



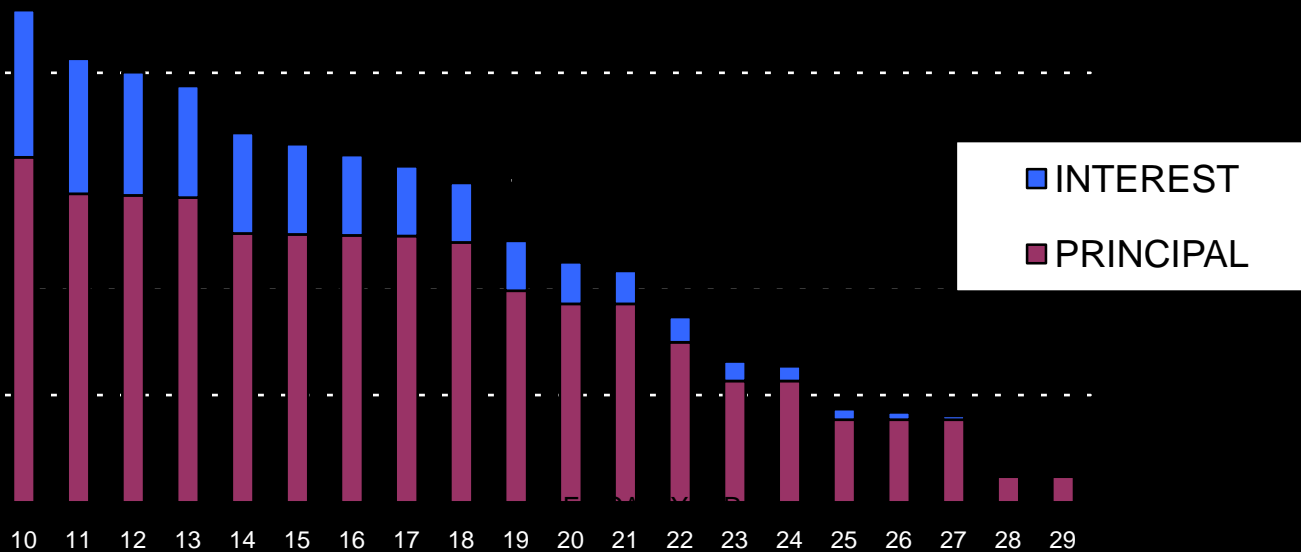
Financial Issues

Bond Task Force



Why Should We Consider Bonds at This time ?

- In the next fiscal year (10-11) we have a decline in our debt service payments

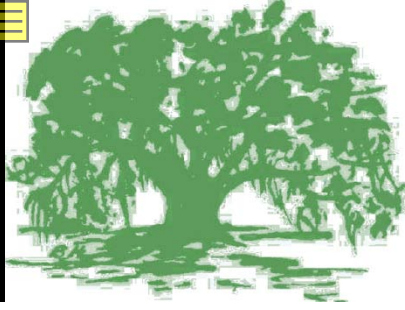




Level Principal payment vs. Level Debt payment



- Our payments (Debt Service) are typically scheduled as Level Principal payments
 - Typical mortgages are level Debt payments – you pay the same amount every month.
 - Our Debt Service is scheduled as level principal payments which results in a declining payment schedule

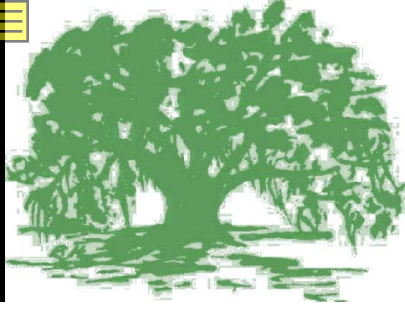


Tax Rate

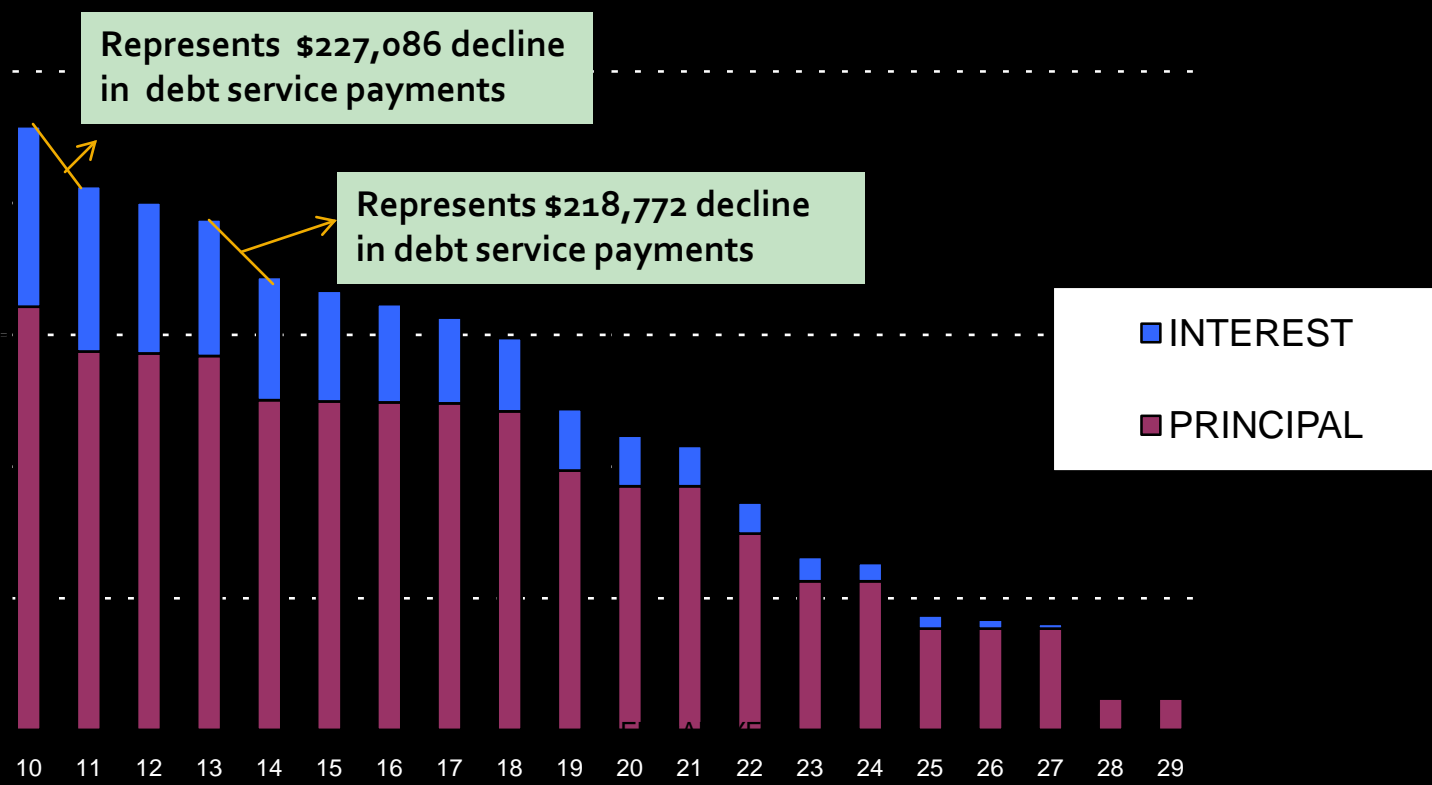
- Current Tax Rate \$.39 Per \$100 of Value
 - M&O (maintenance & operation) portion \$.23719
 - Debt Service portion \$.15281

Tax Rate Distribution



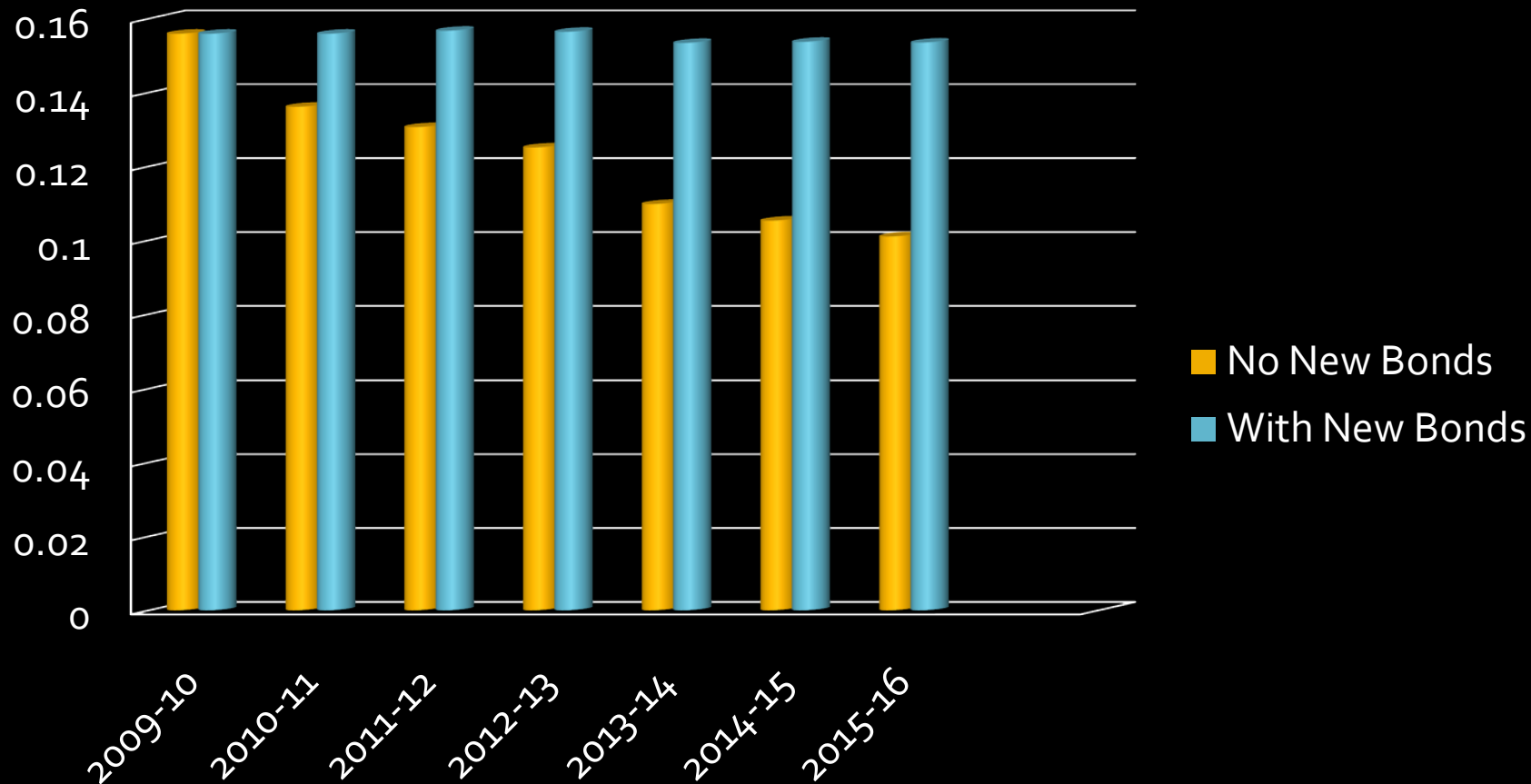


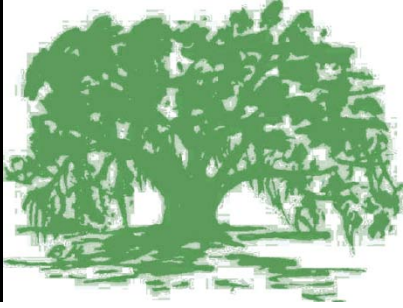
Debt Service Payments Graph





Debt Service tax rate





Issuance of New Debt



- Assumptions
 - \$3,000,000 to be issued soon after the May Election
 - \$4,000,000 to be issued in March 2013
 - Bonds to be issued at 5% interest rate
 - Debt Service Tax Rate assumes a 2% growth in assessed values