**WEST CANADA VALLEY CENTRAL SCHOOL DISTRICT**
**HERKIMER AND ONEIDA COUNTIES, NEW YORK**

# $314,339 SCHOOL DISTRICT SERIAL BONDS, 2020

**(Designated/Bank Qualified)**

## NOTICE OF PRIVATE COMPETITIVE BOND SALE

| | | | |
|---|---|---|---|
| **SALE DATE:** | **September 3, 2020 (THURSDAY)** | Location: | R. G. Timbs, Inc. |
| Facsimile or | | | 24 Sherman Oaks Drive |
| Telephone Bids Until: | 11:00 A.M. (Prevailing Time) | | New Hartford, New York 13413 |
| Bonds Dated: | September 16, 2020 (Wednesday) | Fax: | (315) 266-9212 |
| Bonds Mature: | September 15, 2021-2025 | Phone: | (877) 315-0100 x5 |

Facsimile or telephone bids will be received and considered by the undersigned President of the Board of Education of the West Canada Valley Central School District, Herkimer and Oneida Counties, New York, for the purchase in Federal Funds at not less than par and accrued interest of $314,339 School District Serial Bonds, dated September 16, 2020. The Bonds will mature in annual principal installments each calendar year on September 15 and, together with the interest thereon as follows:

| Year | Amount |
|---|---|
| 2021 | $59,339 |
| 2022 | $60,000 |
| 2023 | $65,000 |
| 2024 | $65,000 |
| 2025 | $65,000 |

*Principal amounts subject to adjustment by District in accordance with Section 58.00(c)(2) of the Local Finance Law.

The Bonds will bear interest at the rate or rates per annum specified by the successful bidder therefore in accordance herewith, payable on September 15, 2021 and semiannually thereafter on March 15 and September 15 in each year until maturity.

The Bonds shall not be subject to redemption prior to maturity.

Interest will be calculated on the basis of 30 days to the month and 360 days to the year. Unless all bids re rejected, the Bonds will be awarded and sold to the bidder complying with the terms of this Notice of Private Competitive Bond Sale and offering to purchase the Bonds at the lowest net interest cost. The School District reserves the right to reject any or all bids, and any bid not complying with this Notice of Private Competitive Bond Sale will be rejected.

**The Bonds will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").**

The record date for the Bonds is the last business day of the calendar month preceding an interest payment date.

The Bonds are being issued pursuant to the Constitution and Laws of the State of New York, including among others, the Local Finance Law, the School District Law and a bond resolution duly adopted by the Board of Education on July 13, 2020 authorizing the issuance of $314,339 of serial bonds for the acquisition of school buses.

The proceeds for the Bonds will provide new monies for the abovementioned buses.

The Purchasers will have the option of having the Bonds issued as registered bonds in the name of the purchaser or, at the option of the purchaser, the Bonds may be registered to The Depository Trust Company, New York, New York ("DTC"). The purchasers must notify Bond Counsel, on the date of sale whether the Bonds will be issued in non-book-entry form or book-entry form.

If the Bonds are issued in non-book-entry form, they will be issued as registered obligations, registered in the name of the purchaser. Principal and interest on the Bonds will be payable at the offices of the School District or, at the option of the purchaser at such bank or trust company located and authorized to do business in the State of New York. The paying agent on the Bonds may be designated by the winning bidder. Paying agent fees, if any, shall be paid by the purchaser,

If issued in book-entry-only form, the Bonds will be (i) registered in the name of Cede & Co., as nominee of DTC, and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and a clearing house for securities transactions and will be responsible for establishing and maintaining a book-entry system for recording the ownership interest of its participants, which include certain banks, trust companies and securities dealers, and the transfer of the interests among its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Bonds. Individual purchases of beneficial ownership interest in the Bonds may be made only through book entries made on the books and records of DTC (or a successor depository) and its participants in denominations of $5,000 or integral multiples thereof. Principal and interest on the Bonds will be payable by the School District or its agent by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Bonds. The School District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

The Municipal Advisor intends to provide the purchaser of the issue with CUSIP identification numbers in compliance with MSRB Rule G-34, (a)(i) (A)-(H). As is further discussed in Rule G-34 the purchaser, as the "dealer who acquires" the issue, is responsible for the registration fee to the CUSIP Bureau for this service. It is anticipated that CUSIP identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP number on the Bonds will be paid for by the District provided, however; The District assumes no responsibility for any CUSIP Service Bureau charge or other charges that may be imposed for the assignment of such numbers

Each proposal must be for all the Bonds and must state in a multiple of one-hundredth of one percent or a multiple of one-eighth of one percent, the rate or rates of interest per annum which the Bonds are to bear may state different rates of interest for Bonds maturing in different calendar years; provided however, the (i) only one rate of interest mat be bid for all Bonds maturing in any one calendar year and (ii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on Bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to Bonds maturing any prior calendar year. (iii) all rates of interest bid must be stated in a multiple of one-eighth or one hundredth of one per centum per annum. Unless all bids are rejected, the award will be made the bidder complying with the terms of the sale and offering to purchase the Bonds at such a rate or rates of interest as will produce the lowest net interest cost computed in accordance with the net interest cost method of calculation, that being the rate or rates of interest which will produce the least interest cost over the life of the bonds, after accounting for the premium offered, if any. If two or more such bidders offer to purchase the Bonds at the same net interest cost, computes as described above, the Bonds will be awarded to the bidder whose bid offers to purchase the Bonds at the highest premium dollar amount. If the premiums are the same, the award shall be made by lot by the School District President of the Board of Education. The School District may, after selecting the low bidder, decrease the aggregate principal amount of the Bonds in an amount not in excess of the premium offered by the successful bidder and, if so decreased, the amount of such Bonds will be adjusted to the extent necessary, in order that the total proceeds, which include the total principal amount of the Bonds plus the original issue premium, if any, received by the School District does not exceed the maximum amount permitted under applicable provisions of the Code. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Private Competitive Bond Sale except as provided above, will be rejected. A GOOD FAITH DEPOSIT WILL NOT BE REQUIRED.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a "courtesy bid" being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the "issue price" of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the "Competitive Sale Requirements"). The Municipal Advisor will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Bonds. Bids will <u>not</u> be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs of issuance of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not in any way relieve the purchaser of his contractual obligation arising from the acceptance of his proposal for the purchase of the Bonds.

The winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Bonds (the "Initial Reoffering Prices") as of the date of the award.

By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. *Such election must be made on the bid form submitted by each bidder.*

For purposes of the "hold the price" or "follow the price" requirement described below, a "maturity" refers to Bonds that have the same interest rate, credit and payment terms.

(1) Hold the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell to any person any Bonds within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Bonds of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Bonds, and

(c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above

(2) Follow the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide the School District with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will report to the School District information regarding the first price that at least 10 percent of the Bonds within each maturity of the Bonds have been sold to the public,

(c) will provide the School District with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Bonds, will continue until such date that the requirement set forth in paragraph (b) above for each maturity of the Bonds is satisfied, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the School District a certificate (the "Reoffering Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Bonds stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Municipal Advisor.

If the winning bidder has purchased the Bonds for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

For purposes of this Notice, the "public" does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any "derivative products" (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

The Bonds will be delivered in Jersey City, New Jersey (through the facilities of DTC) or at such other place as may be agreed with the purchasers on or about September 16, 2020. The purchase price of the Bonds, in accordance with the purchaser's bid, shall be paid in federal funds or other funds available for immediate credit on such delivery date.

The Bonds are general obligations of the School District. All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to note or amount. The State Constitution requires the School District to pledge its faith and credit for the payment of the principal of the Bonds and interest thereon and to make annual appropriation for the amounts required for the payment of such interest and the redemption of the Bonds. The State Constitution also provides that if at any time the appropriating authorities fail to make the required appropriation for annual debt service on the Bonds and certain others obligations of the School District, a sufficient sum shall be set apart for the first revenue thereafter received and shall be applied for such purposes, and also the chief fiscal officer of the School District may be required to set apart and apply such revenues as aforesaid suit of any holder of such obligations.

In the event of a default in the payment of the principal of and/or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99b of the State Finance Law, state aid and assistance to said School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State of New York with the holders from time to time of the Bonds.

As a condition to the purchaser's obligation to accept delivery of and pay for the Bonds, the purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the Bonds: (i) a Closing Certificate, constituting receipt for the Bond proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the Bonds; (ii) an arbitrage certificate executed on behalf of the School District which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Bonds that the School District will, among other things, (A) take all actions on its part necessary to cause interest on the Bonds not to be excluded from the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the Federal government, if any, with regard to both the Bonds and any obligations refunded with proceeds of the Bonds, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the Bonds to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes; and (iii) the approving legal opinion as to the validity of the Bonds of Barclay Damon LLP, Albany, New York, Bond Counsel.

The successful bidder may, at its option, refuse to accept the Bonds if prior to delivery of the Bonds any new income tax law shall provide that all or part of the interest on such Bonds is taxable, or shall be taxable at a future date for federal income tax purpose

THE DISTRICT RESERVES THE RIGHT TO CHANGE THE TIME/AND/OR DATE FOR THE OPENING OF BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN ONE HOUR PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF SUPPLEMENTAL NOTICE OF PRIVATE COMPETITIVE BOND SALE OR TO BE TRANSMITTED OVER THE TM3

The population of the School District is estimated to be 4,518 (2018 U.S. Census estimate). No debt statement is required to be filed pursuant to Section 109.00 of the Local Finance Law in connection with the sale of the Bonds. The full valuation of real property subject to taxation by the School District is $297,844,370 its debt limit is $29,784,437, and its total net indebtedness is $10,630,000. The issuance of the Bonds will increase such net indebtedness by $314,339.

The District's contact information is as follows: Ms. Kelley Crossett, Business Manager/Treasurer
District Offices, PO Box 360 Newport, NY 13416, Phone (315) 845-6800, ext. 384, email kcrossett@westcanada.org.

The District's Bond Counsel information is as follows: M. Cornelia Cahill, Barclay Damon LLP, 80 State Street, Albany, New York 12207, Phone: (518) 429-4296, Fax: (518) 533-2926, Email: MCahill@barclaydamon.com.

No Official Statement accompanies this Notice of Private Bond Sale. Rule 15c2-12 promulgated by the U.S. Securities and Exchange Commission does not require the distribution of an offering document in connection with the sale of the municipal securities offered through this Notice of Private Bond Sale.

Additional information or additional copies of the Notice of Sale may be obtained upon request from the offices of R. G. Timbs, Inc., telephone number (877) 315-0100, or at www.RGTimbsInc.net.

**Dated: August 26, 2020**

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Shawn Schultz
President of Board of Education
and Chief Fiscal Officer

## PROPOSAL FOR BONDS

Shawn Schultz, President of the Board of Education
West Canada Valley Central School District
Herkimer and Oneida Counties, New York
c/o R. G. Timbs, Inc.
24 Sherman Oaks Drive
New Hartford, New York 13413
**Telefax # (315) 266-9212**

**SALE DATE: September 3, 2020**
**TIME: 11:00 A.M., Eastern Time**

**WEST CANADA VALLEY CENTRAL SCHOOL DISTRICT**
**$314,339 School District Serial Bond, 2019**

**Date: September 16, 2020** **Maturity Dates: September 15, 2021/2025**

For the $314,339 School District Serial Bonds, 2020 of the West Canada Valley Central School District, Herkimer and Oneida Counties, New York, that are subject of the annexed Notice of Private Competitive Bond Sale, which is hereby made a part of this bid, we will pay $314,339 plus a premium of $_____and accrued interest to date of delivery, provided that the Bonds maturing as set forth below shall bear interest in the indicated multiple(s) of 1/8$^{th}$ or 1/100$^{th}$ of one per centum (1%), from their dated date until maturity at the respective rates per annum stated in the following table:

| Year of Maturity | Interest Rate |
|---|---|
| 2020 | _____% |
| 2021 | _____% |
| 2022 | _____% |
| 2023 | _____% |
| 2024 | _____% |

The following is our computation of the net interest cost, made as provided in the above mention Notice of Private Competitive Bond Sale, but not constituting any part of the foregoing proposal for the purchase of the $314,339 Bonds therein described:

| | |
|---|---|
| Gross Interest | $_____ |
| Less Premium Bid Over Par | $_____ |
| Net Interest Cost (NIC) | $_____ |
| Effective NIC Rate | _____% (Four decimals) |

**PROPOSAL CONTINUES ONTO NEXT PAGE**

Please specify form of Bonds:

☐ Book-Entry-Only registered to Cede & Co.

☐ Registered in the Name of the Purchaser

Please select one:

☐ We are purchasing the Bonds for our own account and have no intention to sell, reoffer or otherwise dispose of the Bonds

☐ In the event the Competitive Sale Requirements are not met we hereby elect to:

☐ Follow the Price for all maturities; or

☐ Hold the Price for all maturities or

☐ Follow the Price for each maturity with at least 10% sold on the Sale Date at the Initial Reoffering Price and Hold the Price Rule for all other maturities

Signature: _____

Name of Bidder: _____

Financial Institution: _____

Address: _____

_____

Telephone (Area Code): _____

Email Address: _____