

Future Bond Sale Options



Meridian CUSD #223

Ogle and Winnebago Counties



Discussion Summary

Page 3	Overview
Page 4	Current Levies & Projected B&I Rate (Revised)
Pages 5-9	Option 1 - \$42,173,750 High School and Auditorium
Pages 10- 14	Option 2 - \$27,096,904 Elementary School, Additions, and Convert High School Gym to Auditorium
Pages 15-18	Option 3 - \$17,709,198 Additions & Auditorium Conversion
Pages 19-21	Taxpayer Impact
Page 22	Bonding Capacity

Each option contains reports in the following order: Summary Page, First Sale Debt Service and Levies, Second Sale Debt Service and Levies (if a second sale is required), Total Debt Service Graph, and B&I Tax Rate Graph.

Overview

- Proceeds generated by one or two Building Bond sales depending on size
- Premium Capital Appreciation Bonds are used because of constraints on bonding capacity; the District may choose another route to secure additional bonding capacity, such as special legislation
- The statutory par value is listed, which is what is subtracted from bonding capacity, and then the actual proceeds of the bond issue are listed
- Since we are assuming less growth next year due to PTAB adjustment, the reference rate for 2007 is \$.81 instead of \$.80
- Three scenarios are detailed:
 - Option 1 \$42,173,750 High School and Auditorium
 - Option 2 \$27,056,904 New Elementary School and Additions
 - Option 3 \$17,709,198 Additions, and Auditorium Conversion

Current Levies & Projected B&I Impact (2007 Adjusted for \$3,000,000 EAV Decline)

Levy Year	Series 1991 Levies	Series 1993 Levies	Series 2000 Levies	Series 2002 Levies	Total Levies	EAV at 5% After 2006	B & I Rate
2005	\$373,431	\$126,005	\$605,000	\$90,000	\$1,194,436	\$140,636,610	\$0.85
2006	\$383,228	\$134,195	\$630,000	\$95,000	\$1,242,423	\$154,388,604	\$0.80
2007		\$295,118	\$900,000	\$100,000	\$1,295,118	\$159,108,034	\$0.81
2008			\$1,245,000	\$100,000	\$1,345,000	\$167,063,436	\$0.81
2009			\$1,295,000	\$105,000	\$1,400,000	\$175,416,608	\$0.80
2010			\$1,345,000	\$110,000	\$1,455,000	\$184,187,438	\$0.79
2011			\$1,400,000	\$115,000	\$1,515,000	\$193,396,810	\$0.78
2012			\$1,455,000	\$120,000	\$1,575,000	\$203,066,650	\$0.78
2013			\$1,515,000	\$125,000	\$1,640,000	\$213,219,983	\$0.77
2014			\$1,575,000	\$130,000	\$1,705,000	\$223,880,982	\$0.76
2015			\$1,640,000	\$135,000	\$1,775,000	\$235,075,031	\$0.76
2016			\$1,705,000	\$140,000	\$1,845,000	\$246,828,783	\$0.75
2017			\$1,770,000	\$150,000	\$1,920,000	\$259,170,222	\$0.74
2018			\$1,840,000	\$155,000	\$1,995,000	\$272,128,733	\$0.73
2019				\$2,075,000	\$2,075,000	\$285,735,170	\$0.73
2020				\$270,000	\$270,000	\$300,021,928	\$0.09

Option 1 \$42,173,750
High School and Auditorium
with Split Sales Over Two-Years:

\$20,900,000 6-1-08

\$21,273,750 6-1-10

- Total proceeds \$42,173,750
- Tax rate at \$1.72, an increase of \$.91 over prior rate of \$.81
- First sale fits within projected bonding capacity if sold as premium bonds. Second sale exceeds debt capacity, and even though we are using maximum premium, we might still need special legislation or another exemption.

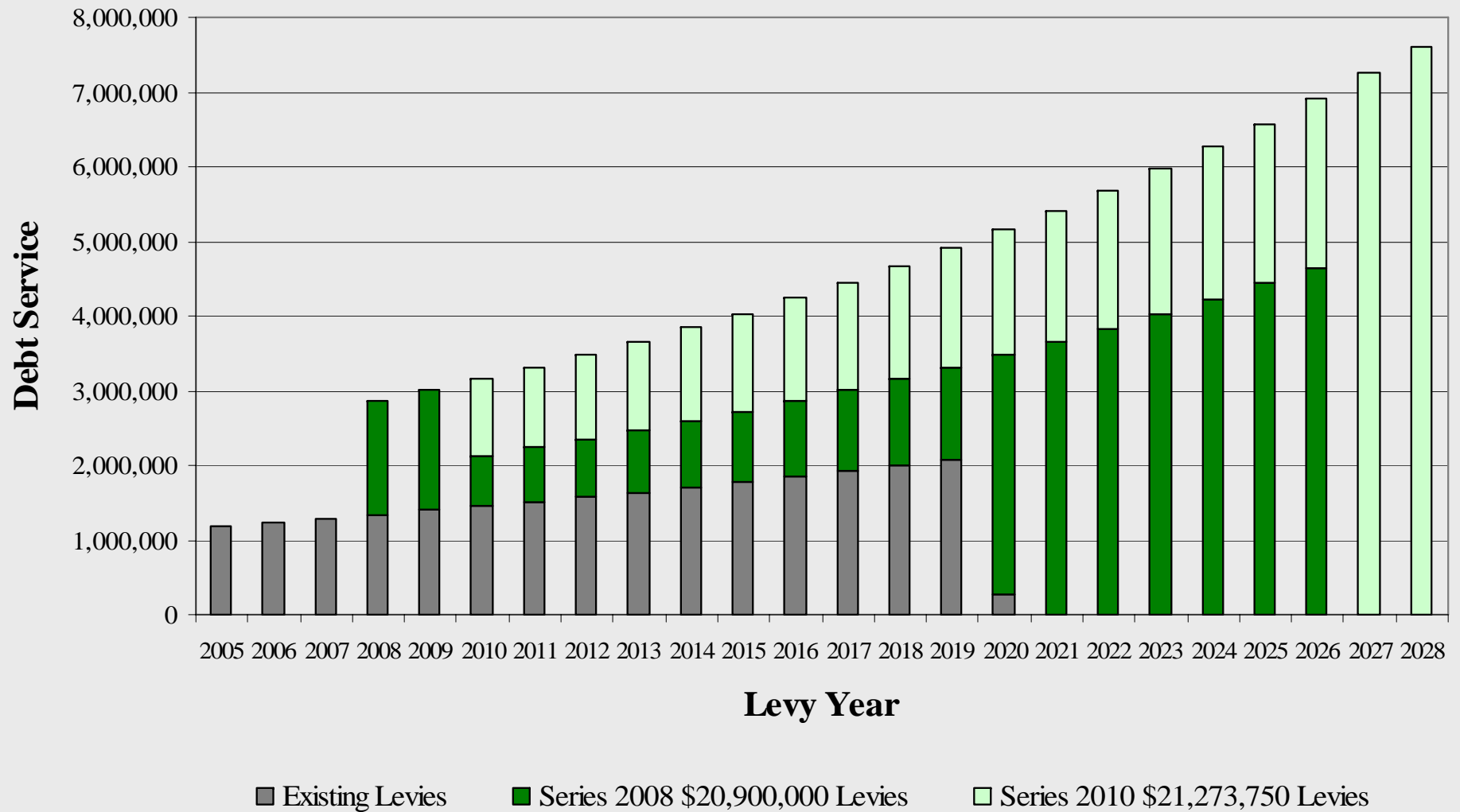
Sale 1 :
Sell \$13,705,891 of Building Bonds June 2008
(\$20,900,000 Proceeds, Interest Rates as of 9-05-07)

Levy Year	Series 1991 Levies	Series 1993 Levies	Series 2000 Levies	Series 2002 Levies	\$20,900,000 Series 2008		Total Levies	EAV at 5%	B & I Rate
					6/1/2008 Levies				
2005	373,431	126,005	605,000	90,000			1,194,436	140,636,610	0.85
2006	383,228	134,195	630,000	95,000			1,242,423	154,388,604	0.80
2007		295,118	900,000	100,000			1,295,118	159,108,034	0.81
2008			1,245,000	100,000	1,525,000		2,870,000	167,063,436	1.72
2009			1,295,000	105,000	1,610,000		3,010,000	175,416,608	1.72
2010			1,345,000	110,000	680,000		2,135,000	184,187,438	1.16
2011			1,400,000	115,000	725,000		2,240,000	193,396,810	1.16
2012			1,455,000	120,000	780,000		2,355,000	203,066,650	1.16
2013			1,515,000	125,000	830,000		2,470,000	213,219,983	1.16
2014			1,575,000	130,000	890,000		2,595,000	223,880,982	1.16
2015			1,640,000	135,000	950,000		2,725,000	235,075,031	1.16
2016			1,705,000	140,000	1,015,000		2,860,000	246,828,783	1.16
2017			1,770,000	150,000	1,085,000		3,005,000	259,170,222	1.16
2018			1,840,000	155,000	1,160,000		3,155,000	272,128,733	1.16
2019				2,075,000	1,235,000		3,310,000	285,735,170	1.16
2020				270,000	3,210,000		3,480,000	300,021,928	1.16
2021					3,650,000		3,650,000	315,023,025	1.16
2022					3,835,000		3,835,000	330,774,176	1.16
2023					4,025,000		4,025,000	347,312,885	1.16
2024					4,230,000		4,230,000	364,678,529	1.16
2025					4,440,000		4,440,000	382,912,455	1.16
2026					4,640,000		4,640,000	402,058,078	1.15
2027								422,160,982	0.00
2028								443,269,031	0.00

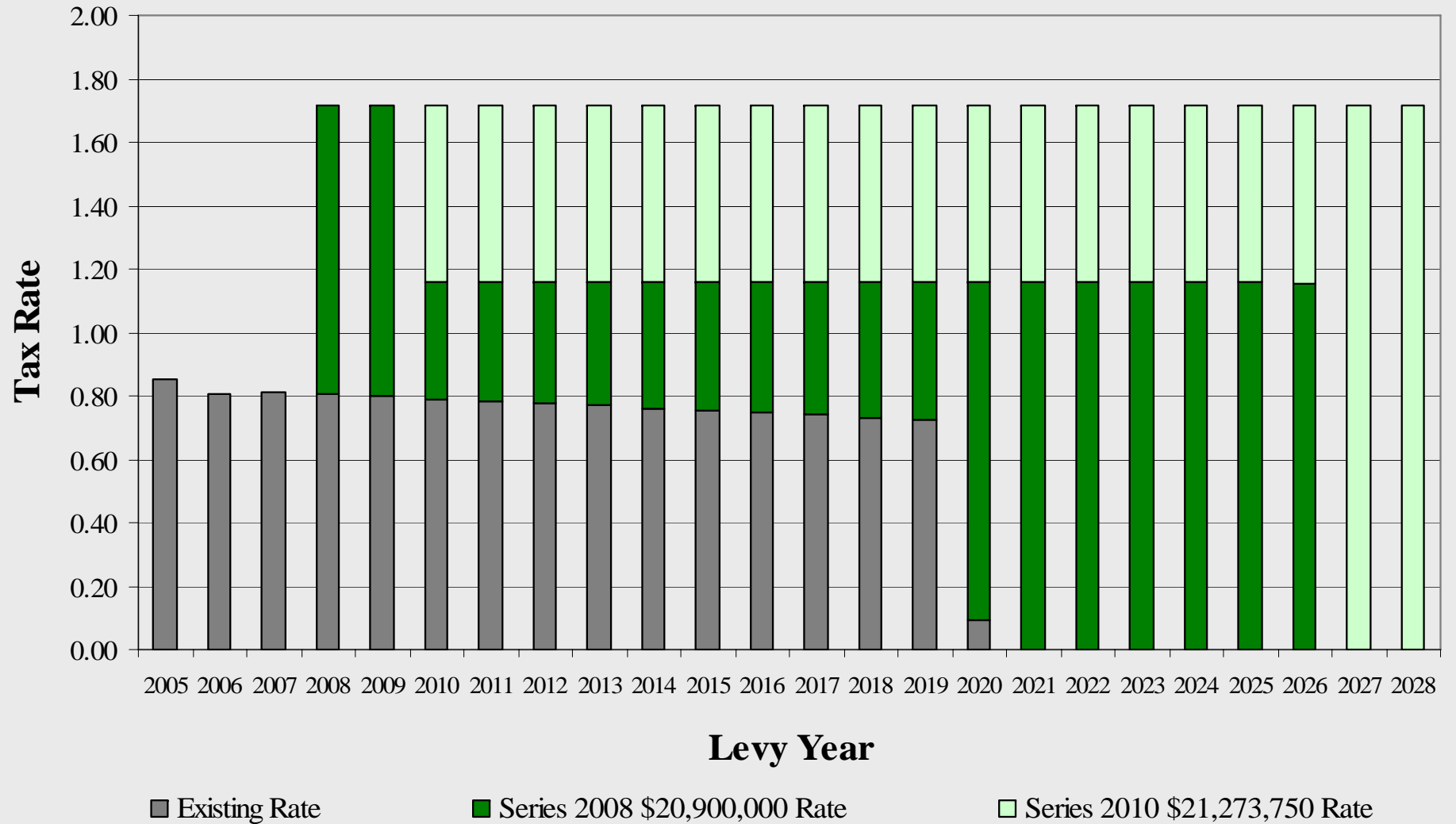
Sale 2 :
Sell \$14,183,823 of Building Bonds June 2010
(\$21,273,750 Proceeds, Interest Rates as of 9-05-07)

Levy Year	Series 1991 Levies	Series 1993 Levies	Series 2000 Levies	Series 2002 Levies	\$20,900,000	\$21,273,750	Total Levies	EAV at 5%	B & I Rate
					Series 2008 6/1/2008 Levies	Series 2010 6/1/2010 Levies			
2005	373,431	126,005	605,000	90,000			1,194,436	140,636,610	0.85
2006	383,228	134,195	630,000	95,000			1,242,423	154,388,604	0.80
2007		295,118	900,000	100,000			1,295,118	159,108,034	0.81
2008			1,245,000	100,000	1,525,000		2,870,000	167,063,436	1.72
2009			1,295,000	105,000	1,610,000		3,010,000	175,416,608	1.72
2010			1,345,000	110,000	680,000	1,025,000	3,160,000	184,187,438	1.72
2011			1,400,000	115,000	725,000	1,080,000	3,320,000	193,396,810	1.72
2012			1,455,000	120,000	780,000	1,130,000	3,485,000	203,066,650	1.72
2013			1,515,000	125,000	830,000	1,190,000	3,660,000	213,219,983	1.72
2014			1,575,000	130,000	890,000	1,250,000	3,845,000	223,880,982	1.72
2015			1,640,000	135,000	950,000	1,310,000	4,035,000	235,075,031	1.72
2016			1,705,000	140,000	1,015,000	1,380,000	4,240,000	246,828,783	1.72
2017			1,770,000	150,000	1,085,000	1,445,000	4,450,000	259,170,222	1.72
2018			1,840,000	155,000	1,160,000	1,520,000	4,675,000	272,128,733	1.72
2019				2,075,000	1,235,000	1,595,000	4,905,000	285,735,170	1.72
2020				270,000	3,210,000	1,670,000	5,150,000	300,021,928	1.72
2021					3,650,000	1,760,000	5,410,000	315,023,025	1.72
2022					3,835,000	1,845,000	5,680,000	330,774,176	1.72
2023					4,025,000	1,940,000	5,965,000	347,312,885	1.72
2024					4,230,000	2,035,000	6,265,000	364,678,529	1.72
2025					4,440,000	2,135,000	6,575,000	382,912,455	1.72
2026					4,640,000	2,265,000	6,905,000	402,058,078	1.72
2027						7,250,000	7,250,000	422,160,982	1.72
2028						7,610,000	7,610,000	443,269,031	1.72

Debt Service for a Two Year Split Sale



B&I Tax Rate for a Two Year Split Sale



Option 2 \$27,056,904
High School and Auditorium
with Split Sales Over Two-Years:

\$21,450,000 6-1-08

\$5,606,904 6-1-10

- Total proceeds \$27,056,904
- Tax rate at \$1.29, an increase of \$.48 over prior rate of \$.81
- Both sales fit within projected bonding capacity if sold as premium bonds.
- First sale could be larger if tax rate does not need to be level over the full 22 years.

Sale 1 :
Sell \$13,706,637 of Building Bonds June 2008
(\$21,450,000 Proceeds, Interest Rates as of 9-05-07)

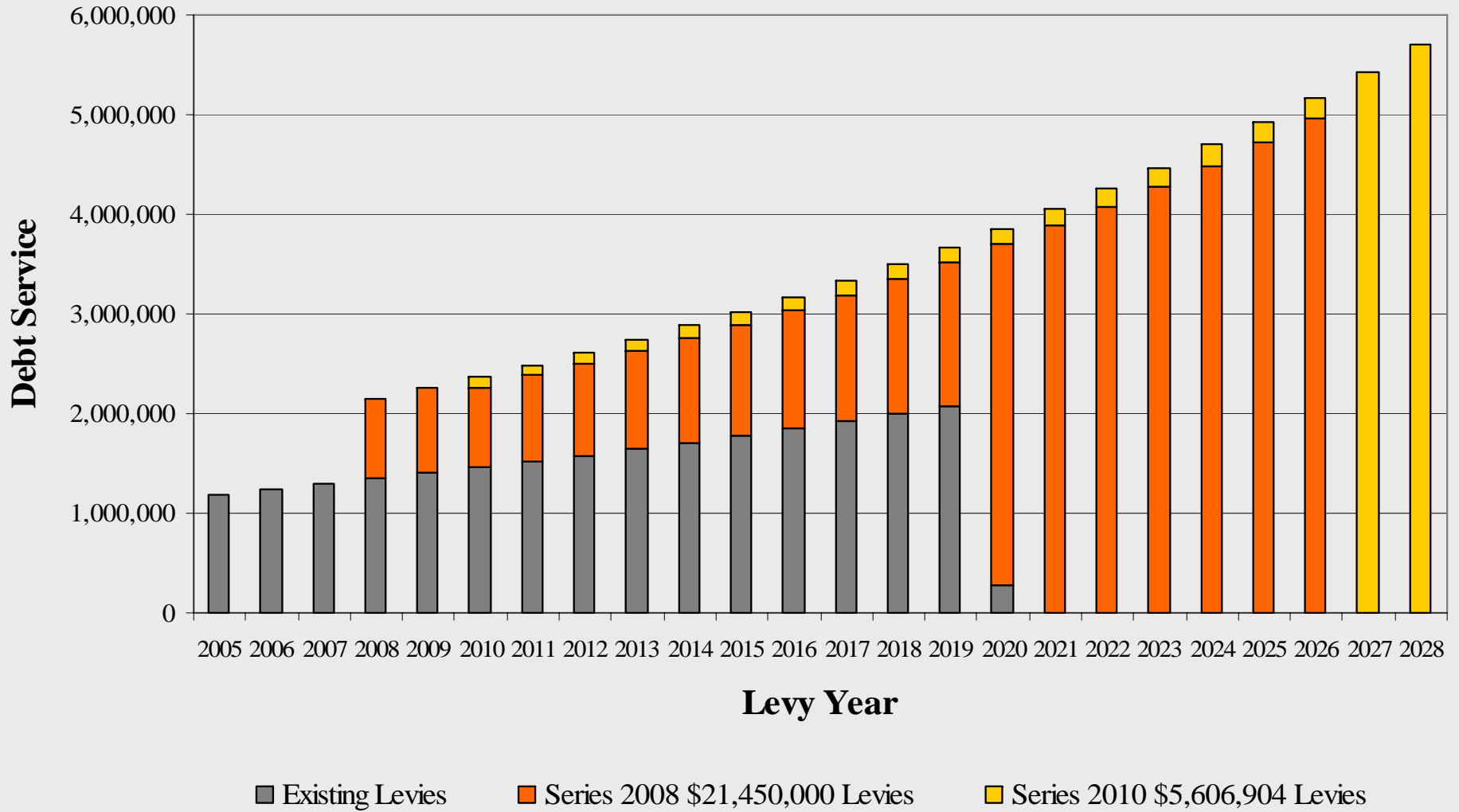
Levy Year	Series 1991 Levies	Series 1993 Levies	Series 2000 Levies	Series 2002 Levies	\$21,450,000 Series 2008		Total Levies	EAV at 5%	B & I Rate
					6/1/2008 Levies				
2005	373,431	126,005	605,000	90,000			1,194,436	140,636,610	0.85
2006	383,228	134,195	630,000	95,000			1,242,423	154,388,604	0.80
2007		295,118	900,000	100,000			1,295,118	159,108,034	0.81
2008			1,245,000	100,000	805,000		2,150,000	167,063,436	1.29
2009			1,295,000	105,000	855,000		2,255,000	175,416,608	1.29
2010			1,345,000	110,000	810,000		2,265,000	184,187,438	1.23
2011			1,400,000	115,000	865,000		2,380,000	193,396,810	1.23
2012			1,455,000	120,000	925,000		2,500,000	203,066,650	1.23
2013			1,515,000	125,000	985,000		2,625,000	213,219,983	1.23
2014			1,575,000	130,000	1,050,000		2,755,000	223,880,982	1.23
2015			1,640,000	135,000	1,120,000		2,895,000	235,075,031	1.23
2016			1,705,000	140,000	1,195,000		3,040,000	246,828,783	1.23
2017			1,770,000	150,000	1,270,000		3,190,000	259,170,222	1.23
2018			1,840,000	155,000	1,355,000		3,350,000	272,128,733	1.23
2019				2,075,000	1,445,000		3,520,000	285,735,170	1.23
2020				270,000	3,425,000		3,695,000	300,021,928	1.23
2021					3,880,000		3,880,000	315,023,025	1.23
2022					4,075,000		4,075,000	330,774,176	1.23
2023					4,275,000		4,275,000	347,312,885	1.23
2024					4,490,000		4,490,000	364,678,529	1.23
2025					4,715,000		4,715,000	382,912,455	1.23
2026					4,955,000		4,955,000	402,058,078	1.23
2027								422,160,982	0.00
2028								443,269,031	0.00

Sale 2 :

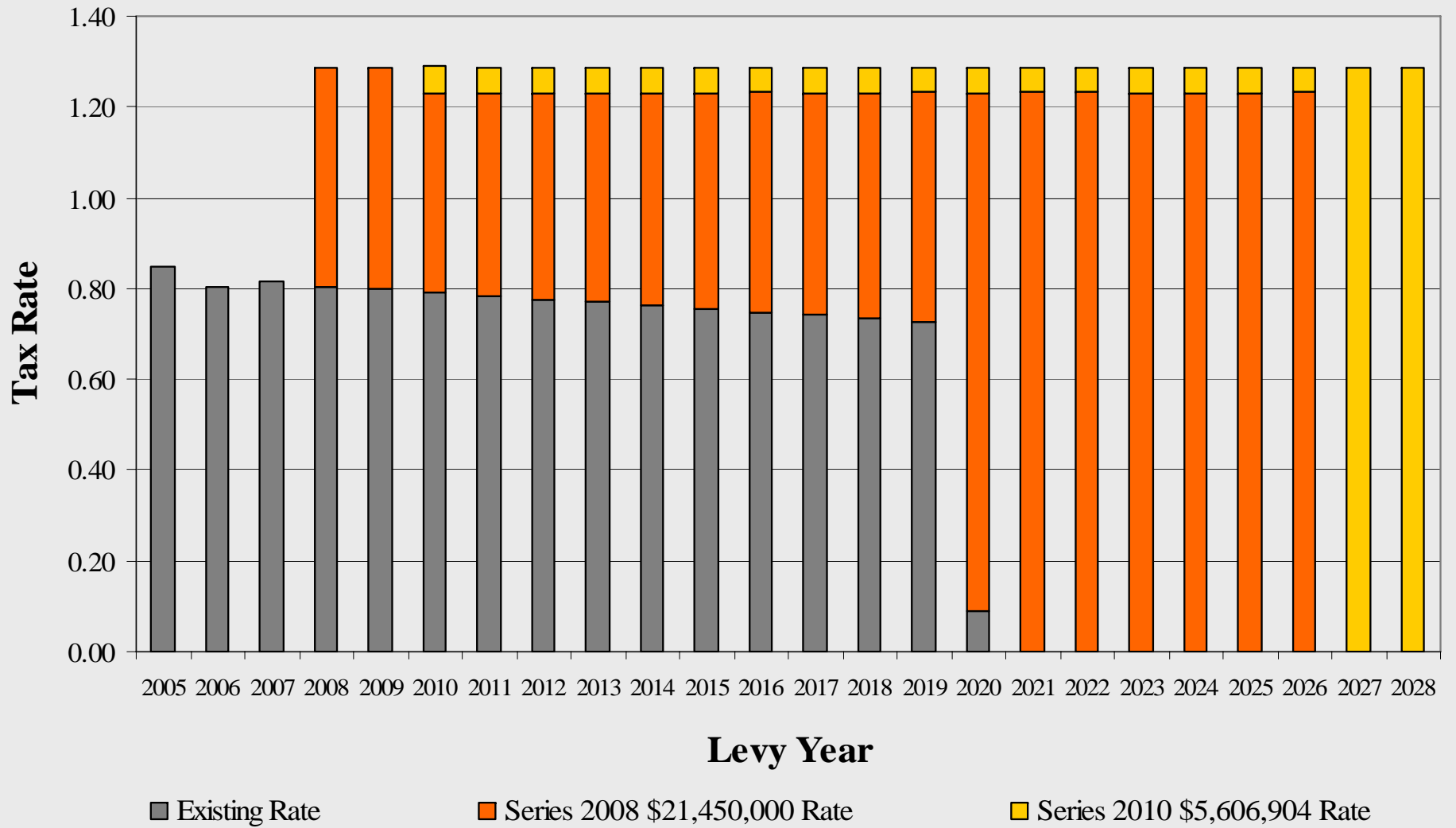
Sell \$3,220,941 of Building Bonds June 2010 ((\$5,606,904 Proceeds, Interest Rates as of 09-05-07))

Levy Year	Series 1991 Levies	Series 1993 Levies	Series 2000 Levies	Series 2002 Levies	\$21,450,000	\$5,606,904	Total Levies	EAV at 5%	B & I Rate
					Series 2008 6/1/2008 Levies	Series 2010 6/1/2010 Levies			
2005	373,431	126,005	605,000	90,000			1,194,436	140,636,610	0.85
2006	383,228	134,195	630,000	95,000			1,242,423	154,388,604	0.80
2007		295,118	900,000	100,000			1,295,118	159,108,034	0.81
2008			1,245,000	100,000	805,000		2,150,000	167,063,436	1.29
2009			1,295,000	105,000	855,000		2,255,000	175,416,608	1.29
2010			1,345,000	110,000	810,000	110,000	2,375,000	184,187,438	1.29
2011			1,400,000	115,000	865,000	105,000	2,485,000	193,396,810	1.28
2012			1,455,000	120,000	925,000	110,000	2,610,000	203,066,650	1.29
2013			1,515,000	125,000	985,000	115,000	2,740,000	213,219,983	1.29
2014			1,575,000	130,000	1,050,000	125,000	2,880,000	223,880,982	1.29
2015			1,640,000	135,000	1,120,000	130,000	3,025,000	235,075,031	1.29
2016			1,705,000	140,000	1,195,000	135,000	3,175,000	246,828,783	1.29
2017			1,770,000	150,000	1,270,000	145,000	3,335,000	259,170,222	1.29
2018			1,840,000	155,000	1,355,000	150,000	3,500,000	272,128,733	1.29
2019				2,075,000	1,445,000	155,000	3,675,000	285,735,170	1.29
2020				270,000	3,425,000	165,000	3,860,000	300,021,928	1.29
2021					3,880,000	170,000	4,050,000	315,023,025	1.29
2022					4,075,000	180,000	4,255,000	330,774,176	1.29
2023					4,275,000	195,000	4,470,000	347,312,885	1.29
2024					4,490,000	205,000	4,695,000	364,678,529	1.29
2025					4,715,000	215,000	4,930,000	382,912,455	1.29
2026					4,955,000	220,000	5,175,000	402,058,078	1.29
2027						5,435,000	5,435,000	422,160,982	1.29
2028						5,705,000	5,705,000	443,269,031	1.29

Debt Service for a Two Year Split Sale



B&I Tax Rate for a Two Year Split Sale



Option 3 - \$17,709,198
Additions and Auditorium
Conversion

\$17,709,198 6-1-08

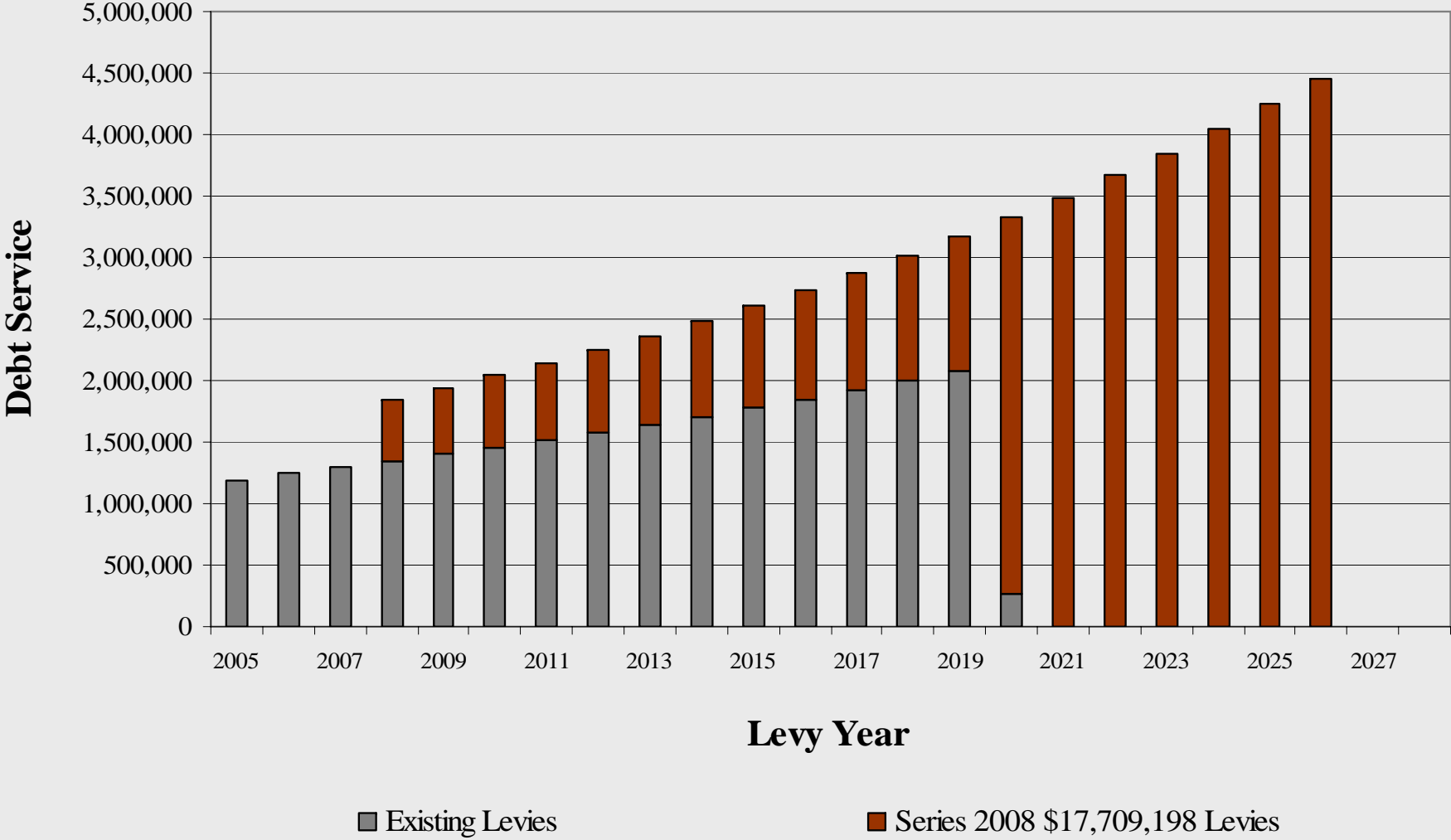
- Total proceeds \$17,709,198
- Tax rate at \$1.11, an increase of \$.30 over prior rate of \$.81

Sell \$11,090,000 of Building Bonds June 2008

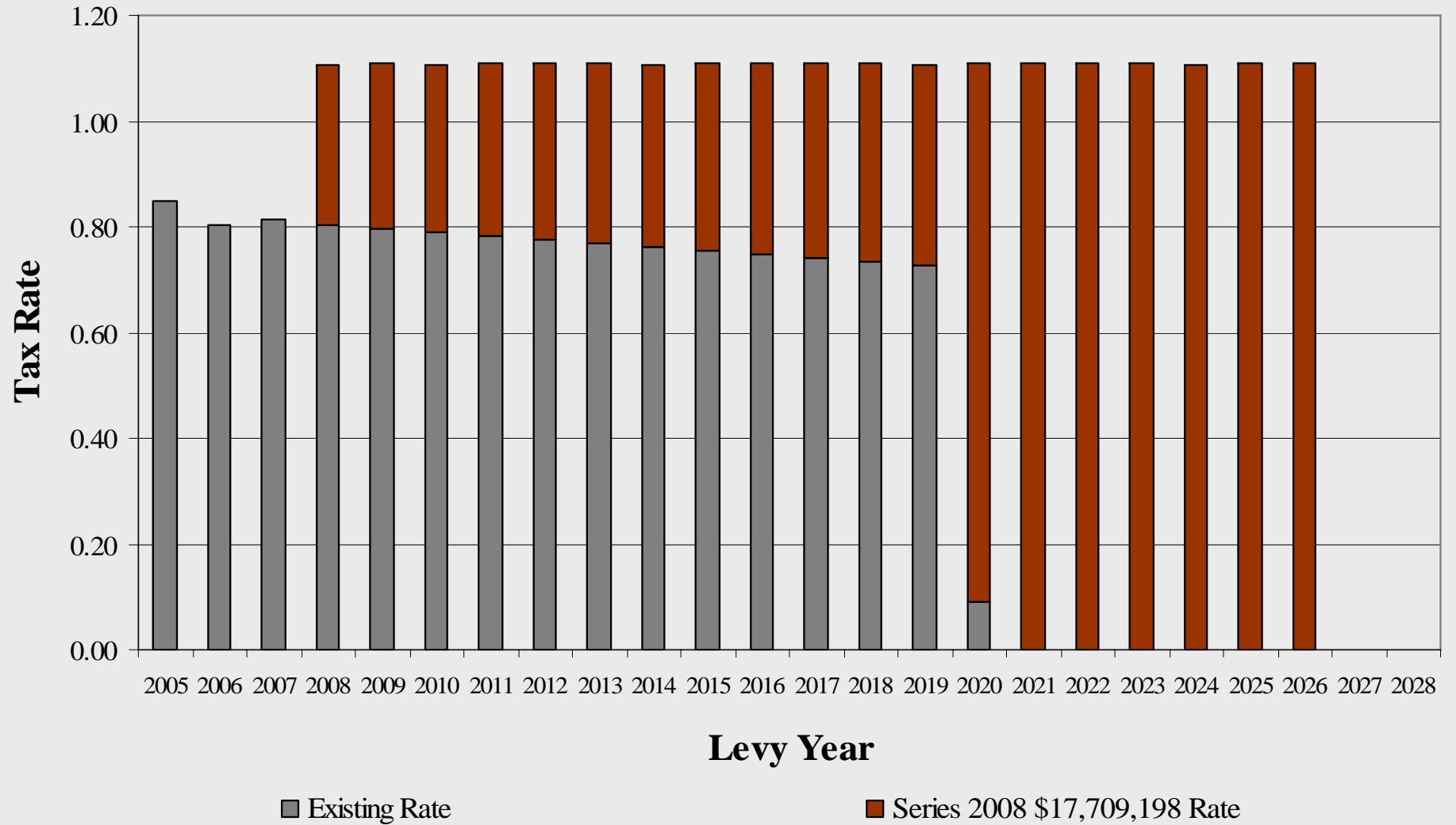
(Proceeds 17,709,198, Interest Rates as of 09-05-07)

Levy Year	Series 1991 Levies	Series 1993 Levies	Series 2000 Levies	Series 2002 Levies	\$17,709,198 Series 2008		Total Levies	EAV at 5%	B & I Rate
					6/1/2008 Levies				
2005	373,431	126,005	605,000	90,000			1,194,436	140,636,610	0.85
2006	383,228	134,195	630,000	95,000			1,242,423	154,388,604	0.80
2007		295,118	900,000	100,000			1,295,118	159,108,034	0.81
2008			1,245,000	100,000	505,000		1,850,000	167,063,436	1.11
2009			1,295,000	105,000	545,000		1,945,000	175,416,608	1.11
2010			1,345,000	110,000	585,000		2,040,000	184,187,438	1.11
2011			1,400,000	115,000	630,000		2,145,000	193,396,810	1.11
2012			1,455,000	120,000	675,000		2,250,000	203,066,650	1.11
2013			1,515,000	125,000	725,000		2,365,000	213,219,983	1.11
2014			1,575,000	130,000	775,000		2,480,000	223,880,982	1.11
2015			1,640,000	135,000	830,000		2,605,000	235,075,031	1.11
2016			1,705,000	140,000	890,000		2,735,000	246,828,783	1.11
2017			1,770,000	150,000	955,000		2,875,000	259,170,222	1.11
2018			1,840,000	155,000	1,020,000		3,015,000	272,128,733	1.11
2019				2,075,000	1,090,000		3,165,000	285,735,170	1.11
2020				270,000	3,055,000		3,325,000	300,021,928	1.11
2021					3,490,000		3,490,000	315,023,025	1.11
2022					3,665,000		3,665,000	330,774,176	1.11
2023					3,850,000		3,850,000	347,312,885	1.11
2024					4,040,000		4,040,000	364,678,529	1.11
2025					4,245,000		4,245,000	382,912,455	1.11
2026					4,455,000		4,455,000	402,058,078	1.11
2027								422,160,982	0.00
2028								443,269,031	0.00

Debt Service for a Single Sale



B&I Tax Rate for a Single Sale



Taxpayer Impact of Sale for \$42,173,750 Two-Year Sale

Homeowner Impact Per \$100,000 of Market Value
\$.91 Increase in the B&I Rate (\$1.72-\$.81)

Market Value	EAV (1/3)	B&I Rate Increase	Annual Cost	Monthly
\$100,000	\$33,333	0.0091	\$303	\$25.28

Taxpayer Impact of Sale for \$27,056,904 Two-Year Sale

Homeowner Impact Per \$100,000 of Market Value
\$.48 Increase in the B&I Rate (\$1.29-\$.81)

Market Value	EAV (1/3)	B&I Rate Increase	Annual Cost	Monthly
\$100,000	\$33,333	0.0048	\$160	\$13.33

Taxpayer Impact of Sale for \$17,709,198 One Sale

Homeowner Impact Per \$100,000 of Market Value
\$.31 Increase in the B&I Rate (\$1.11-\$.81)

Market Value	EAV (1/3)	B&I Rate Increase	Annual Cost	Monthly
\$100,000	\$33,333	0.0030	\$100	\$8.33

Future Bonding Capacity

<u>Bonding Capacity 6/1/08</u>		Estimated for highest Building Bond Sale
159,109,084		Estimated 2007 EAV (5% increase)
13.80%		Unit District Factor
<hr/>		
21,957,054		Gross Bonding Capacity
8,245,886		Less: Outstanding Bonds on Sale Date
<hr/>		
\$13,711,168		Net Bonding Capacity

<u>Bonding Capacity 6/1/10*</u>		
175,416,608		2009 EAV
13.80%		
<hr/>		
24,207,492		Gross Bonding Capacity
6,872,995		Less: Outstanding Bonds
<hr/>		
\$17,334,497		Net Bonding Capacity

*Outstanding bonds vary by option, so this is the net bonding capacity as if no debt were sold in 2008