

## Galion City School District

Tax-Exempt Refunding of the School Improvement Refunding Bonds, Series 2013

As of September 9, 2020

### FORWARD RATE LOCK OPTION MILLAGE REDUCTION KNOWN FOR NOVEMBER BALLOT

Scenario:	As of July 15, 2020	As of September 9, 2020
	Rate Lock Direct Placement - Level Savings	Rate Lock Direct Placement - Level Savings
<b>Estimated Total Cash Savings:</b>	<b>\$302,796</b>	<b>\$321,916</b>
Estimated Annual Cash Savings to Taxpayer Beginning in 2021:	\$37,850	\$40,240
<b>Estimated Millage Reduction Beginning in 2021 Based Upon 2020 Assessed Value:</b>	<b>.22 Mills</b>	<b>.23 Mills</b>
Estimated Net Present Value Savings:	\$218,131	\$165,626
<b>Estimated Percentage Savings of Refunded Bonds:</b>	<b>3.97%</b>	<b>3.01%</b>
Estimated True Interest Cost on Proposed Bonds:	1.30%	1.50%
<b>Estimated All-In True Interest Cost on Proposed Bonds:</b>	<b>1.61%</b>	<b>1.83%</b>
<b>Average Coupon Rate on Existing Bonds:</b>	<b>2.71%</b>	<b>2.71%</b>
Estimated Par Amount of New Bonds:	\$5,500,000	\$5,363,000
Estimated BRF Contribution Due Upfront:	\$138,709	\$138,000
Security:	UTGO	UTGO
Tax Status:	Tax Exempt	Tax Exempt
Bank Qualification:	Bank Qualified	Bank Qualified
<b>Approximate Rate Lock Date:</b>	<b>September, 2020</b>	<b>September 9, 2020</b>
Approximate Closing / Funding Date:	March 3, 2021	March 3, 2021
Maintain Same Final Maturity:	December 1, 2028	December 1, 2028
Official Statement:	Not Required	Not Required
Assumed Bond Rating:	Not Required	Not Required
Credit Enhancement:	Not Required	Not Required

(1) For the Public Offering Option, all estimated costs of issuance are financed with bond proceeds and included in the estimated savings and all-in true interest cost stated above. For the Direct Placement Option, all estimated costs of issuance are funded with bond retirement fund proceeds and included in the estimated savings and all-in true interest cost stated above. The School Contribution from the bond retirement fund includes approximately \$69,607 for accrued interest on existing bonds through 6/1/2021 and balance will be used to fund estimated cost of issuance.

(2) Rates as of the date stated above, and are subject to change. Rate fluctuations will result in increased or decreased illustrated savings for the District. Interest rate and savings fluctuations could be significant and therefore the exact interest rate and savings for the District is difficult to estimate. The final interest rate and therefore savings will be based upon current market conditions at the time the bonds are priced.

(3) For illustrative purposes, a .05% increase or decrease in interest rates would decrease or increase the District's net present value savings by \$12,272. If interest rates increase or decrease by .10%, then the District's net present value savings would decrease or increase by \$24,544.

(4) Present value is calculated using the potential bond yield based upon the assumed estimated interest rates and using the bond yield as the assumed discount rate to calculate potential percentage savings of refunded bonds.

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Hypothetical Refunding Illustrations For:  
**Galion City School District**  
 Hypothetical Millage Analysis  
 As of September 11, 2020

Current BRF Balance as of September 11, 2020	December 1, 2020 Payment on 2013 Bonds	December 1, 2020 Payment on 2014 Bonds	Est. BRF Contribution on 2021 Bonds	Estimated BRF Balance to Begin 2021
\$2,105,000	\$724,607	\$318,188	\$138,000	\$924,206

Year	Est. Assessed Value	Current Millage Collected	Est. Reduction in Millage	Hypothetical New Millage	Estimated Annual Collections at 95%	2014 Bonds Debt Service	Est. 2021 Bonds Debt Service	Est. Net Surplus / (Deficit)	Est. Ending Year Bond Retirement Fund Balance
2021	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$414,350	\$753,838	(\$60,143)	\$864,063
2022	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$437,325	\$740,943	(\$70,222)	\$793,840
2023	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$430,750	\$742,183	(\$64,887)	\$728,953
2024	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$433,550	\$736,100	(\$61,605)	\$667,348
2025	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$451,050	\$724,846	(\$67,850)	\$599,498
2026	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$447,800	\$726,527	(\$66,281)	\$533,216
2027	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$449,400	\$726,864	(\$68,218)	\$464,998
2028	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$467,800	\$706,878	(\$66,633)	\$398,365
2029	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$1,220,000		(\$111,955)	\$286,410
2030	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$1,211,600		(\$103,555)	\$182,855
2031	\$176,721,700	7.10	0.50	6.60	\$1,108,045	\$1,216,800		(\$108,755)	\$74,100

(1) Based on a current Bond Retirement Balance of \$2,105,000 per the District on September 11, 2020.

(2) Assumes the current 2020 Assessed Value of \$176,721,700 per ODT and no increase throughout the life of the bonds.

(3) Based upon current collection on UTGO Bonds of 7.10 Mills per Ohio Municipal Advisory Council and 95% annual tax collections based upon District's Continuing Disclosure.

(4) Assumes hypothetical refunding debt service on the 2021 Bonds. Rates have not yet been locked and therefore the debt service is not final.

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