Bendzinski & Co.

municipal finance advisors

February 14, 2012

Ms. Chelly Roush, Treasurer
County of Leelanau
8527 E. Government Center Drive
Suttons Bay, MI 49682

RE: $5,360,000 County of Leelanau, State of Michigan, Law Enforcement Center Refunding Bonds, Limited Tax General Obligation (Refunding of 2002 Law Enforcement Center Bonds)

Dear Ms. Roush:

This letter will confirm our recommendation that you on behalf of the County accept the bid of Robert W. Baird & Co., Inc., for the refunding of the above referenced bond issue. This will refund the outstanding Law Enforcement Center Bonds (Limited Tax General Obligation), dated December 1, 2002, maturing in the years 2013 through 2027. As indicated in our conversation of February 14, 2012, this is an excellent interest rate in today's interest rate environment and produces a gross savings of approximately $960,943 and a net present value savings of $788,530 over the life of the issue after paying all costs associated with this refunding. Therefore, we recommend that you accept the Bond Purchase Agreement.

For your review, we have attached a copy of the Results of Bidding.

Should you have any questions, or require any additional information, please do not hesitate to call.

Sincerely,

BENDZINSKI & CO.
Municipal Finance Advisors

Robert J. Bendzinski, CIPFA

RJB/jll
Enclosure
cc: Warren M. Creamer, III Baird
Steven Mann, MCPS

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Leelanau County

Limited Tax General Obligation Refunding Bonds, Series 2012

(Law Enforcement)

Dated: March 6, 2012

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Leelanau County

Law Enforcement Center Bonds

12/1/2002

Dated: June 1, 2011

Debt Service To Maturity And To Call

Date	Refunded Bonds	Premium	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
06/01/2012	5,500,000.00	27,500.00	123,343.75	5,650,843.75	-	3.750%	123,343.75	123,343.75
12/01/2012	-	-	-	-	-	-	123,343.75	123,343.75
06/01/2013	-	-	-	-	250,000.00	4.000%	123,343.75	373,343.75
12/01/2013	-	-	-	-	-	-	118,343.75	118,343.75
06/01/2014	-	-	-	-	250,000.00	4.000%	118,343.75	368,343.75
12/01/2014	-	-	-	-	-	-	113,343.75	113,343.75
06/01/2015	-	-	-	-	275,000.00	4.000%	113,343.75	388,343.75
12/01/2015	-	-	-	-	-	-	107,843.75	107,843.75
06/01/2016	-	-	-	-	300,000.00	4.100%	107,843.75	407,843.75
12/01/2016	-	-	-	-	-	-	101,693.75	101,693.75
06/01/2017	-	-	-	-	300,000.00	4.200%	101,693.75	401,693.75
12/01/2017	-	-	-	-	-	-	95,393.75	95,393.75
06/01/2018	-	-	-	-	325,000.00	4.300%	95,393.75	420,393.75
12/01/2018	-	-	-	-	-	-	88,406.25	88,406.25
06/01/2019	-	-	-	-	350,000.00	4.400%	88,406.25	438,406.25
12/01/2019	-	-	-	-	-	-	80,706.25	80,706.25
06/01/2020	-	-	-	-	350,000.00	4.500%	80,706.25	430,706.25
12/01/2020	-	-	-	-	-	-	72,831.25	72,831.25
06/01/2021	-	-	-	-	375,000.00	4.600%	72,831.25	447,831.25
12/01/2021	-	-	-	-	-	-	64,206.25	64,206.25
06/01/2022	-	-	-	-	400,000.00	4.650%	64,206.25	464,206.25
12/01/2022	-	-	-	-	-	-	54,906.25	54,906.25
06/01/2023	-	-	-	-	400,000.00	4.650%	54,906.25	454,906.25
12/01/2023	-	-	-	-	-	-	45,606.25	45,606.25
06/01/2024	-	-	-	-	450,000.00	4.700%	45,606.25	495,606.25
12/01/2024	-	-	-	-	-	-	35,031.25	35,031.25
06/01/2025	-	-	-	-	475,000.00	4.750%	35,031.25	510,031.25
12/01/2025	-	-	-	-	-	-	23,750.00	23,750.00
06/01/2026	-	-	-	-	500,000.00	4.750%	23,750.00	523,750.00
12/01/2026	-	-	-	-	-	-	11,875.00	11,875.00
06/01/2027	-	-	-	-	500,000.00	4.750%	11,875.00	511,875.00
Total	$5,500,000.00	$27,500.00	$123,343.75	$5,650,843.75	$5,500,000.00	-	$2,397,906.25	$7,897,906.25

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/06/2012
Average Life	9.204 Years
Average Coupon	4.6081425%
Weighted Average Maturity (Par Basis)	9.204 Years

Refunding Bond Information

Refunding Dated Date	3/06/2012
Refunding Delivery Date	3/06/2012

Leelanau County

Limited Tax General Obligation Refunding Bonds, Series 2012
(Law Enforcement)
Dated: March 6, 2012

Current Refunding Escrow

Date	Principal	Rate	Interest	+Transfers	Receipts	Disbursements	Cash Balance
03/06/2012	-	-	-	0.09	0.43	-	0.43
06/01/2012	5,584,668.00	0.080%	1,064.91	65,110.41	5,650,843.32	5,650,843.75	-
Total	$5,584,668.00	-	$1,064.91	$65,110.50	$5,650,843.75	$5,650,843.75	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cost of Investments Purchased with Fund Transfers	65,098.09
Cash Deposit	0.34
Cost of Investments Purchased with Bond Proceeds	5,584,668.00
Total Cost of Investments	$5,649,766.43
Target Cost of Investments at bond yield	$5,556,021.58
Actual positive or (negative) arbitrage	(28,646.76)
Yield to Receipt	0.0807691%
Yield for Arbitrage Purposes	2.2716575%
State and Local Government Series (SLGS) rates for	2/14/2012

Leelanau County

Limited Tax General Obligation Refunding Bonds, Series 2012

(Law Enforcement)

Dated: March 6, 2012

Sources & Uses

Dated 03/06/2012 | Delivered 03/06/2012

Sources Of Funds	
Par Amount of Bonds	$5,360,000.00
Reoffering Premium	346,598.90
Transfers from Prior Issue Debt Service Funds	65,098.09
Total Sources	**$5,771,696.99**
Uses Of Funds	
Deposit to Current Refunding Fund	5,649,766.43
Total Underwriter's Discount (1.000%)	53,600.00
Financial Advisor	27,500.00
Bond Counsel	21,000.00
Rating Agency Fee (Estimated)	10,500.00
Official Statement Preparation and Distribution	3,500.00
Verification Agent	2,000.00
Rounding Amount	1,180.56
Treasury, Publications & Misc	1,000.00
Escrow Agent Fee	750.00
Paying Agent	500.00
MAC Fee	400.00
Total Uses	**$5,771,696.99**

Leelanau County

Limited Tax General Obligation Refunding Bonds, Series 2012
(Law Enforcement)
Dated: March 6, 2012

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Total
03/06/2012	-	-	-	-	-
12/01/2012	-	-	120,170.14	120,170.14	-
12/31/2012	-	-	-	-	120,170.14
06/01/2013	270,000.00	2.000%	81,625.00	351,625.00	-
12/01/2013	-	-	78,925.00	78,925.00	-
12/31/2013	-	-	-	-	430,550.00
06/01/2014	265,000.00	2.000%	78,925.00	343,925.00	-
12/01/2014	-	-	76,275.00	76,275.00	-
12/31/2014	-	-	-	-	420,200.00
06/01/2015	285,000.00	2.000%	76,275.00	361,275.00	-
12/01/2015	-	-	73,425.00	73,425.00	-
12/31/2015	-	-	-	-	434,700.00
06/01/2016	310,000.00	3.000%	73,425.00	383,425.00	-
12/01/2016	-	-	68,775.00	68,775.00	-
12/31/2016	-	-	-	-	452,200.00
06/01/2017	305,000.00	3.000%	68,775.00	373,775.00	-
12/01/2017	-	-	64,200.00	64,200.00	-
12/31/2017	-	-	-	-	437,975.00
06/01/2018	325,000.00	3.000%	64,200.00	389,200.00	-
12/01/2018	-	-	59,325.00	59,325.00	-
12/31/2018	-	-	-	-	448,525.00
06/01/2019	350,000.00	4.000%	59,325.00	409,325.00	-
12/01/2019	-	-	52,325.00	52,325.00	-
12/31/2019	-	-	-	-	461,650.00
06/01/2020	345,000.00	4.000%	52,325.00	397,325.00	-
12/01/2020	-	-	45,425.00	45,425.00	-
12/31/2020	-	-	-	-	442,750.00
06/01/2021	370,000.00	4.000%	45,425.00	415,425.00	-
12/01/2021	-	-	38,025.00	38,025.00	-
12/31/2021	-	-	-	-	453,450.00
06/01/2022	390,000.00	3.000%	38,025.00	428,025.00	-
12/01/2022	-	-	32,175.00	32,175.00	-
12/31/2022	-	-	-	-	460,200.00
06/01/2023	380,000.00	3.000%	32,175.00	412,175.00	-
12/01/2023	-	-	26,475.00	26,475.00	-
12/31/2023	-	-	-	-	438,650.00
06/01/2024	425,000.00	3.000%	26,475.00	451,475.00	-
12/01/2024	-	-	20,100.00	20,100.00	-
12/31/2024	-	-	-	-	471,575.00
06/01/2025	440,000.00	3.000%	20,100.00	460,100.00	-
12/01/2025	-	-	13,500.00	13,500.00	-
12/31/2025	-	-	-	-	473,600.00
06/01/2026	455,000.00	3.000%	13,500.00	468,500.00	-
12/01/2026	-	-	6,675.00	6,675.00	-
12/31/2026	-	-	-	-	475,175.00
06/01/2027	445,000.00	3.000%	6,675.00	451,675.00	-
12/31/2027	-	-	-	-	451,675.00
Total	$5,360,000.00	-	$1,513,045.14	$6,873,045.14	-

Yield Statistics

Bond Year Dollars	$48,120.56
Average Life	8.978 Years
Average Coupon	3.1442803%
Net Interest Cost (NIC)	2.5353952%
True Interest Cost (TIC)	2.4475872%
Bond Yield for Arbitrage Purposes	2.2716575%
All Inclusive Cost (AIC)	2.6029743%

IRS Form 8038

Net Interest Cost	2.2909552%
Weighted Average Maturity	8.922 Years

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Leelanau County

Limited Tax General Obligation Refunding Bonds, Series 2012
(Law Enforcement)
Dated: March 6, 2012

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings	Total
03/06/2012	-	-	(1,180.56)	(65,098.09)	(63,917.53)	-
06/01/2012	-	229,218.75	229,218.75	352,562.50	123,343.75	-
12/01/2012	120,170.14	-	120,170.14	123,343.75	3,173.61	-
12/31/2012	-	-	-	-	-	62,599.83
06/01/2013	351,625.00	-	351,625.00	373,343.75	21,718.75	-
12/01/2013	78,925.00	-	78,925.00	118,343.75	39,418.75	-
12/31/2013	-	-	-	-	-	61,137.50
06/01/2014	343,925.00	-	343,925.00	368,343.75	24,418.75	-
12/01/2014	76,275.00	-	76,275.00	113,343.75	37,068.75	-
12/31/2014	-	-	-	-	-	61,487.50
06/01/2015	361,275.00	-	361,275.00	388,343.75	27,068.75	-
12/01/2015	73,425.00	-	73,425.00	107,843.75	34,418.75	-
12/31/2015	-	-	-	-	-	61,487.50
06/01/2016	383,425.00	-	383,425.00	407,843.75	24,418.75	-
12/01/2016	68,775.00	-	68,775.00	101,693.75	32,918.75	-
12/31/2016	-	-	-	-	-	57,337.50
06/01/2017	373,775.00	-	373,775.00	401,693.75	27,918.75	-
12/01/2017	64,200.00	-	64,200.00	95,393.75	31,193.75	-
12/31/2017	-	-	-	-	-	59,112.50
06/01/2018	389,200.00	-	389,200.00	420,393.75	31,193.75	-
12/01/2018	59,325.00	-	59,325.00	88,406.25	29,081.25	-
12/31/2018	-	-	-	-	-	60,275.00
06/01/2019	409,325.00	-	409,325.00	438,406.25	29,081.25	-
12/01/2019	52,325.00	-	52,325.00	80,706.25	28,381.25	-
12/31/2019	-	-	-	-	-	57,462.50
06/01/2020	397,325.00	-	397,325.00	430,706.25	33,381.25	-
12/01/2020	45,425.00	-	45,425.00	72,831.25	27,406.25	-
12/31/2020	-	-	-	-	-	60,787.50
06/01/2021	415,425.00	-	415,425.00	447,831.25	32,406.25	-
12/01/2021	38,025.00	-	38,025.00	64,206.25	26,181.25	-
12/31/2021	-	-	-	-	-	58,587.50
06/01/2022	428,025.00	-	428,025.00	464,206.25	36,181.25	-
12/01/2022	32,175.00	-	32,175.00	54,906.25	22,731.25	-
12/31/2022	-	-	-	-	-	58,912.50
06/01/2023	412,175.00	-	412,175.00	454,906.25	42,731.25	-
12/01/2023	26,475.00	-	26,475.00	45,606.25	19,131.25	-
12/31/2023	-	-	-	-	-	61,862.50
06/01/2024	451,475.00	-	451,475.00	495,606.25	44,131.25	-
12/01/2024	20,100.00	-	20,100.00	35,031.25	14,931.25	-
12/31/2024	-	-	-	-	-	59,062.50
06/01/2025	460,100.00	-	460,100.00	510,031.25	49,931.25	-
12/01/2025	13,500.00	-	13,500.00	23,750.00	10,250.00	-
12/31/2025	-	-	-	-	-	60,181.25
06/01/2026	468,500.00	-	468,500.00	523,750.00	55,250.00	-
12/01/2026	6,675.00	-	6,675.00	11,875.00	5,200.00	-
12/31/2026	-	-	-	-	-	60,450.00
06/01/2027	451,675.00	-	451,675.00	511,875.00	60,200.00	-
12/31/2027	-	-	-	-	-	60,200.00
Total	$6,873,045.14	$229,218.75	$7,101,083.33	$8,062,026.91	$960,943.58	-

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	960,943.58
Gross PV Debt Service Savings	852,478.50
Net PV Cashflow Savings @ 2.603%(AIC)	852,478.50
Transfers from Prior Issue Debt Service Fund	(65,098.09)
Contingency or Rounding Amount	1,180.56
Net Present Value Benefit	$788,560.97
Net PV Benefit / $5,500,000 Refunded Principal	14.337%
Average Annual Cash Flow Savings	60,058.97

Refunding Bond Information

Refunding Dated Date	3/06/2012
Refunding Delivery Date	3/06/2012

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Leelanau County

Limited Tax General Obligation Refunding Bonds, Series 2012
(Law Enforcement)
Dated: March 6, 2012

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		Dollar Price
06/01/2013	Serial Coupon	2.000%	0.450%	270,000.00	101.908%		275,151.60
06/01/2014	Serial Coupon	2.000%	0.750%	265,000.00	102.766%		272,329.90
06/01/2015	Serial Coupon	2.000%	0.900%	285,000.00	103.500%		294,975.00
06/01/2016	Serial Coupon	3.000%	1.050%	310,000.00	108.057%		334,976.70
06/01/2017	Serial Coupon	3.000%	1.150%	305,000.00	109.373%		333,587.65
06/01/2018	Serial Coupon	3.000%	1.500%	325,000.00	108.896%		353,912.00
06/01/2019	Serial Coupon	4.000%	1.750%	350,000.00	115.227%		403,294.50
06/01/2020	Serial Coupon	4.000%	2.000%	345,000.00	115.115%		397,146.75
06/01/2021	Serial Coupon	4.000%	2.200%	370,000.00	114.967%		425,377.90
06/01/2022	Serial Coupon	3.000%	2.350%	390,000.00	105.366%	c	410,927.40
06/01/2023	Serial Coupon	3.000%	2.450%	380,000.00	104.519%	c	397,172.20
06/01/2024	Serial Coupon	3.000%	2.550%	425,000.00	103.679%	c	440,635.75
06/01/2025	Serial Coupon	3.000%	2.650%	440,000.00	102.848%	c	452,531.20
06/01/2026	Serial Coupon	3.000%	2.750%	455,000.00	102.024%	c	464,209.20
06/01/2027	Serial Coupon	3.000%	2.850%	445,000.00	101.207%	c	450,371.15
Total	-	-	-	$5,360,000.00	-	-	$5,706,598.90

Bid Information

Par Amount of Bonds	$5,360,000.00
Reoffering Premium or (Discount)	346,598.90
Gross Production	$5,706,598.90
Total Underwriter's Discount (1.000%)	$(53,600.00)
Bid (105.466%)	5,652,998.90
Total Purchase Price	$5,652,998.90
Bond Year Dollars	$48,120.56
Average Life	8.978 Years
Average Coupon	3.1442803%
Net Interest Cost (NIC)	2.5353952%
True Interest Cost (TIC)	2.4475872%

Leelanau County

Law Enforcement Center Bonds

12/1/2002

Dated: June 1, 2011

Current Outstanding Debt Service

Date	Principal	Coupon	Interest	Total P+I
06/01/2012	225,000.00	3.750%	4,218.75	229,218.75
Total	$225,000.00	-	$4,218.75	$229,218.75

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/06/2012
Average Life	0.236 Years
Average Coupon	3.7500000%
Weighted Average Maturity (Par Basis)	0.236 Years

Refunding Bond Information

Refunding Dated Date	3/06/2012
Refunding Delivery Date	3/06/2012