.85
06/15/2012	1,127,087.00	0.240%	19,121.68	1,146,208.68	1,146,209.38	0.15
12/15/2012	179,841.00	0.310%	17,769.18	197,610.18	197,609.38	0.95
06/15/2013	8,745,218.00	0.400%	17,490.43	8,762,708.43	8,762,709.38	-
<b>Total</b>	<b>\$11,353,450.00</b>	<b>-</b>	<b>\$92,184.01</b>	<b>\$11,445,634.40</b>	<b>\$11,445,634.40</b>	<b>-</b>

### Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.39
Cost of Investments Purchased with Bond Proceeds	11,353,450.00
Total Cost of Investments	\$11,353,450.39
Target Cost of Investments at bond yield	\$10,926,649.21
Actual positive or (negative) arbitrage	(426,801.18)
Yield to Receipt	0.3810573%
Yield for Arbitrage Purposes	2.2005804%
State and Local Government Series (SLGS) rates for	10/15/2010



**Horseheads Central School District, New York**

Refunding of Series 2004

**Escrow Summary Cost**

<b>Maturity</b>	<b>Type</b>	<b>Coupon</b>	<b>Yield</b>	<b>Price</b>	<b>Par Amount</b>	<b>Principal Cost</b>	<b>+Accrued Interest</b>	<b>= Total Cost</b>
<b>Escrow</b>								
06/15/2011	SLGS-CI	0.150%	0.150%	100-000000	1,104,593	1,104,593.00	-	1,104,593.00
12/15/2011	SLGS-CI	0.200%	0.200%	100-000000	196,711	196,711.00	-	196,711.00
06/15/2012	SLGS-NT	0.240%	0.240%	100-000000	1,127,087	1,127,087.00	-	1,127,087.00
12/15/2012	SLGS-NT	0.310%	0.310%	100-000000	179,841	179,841.00	-	179,841.00
06/15/2013	SLGS-NT	0.400%	0.400%	100-000000	8,745,218	8,745,218.00	-	8,745,218.00
<b>Subtotal</b>	-	-	-	-	<b>\$11,353,450</b>	<b>\$11,353,450.00</b>	-	<b>\$11,353,450.00</b>
<b>Total</b>	-	-	-	-	<b>\$11,353,450</b>	<b>\$11,353,450.00</b>	-	<b>\$11,353,450.00</b>

<b>Escrow</b>	
Cash Deposit	0.39
Cost of Investments Purchased with Bond Proceeds	11,353,450.00
<b>Total Cost of Investments</b>	<b>\$11,353,450.39</b>

Delivery Date 12/30/2010

# Horseheads Central School District, New York

## Refunding of Series 2004

### Total Refunded Debt Service

DATE	HORSEHEADS CSD Ser 2004	TOTAL P+i	Fiscal Total
06/15/2011	1,122,896.88	1,122,896.88	-
06/30/2011	-	-	1,122,896.88
12/15/2011	216,209.38	216,209.38	-
06/15/2012	1,146,209.38	1,146,209.38	-
06/30/2012	-	-	1,362,418.76
12/15/2012	197,609.38	197,609.38	-
06/15/2013	1,177,609.38	1,177,609.38	-
06/30/2013	-	-	1,375,218.76
12/15/2013	178,009.38	178,009.38	-
06/15/2014	1,203,009.38	1,203,009.38	-
06/30/2014	-	-	1,381,018.76
12/15/2014	157,509.38	157,509.38	-
06/15/2015	1,212,509.38	1,212,509.38	-
06/30/2015	-	-	1,370,018.76
12/15/2015	135,750.00	135,750.00	-
06/15/2016	1,230,750.00	1,230,750.00	-
06/30/2016	-	-	1,366,500.00
12/15/2016	108,375.00	108,375.00	-
06/15/2017	1,258,375.00	1,258,375.00	-
06/30/2017	-	-	1,366,750.00
12/15/2017	79,625.00	79,625.00	-
06/15/2018	1,289,625.00	1,289,625.00	-
06/30/2018	-	-	1,369,250.00
12/15/2018	49,375.00	49,375.00	-
06/15/2019	1,014,375.00	1,014,375.00	-
06/30/2019	-	-	1,063,750.00
12/15/2019	25,250.00	25,250.00	-
06/15/2020	1,035,250.00	1,035,250.00	-
06/30/2020	-	-	1,060,500.00
<b>Total</b>	<b>\$12,838,321.92</b>	<b>\$12,838,321.92</b>	<b>-</b>

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/30/2010
Average Life	5.098 Years
Average Coupon	4.7729363%
Weighted Average Maturity (Par Basis)	5.098 Years

#### Refunding Bond Information

Refunding Dated Date	12/30/2010
Refunding Delivery Date	12/30/2010

## Horseheads Central School District, New York

Refunding of Series 2004

### Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
<b>Dated 6/15/2004   Delivered 6/17/2004</b>							
HORSEHEADS CSD Ser 2004	06/15/2011	Serial	Coupon	3.750%	890,000	-	-
HORSEHEADS CSD Ser 2004	06/15/2012	Serial	Coupon	4.000%	930,000	-	-
HORSEHEADS CSD Ser 2004	06/15/2013	Serial	Coupon	4.000%	980,000	-	-
HORSEHEADS CSD Ser 2004	06/15/2014	Serial	Coupon	4.000%	1,025,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2015	Serial	Coupon	4.125%	1,055,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2016	Serial	Coupon	5.000%	1,095,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2017	Serial	Coupon	5.000%	1,150,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2018	Serial	Coupon	5.000%	1,210,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2019	Serial	Coupon	5.000%	965,000	06/15/2013	101.000%
HORSEHEADS CSD Ser 2004	06/15/2020	Serial	Coupon	5.000%	1,010,000	06/15/2013	101.000%
<b>Subtotal</b>	-	-	-	-	<b>\$10,310,000</b>	-	-
<b>Total</b>	-	-	-	-	<b>\$10,310,000</b>	-	-