

Windham School District, New Hampshire

Refunding Analysis

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The PFM Group

Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

10 Weybosset Street
Suite 902
Providence, Rhode Island 02903

Refunding Analysis

- Since prior analysis, interest rates have risen
- Current projections:
 - 2.48% - Refunding true interest cost
 - 4.04% - Average coupon of refunded bonds
- Scenarios below show savings by waiting **if rates stay the same**:

Closing Date	Total NPV Savings	Negative Arbitrage
12/01/2013	\$378,630	\$604,173
07/15/2014	\$848,595	\$357,643
07/15/2015 (call date)	\$1,057,229	\$167,779

Refunding Analysis

- If rates go up, savings would be reduced as shown below:

Closing Date	NPV Savings (Rates Stay the Same)	NPV Savings (Rates +0.25%)	NPV Savings (Rates +0.50%)
07/15/2014	\$848,595	\$621,907	\$399,731
07/15/2015	\$1,057,229	\$845,853	\$639,194

- Savings today are projected at \$378,630

Alternative Savings Structures

- Instead of taking the same amount of savings every year, the District could opt to:
 - Keep annual payments the same and shorten repayment term (will shorten average life but final payment date remains the same)
 - Generate additional savings by extending final maturity from 2025 to 2035 (with bond counsel consent)

<u>Fiscal Year</u>	<u>Uniform Savings</u>	<u>Shorten Life</u>	<u>Extend 10 Years</u>
2014	\$ 24,451.06	\$ 4,594.44	\$ 6,334.44
2015	15,138.03	6,800.00	(133,350.00)
2016	14,787.81	7,100.00	(133,350.00)
2017	37,492.62	7,450.00	974,050.00
2018	35,711.86	7,850.00	904,350.00
2019	33,993.43	3,350.00	835,650.00
2020	32,335.39	3,950.00	767,950.00
2021	30,735.88	4,550.00	701,250.00
2022	33,293.37	5,150.00	630,650.00
2023	31,548.14	5,750.00	566,150.00
2024	29,865.84	6,350.00	497,750.00
2025	28,244.50	6,950.00	425,650.00
2026	28,815.97	461,125.00	357,725.00
2027	-	-	(1,375,625.00)
2028	-	-	(1,376,750.00)
2029	-	-	(1,380,500.00)
2030	-	-	(1,376,875.00)
2031	-	-	(1,375,875.00)
2032	-	-	(1,377,250.00)
2033	-	-	(1,375,875.00)
2034	-	-	(1,376,625.00)
2035	-	-	(1,379,250.00)
2036	-	-	(1,378,625.00)
Total	<u>\$ 376,413.90</u>	<u>\$ 530,969.44</u>	<u>\$ (7,372,440.56)</u>

Continuing Disclosure

- 2005 Official Statement obligated District to provide annual report on:
 - Quantitative information regarding the prior fiscal year as presented in the official statement
 - Revenues and expenses relating to the District's operating budget
 - Capital expenditures
 - Fund balances
 - Property tax information
 - Outstanding and overlapping debt
 - Pension obligations of the District
- Report due within 180 days of fiscal year end

Continuing Disclosure – Catch Up Filing

- SEC Rule 15c2-12 governs continuing disclosure filings by municipal issuers
 - An underwriter is not able to purchase the District's bonds unless the District is in compliance with its disclosure obligation
- If this information has not been filed, the District must file a catch up filing
- Catch up filing would cover:
 - 5 years of historical information (fiscal year 2008-2012)
 - Fiscal year 2013 report will be due on 12/27/2013
- New bond issue will contain the same requirement
 - District will have the option to increase their deadline from its current six month deadline to up to nine months from the fiscal year end