

\$2,286,254

**ALEXANDRIA CENTRAL SCHOOL DISTRICT
JEFFERSON AND ST. LAWRENCE COUNTIES, NEW YORK
SCHOOL DISTRICT (SERIAL) BONDS, 2010**

NOTICE OF BOND SALE

Telephone (315-752-0051 Ext. 1), telefax (315-752-0057) will be received by the undersigned President of the Board of Education of the Alexandria Central School District, Jefferson and St. Lawrence Counties, New York (the "District") at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street, Suite 600, Syracuse, New York 13202, at 11:30 A.M., Prevailing Time, on Wednesday, June 30, 2010, at which time and place the bids will be opened for the purchase at not less than par and accrued interest of the \$2,286,254 aggregate principal amount of serial bonds herein described.

The Bonds are entitled School District (Serial) Bonds, 2010 (the "Bonds") and are general obligations of the District. Interest on the Bonds is payable on October 1, 2010 and semi-annually thereafter on April 1 and October 1 in each year to maturity. The record date for the Bonds will be the fifteenth day of the calendar month preceding such interest payment. The Bonds will be dated July 1, 2010, will mature on October 1 in the following years and amounts set forth below, and will be subject to optional redemption as discussed below:

MATURITIES

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2010	\$ 146,254	2015	\$ 150,000	2020	\$ 180,000
2011	130,000	2016	160,000	2021	190,000
2012	135,000	2017	165,000	2022	195,000
2013	140,000	2018	170,000	2023	205,000
2014	145,000	2019	175,000		

The annual principal installments set forth above, together with interest thereon are intended to provide substantially level or declining annual debt service. The District may, after selecting the successful bidder, by 3:00 o'clock P.M. (Prevailing Time) on June 30, 2010, adjust such installments of principal, in multiples of \$5,000, except for one odd denomination maturing in the year 2010, to the extent necessary to achieve substantially level or declining debt service. Any such adjustment shall be conclusive and shall be binding upon the successful bidder.

The Bonds maturing on or before October 1, 2016 shall not be subject to redemption prior to maturity. The Bonds maturing on or after October 1, 2017 shall be subject to redemption prior to maturity on not less than thirty (30) days notice as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the District on October 1, 2016 or on any interest payment date thereafter at par, plus accrued interest to the date of redemption.

The Bonds will be initially issued in fully registered form in denominations such that one Bond shall be issued for each maturity of Bonds and, when issued, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York, which will act as securities depository for the Bonds. Ownership interest in the Bonds will be transferred pursuant to the "Book-Entry-Only System" of The Depository Trust Company, as described in the Official Statement prepared by the District with respect to the Bonds. Principal and interest on the Bonds will be payable by check or draft mailed by the District to the Depository Trust Company, New York, New York, or to its nominee, Cede & Co., as the registered owner of the Bonds. Principal and interest will be payable in lawful money of the United States of America. The Bonds may not be converted into coupon Bonds or be registered to bearer.

Each bid must be for all of said \$2,286,254 and may state different rates of interest for bonds maturing in different calendar years; provided, however, that (i) only one rate of interest may be bid for all Bonds maturing in any one calendar year, (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 in any prior calendar year, and (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 to the bidder complying with the terms of sale and offering to purchase said Bonds at such 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, computed as described above, the Bonds will be awarded to the bidder whose bid offers to purchase the Bonds at the highest premium dollar amount. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Sale will be rejected. Said Bonds are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law, the Local Finance Law and a bond resolution adopted on May 22, 2007 by the Board of Education of the District (the "Resolution").

A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or wire transfer in the amount of \$45,725 payable to the order of the Alexandria Central School District, Jefferson and St. Lawrence Counties, New York, is required for each bid to be considered. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the District.

The Bonds will be valid and legally binding general obligations of the District, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount.

The State Constitution requires the District to pledge its faith and credit for the payment of the principal of the Bonds and the interest thereon and to make annual appropriations for the amounts required for the payment of such interest and the redemption of such Bonds. The State constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the Bonds and certain other obligations of the District, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; also that the fiscal officer of the District may be required to set apart and apply such revenues as aforesaid at the 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 99-b of the State Finance Law, State aid and assistance to the District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest.

The proceeds of the Bonds, together with \$213,746 available funds, will retire \$2,500,000 Bond Anticipation Notes, 2009 dated October 1, 2009 and maturing July 6, 2010 (the "2009 Notes") pursuant to the Resolution. The Resolution authorized renovations, reconstruction and additions to the District's K-12 Building and Bus Garage (the "Project").

THE DISTRICT RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF THE BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN 48 HOURS PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF THE BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF SALE TO BE TRANSMITTED OVER THE MUNIFACTS WIRE.

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefore shall be at the sole option and expense of such bidder and any increased costs of issuance of the Bonds resulting by reason of the same, including additional opinions of Bond Counsel addressed to any such bond insurer, 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 constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with the terms of the purchase contract.

In the event that prior to the delivery of the Bonds, the income received by owners of bonds of the same type and character becomes includable in the gross income of such owners for federal income tax purposes, the successful bidder may, at his or her election, be relieved of his or her obligations under the contract to purchase the Bonds, and in such case, the deposit accompanying his or her bid will be returned.

The Bonds will be delivered on or about July 14, 2010 in New York, New York, or at such other place as may be agreed upon with the successful bidder. 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 said delivery date, in an amount equal to the par amount of such Bonds, plus the premium, if any, plus accrued interest from the dated date of such Bonds until said day of delivery, less the amount of the good faith deposit submitted with the bid.

It is anticipated that CUSIP identification numbers will be printed on said Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said Bonds. All expenses in relation to the printing CUSIP numbers on said Bonds shall be paid for by the District; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

The purchaser shall be required to deliver a typewritten list of names and respective denominations of the initial registered owners to the Securities Depository (with a copy thereof to Bond Counsel mentioned below) not later than 12:00 Noon, Prevailing Time, on the fifth business day preceding the date set for the delivery of the Bonds. If such list is not so delivered, the Bonds will be issued initially in denominations corresponding to the principal amount of each respective maturity in the name of the purchaser as registered owner.

The Bonds will be available for inspection by the purchaser at the Depository Trust Company in New York, New York not less than 24 hours prior to the time set for the delivery thereof. It shall be the responsibility of the purchaser to verify the names of the respective initial registered owners, denominations and CUSIP numbers at such time.

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 certificate of the President of the Board of Education of the District certifying that (a) as of the date of the Official Statement furnished by the District in relation to the Bonds, said Official Statement did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the District is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his or her knowledge, since the date of said Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the District and no material adverse changes in the general affairs of the District or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement; (ii) 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; (iii) an Arbitrage and Use of Proceeds Certificate executed on behalf of the District which includes, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986, as amended (the "Code"), with the owners of the Bonds that the District will, among other things, (A) take all actions on its part necessary to cause interest on the Bonds not to be includable in 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, 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 (iv) the unqualified legal opinion as to the validity of the Bonds of Trespasz & Marquardt, LLP, Syracuse, New York, Bond Counsel. Reference should be made to the Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Bonds and the matters covered by such legal opinion. Furthermore, reference should be made to the information under the headings "Legal Matters" and "Tax Matters" in the Official Statement.

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 successful bidder will be required to provide to the District within ten (10) days after the award of the Bonds certain information regarding the reoffering price to the public of each maturity of the Bonds. The successful bidder shall furnish to the District a certificate acceptable to Bond Counsel, dated as to the day of closing for the Bonds, stating the initial prices at which a bona fide public offering of all the Bonds was made and stating that ten percent or more of the Bonds of each maturity were in fact sold to the public (excluding bond houses, brokers and other intermediaries) at or below such initial respective public offering prices. Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

The population of the District is estimated to be 3,925. The Debt Statement to be filed pursuant to Section 109.00 of the Local Finance Law, in connection with the sale of the Bonds herein described prepared as of June 15, 2010 will show the full valuation of real property subject to taxation by the District to be \$645,877,218; its debt limit to be \$64,587,721; and its bonded indebtedness, including the Bonds herein described, to be \$5,345,000.

Copies of the District's Official Statement dated June 21, 2010 relating to the Bonds offered hereby, this Notice of Sale and the Proposal for Bonds will be furnished upon application to the undersigned. The Official Statement is in a form "deemed final" by the District for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in a Final Official Statement.

In furtherance of the successful bidder's compliance with SEC Rule 15c2-12, within five business days following receipt by the District of written advice from the successful bidder setting forth the offering prices of the Bonds, whether any policy of municipal bond insurance has been purchased for the Bonds, the legal name and address of the successful bidder and the amount of selling compensation realized by the successful bidder, the District will furnish the successful bidder reasonable quantities of the Final Official Statement. Failure or delay by the successful bidder in providing such information will prevent the District from providing the Final Official Statement in accordance with SEC Rule 15c2-12. The District shall not be liable for failure to provide the Final Official Statement if such failure results from a failure by the successful bidder to provide the aforementioned information within the time specified. The District intends, for the benefit of the holders of the Bonds, to provide certain annual financial information and event notices to various information repositories and thereby comply with the provisions of SEC Rule 15c2-12, as amended, and Securities and Exchange Commission Release No. 34-34961, File No. S7-5-94 relating to municipal securities disclosure.

The School District will act as Paying Agent for the Bonds. The School District contact information is as follows: Walter F. Keeler, Business Administrator, District Offices, 34 Bolton Avenue, Alexandria Bay, New York 13607, Phone: (315) 482-9971, Fax: (315) 482-9973, email: wkeeler@alexandriacentral.org.

DATED: June 21, 2010

**Merritt Thomas
President of the Board of Education
Alexandria Central School District**

PROPOSAL FOR BONDS

Mr. Merritt Thomas
 President of the Board of Education
 Alexandria Central School District
 Jefferson and St. Lawrence Counties, New York
 c/o Fiscal Advisors & Marketing, Inc.
 120 Walton Street • Suite 600
 Syracuse, New York 13202
 Telephone # 315-752-0051 Ext. 1
 Telefax # 315-752-0057

SALE DATE: WEDNESDAY, JUNE 30, 2010
TIME: 11:30 A.M., PREVAILING TIME

ALEXANDRIA CENTRAL SCHOOL DISTRICT
JEFFERSON AND ST. LAWRENCE COUNTIES, NEW YORK
\$2,286,254 School District (Serial) Bonds, 2010

Dated: July 1, 2010

Due: October 1, 2010-2023

Dear Mr. Thomas:

For the \$2,286,254 School District (Serial) Bonds, 2010 of the Alexandria Central School District, Jefferson and St. Lawrence Counties, New York, subject to the annexed Notice of Bond Sale, which is hereby made a part of this bid, we will pay Two Million Two Hundred Eighty Six Thousand Two Hundred Fifty Four Dollars (\$2,286,254) plus a premium of (\$ _____) and accrued interest to date of delivery, provided that the bonds maturing in the several years set forth below shall bear interest from their date until maturity at the respective rates per annum stated in the following table:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2010	_____ %	2015	_____ %	2020	_____ %
2011	_____ %	2016	_____ %	2021	_____ %
2012	_____ %	2017	_____ %	2022	_____ %
2013	_____ %	2018	_____ %	2023	_____ %
2014	_____ %	2019	_____ %		

Check ONE of the following:

- We enclose herewith a cashier's or certified check for \$45,725 payable to the order of the Alexandria Central School District, Jefferson and St. Lawrence Counties, New York, to be returned to the undersigned upon the award of said Bonds provided this Bid is not accepted; or, the amount of said check to be retained as and for liquidated damages in case of the failure of the undersigned to make payment as agreed.
- Wire Transfer Sent.

Print Name of Bidder

Bank/Institution

Telephone () _____

Fax () _____

Email: _____

The following is our computation of the net interest cost, made as provided in the above mentioned Notice of Bond Sale, but not constituting any part of the foregoing proposal for the purchase of the \$2,286,254 Bonds therein described:

Gross Interest	\$ _____
Premium Bid Over Par	\$ _____
Total Interest	\$ _____
Effective Net Interest Rate	_____ %
	(four decimals)

Receipt for return of good faith deposit:

Received from Mr. Merritt Thomas, President of the Board of Education, a check for \$45,725 representing the return of our good faith deposit.
