



The PFM Group

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Penncast School District

Financial Analysis

January 7, 2014

Presented by:

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Managing Director

Ann Arbor, Arlington, Atlanta, Austin, Boston, Charlotte, Chicago, Cleveland, Des Moines, Fargo, Ft. Myers, Frisco,
Harrisburg, Long Island, Los Angeles, Malvern, Memphis, Miami, Milwaukee, Minneapolis, New York,
Newport Beach, Oakland, Orlando, Philadelphia, Pittsburgh, Phoenix, Princeton, San Francisco, Seattle, St. Louis

Pennridge School District

Topics for Discussion

January 7, 2014

I) Market Update

- Long term interest rates have risen slightly above their all-time lows following comments from the Federal Reserve about tapering its policy of “Quantitative Easing”, but still remain below historical averages.
- Short term rates, such as LIBOR and SIFMA, continue to remain near or at all-time lows despite the recent increase in long term interest rates.

II) Potential New Money

- The District is potentially considering approximately \$5 to \$10 million of new money
- Needed for Summer 2014
- Considerations
 - ◆ Maturity length
 - ◆ Structure (level vs. wrap)
 - ◆ Potential economies of scale with refunding bond issuance
 - ◆ BQ implications

III) Refunding Opportunity

- Series of 2009 Bonds
 - ◆ \$15,410,000 principal outstanding
 - ◆ August 15, 2014 call date
 - Able to be “advance refunded”
 - ◆ 3.65% average existing rate

IV) Preliminary Financing Plan

- Depending on the size of the potential new money, the District could potentially issue both its refunding bonds and new money bonds as Bank Qualified
 - ◆ BQ bonds typically lower interest rates and shorter call features

PENNRIDGE SCHOOL DISTRICT

ESTIMATED 2014 FINANCING PLAN TIMELINE

January 2014							February 2014							March 2014							April 2014											
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S					
			1	2	3	4							1												1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12					
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19					
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26					
26	27	28	29	30	31		23	24	25	26	27	28		23/30	24/31	25	26	27	28	29	27	28	29	30								

May 2014							June 2014							July 2014							August 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3	1	2	3	4	5	6	7			1	2	3	4	5						1	2
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23
25	26	27	28	29	30	31	29	30						27	28	29	30	31			24/31	25	26	27	28	29	30

Step 1

Series of 2014 Bonds ("2014 Bonds") (Current Refunding of a portion of the 2009 Bonds)

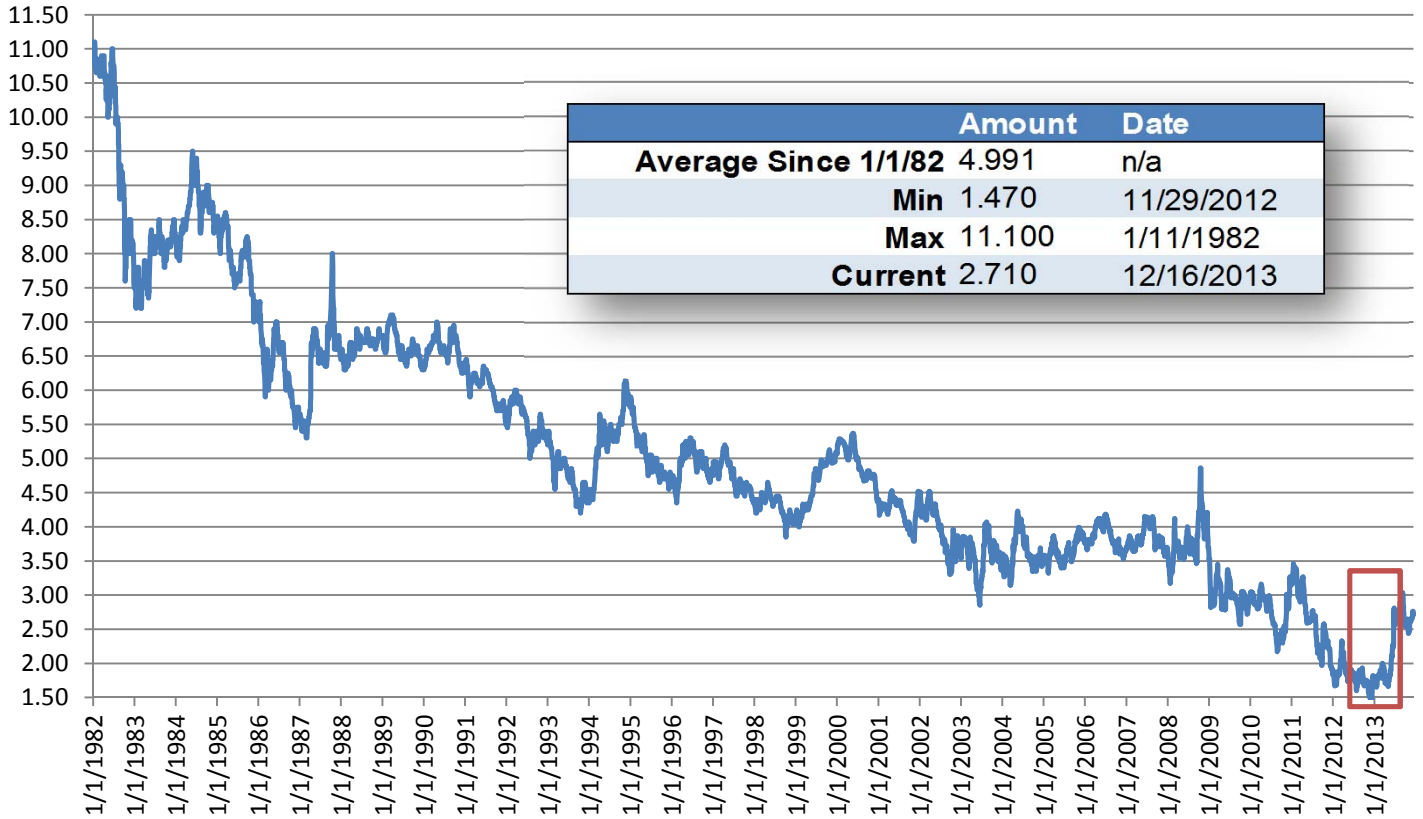
March 24th, 2014 <i>(Regular Board Meeting Date)</i>	Authorization to proceed on 2014 Bonds Set savings target on 2014 Bonds
April 28th, 2014 <i>(Regular Board Meeting Date)</i>	2014 Bonds competitive bond sale (lock-in interest rates)
May 28th, 2014 <i>(Tentative)</i>	Settlement date of 2014 Bonds

Step 2

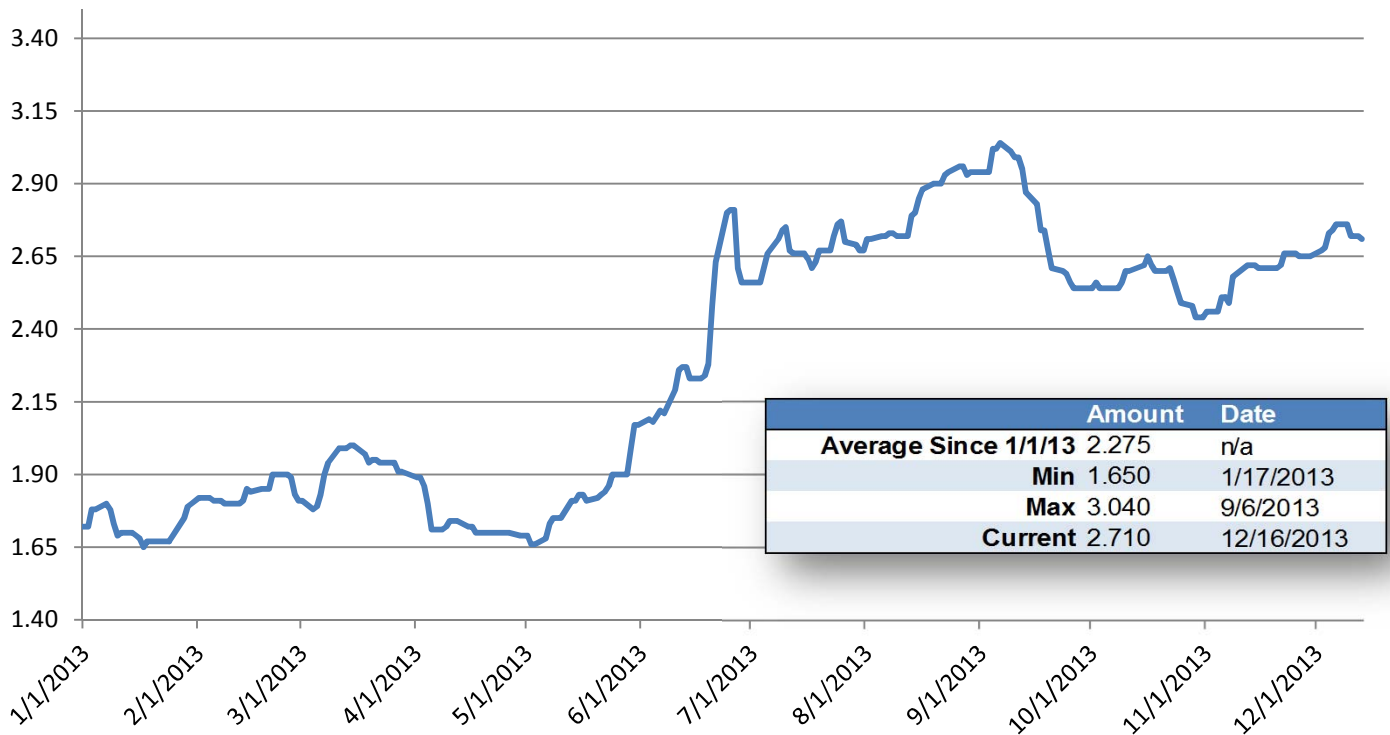
Series A of 2014 ("2014A Bonds") (New Money & Current Refunding of 2009 Bonds)

April 28th, 2014 <i>(Regular Board Meeting Date)</i>	Authorization to proceed on 2014A Bonds Set savings target on 2014A Bonds refunding component
May 26th, 2014 <i>(Regular Board Meeting Date)</i>	2014A Bonds competitive bond sale (lock-in interest rates)
June 25th, 2014 <i>(Tentative)</i>	Settlement date of 2014A Bonds

10 Year MMD (AAA Fixed Rate Bond Rates) 1/1/1982 - 12/16/2013



10 Year MMD (AAA Fixed Rate Bond Rates) 1/1/2013 - 12/16/2013



Debt Service Requirements

	1	2	3	4	5	6	7	8	9	10
	FIXED RATE DEBT									
	LEASE	GENERAL OBLIGATION							Fixed Debt	
Fiscal Year Ended	Vo-Tech Lease Rental of 2010	G.O. Bonds Series of 2009	G.O. Bonds Series of 2010	G.O. Bonds Series of 2012	G.O. Bonds Series A of 2012	G.O. Bonds Series AA of 2012	G.O. Bonds Series of 2013	G.O. Bonds Series A of 2013	Service Subtotal	
6/30/2014	146,891	642,220	770,663	261,663	200,725	199,708	225,850	156,113	2,603,832	
6/30/2015	146,310	639,820	767,950	299,663	310,125	199,608	840,750	367,250	3,571,475	
6/30/2016	145,658	637,420	770,013	301,863	308,975	199,508	1,578,350	367,500	4,309,285	
6/30/2017	147,270	640,020	766,738	298,963	307,825	199,408	1,572,250	664,650	4,597,123	
6/30/2018	148,740	3,397,258	766,738	301,063	311,650	199,308	1,575,100	683,450	7,383,305	
6/30/2019	145,397	6,022,683	769,825	298,063	310,300	1,407,008	156,600	874,900	9,984,774	
6/30/2020	146,579	6,107,163	765,775	300,063	308,800	1,877,508	155,100	354,400	10,015,387	
6/30/2021	145,136	847,600	765,463	296,963	3,488,113	2,055,858	158,600	1,497,400	9,255,131	
6/30/2022	148,124		768,688	298,863	212,425	185,670	1,992,000	533,250	4,139,019	
6/30/2023	146,055		771,100	2,260,663	210,925	189,051	68,700	533,450	4,179,944	
6/30/2024	146,150		765,900	2,253,163	209,425	187,365	73,100	533,450	4,168,552	
6/30/2025	148,234			2,259,963	212,875	185,655	72,400	532,606	3,411,732	
6/30/2026	145,136			123,000	216,225	2,317,300	71,700	530,906	3,404,267	
6/30/2027					407,575	2,262,400	626,000		3,295,975	
6/30/2028					2,685,638		624,200		3,309,838	
6/30/2029					2,693,250		622,200		3,315,450	
6/30/2030										
Totals	1,905,678	18,934,183	8,448,850	9,553,950	12,394,850	11,665,351	10,412,900	7,629,326	80,945,088	

Local Effort Requirements

	11	12	13	14	15	16	17	18	19	20
	FIXED RATE DEBT									
	LEASE	GENERAL OBLIGATION							Fixed Local Effort	
Fiscal Year Ended	Vo-Tech Lease Rental of 2010	G.O. Bonds Series of 2009	G.O. Bonds Series of 2010	G.O. Bonds Series of 2012	G.O. Bonds Series A of 2012	G.O. Bonds Series AA of 2012	G.O. Bonds Series of 2013	G.O. Bonds Series A of 2013	Subtotal	
6/30/2014	146,891	612,497	718,820	245,819	189,533	187,532	215,150	153,886	2,470,127	
6/30/2015	146,310	610,208	716,290	281,518	292,833	187,438	800,917	362,010	3,397,524	
6/30/2016	145,658	607,919	718,213	283,584	291,748	187,344	1,503,572	362,256	4,100,294	
6/30/2017	147,270	610,399	715,159	280,860	290,662	187,250	1,497,761	655,166	4,384,526	
6/30/2018	148,740	3,240,027	715,159	282,833	294,273	187,156	1,500,476	673,698	7,042,363	
6/30/2019	145,397	5,743,944	718,038	280,015	292,999	1,321,228	149,181	862,416	9,513,216	
6/30/2020	146,579	5,824,514	714,261	281,893	291,582	1,763,043	147,752	349,343	9,518,968	
6/30/2021	145,136	808,372	713,969	278,981	3,293,627	1,930,520	151,086	1,476,033	8,797,723	
6/30/2022	148,124		716,978	280,766	200,581	174,350	1,897,624	525,641	3,944,064	
6/30/2023	146,055		719,228	2,123,777	199,165	177,526	65,445	525,838	3,957,033	
6/30/2024	146,150		714,378	2,116,731	197,748	175,942	69,637	525,838	3,946,423	
6/30/2025	148,234			2,123,120	201,006	174,336	68,970	525,006	3,240,671	
6/30/2026	145,136			115,552	204,169	2,176,023	68,303	523,330	3,232,513	
6/30/2027					384,850	2,124,470	596,342		3,105,662	
6/30/2028					2,535,895		594,627		3,130,522	
6/30/2029					2,543,083		592,722		3,135,805	
6/30/2030										
Totals	1,905,678	18,057,880	7,880,492	8,975,449	11,703,753	10,954,159	9,919,563	7,520,459	76,917,433	
Principal*	1,434,758	15,410,000	7,055,000	7,915,000	9,950,000	9,775,000	8,930,000	6,600,000	67,069,758	

PE%:	0.00%	12.26%	17.82%	16.04%	14.77%	16.15%	12.55%	3.78%
PE% Status:	Est	Temporary	Temporary	Permanent	Temporary	Permanent	Estimated	Permanent
CARF%:	50.00%	37.75%	37.75%	37.75%	37.75%	37.75%	37.75%	37.75%
Call Date:	5/15/2015	8/15/2014	8/15/2015	8/15/2017	8/15/2017	3/15/2018	2/15/2018	4/15/2018
Purpose:	Cur Ref 2005 Vo-Tech	Cur Ref 2001AA, 2003AA & 2004	Cur Ref 2005	Partial Adv Ref 2003	Partial Cur Ref 2003 & 2006	Partial Cur Ref 2003 & 2007	Partial Cur Ref 2003, 2006, & 2008	Cur Ref 2006, 2007 & 2008

* Outstanding as of December 17, 2013

Debt Service Requirements									
Fiscal Year Ended	VARIABLE RATE DEBT						FIXED RATE SUBTOTAL	VARIABLE RATE SUBTOTAL	TOTAL DEBT SERVICE
	1996 Bond Pool		1989 Bond Pool			Variable Debt Service Subtotal			
	G.O. Notes Series of 1999 ^[1]	G.O. Notes Series of 2000 ^[1]	G.O. Notes Series A of 2003 ^[2]	G.O. Notes Series A of 2004 ^[2]	G.O. Notes Series C of 2004 ^[2]				
6/30/2014	469,623	798,433	5,092,750	2,376,000	450,000	9,186,807	2,603,832	9,186,807	11,790,638
6/30/2015	459,228	779,343	5,040,083	2,250,417	408,333	8,937,405	3,571,475	8,937,405	12,508,880
6/30/2016	461,467	775,600	5,039,333	2,264,667	400,000	8,941,067	4,309,285	8,941,067	13,250,352
6/30/2017	464,600	785,533	5,044,667	2,285,333	400,000	8,980,133	4,597,123	8,980,133	13,577,256
6/30/2018	462,000	794,067	2,238,667	2,302,000	400,000	6,196,733	7,383,305	6,196,733	13,580,039
6/30/2019		801,200	120,667	2,314,667	400,000	3,636,533	9,984,774	3,636,533	13,621,307
6/30/2020		806,933	116,667	2,323,333	400,000	3,646,933	10,015,387	3,646,933	13,662,320
6/30/2021		816,200	112,667	201,333	2,526,667	3,656,867	9,255,131	3,656,867	12,911,997
6/30/2022			108,667		2,728,667	2,837,333	4,179,019	2,837,333	6,976,352
6/30/2023			104,667		2,725,333	2,830,000	4,179,944	2,830,000	7,009,944
6/30/2024			100,667		2,718,000	2,818,667	4,168,552	2,818,667	6,987,219
6/30/2025							3,411,732		3,411,732
6/30/2026							3,404,267		3,404,267
6/30/2027							3,295,975		3,295,975
6/30/2028							3,309,838		3,309,838
6/30/2029							3,315,450		3,315,450
6/30/2030									
Totals	2,316,918	6,357,310	23,119,500	16,317,750	13,557,000	61,668,478	80,945,088	61,668,478	142,613,566

Local Effort Requirements									
Fiscal Year Ended	VARIABLE RATE DEBT						FIXED RATE SUBTOTAL	VARIABLE RATE SUBTOTAL	TOTAL LOCAL EFFORT
	1996 Bond Pool		1989 Bond Pool			Variable Local Effort Subtotal			
	G.O. Notes Series of 1999 ^[1]	G.O. Notes Series of 2000 ^[1]	G.O. Notes Series A of 2003 ^[2]	G.O. Notes Series A of 2004 ^[2]	G.O. Notes Series C of 2004 ^[2]				
6/30/2014	389,261	693,814	4,750,735	2,196,522	437,854	8,468,187	2,470,127	8,468,187	10,938,313
6/30/2015	380,645	677,226	4,701,605	2,080,425	397,312	8,237,213	3,397,524	8,237,213	11,634,737
6/30/2016	382,500	673,973	4,700,906	2,093,599	389,204	8,240,181	4,100,294	8,240,181	12,340,475
6/30/2017	385,097	682,605	4,705,881	2,112,704	389,204	8,275,491	4,384,526	8,275,491	12,660,017
6/30/2018	382,942	690,020	2,088,324	2,128,112	389,204	5,678,602	7,042,363	5,678,602	12,720,964
6/30/2019		696,219	112,563	2,139,822	389,204	3,337,807	9,513,216	3,337,807	12,851,023
6/30/2020		701,201	108,832	2,147,834	389,204	3,347,070	9,518,968	3,347,070	12,866,037
6/30/2021		709,253	105,100	186,125	2,458,469	3,458,947	8,797,723	3,458,947	12,256,670
6/30/2022			101,369		2,655,017	2,756,385	3,944,064	2,756,385	6,700,449
6/30/2023			97,638		2,651,773	2,749,411	3,957,033	2,749,411	6,706,443
6/30/2024			93,906		2,644,638	2,738,544	3,946,423	2,738,544	6,684,967
6/30/2025							3,240,671		3,240,671
6/30/2026							3,232,513		3,232,513
6/30/2027							3,105,662		3,105,662
6/30/2028							3,130,522		3,130,522
6/30/2029							3,135,805		3,135,805
6/30/2030									
Totals	1,920,446	5,524,310	21,566,858	15,085,144	13,191,080	57,287,837	76,917,433	57,287,837	134,205,270
Principal*	2,075,000	5,370,000	16,900,000	12,500,000	10,000,000	46,845,000	67,069,758	46,845,000	113,914,758

PE%: 45.33% 34.71% 17.79% 20.01% 7.15%
 PE% Status: Temp Temp Temp Temp Temp
 CARF%: 37.75% 37.75% 37.75% 37.75% 37.75%
 Call Date: Anytime Anytime Anytime Anytime Anytime

Purpose: New Money New Money New Money New Money New Money

^[1] The 1999 & 2000 Notes, issued through the 1996 Emmaus Bond Pool, have a fixed rate payor swap associated with them which terminates on August 1, 2014. For these purposes, assumes an interest rate of 4.600%, consisting of 3.251% Fixed Payor swap rate, 1.100% Admin and 0.250% estimated contingency for 2014. Assumes an all-in budgeted rate of 4.000% thereafter.

^[2] The 2003A, 2004A & 2004C Notes, issued through the 1989 Emmaus Bond Pool, have a fixed rate payor swap associated with them which terminates on August 1, 2014. For these purposes, assumes an interest rate of 4.500%, consisting of 3.251% Fixed Payor swap rate, 1.010% Admin and 0.240% estimated contingency for 2014. Assumes an all-in budgeted rate of 4.000% thereafter.

Note: The Fixed Payor swap relating to the Emmaus Bond Pool loans has a maturity date of August 1, 2014

* Outstanding as of December 17, 2013



New Money Scenarios

**PENNRIDGE SCHOOL DISTRICT
SUMMARY OF NEW MONEY OPTIONS**

\$5 MILLION SUMMARY

	1	2	3
	Tight Wrap	15 Year Wrap	20 Year Level
Principal	\$5,000,000	\$5,000,000	\$5,000,000
Term	8 Years	15 Years *	20 Years
Structure	Tight Wrap	Wrap	Level
Total Interest	\$1,250,978	\$2,634,907	\$2,458,519
Assumed PE%	0.00%	0.00%	0.00%

* Matches the same final maturity of the District's existing debt

4	5	6	7	8	9	10	11
Fiscal Year Ending	Existing Local Effort **	Proposed Local Effort	Total Local Effort	Proposed Local Effort	Total Local Effort	Proposed Local Effort	Total Local Effort
6/30/2014	10,938,313		10,938,313		10,938,313		10,938,313
6/30/2015	11,634,737	113,564	11,748,300	141,375	11,776,112	123,042	11,757,778
6/30/2016	12,340,475	168,469	12,508,944	210,360	12,550,835	380,335	12,720,810
6/30/2017	12,660,017	168,402	12,828,419	210,294	12,870,311	382,742	13,042,759
6/30/2018	12,720,964	168,327	12,889,291	210,219	12,931,183	384,742	13,105,706
6/30/2019	12,851,023	168,237	13,019,260	210,129	13,061,151	386,052	13,237,074
6/30/2020	12,866,037	168,128	13,034,165	210,020	13,076,057	381,474	13,247,511
6/30/2021	12,256,670	168,000	12,424,670	209,892	12,466,562	386,098	12,642,768
6/30/2022	6,700,449	5,127,852	11,828,301	209,744	6,910,193	384,586	7,085,035
6/30/2023	6,706,443		6,706,443	209,580	6,916,023	387,206	7,093,649
6/30/2024	6,684,967		6,684,967	209,404	6,894,371	383,957	7,068,924
6/30/2025	3,240,671		3,240,671	1,044,219	4,284,890	385,077	3,625,748
6/30/2026	3,232,513		3,232,513	1,056,795	4,289,308	385,427	3,617,940
6/30/2027	3,105,662		3,105,662	1,186,484	4,292,145	385,053	3,490,715
6/30/2028	3,130,522		3,130,522	1,163,329	4,293,851	388,956	3,519,478
6/30/2029	3,135,805		3,135,805	1,153,068	4,288,872	386,901	3,522,705
6/30/2030						389,068	389,068
6/30/2031						390,211	390,211
6/30/2032						390,359	390,359
6/30/2033						389,515	389,515
6/30/2034						387,723	387,723
6/30/2035							
TOTAL	134,205,270	6,250,978	140,456,248	7,634,907	141,840,177	7,458,519	141,663,789

** Does not include any potential future refundings

**PENNRIDGE SCHOOL DISTRICT
SUMMARY OF NEW MONEY OPTIONS**

\$10 MILLION SUMMARY

	1	2	3
	Tight Wrap	15 Year Wrap	20 Year Level
Principal	\$10,000,000	\$10,000,000	\$10,000,000
Term	9 Years	15 Years *	20 Years
Structure	Tight Wrap	Wrap	Level
Total Interest	\$2,739,855	\$5,270,085	\$4,920,738
Assumed PE%	0.00%	0.00%	0.00%

* Matches the same final maturity of the District's existing debt

4	5	6	7	8	9	10	11
Fiscal Year Ending	Existing Local Effort **	Proposed Local Effort	Total Local Effort	Proposed Local Effort	Total Local Effort	Proposed Local Effort	Total Local Effort
6/30/2014	10,938,313		10,938,313		10,938,313		10,938,313
6/30/2015	11,634,737	229,160	11,863,897	278,049	11,912,786	246,144	11,880,880
6/30/2016	12,340,475	342,589	12,683,064	416,229	12,756,704	765,761	13,106,236
6/30/2017	12,660,017	342,522	13,002,539	416,163	13,076,180	765,507	13,425,524
6/30/2018	12,720,964	342,447	13,063,411	416,088	13,137,052	764,507	13,485,471
6/30/2019	12,851,023	342,357	13,193,380	415,998	13,267,020	767,217	13,618,240
6/30/2020	12,866,037	342,248	13,208,285	415,889	13,281,926	768,170	13,634,207
6/30/2021	12,256,670	342,120	12,598,790	415,761	12,672,431	767,290	13,023,960
6/30/2022	6,700,449	5,901,972	12,602,421	415,613	7,116,062	769,414	7,469,863
6/30/2023	6,706,443	4,554,440	11,260,883	415,449	7,121,892	769,654	7,476,097
6/30/2024	6,684,967		6,684,967	415,273	7,100,240	773,333	7,458,300
6/30/2025	3,240,671		3,240,671	2,180,088	5,420,759	770,388	4,011,059
6/30/2026	3,232,513		3,232,513	2,186,766	5,419,279	771,088	4,003,601
6/30/2027	3,105,662		3,105,662	2,308,151	5,413,812	775,340	3,881,001
6/30/2028	3,130,522		3,130,522	2,289,307	5,419,829	772,940	3,903,462
6/30/2029	3,135,805		3,135,805	2,285,265	5,421,070	774,041	3,909,845
6/30/2030						778,376	778,376
6/30/2031						780,662	780,662
6/30/2032						780,957	780,957
6/30/2033						779,269	779,269
6/30/2034						780,686	780,686
6/30/2035							
TOTAL	134,205,270	12,739,855	146,945,125	15,270,085	149,475,355	14,920,738	149,126,008

** Does not include any potential future refundings

**PENNRIDGE SCHOOL DISTRICT
SUMMARY OF NEW MONEY OPTIONS**

\$20 MILLION SUMMARY

	1	2	3
	Tight Wrap	15 Year Wrap	20 Year Level
Principal	\$20,000,000	\$20,000,000	\$20,000,000
Term	11 Years	15 Years *	20 Years
Structure	Tight Wrap	Wrap	Level
Total Interest	\$6,390,624	\$10,479,978	\$9,834,253
Assumed PE%	0.00%	0.00%	0.00%

* Matches the same final maturity of the District's existing debt

4	5	6	7	8	9	10	11
Fiscal Year Ending	Existing Local Effort **	Proposed Local Effort	Total Local Effort	Proposed Local Effort	Total Local Effort	Proposed Local Effort	Total Local Effort
6/30/2014	10,938,313		10,938,313		10,938,313		10,938,313
6/30/2015	11,634,737	475,996	12,110,733	550,287	12,185,024	492,133	12,126,869
6/30/2016	12,340,475	714,392	13,054,867	826,295	13,166,770	1,531,288	13,871,763
6/30/2017	12,660,017	714,325	13,374,342	826,229	13,486,246	1,530,781	14,190,798
6/30/2018	12,720,964	714,250	13,435,214	826,154	13,547,118	1,533,781	14,254,745
6/30/2019	12,851,023	714,160	13,565,183	826,064	13,677,086	1,534,111	14,385,133
6/30/2020	12,866,037	714,051	13,580,088	825,955	13,691,992	1,536,017	14,402,054
6/30/2021	12,256,670	713,923	12,970,593	825,827	13,082,497	1,539,257	13,795,927
6/30/2022	6,700,449	6,268,775	12,969,224	910,679	7,611,128	1,538,357	8,238,806
6/30/2023	6,706,443	6,266,407	12,972,850	907,727	7,614,170	1,538,837	8,245,280
6/30/2024	6,684,967	6,284,933	12,969,900	929,568	7,614,535	1,541,194	8,226,161
6/30/2025	3,240,671	2,809,413	6,050,084	4,375,313	7,615,984	1,545,489	4,786,160
6/30/2026	3,232,513		3,232,513	4,382,704	7,615,217	1,546,696	4,779,209
6/30/2027	3,105,662		3,105,662	4,509,675	7,615,336	1,545,000	4,650,662
6/30/2028	3,130,522		3,130,522	4,480,891	7,611,413	1,550,407	4,680,929
6/30/2029	3,135,805		3,135,805	4,476,615	7,612,420	1,547,396	4,683,201
6/30/2030						1,551,066	1,551,066
6/30/2031						1,555,862	1,555,862
6/30/2032						1,556,680	1,556,680
6/30/2033						1,558,537	1,558,537
6/30/2034						1,561,371	1,561,371
6/30/2035							
TOTAL	134,205,270	26,390,624	160,595,895	30,479,978	164,685,248	29,834,253	164,039,523

** Does not include any potential future refundings



Refunding Opportunity

PENNRIDGE SCHOOL DISTRICT

Summary of 2009 Bonds BQ Refunding Plan

	1	2
	STEP 1	STEP 2
Principal	\$9,995,000	\$5,000,000 *
Timing	May 2014	June 2014
Refunded Principal	\$9,670,000	\$4,840,000
BQ Impact	\$325,000	\$160,000

* Assumes the District issues \$5 million of new money bonds in conjunction with Step 2 to maximize BQ eligibility

3	4	5	6	7	8	9	10	11
		STEP 1			STEP 2			TOTAL
Fiscal Year Ending	Existing Local Effort	Refunded Local Effort	New Local Effort	Local Effort Savings	Refunded Local Effort	New Local Effort	Local Effort Savings	Total Local Effort Savings
6/30/2015	610,208	343,494	162,057	181,436	164,011	55,283	108,728	290,164
6/30/2016	607,919	343,494	216,008	127,485	164,011	83,272	80,739	208,224
6/30/2017	610,399	343,494	215,957	127,537	164,011	116,652	47,359	174,896
6/30/2018	3,240,027	343,494	277,889	65,605	2,328,952	2,328,862	90	65,695
6/30/2019	5,743,944	3,204,649	3,204,770	(121)	2,539,295	2,537,247	2,048	1,927
6/30/2020	5,824,514	5,824,514	5,822,153	2,361				2,361
6/30/2021	808,372	808,372	808,141	231				231
TOTAL	17,445,383	11,211,509	10,706,974	504,535	5,360,279	5,121,316	238,963	743,498
		<i>As a % of Par</i>	<i>As a % of Par</i>	5.22%	<i>As a % of Par</i>	<i>As a % of Par</i>	4.94%	5.12%



BQ Refunding Plan

Step 1

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2009

Optional Redemption: August 15, 2014

1	2	3	4	5	6	7	8
<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
8/15/2014			279,910.00	279,910.00			
2/15/2015	80,000	3.000	279,910.00	359,910.00	639,820.00	29,611.83	610,208.17
8/15/2015			278,710.00	278,710.00			
2/15/2016	80,000	3.000	278,710.00	358,710.00	637,420.00	29,500.75	607,919.25
8/15/2016			277,510.00	277,510.00			
2/15/2017	85,000	3.250	277,510.00	362,510.00	640,020.00	29,621.09	610,398.91
8/15/2017			276,128.75	276,128.75			
2/15/2018	2,845,000	3.500	276,128.75	3,121,128.75	3,397,257.50	157,230.17	3,240,027.33
8/15/2018			226,341.25	226,341.25			
2/15/2019	5,570,000	3.600	226,341.25	5,796,341.25	6,022,682.50	278,738.78	5,743,943.72
8/15/2019			126,081.25	126,081.25			
2/15/2020	5,855,000	3.750	126,081.25	5,981,081.25	6,107,162.50	282,648.64	5,824,513.86
8/15/2020			16,300.00	16,300.00			
2/15/2021	815,000	4.000	16,300.00	831,300.00	847,600.00	39,228.20	808,371.80
TOTALS	15,330,000		2,961,962.50	18,291,962.50	18,291,962.50	846,579.46	17,445,383.04

PE% 12.26% *(Temporary)*

CARF% 37.75%

Net 4.63% *Effective Reimbursement*

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2009

Bonds to be Refunded

Optional Redemption: August 15, 2014

	1	2	3	4	5	6	7	8
	<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
	8/15/2014			180,081.25	180,081.25			
	2/15/2015			180,081.25	180,081.25	360,162.50	16,668.86	343,493.64
	8/15/2015			180,081.25	180,081.25			
	2/15/2016			180,081.25	180,081.25	360,162.50	16,668.86	343,493.64
	8/15/2016			180,081.25	180,081.25			
	2/15/2017			180,081.25	180,081.25	360,162.50	16,668.86	343,493.64
	8/15/2017			180,081.25	180,081.25			
	2/15/2018			180,081.25	180,081.25	360,162.50	16,668.86	343,493.64
	8/15/2018			180,081.25	180,081.25			
	2/15/2019	3,000,000	3.600	180,081.25	3,180,081.25	3,360,162.50	155,513.36	3,204,649.14
	8/15/2019			126,081.25	126,081.25			
	2/15/2020	5,855,000	3.750	126,081.25	5,981,081.25	6,107,162.50	282,648.64	5,824,513.86
	8/15/2020			16,300.00	16,300.00			
	2/15/2021	815,000	4.000	16,300.00	831,300.00	847,600.00	39,228.20	808,371.80
TOTALS		9,670,000		2,085,575.00	11,755,575.00	11,755,575.00	544,065.64	11,211,509.36

PE% 12.26% (Temporary)

CARF% 37.75%

Net 4.63% *Effective Reimbursement*

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2009

Bonds Remaining After Refunding

Optional Redemption: August 15, 2014

	1	2	3	4	5	6	7	8
	<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
	8/15/2014			99,828.75	99,828.75			
	2/15/2015	80,000	3.000	99,828.75	179,828.75	279,657.50	12,942.97	266,714.53
	8/15/2015			98,628.75	98,628.75			
	2/15/2016	80,000	3.000	98,628.75	178,628.75	277,257.50	12,831.89	264,425.61
	8/15/2016			97,428.75	97,428.75			
	2/15/2017	85,000	3.250	97,428.75	182,428.75	279,857.50	12,952.22	266,905.28
	8/15/2017			96,047.50	96,047.50			
	2/15/2018	2,845,000	3.500	96,047.50	2,941,047.50	3,037,095.00	140,561.31	2,896,533.69
	8/15/2018			46,260.00	46,260.00			
	2/15/2019	2,570,000	3.600	46,260.00	2,616,260.00	2,662,520.00	123,225.42	2,539,294.58
	8/15/2019							
	2/15/2020							
	8/15/2020							
	2/15/2021							
TOTALS		5,660,000		876,387.50	6,536,387.50	6,536,387.50	302,513.82	6,233,873.68

PE% 12.26% (Temporary)

CARF% 37.75%

Net 4.63% *Effective Reimbursement*

PENNRIDGE SCHOOL DISTRICT AMOUNT TO PREPAY BONDS			
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	1	2	3	4
<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Required</u>	
8/15/2014	9,670,000.00	180,081.25	9,850,081.25	
TOTALS	9,670,000.00	180,081.25	9,850,081.25	

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2014
PARTIALLY REFUNDS THE SERIES OF 2009

Settle 5/17/2014
Dated 5/17/2014

1	2	3	4	5	6	7	8	9	10
<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Proposed Local Effort</u>	<u>Existing Local Effort</u>	<u>Savings</u>
8/15/2014			54,153.37	54,153.37					
2/15/2015	5,000	0.920	110,768.25	115,768.25	169,921.62	7,864.23	162,057.39	343,493.64	181,436.25
8/15/2015			110,745.25	110,745.25					
2/15/2016	5,000	1.080	110,745.25	115,745.25	226,490.50	10,482.32	216,008.18	343,493.64	127,485.46
8/15/2016			110,718.25	110,718.25					
2/15/2017	5,000	1.250	110,718.25	115,718.25	226,436.50	10,479.82	215,956.68	343,493.64	127,536.96
8/15/2017			110,687.00	110,687.00					
2/15/2018	70,000	1.550	110,687.00	180,687.00	291,374.00	13,485.23	277,888.77	343,493.64	65,604.87
8/15/2018			110,144.50	110,144.50					
2/15/2019	3,140,000	1.930	110,144.50	3,250,144.50	3,360,289.00	155,519.22	3,204,769.78	3,204,649.14	(120.65)
8/15/2019			79,843.50	79,843.50					
2/15/2020	5,945,000	2.310	79,843.50	6,024,843.50	6,104,687.00	282,534.07	5,822,152.93	5,824,513.86	2,360.93
8/15/2020			11,178.75	11,178.75					
2/15/2021	825,000	2.710	11,178.75	836,178.75	847,357.50	39,216.98	808,140.52	808,371.80	231.28

TOTALS	9,995,000		1,231,556.12	11,226,556.12	11,226,556.12	519,581.86	10,706,974.26	11,211,509.36	504,535.10
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PE% 12.26% (Estimated)
CARF% 37.75%

Present Value Local Effort Savings 488,129.00

Net 4.63% Effective Reimbursement

Savings Allocation	Amount	Percentage
School District's Share	504,535.10	5.22%
State's Share	24,483.79	0.25%
Total Savings	529,018.88	5.47%

PENNRIDGE SCHOOL DISTRICT SERIES OF 2014 Composition of the Issue

SOURCES:

Bonds		9,995,000.00
Accrued Interest		<u>0.00</u>
	Total	9,995,000.00

USES:

Amount to Call Bonds		9,850,081.25	
Underwriter's Discount	\$7.00	69,965.00	<i>Estimated</i>
Original Issue Discount/(Premium)		0.00	<i>Estimated</i>
Bond Insurance		0.00	<i>Estimated</i>
Cost of Issuance		70,000.00	<i>Estimated</i>
Miscellaneous Expenses/Rounding		<u>4,953.75</u>	
	Total	9,995,000.00	

Dated Date 5/17/2014

Settlement Date 5/17/2014

Yield of the Issue	2.242003
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BQ Refunding Plan

Step 2

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2009

Optional Redemption: August 15, 2014

1	2	3	4	5	6	7	8
<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
8/15/2014			99,828.75	99,828.75			
2/15/2015	80,000	3.000	99,828.75	179,828.75	279,657.50	12,942.97	266,714.53
8/15/2015			98,628.75	98,628.75			
2/15/2016	80,000	3.000	98,628.75	178,628.75	277,257.50	12,831.89	264,425.61
8/15/2016			97,428.75	97,428.75			
2/15/2017	85,000	3.250	97,428.75	182,428.75	279,857.50	12,952.22	266,905.28
8/15/2017			96,047.50	96,047.50			
2/15/2018	2,845,000	3.500	96,047.50	2,941,047.50	3,037,095.00	140,561.31	2,896,533.69
8/15/2018			46,260.00	46,260.00			
2/15/2019	2,570,000	3.600	46,260.00	2,616,260.00	2,662,520.00	123,225.42	2,539,294.58
8/15/2019							
2/15/2020							
8/15/2020							
2/15/2021							
TOTALS	5,660,000		876,387.50	6,536,387.50	6,536,387.50	302,513.82	6,233,873.68
PE%	12.26%	<i>(Temporary)</i>					
CARF%	37.75%						
Net	4.63%	<i>Effective Reimbursement</i>					

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2009

Bonds to be Refunded

Optional Redemption: August 15, 2014

	1	2	3	4	5	6	7	8
	<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
	8/15/2014			85,985.00	85,985.00			
	2/15/2015			85,985.00	85,985.00	171,970.00	7,959.03	164,010.97
	8/15/2015			85,985.00	85,985.00			
	2/15/2016			85,985.00	85,985.00	171,970.00	7,959.03	164,010.97
	8/15/2016			85,985.00	85,985.00			
	2/15/2017			85,985.00	85,985.00	171,970.00	7,959.03	164,010.97
	8/15/2017			85,985.00	85,985.00			
	2/15/2018	2,270,000	3.500	85,985.00	2,355,985.00	2,441,970.00	113,018.03	2,328,951.97
	8/15/2018			46,260.00	46,260.00			
	2/15/2019	2,570,000	3.600	46,260.00	2,616,260.00	2,662,520.00	123,225.42	2,539,294.58
	8/15/2019							
	2/15/2020							
	8/15/2020							
	2/15/2021							
TOTALS		4,840,000		780,400.00	5,620,400.00	5,620,400.00	260,120.54	5,360,279.46
PE%	12.26%	(Temporary)						
CARF%	37.75%							
Net	4.63%	<i>Effective Reimbursement</i>						

PENNRIDGE SCHOOL DISTRICT							
SERIES OF 2009							
Bonds Remaining After Refunding						<i>Optional Redemption: August 15, 2014</i>	

1	2	3	4	5	6	7	8
<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Local Effort</u>
8/15/2014			13,843.75	13,843.75			
2/15/2015	80,000	3.000	13,843.75	93,843.75	107,687.50	4,983.94	102,703.56
8/15/2015			12,643.75	12,643.75			
2/15/2016	80,000	3.000	12,643.75	92,643.75	105,287.50	4,872.86	100,414.64
8/15/2016			11,443.75	11,443.75			
2/15/2017	85,000	3.250	11,443.75	96,443.75	107,887.50	4,993.20	102,894.30
8/15/2017			10,062.50	10,062.50			
2/15/2018	575,000	3.500	10,062.50	585,062.50	595,125.00	27,543.28	567,581.72
8/15/2018							
2/15/2019							
8/15/2019							
2/15/2020							
8/15/2020							
2/15/2021							
TOTALS	820,000		95,987.50	915,987.50	915,987.50	42,393.28	873,594.22
PE%	12.26%	(Temporary)					
CARF%	37.75%						
Net	4.63%	Effective Reimbursement					

PENNRIDGE SCHOOL DISTRICT AMOUNT TO PREPAY BONDS			
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	1	2	3	4
<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Required</u>	
8/15/2014	4,840,000.00	85,985.00	4,925,985.00	
TOTALS	4,840,000.00	85,985.00	4,925,985.00	

PENNRIDGE SCHOOL DISTRICT

SERIES OF 2014
PARTIALLY REFUNDS THE SERIES OF 2009

Settle 6/16/2014
Dated 6/16/2014

1	2	3	4	5	6	7	8	9	10
<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>	<u>State Aid</u>	<u>Proposed Local Effort</u>	<u>Existing Local Effort</u>	<u>Savings</u>
8/15/2014			14,309.63	14,309.63					
2/15/2015			43,656.50	43,656.50	57,966.13	2,682.76	55,283.37	164,010.97	108,727.60
8/15/2015			43,656.50	43,656.50					
2/15/2016			43,656.50	43,656.50	87,313.00	4,040.98	83,272.02	164,010.97	80,738.95
8/15/2016			43,656.50	43,656.50					
2/15/2017	35,000	1.250	43,656.50	78,656.50	122,313.00	5,660.83	116,652.17	164,010.97	47,358.80
8/15/2017			43,437.75	43,437.75					
2/15/2018	2,355,000	1.550	43,437.75	2,398,437.75	2,441,875.50	113,013.66	2,328,861.84	2,328,951.97	90.13
8/15/2018			25,186.50	25,186.50					
2/15/2019	2,610,000	1.930	25,186.50	2,635,186.50	2,660,373.00	123,126.05	2,537,246.95	2,539,294.58	2,047.63
8/15/2019									
2/15/2020									
8/15/2020									
2/15/2021									

TOTALS	5,000,000		369,840.63	5,369,840.63	5,369,840.63	248,524.28	5,121,316.35	5,360,279.46	238,963.11
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PE% 12.26% (Estimated)

CARF% 37.75%

Present Value Local Effort Savings	234,814.10
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Net 4.63% Effective Reimbursement

Savings Allocation	Amount	Percentage
School District's Share	238,963.11	4.94%
State's Share	<u>11,596.26</u>	<u>0.24%</u>
Total Savings	250,559.37	5.18%

PENNRIDGE SCHOOL DISTRICT SERIES OF 2014 Composition of the Issue

SOURCES:		
Bonds		5,000,000.00
Accrued Interest		<u>0.00</u>
	Total	5,000,000.00

USES:		
Amount to Call Bonds		4,925,985.00
Underwriter's Discount	\$7.00	35,000.00 <i>Estimated</i>
Original Issue Discount/(Premium)		0.00 <i>Estimated</i>
Bond Insurance		0.00 <i>Estimated</i>
Cost of Issuance		35,000.00 <i>Estimated</i>
Miscellaneous Expenses/Rounding		<u>4,015.00</u>
	Total	5,000,000.00

Dated Date 6/16/2014

Settlement Date 6/16/2014

Yield of the Issue	1.769422
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