

REFUNDING BOND ORDINANCE NO. 2 OF 2015

BOND ORDINANCE OF THE CITY OF AUBURN, NEW YORK AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,000,000 REFUNDING BONDS OF THE CITY OF AUBURN, NEW YORK, TO REFUND CERTAIN OUTSTANDING SERIAL BONDS OF THE CITY, AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Auburn, Cayuga County, New York (herein called the "City") is considering refunding the outstanding amount of its \$5,185,000 original principal amount Public Improvement (Serial) Bonds, Series 2006A (the "Outstanding Bonds") more particularly described on Exhibit A attached hereto; and

WHEREAS, the Outstanding Bonds maturing on or after June 1, 2016 are now outstanding in the aggregate principal amount of \$1,785,000, and the Outstanding Bonds mature on such dates each year in the principal amounts, and bear interest payable on such dates in each year, as set forth in Exhibit A attached hereto; and

WHEREAS, Sections 90.00(a)(1) and 90.10(b)(2) of the Local Finance Law permit the City to refund the outstanding unredeemed maturities of the Outstanding Bonds by the issuance of new bonds, the issuance of which will result in present value savings for the City; and

WHEREAS, the City Council of the City deems it in the public interest to refund the Outstanding Bonds by the issuance of refunding bonds pursuant to the Local Finance Law, and now desires to authorize the issuance of refunding bonds to refund the Outstanding Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE AFFIRMATIVE VOTE OF NOT LESS THAN TWO-THIRDS OF THE TOTAL VOTING STRENGTH OF THE CITY COUNCIL OF THE CITY OF AUBURN, CAYUGA COUNTY, NEW YORK, AS FOLLOWS:

Section 1. The City Council of the City hereby authorizes to be issued refunding bonds of the City in an aggregate principal amount not to exceed \$2,000,000 (the "Refunding Bonds") pursuant to Section 90.00 or Section 90.10 of the Local Finance Law, as applicable, it being anticipated that the amount of Refunding Bonds actually to be issued will be approximately \$1,820,000 as provided in Section 6 hereof. The Refunding Bonds shall be designated "PUBLIC IMPROVEMENT (REFUNDING) BONDS, SERIES 2015". The Refunding Bonds may be issued to refund all, or any portion, of the Outstanding Bonds and may be issued as serial bonds and/or term bonds, and the authority to determine whether serial bonds or term bonds, or a combination of serial bonds and term bonds shall be issued is hereby delegated to the City Comptroller, the chief fiscal officer of the City.

Section 2. The plan of financing the refunding of the Outstanding Bonds includes the issuance of the Refunding Bonds and the levy and collection of a tax upon all the taxable real property within the City to pay the principal of and interest on the Refunding Bonds as the same shall become due and payable. The proposed financial plan for the refunding in the form attached hereto as Exhibit B (the "Refunding Financial Plan") is hereby accepted and approved. The City Comptroller, the chief fiscal officer of the City, is hereby authorized to approve all details of the Refunding Financial Plan not contained herein. The Refunding Financial Plan includes (1) the deposit of all the proceeds of the Refunding Bonds with an escrow holder pursuant to an escrow contract as authorized in Section 13 hereof, (2) the payment of all costs incurred by the City in connection with the refunding, and (3) the investment of a portion of such proceeds by the escrow holder in certain obligations, the principal of and interest thereon, together with the balance of such proceeds to be held uninvested, shall be sufficient to pay (a) the principal of and interest on the Outstanding Bonds becoming due and payable on and prior to the redemption date of each Respective Series as described on Exhibit A (each such date being referred to as a "Redemption Date" and all such dates being collectively referred to as the "Redemption Dates") and (b) the principal of, premium if any, and interest on the Outstanding Bonds becoming due and payable on the Redemption Date.

Section 3. The principal amount of the Refunding Bonds will not exceed the principal amount of the Outstanding Bonds plus the aggregate amount of unmatured interest payable on the Outstanding Bonds to and including the applicable Redemption Date of each Respective Series, plus redemption premiums payable on the applicable Respective Series as of such Redemption Date, plus costs and expenses incidental 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 as referred to in Section 13 hereof.

Section 4. The maximum period of probable usefulness ("PPU") permitted pursuant to Section 11.00 of the Local Finance Law at the time of issuance of the Outstanding Bonds is set forth in Exhibit A. The Refunding Bonds will mature not later than the expiration of the PPU of each of the objects or purposes, or classes of objects or purposes, for which the Outstanding Bonds were issued, in accordance with the Local Finance Law.

Section 5. It is hereby determined that:

(a) The maximum amount of the Refunding Bonds authorized to be issued pursuant to this resolution does not exceed the limitation imposed by subdivision 1 of paragraph a of Section 90.00 of the Local Finance Law or subdivision 1 of paragraph b of Section 90.10 of the Local Finance Law, as applicable;

(b) The maximum PPU permitted by the Local Finance Law at the time of the issuance of the Outstanding Bonds, for each of the objects or purposes, or classes of objects or purposes, for which the Outstanding Bonds were issued is as shown upon Exhibit A;

(c) the last installment of the Refunding Bonds will mature not later than the expiration of the PPU of each of the objects or purposes, or classes of objects or purposes, for

which the Outstanding Bonds were issued in accordance with the provisions of subdivision 1 of paragraph a of Section 90.00 of the Local Finance Law or subdivision 1 of paragraph c of Section 90.10 of the Local Finance Law, as applicable; and

(d) The estimated present value of the total debt service savings anticipated as a result of issuance of the Refunding Bonds, computed in accordance with the provisions of subdivision 2 of paragraph a of Section 90.00 of the Local Finance Law or subdivision 2 of paragraph b of Section 90.10 of the Local Finance Law, as applicable, with regard to each of the Respective Series of the Outstanding Bonds, as shown in the Refunding Financial Plan.

Section 6. The Refunding Financial Plan has been prepared based upon the assumption that the Refunding Bonds will be issued in the aggregate principal amount of \$1,820,000, in a single series, to refund all of the Outstanding Bonds, will mature, be of such terms, and bear such interest, all as set forth therein. The City Council of the City recognizes that the Refunding Bonds may be issued in multiple series, and for only one or more of the Outstanding Bonds, or portions thereof, that the principal amount of the Refunding Bonds, the provisions, if any, for the redemption thereof prior to maturity, and the resulting present value savings, may vary from that attached as Exhibit B. The City Comptroller is hereby authorized and directed to determine the amount of Refunding Bonds to be issued, which of the Outstanding Bonds will be refunded and at what time, the date of such Refunding Bonds and the date of issue, maturity and terms thereof, the provisions relating to the redemption of Refunding Bonds prior to maturity, if any, whether the Refunding Bonds shall be sold at a discount in the manner authorized by paragraph (e) of Section 57.00 of the Local Finance Law, and the other matters relating to the Refunding Bonds referred to in Section 9 of this resolution.

Section 7. (a) The Refunding Bonds shall be sold at private sale, and the City Comptroller, the chief fiscal officer of the City, is hereby authorized to execute a purchase contract on behalf of the City for the sale of the Refunding Bonds, provided, if required, (1) the terms and conditions of such sale shall be approved by the State Comptroller, and (2) not later than ten (10) days after delivery of the Refunding Bonds the City Comptroller shall file with the City Council of the City a certificate determining the details of the Refunding Bonds and the final Refunding Financial Plan; (b) the City hereby authorizes the preparation of an Official Statement and approves its use in connection with the sale of the Refunding Bonds, and further authorizes the distribution of a Preliminary Official Statement before the Official Statement is executed and available for distribution; and (c) the City Comptroller and his or her designees are hereby authorized and directed to take any and all actions necessary to accomplish the refunding, and the City Comptroller is hereby authorized to execute any contracts and agreements for the purchase of and payment for services rendered or to be rendered to the City in connection with the refunding.

Section 8. The Refunding Bonds authorized by this resolution shall contain the recital required by Section 90.00(g)(4) or Section 90.10(j)(4) of the Local Finance Law, as applicable, and the recital of validity prescribed by Section 52.00 of the Local Finance Law, and the Refunding Bonds shall be general obligations of the City payable as to both principal and interest by a general tax upon all the taxable real property within the City without limitation as to rate or amount. The faith and credit of the City are hereby irrevocably pledged to the punctual

payment of the principal of and interest on the Refunding Bonds and provision shall be made annually in the budget of the City for (a) the amortization and redemption of the Refunding Bonds to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 9. Subject to the provisions of this resolution and of the Local Finance Law, and pursuant to the provisions of Section 21.00 of the Local Finance Law with respect to the issuance of bonds having substantially level or declining annual debt service, and Sections 50.00, 56.00 to 60.00, 90.00, 90.10 and 168.00 of the Local Finance Law, the City Council of the City hereby delegates to the City Comptroller, as chief fiscal officer of the City, (1) the power to prescribe the terms, form and content of the Refunding Bonds and the final Refunding Financial Plan, (2) the power to sell and deliver the Refunding Bonds, (3) the power to issue the Refunding Bonds providing for substantially level or declining annual debt service, (4) the power to enter into any agreements for bond insurance or credit enhancements for the Refunding Bonds, (5) the power to enter into an agreement or agreements with one or more banks or trust companies to act as the fiscal agent for the City in connection with the Refunding Bonds, (6) the power to execute on behalf of the City the Escrow Contract described in Section 13 and the Official Statement referred to in Section 7, and (7) the authority to take such other actions, and to execute and deliver on behalf of the City such instruments, agreements and other documents, as the City Council of the City, in his or her discretion, deems necessary or appropriate to carry out the refunding of the Outstanding Bonds in accordance with the intent of this resolution.

Section 10. The Refunding Bonds may be subject to redemption prior to maturity upon such terms as the City Comptroller 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 City by lot in any customary manner of selection as determined by the City Comptroller. 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 date 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 registerable to bearer or convertible into bearer coupon form. In the event the Refunding Bonds are issued in non-certificated form, such bonds, when issued, shall be initially issued 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 Refunding 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 City shall terminate its participation in such Book-Entry-Only system, such Refunding Bonds shall thereafter be issued in certificated form in 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 hereinafter defined) to The Depository Trust Company, New York, New York, or to its nominee, Cede & Co., while the bonds are registered in the name of Cede & Co. in accordance with such Book-Entry-Only System. Principal shall only be payable upon surrender of the bonds at the principal corporate trust office of such Fiscal Agent (or at the office of the City Comptroller acting as Fiscal Agent as hereinafter provided).

In the event the 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 City maintained by the Fiscal Agent, as of the close of business on the fifteenth day of the calendar month or first business day of the calendar month preceding each interest payment date as appropriate and as provided in a certificate of the City Comptroller providing for the details of the Refunding Bonds. Principal shall only be payable 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 City Comptroller as fiscal agent of the City 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 will be payable in lawful money of the United States of America.

The City Comptroller, as chief fiscal officer of the City, is hereby authorized and directed to enter into an agreement or agreements containing such terms and conditions as he or 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 the City, 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 City, regardless of whether the Refunding Bonds are initially issued in certificated or non-certificated form; provided, however, that the City Comptroller is also hereby authorized to name the City Comptroller as the Fiscal Agent in connection with the Refunding Bonds if the Refunding Bonds are issued in non-certificated form.

The Refunding Bonds shall be executed in the name of the City by the manual or facsimile signature of the City Comptroller, and a facsimile of its corporate seal shall be imprinted thereon. In the event of facsimile signature, the Refunding Bonds shall be authenticated by the manual signature of an authorized officer or employee of the Fiscal Agent. It is hereby determined that it is to the financial advantage of the City not to impose and collect from registered owners of the Refunding Bonds any charges for mailing, shipping and insuring bonds transferred or exchanged by the Fiscal Agent, and, accordingly, pursuant to paragraph c of Section 70.00 of the Local Finance Law, no such charges shall be so collected by the Fiscal Agent.

Section 11. The Refunding Bonds shall be sold at private sale to an underwriter to be selected by the City Comptroller (the "Underwriter") for purchase prices to be determined by the City Comptroller, plus accrued interest from the date or dates of the Refunding Bonds to the date or dates of the delivery of and payment for the Refunding Bonds, it being hereby determined that this City Comptroller did solicit and review proposals for the refunding of the Outstanding Bonds prior to selecting the Underwriter. 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, if applicable, the City Comptroller, is hereby authorized to execute and deliver a purchase contract for the Refunding Bonds in the name and on behalf of the City 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 City Comptroller to the Underwriter in accordance with said purchase contract upon the receipt by the City of said purchase price, including accrued interest.

Section 12. The validity of the Refunding Bonds authorized by this resolution may be contested only if:

(a) Such obligations are authorized for an object or purpose for which the City is not authorized to expend money, or

(b) the provisions of law which should be complied with at the date of the publication of such resolution, or a summary thereof, are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

(c) Such obligations are authorized in violation of the provisions of the Constitution of the State of New York.

Section 13. Before the Refunding Bonds are issued, the City shall enter into an escrow contract (the "Escrow Contract") with a bank or trust company located and authorized to do business in this state (the "Escrow Holder"), for the purpose of having such bank or trust company act as the escrow holder of the proceeds of the Refunding Bonds, including any premium from the sale of the Refunding Bonds, together with all income derived from the investment of such proceeds. The Escrow Contract shall contain such terms and conditions as shall be necessary in order to accomplish the Refunding Financial Plan, including provisions authorizing the Escrow Holder, without further authorization or direction from the City, except as otherwise provided therein, (a) to make all required payments of principal, interest and redemption premiums to the paying agent for the Outstanding Bonds, (b) to pay costs and expenses incidental to the issuance of the Refunding Bonds, and of executing and performing the terms and conditions of the Escrow Contract and all of the fees and charges of the Escrow Holder, (c) at the appropriate time or times to cause to be given on behalf of the City the notice of redemption authorized to be given pursuant to Section 16 hereof, and (d) to invest the monies held by it consistent with the provisions of the Refunding Financial Plan. The Escrow Contract shall be irrevocable and shall constitute a covenant with the holders of the Refunding Bonds.

Section 14. The proceeds, including any premium, from the sale of the Refunding Bonds, immediately upon receipt, shall be placed in escrow by the City with the Escrow Holder in accordance with the Escrow Contract. All moneys held by the Escrow Holder shall be invested only in direct obligations of the United States of America or in obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which obligations shall mature or be subject to redemption at the option of the holder thereof not later than the respective dates when such moneys will be required to make payments in accordance with the Refunding Financial Plan. Any such moneys remaining in the custody of the Escrow Holder after the full execution of the provisions of the Escrow Contract shall be returned to the City and shall be applied by the City only to the payment of the principal of or interest on the Refunding Bonds then outstanding.

Section 15. That portion of such proceeds from 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 Outstanding Bonds, 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 Outstanding Bonds shall have a lien upon such moneys and the investments thereof held by the Escrow Holder. All interest earned from the investment of such moneys not required for such payments on the Outstanding Bonds shall be irrevocably committed and pledged to the payment of the principal of and interest on the Refunding Bonds, or such portion thereof as shall be required by the Refunding Financial Plan, and the holders of such Refunding Bonds shall have a lien upon such moneys held by the Escrow Holder. The pledges and liens provided for herein 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. Such pledges and liens shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the City irrespective of whether such parties have notice thereof. Neither this resolution, the Escrow Contract, nor any other instrument relating to such pledges and liens, need be filed or recorded.

Section 16. In accordance with the provisions of Section 53.00 and of paragraph (h) of Section 90.10 of the Local Finance Law, if applicable, the City Council of the City hereby elects to call in and redeem all the Outstanding Bonds which are subject to prior redemption according to their terms on their respective Redemption Date. The sum to be paid therefor on such Redemption Date shall be the par value thereof, the accrued interest to the Redemption Date and the redemption premiums. The Escrow Holder is hereby authorized and directed to cause a notice of such call for redemption to be given in the name of the City by mailing such notice to the registered holders of the Outstanding Bonds which are subject to prior redemption at least thirty days prior to such Redemption Date. Upon the issuance of the Refunding Bonds, both (a) the election to call in and redeem the Outstanding Bonds subject to prior redemption, and (b) the direction to the Escrow Holder to cause notice thereof to be given as provided in this Section, shall become irrevocable and the provisions of this Section shall constitute a covenant with the holders, from time to time, of the Refunding Bonds, provided that this Section may be amended from time to time as may be necessary to comply with the requirements of paragraph a of Section 53.00 of the Local Finance Law, as the same may be amended from time to time.

Section 17. This Refunding Bond Ordinance shall take effect immediately, and the City Clerk is hereby authorized and directed to publish the foregoing resolution, or a summary thereof, together with a Notice attached in substantially the form prescribed by Section 81.00 of the Local Finance Law in the official newspapers of the City.

Seconded by Councilor McCormick.

	<u>Ayes</u>	<u>Noes</u>	<u>Absent</u>
Mayor Quill	x		
Councilor Camardo	x		
Councilor Cuddy	x		
Councilor McCormick	x		
Councilor Ruzicka	x		
Carried and Adopted	x		

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS.
CITY OF AUBURN)

I, CHUCK MASON, Clerk of the City of Auburn, Cayuga County, New York (the "City"), DO HEREBY CERTIFY:

That I have compared the annexed abstract of the minutes of the meeting of the City Council of the City, held on the 5th day of March, 2015, including the resolution contained therein, with the original thereof on file in my office, and the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that the full City Council of the City consists of five (5) members; that five (5) members of the City Council were present at such meeting, that five (5) of such members voted in favor of the attached resolution; and that the attached resolution has not been amended or repealed.

I FURTHER CERTIFY that (i) all members of the City Council of the City had due notice of the meeting, (ii) pursuant to Article 7 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public, and due notice of the time and place of such meeting was duly given in accordance with Article 7 of the Public Officers Law, and (iii) the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this 6th day of March, 2015.



Chuck Mason, Clerk
City of Auburn, Cayuga County, New York

(SEAL)

EXHIBIT A

DESCRIPTION OF OUTSTANDING BONDS

A. **\$5,185,000 PUBLIC IMPROVEMENT (SERIAL) BONDS, SERIES 2006A**

1. Objects or Purposes:

- (a) Bond Ordinance No. 11 of 2001 dated May 10, 2001 authorizing the issuance of \$400,000 serial bonds to finance the reconstruction of the Lake Avenue Bridge.

Period of Probable Usefulness: 10 years pursuant to paragraph 10 of Section 11.00(a) of the Local Finance Law.

Computed from June 14, 2001.

- (b) Bond Ordinance No. 4 of 2002 dated April 11, 2002 authorizing the issuance of \$600,000 serial bonds to finance the cost of the reconstruction of a new recycling building.

Period of Probable Usefulness: 20 years pursuant to paragraph 11(a)(2) of Section 11.00(a) of the Local Finance Law.

Computed from June 13, 2002.

- (c) Bond Ordinance No. 3 of 2003 dated March 27, 2003 authorizing the issuance of \$7,000,000 serial bonds to finance the cost of the Genesee Street reconstruction.

Period of Probable Usefulness: 15 years pursuant to paragraph 20(c) of Section 11.00(a) of the Local Finance Law.

Computed from June 12, 2003.

- (d) Bond Ordinance No. 4 of 2004 dated April 28, 2004 authorizing the issuance of \$950,000 serial bonds to finance the cost of the 2004-2005 road improvement program.

Period of Probable Usefulness: 15 years pursuant to paragraph 20(c) of Section 11.00(a) of the Local Finance Law.

Computed from June 11, 2004.

- (e) Bond Ordinance No. 5 of 2004 dated April 28, 2004 authorizing the issuance of \$240,000 serial bonds to finance the cost of the sidewalk loan assistance program and handicap access and curbing.

Period of Probable Usefulness: 10 years pursuant to paragraph 24 of Section 11.00(a) of the Local Finance Law.

Computed from June 11, 2004.

- (f) Bond Ordinance No. 16 of 2004 dated November 18, 2004 authorizing the issuance of \$360,000 serial bonds to finance the cost of improvements to the City's water filtration plant.

Period of Probable Usefulness: 40 years pursuant to paragraph 1 of Section 11.00(a) of the Local Finance Law.

Computed from June 9, 2005.

- (g) Amended and Restated Bond Ordinance No. 2 of 2005 dated March 31, 2005 authorizing the issuance of \$1,360,000 serial bonds to finance the cost of various capital improvements:

	<u>Amount</u>	<u>Period of Probable Usefulness</u>	<u>Section 11.00(a)</u>
Refuse Packers	\$270,000	15	28
Skid Steer Loader	30,000	15	28
Dump Trucks	250,000	15	28
Sewer Inspection Equipment	115,000	15	28
Water Assistance Program	50,000	40	1
Sewer Assistance Program	50,000	40	4
Various Equipment	190,000	5	32

- (h) Bond Ordinance No. 4 of 2005 dated March 31, 2005 authorizing the issuance of \$950,000 serial bonds to finance the cost of the 2005-2006 road improvement program.

Period of Probable Usefulness: 15 years pursuant to paragraph 20(c) of Section 11.00(a) of the Local Finance Law.

Computed from June 8, 2006.

2. Terms of Series 2006A Bonds to be Refunded:

Amount: \$1,785,000 (2016 to 2026)

Maturity Date: June 1 of each year

Interest Payment Dates: June 1 and December 1 of each year

Redemption Date: June 1, 2015

Schedule of principal amounts and interest rates:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2016	\$370,000	4.125%
2017	\$375,000	4.125%
2018	\$390,000	4.125%
2019	\$265,000	4.125%
2020	\$185,000	4.20%
2021	\$50,000	4.20%
2022	\$50,000	4.250%
2023	\$25,000	4.250%
2024	\$25,000	4.250%
2025	\$25,000	4.250%
2026	\$25,000	4.250%

EXHIBIT B

PROPOSED REFUNDING FINANCIAL PLAN

CITY OF AUBURN, NY SUMMARY OF REFUNDING RESULTS (INSURED) ; ("A1" UNDERLYING / NEGATIVE OUTLOOK) (NOT BQ) ; (NON-CALLABLE)	
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)	
Refunding Par Amount	1,820,000
Bond Arbitrage Yield	1.521558%
Escrow Yield	0.000000%
Refunded Bonds Par Amount	1,785,000
Average Coupon of Refunded Bonds	4.167317%
Net PV Savings	65,083.99
Percentage of PV Savings	3.646162%
Aggregate Budgetary Savings	67,246.69
Annual Budgetary Savings (June 30)	
Fiscal Year 2015	3,959.17
Fiscal Year 2016	5,145.00
Fiscal Year 2017	6,432.50
Fiscal Year 2018	7,513.76
Fiscal Year 2019	3,276.26
Fiscal Year 2020	5,445.00
Fiscal Year 2021	3,225.00
Fiscal Year 2022	7,625.00
Fiscal Year 2023	6,850.00
Fiscal Year 2024	6,387.50
Fiscal Year 2025	5,925.00
Fiscal Year 2026	5,462.50
ROOSEVELT & CROSS	

TABLE OF CONTENTS

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED); ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ); (NON-CALLABLE)

Report	Page
Sources and Uses of Funds	1
Summary of Refunding Results	2
Savings	3
Bond Pricing	4
Bond Debt Service	5
Escrow Requirements	6
Escrow Descriptions	7
Escrow Statistics	8
Escrow Sufficiency	9
Proof of Arbitrage Yield	10
Summary of Bonds Refunded	11
Prior Bond Debt Service	12
Bond Summary Statistics	13
Aggregate Debt Service	14

SOURCES AND USES OF FUNDS

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED); ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ); (NON-CALLABLE)

Dated Date 04/08/2015
Delivery Date 04/08/2015

Sources:

Bond Proceeds:	
Par Amount	1,820,000.00
Premium	92,236.55
	<hr/>
	1,912,236.55

Uses:

Refunding Escrow Deposits:	
Cash Deposit	20.50
SLGS Purchases	<hr/>
	1,821,997.00
	1,822,017.50

Delivery Date Expenses:	
Cost of Issuance	60,000.00
Underwriter's Discount	20,000.00
Bond Insurance	<hr/>
	6,998.73
	86,998.73

Other Uses of Funds:	
Additional Proceeds	3,220.32
	<hr/>
	1,912,236.55

SUMMARY OF REFUNDING RESULTS

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED); ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ); (NON-CALLABLE)

Dated Date	04/08/2015
Delivery Date	04/08/2015
Arbitrage yield	1.521558%
Escrow yield	0.000000%
Bond Par Amount	1,820,000.00
True Interest Cost	1.859189%
Net Interest Cost	1.793634%
All-In TIC	2.906740%
Average Coupon	3.000000%
Average Life	3.290
Par amount of refunded bonds	1,785,000.00
Average coupon of refunded bonds	4.167317%
Average life of refunded bonds	3.439
PV of prior debt to 04/08/2015 @ 1.521558%	1,967,101.49
Net PV Savings	65,083.99
Percentage savings of refunded bonds	3.646162%

SAVINGS

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ) ; (NON-CALLABLE)

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 04/08/2015 @ 1.5215584%
06/01/2015	36,997.50	33,038.33	3,959.17		3,950.34
06/30/2015				3,959.17	
12/01/2015	36,997.50	26,925.00	10,072.50		9,974.17
06/01/2016	406,997.50	411,925.00	-4,927.50		-4,842.55
06/30/2016				5,145.00	
12/01/2016	29,366.25	21,150.00	8,216.25		8,013.64
06/01/2017	404,366.25	406,150.00	-1,783.75		-1,726.63
06/30/2017				6,432.50	
12/01/2017	21,631.88	15,375.00	6,256.88		6,010.78
06/01/2018	411,631.88	410,375.00	1,256.88		1,198.33
06/30/2018				7,513.76	
12/01/2018	13,588.13	9,450.00	4,138.13		3,915.56
06/01/2019	278,588.13	279,450.00	-861.87		-809.36
06/30/2019				3,276.26	
12/01/2019	8,122.50	5,400.00	2,722.50		2,537.32
06/01/2020	193,122.50	190,400.00	2,722.50		2,518.16
06/30/2020				5,445.00	
12/01/2020	4,237.50	2,625.00	1,612.50		1,480.21
06/01/2021	54,237.50	52,625.00	1,612.50		1,469.04
06/30/2021				3,225.00	
12/01/2021	3,187.50	1,875.00	1,312.50		1,186.70
06/01/2022	53,187.50	46,875.00	6,312.50		5,664.36
06/30/2022				7,625.00	
12/01/2022	2,125.00	1,200.00	925.00		823.76
06/01/2023	27,125.00	21,200.00	5,925.00		5,236.67
06/30/2023				6,850.00	
12/01/2023	1,593.75	900.00	693.75		608.52
06/01/2024	26,593.75	20,900.00	5,693.75		4,956.58
06/30/2024				6,387.50	
12/01/2024	1,062.50	600.00	462.50		399.58
06/01/2025	26,062.50	20,600.00	5,462.50		4,683.73
06/30/2025				5,925.00	
12/01/2025	531.25	300.00	231.25		196.78
06/01/2026	25,531.25	20,300.00	5,231.25		4,417.97
06/30/2026				5,462.50	
	2,066,885.02	1,999,638.33	67,246.69	67,246.69	61,863.67

Savings Summary

PV of savings from cash flow	61,863.67
Plus: Refunding funds on hand	3,220.32
Net PV Savings	65,083.99

BOND PRICING

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED); ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ); (NON-CALLABLE)

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	06/01/2015	25,000	3.000%	0.500%	100.367
	06/01/2016	385,000	3.000%	0.650%	102.681
	06/01/2017	385,000	3.000%	0.880%	104.498
	06/01/2018	395,000	3.000%	1.040%	106.052
	06/01/2019	270,000	3.000%	1.230%	107.134
	06/01/2020	185,000	3.000%	1.530%	107.248
	06/01/2021	50,000	3.000%	2.050%	105.459
	06/01/2022	45,000	3.000%	2.240%	104.991
	06/01/2023	20,000	3.000%	2.380%	104.565
	06/01/2024	20,000	3.000%	2.510%	103.980
	06/01/2025	20,000	3.000%	2.610%	103.455
	06/01/2026	20,000	3.000%	2.710%	102.771
		1,820,000			

Dated Date	04/08/2015	
Delivery Date	04/08/2015	
First Coupon	06/01/2015	
Par Amount	1,820,000.00	
Premium	92,236.55	
Production	1,912,236.55	105.067942%
Underwriter's Discount	-20,000.00	-1.098901%
Purchase Price	1,892,236.55	103.969041%
Accrued Interest		
Net Proceeds	1,892,236.55	

BOND DEBT SERVICE

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ) ; (NON-CALLABLE)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2015	25,000	3.000%	8,038.33	33,038.33	
06/30/2015					33,038.33
12/01/2015			26,925.00	26,925.00	
06/01/2016	385,000	3.000%	26,925.00	411,925.00	
06/30/2016					438,850.00
12/01/2016			21,150.00	21,150.00	
06/01/2017	385,000	3.000%	21,150.00	406,150.00	
06/30/2017					427,300.00
12/01/2017			15,375.00	15,375.00	
06/01/2018	395,000	3.000%	15,375.00	410,375.00	
06/30/2018					425,750.00
12/01/2018			9,450.00	9,450.00	
06/01/2019	270,000	3.000%	9,450.00	279,450.00	
06/30/2019					288,900.00
12/01/2019			5,400.00	5,400.00	
06/01/2020	185,000	3.000%	5,400.00	190,400.00	
06/30/2020					195,800.00
12/01/2020			2,625.00	2,625.00	
06/01/2021	50,000	3.000%	2,625.00	52,625.00	
06/30/2021					55,250.00
12/01/2021			1,875.00	1,875.00	
06/01/2022	45,000	3.000%	1,875.00	46,875.00	
06/30/2022					48,750.00
12/01/2022			1,200.00	1,200.00	
06/01/2023	20,000	3.000%	1,200.00	21,200.00	
06/30/2023					22,400.00
12/01/2023			900.00	900.00	
06/01/2024	20,000	3.000%	900.00	20,900.00	
06/30/2024					21,800.00
12/01/2024			600.00	600.00	
06/01/2025	20,000	3.000%	600.00	20,600.00	
06/30/2025					21,200.00
12/01/2025			300.00	300.00	
06/01/2026	20,000	3.000%	300.00	20,300.00	
06/30/2026					20,600.00
	1,820,000		179,638.33	1,999,638.33	1,999,638.33

ESCROW REQUIREMENTS

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ) ; (NON-CALLABLE)

Period Ending	Interest	Principal Redeemed	Total
06/01/2015	36,997.50	1,785,000.00	1,821,997.50
	36,997.50	1,785,000.00	1,821,997.50

ESCROW DESCRIPTIONS

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ) ; (NON-CALLABLE)

	Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Apr 8, 2015:	SLGS	Certificate	06/01/2015	06/01/2015	1,821,997		0.000%
					1,821,997		

SLGS Summary

SLGS Rates File	03FEB15
Total Certificates of Indebtedness	1,821,997.00

ESCROW STATISTICS

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED); ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ); (NON-CALLABLE)

	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:	1,822,017.50	0.147			1,817,956.03	4,061.42	0.05
	1,822,017.50				1,817,956.03	4,061.42	0.05

Delivery date 04/08/2015
 Arbitrage yield 1.521558%
 Composite Modified Duration 0.147

ESCROW SUFFICIENCY

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ) ; (NON-CALLABLE)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/08/2015		20.50	20.50	20.50
06/01/2015	1,821,997.50	1,821,997.00	-0.50	20.00
	1,821,997.50	1,822,017.50	20.00	

PROOF OF ARBITRAGE YIELD

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ) ; (NON-CALLABLE)

Date	Debt Service	Present Value to 04/08/2015 @ 1.5215583900%
06/01/2015	33,038.33	32,964.68
12/01/2015	26,925.00	26,662.14
06/01/2016	411,925.00	404,823.72
12/01/2016	21,150.00	20,628.45
06/01/2017	406,150.00	393,143.61
12/01/2017	15,375.00	14,770.27
06/01/2018	410,375.00	391,257.45
12/01/2018	9,450.00	8,941.74
06/01/2019	279,450.00	262,423.55
12/01/2019	5,400.00	5,032.70
06/01/2020	190,400.00	176,109.43
12/01/2020	2,625.00	2,409.65
06/01/2021	52,625.00	47,942.95
12/01/2021	1,875.00	1,695.28
06/01/2022	46,875.00	42,062.09
12/01/2022	1,200.00	1,068.66
06/01/2023	21,200.00	18,737.10
12/01/2023	900.00	789.44
06/01/2024	20,900.00	18,194.07
12/01/2024	600.00	518.37
06/01/2025	20,600.00	17,663.13
12/01/2025	300.00	255.29
06/01/2026	20,300.00	17,144.05
	1,999,638.33	1,905,237.82

Proceeds Summary

Delivery date	04/08/2015
Par Value	1,820,000.00
Premium (Discount)	92,236.55
Arbitrage expenses	-6,998.73
Target for yield calculation	1,905,237.82

SUMMARY OF BONDS REFUNDED

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED) ; ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ) ; (NON-CALLABLE)

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Public Improvement (Serial) Bonds, 2006A, 2006A:					
SERIAL	06/01/2016	4.125%	370,000.00	06/01/2015	100.000
	06/01/2017	4.125%	375,000.00	06/01/2015	100.000
	06/01/2018	4.125%	390,000.00	06/01/2015	100.000
	06/01/2019	4.125%	265,000.00	06/01/2015	100.000
	06/01/2020	4.200%	185,000.00	06/01/2015	100.000
	06/01/2021	4.200%	50,000.00	06/01/2015	100.000
	06/01/2022	4.250%	50,000.00	06/01/2015	100.000
	06/01/2023	4.250%	25,000.00	06/01/2015	100.000
	06/01/2024	4.250%	25,000.00	06/01/2015	100.000
	06/01/2025	4.250%	25,000.00	06/01/2015	100.000
	06/01/2026	4.250%	25,000.00	06/01/2015	100.000
			1,785,000.00		

PRIOR BOND DEBT SERVICE

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED); ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ); (NON-CALLABLE)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2015			36,997.50	36,997.50	
06/30/2015					36,997.50
12/01/2015			36,997.50	36,997.50	
06/01/2016	370,000	4.125%	36,997.50	406,997.50	
06/30/2016					443,995.00
12/01/2016			29,366.25	29,366.25	
06/01/2017	375,000	4.125%	29,366.25	404,366.25	
06/30/2017					433,732.50
12/01/2017			21,631.88	21,631.88	
06/01/2018	390,000	4.125%	21,631.88	411,631.88	
06/30/2018					433,263.76
12/01/2018			13,588.13	13,588.13	
06/01/2019	265,000	4.125%	13,588.13	278,588.13	
06/30/2019					292,176.26
12/01/2019			8,122.50	8,122.50	
06/01/2020	185,000	4.200%	8,122.50	193,122.50	
06/30/2020					201,245.00
12/01/2020			4,237.50	4,237.50	
06/01/2021	50,000	4.200%	4,237.50	54,237.50	
06/30/2021					58,475.00
12/01/2021			3,187.50	3,187.50	
06/01/2022	50,000	4.250%	3,187.50	53,187.50	
06/30/2022					56,375.00
12/01/2022			2,125.00	2,125.00	
06/01/2023	25,000	4.250%	2,125.00	27,125.00	
06/30/2023					29,250.00
12/01/2023			1,593.75	1,593.75	
06/01/2024	25,000	4.250%	1,593.75	26,593.75	
06/30/2024					28,187.50
12/01/2024			1,062.50	1,062.50	
06/01/2025	25,000	4.250%	1,062.50	26,062.50	
06/30/2025					27,125.00
12/01/2025			531.25	531.25	
06/01/2026	25,000	4.250%	531.25	25,531.25	
06/30/2026					26,062.50
	1,785,000		281,885.02	2,066,885.02	2,066,885.02

BOND SUMMARY STATISTICS

City of Auburn, New York
REFUNDING BONDS
REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

(INSURED) : ('A1' UNDERLYING / NEGATIVE OUTLOOK)
(NOT BQ) : (NON-CALLABLE)

Dated Date	04/08/2015
Delivery Date	04/08/2015
Last Maturity	06/01/2026
Arbitrage Yield	1.521558%
True Interest Cost (TIC)	1.859189%
Net Interest Cost (NIC)	1.793634%
All-In TIC	2.906740%
Average Coupon	3.000000%
Average Life (years)	3.290
Par Amount	1,820,000.00
Bond Proceeds	1,912,236.55
Total Interest	179,638.33
Net Interest	107,401.78
Total Debt Service	1,999,638.33
Maximum Annual Debt Service	438,850.00
Average Annual Debt Service	179,384.45
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.989011
Total Underwriter's Discount	10.989011
Bid Price	103.989041

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds	1,820,000.00	105.068	3.000%	3.290
	1,820,000.00			3.290

	TIC	All-In TIC	Arbitrage Yield
Par Value	1,820,000.00	1,820,000.00	1,820,000.00
+ Accrued Interest			
+ Premium (Discount)	92,236.55	92,236.55	92,236.55
- Underwriter's Discount	-20,000.00	-20,000.00	
- Cost of Issuance Expense		-60,000.00	
- Other Amounts	-6,998.73	-6,998.73	-6,998.73
Target Value	1,885,237.82	1,825,237.82	1,905,237.82
Target Date	04/08/2015	04/08/2015	04/08/2015
Yield	1.859189%	2.906740%	1.521558%

AGGREGATE DEBT SERVICE

City of Auburn, New York
 REFUNDING BONDS
 REFUNDING OF 06/01/2006 BONDS (06/01/2016 - 2026)

 (INSURED) : ('A1' UNDERLYING / NEGATIVE OUTLOOK)
 (NOT BQ) : (NON-CALLABLE)

Date	REFUNDING BONDS Principal	REFUNDING BONDS Interest	Unrefunded Bonds Principal	Unrefunded Bonds Interest	Aggregate Principal	Aggregate Interest	Aggregate Debt Service	Annual Aggregate D/S
06/01/2015	25,000	8,038.33	370,000	7,631.25	395,000	15,669.58	410,669.58	
06/30/2015								410,669.58
12/01/2015		26,925.00				26,925.00	26,925.00	
06/01/2016	385,000	26,925.00			385,000	26,925.00	411,925.00	
06/30/2016								438,850.00
12/01/2016		21,150.00				21,150.00	21,150.00	
06/01/2017	385,000	21,150.00			385,000	21,150.00	406,150.00	
06/30/2017								427,300.00
12/01/2017		15,375.00				15,375.00	15,375.00	
06/01/2018	395,000	15,375.00			395,000	15,375.00	410,375.00	
06/30/2018								425,750.00
12/01/2018		9,450.00				9,450.00	9,450.00	
06/01/2019	270,000	9,450.00			270,000	9,450.00	279,450.00	
06/30/2019								288,900.00
12/01/2019		5,400.00				5,400.00	5,400.00	
06/01/2020	185,000	5,400.00			185,000	5,400.00	190,400.00	
06/30/2020								195,800.00
12/01/2020		2,625.00				2,625.00	2,625.00	
06/01/2021	50,000	2,625.00			50,000	2,625.00	52,625.00	
06/30/2021								55,250.00
12/01/2021		1,875.00				1,875.00	1,875.00	
06/01/2022	45,000	1,875.00			45,000	1,875.00	46,875.00	
06/30/2022								48,750.00
12/01/2022		1,200.00				1,200.00	1,200.00	
06/01/2023	20,000	1,200.00			20,000	1,200.00	21,200.00	
06/30/2023								22,400.00
12/01/2023		900.00				900.00	900.00	
06/01/2024	20,000	900.00			20,000	900.00	20,900.00	
06/30/2024								21,800.00
12/01/2024		600.00				600.00	600.00	
06/01/2025	20,000	600.00			20,000	600.00	20,600.00	
06/30/2025								21,200.00
12/01/2025		300.00				300.00	300.00	
06/01/2026	20,000	300.00			20,000	300.00	20,300.00	
06/30/2026								20,600.00
	1,820,000	179,638.33	370,000	7,631.25	2,190,000	187,269.58	2,377,269.58	2,377,269.58