



Meridian 223

Review of Life Safety Financing Options

October 6, 2015

ROBERT LEWIS
MANAGING DIRECTOR
PMA SECURITIES, INC.

General Obligation Debt Service

Ley Year	Fiscal Year	School Bonds, Series 2000 CABs(1)	School Bonds, Series 2002	Total	Rate Setting EAV	Growth Rate	B&I Tax Rate	Est.	
								Operating Rate	Est. Total Tax Rate
		\$8,869,998	\$1,899,994						
2010	2012	\$ 1,345,000	\$ 110,000	\$ 1,927,463	\$ 179,904,662	-2.16%	4.074		
2011	2013	1,400,000	115,000	1,970,478	172,708,476	-4.00%	4.144		
2012	2014	1,455,000	120,000	2,013,493	167,067,231	-3.27%	4.205		
2013	2015	1,515,000	125,000	1,640,000	160,054,193	-4.20%	4.025		
2014	2016	1,575,000	130,000	1,705,000	157,681,077	-1.48%	1.081	4.911	5.993
2015	2017	1,640,000	135,000	1,775,000	157,681,077	0.00%	1.126	4.911	6.037
2016	2018	1,705,000	140,000	1,845,000	159,257,888	1.00%	1.158	4.911	6.070
2017	2019	1,770,000	150,000	1,920,000	160,850,467	1.00%	1.194	4.911	6.105
2018	2020	1,840,000	155,000	1,995,000	162,458,971	1.00%	1.228	4.911	6.139
2019	2021	-	2,075,000	2,075,000	164,083,561	1.00%	1.265	4.911	6.176
2020	2022	-	270,000	270,000	165,724,397	1.00%	0.163	4.911	5.074
2021	2023	-	-	-	167,381,641	1.00%	0.000	4.211	4.211
2022	2024	-	-	-	169,055,457	1.00%	0.000	4.211	4.211
2023	2025	-	-	-	170,746,012	1.00%	0.000	4.211	4.211
2024	2026	-	-	-	172,453,472	1.00%	0.000	4.211	4.211
2025	2027	-	-	-	174,178,006	1.00%	0.000		
2026	2028	-	-	-	175,919,786	1.00%	0.000		
2027	2029	-	-	-	177,678,984	1.00%	0.000		
2028	2030	-	-	-	179,455,774	1.00%	0.000		
2029	2031	-	-	-	181,250,332	1.00%	0.000		
Total DS From Current FY:		<u>\$ 8,530,000</u>	<u>\$ 3,055,000</u>	<u>\$ 11,585,000</u>					

(1) Series 2000 bonds were authorized by referendum.

- Since the State requires a life safety review of District facilities every 10 years, ideally the District would retire the majority of its life safety financings every 10 years
- The District would have the capacity to address life safety needs in its next survey without having to increase its annual bond and interest tax levy or restructure a significant amount of debt
- The following scenarios provide options for the District to balance its desire to minimize the bond and interest tax levy while amortizing principal rapidly enough to provide future flexibility



**SCENARIO 1
NO RESTRUCTURING
ESTIMATED PROCEEDS: \$7,000,000**

General Obligation Debt Service

Lew Year	Fiscal Year	\$8,869,998	\$1,899,994	\$2,150,000	PROPOSED	Total	Rate Setting	Growth	B&I Tax	Est.	Est. Total Tax Rate
		School Bonds, Series 2000 CABs(1)	GO CABs School Bonds, Series 2002	GO Bonds, Series 2008	\$7 Million School Bonds, Series 2015 (2)		EAV	Rate	Rate	Operating Rate	
2010	2012	\$ 1,345,000	\$ 110,000	\$ 472,463	\$ -	\$ 1,927,463	\$ 179,904,662	-2.16%	1.074		
2011	2013	1,400,000	115,000	455,478	-	1,970,478	172,708,476	-4.00%	1.144		
2012	2014	1,455,000	120,000	438,493	-	2,013,493	167,067,231	-3.27%	1.205		
2013	2015	1,515,000	125,000	-	-	1,640,000	160,054,193	-4.20%	1.025		
2014	2016	1,575,000	130,000	-	-	1,705,000	157,681,077	-1.48%	1.081	4.911	5.993
2015	2017	1,640,000	135,000	-	413,438	2,188,438	157,681,077	0.00%	1.388	4.911	6.299
2016	2018	1,705,000	140,000	-	344,750	2,189,750	159,257,888	1.00%	1.375	4.911	6.286
2017	2019	1,770,000	150,000	-	273,875	2,193,875	160,850,467	1.00%	1.364	4.911	6.275
2018	2020	1,840,000	155,000	-	273,875	2,268,875	162,458,971	1.00%	1.397	4.911	6.308
2019	2021	-	2,075,000	-	273,875	2,348,875	164,083,561	1.00%	1.432	4.911	6.343
2020	2022	-	270,000	-	1,290,763	1,560,763	165,724,397	1.00%	0.942	4.911	5.853
2021	2023	-	-	-	1,560,650	1,560,650	167,381,641	1.00%	0.932	4.211	5.144
2022	2024	-	-	-	1,560,550	1,560,550	169,055,457	1.00%	0.923	4.211	5.134
2023	2025	-	-	-	1,563,150	1,563,150	170,746,012	1.00%	0.915	4.211	5.127
2024	2026	-	-	-	1,564,425	1,564,425	172,453,472	1.00%	0.907	4.211	5.119
2025	2027	-	-	-	-	-	174,178,006	1.00%	0.000		
2026	2028	-	-	-	-	-	175,919,786	1.00%	0.000		
2027	2029	-	-	-	-	-	177,678,984	1.00%	0.000		
2028	2030	-	-	-	-	-	179,455,774	1.00%	0.000		
2029	2031	-	-	-	-	-	181,250,332	1.00%	0.000		
Total DS From Current FY:		<u>\$ 8,530,000</u>	<u>\$ 3,055,000</u>	<u>\$ -</u>	<u>\$ 9,119,350</u>	<u>\$ 20,704,350</u>					

(1) Series 2000 bonds were authorized by referendum.

(2) Rates based upon the "AAA" MMD index for September 1, 2015 and recent bond sales which PMA believes to be accurate and reliable plus 0.50%. Estimated TIC = 3.58%.



SCENARIO 2

RESTRUCTURING TO MAINTAIN CONSTANT B&I RATE THROUGH FY 2022 WITH FURTHER DECREASE IN FY 2027

ESTIMATED PROCEEDS: \$7,000,000

General Obligation Debt Service

Ley Year	Fiscal Year	\$8,869,998	\$1,899,994	\$2,150,000	PROPOSED \$10 Million School and Refunding Bonds, Series 2015 (2)	Total	Rate Setting EAV	Growth Rate	B&I Tax Rate	Est. Operating Rate	Est. Total Tax Rate
		School Bonds, Series 2000 CABs(1)	GO CABs School Bonds, Series 2002	GO Bonds, Series 2008							
2010	2012	\$ 1,345,000	\$ 110,000	\$ 472,463	\$ -	\$ 1,927,463	\$ 179,904,662	-2.16%	1.071		
2011	2013	1,400,000	115,000	455,478	-	1,970,478	172,708,476	-4.00%	1.141		
2012	2014	1,455,000	120,000	438,493	-	2,013,493	167,067,231	-3.27%	1.205		
2013	2015	1,515,000	125,000	-	-	1,640,000	160,054,193	-4.20%	1.025		
2014	2016	1,575,000	130,000	-	-	1,705,000	157,681,077	-1.48%	1.081	4.911	5.993
2015	2017	950,000	135,000	-	615,150	1,700,150	157,681,077	0.00%	1.078	4.911	5.990
2016	2018	1,175,000	140,000	-	410,100	1,725,100	159,257,888	1.00%	1.083	4.911	5.995
2017	2019	1,180,000	150,000	-	410,100	1,740,100	160,850,467	1.00%	1.082	4.911	5.993
2018	2020	1,190,000	155,000	-	410,100	1,755,100	162,458,971	1.00%	1.080	4.911	5.992
2019	2021	-	1,365,000	-	410,100	1,775,100	164,083,561	1.00%	1.082	4.911	5.993
2020	2022	-	270,000	-	1,520,325	1,790,325	165,724,397	1.00%	1.080	4.911	5.992
2021	2023	-	-	-	1,644,550	1,644,550	167,381,641	1.00%	0.983	4.211	5.194
2022	2024	-	-	-	1,641,550	1,641,550	169,055,457	1.00%	0.971	4.211	5.182
2023	2025	-	-	-	1,641,450	1,641,450	170,746,012	1.00%	0.961	4.211	5.173
2024	2026	-	-	-	1,640,388	1,640,388	172,453,472	1.00%	0.951	4.211	5.163
2025	2027	-	-	-	1,129,700	1,129,700	174,178,006	1.00%	0.649	4.211	4.860
2026	2028	-	-	-	1,128,238	1,128,238	175,919,786	1.00%	0.641	4.211	4.853
2027	2029	-	-	-	1,124,750	1,124,750	177,678,984	1.00%	0.633	4.211	4.844
2028	2030	-	-	-	-	-	179,455,774	1.00%	0.000		
2029	2031	-	-	-	-	-	181,250,332	1.00%	0.000		
Total DS From											
Current FY:		<u>\$ 6,070,000</u>	<u>\$ 2,345,000</u>	<u>\$ -</u>	<u>\$ 13,726,500</u>	<u>\$ 22,141,500</u>					

(1) Series 2000 bonds were authorized by referendum.

(2) Rates based upon the "AAA" MMD index for September 1, 2015 and recent bond sales which PMA believes to be accurate and reliable plus 0.50%. Estimated TIC = 3.77%. May require multiple issues in order to be bank qualified.



**SCENARIO 3
NO RESTRUCTURING
ESTIMATED PROCEEDS: \$9,300,000**

General Obligation Debt Service

Levy Year	Fiscal Year	\$8,869,998	\$1,899,994	\$2,150,000	PROPOSED \$9.3 Million	Total	Rate Setting EAV	Growth Rate	B&I Tax Rate	Est. Operating Rate	Est. Total Tax Rate
		School Bonds, Series 2000 CABs(1)	GO CABs School Bonds, Series 2002	GO Bonds, Series 2008	School Bonds, Series 2015 (2)						
2010	2012	\$ 1,345,000	\$ 110,000	\$ 472,463	\$ -	\$ 1,927,463	\$ 179,904,662	-2.16%	1.074		
2011	2013	1,400,000	115,000	455,478	-	1,970,478	172,708,476	-4.00%	1.144		
2012	2014	1,455,000	120,000	438,493	-	2,013,493	167,067,234	-3.27%	1.205		
2013	2015	1,515,000	125,000	-	-	1,640,000	160,054,193	-4.20%	1.025		
2014	2016	1,575,000	130,000	-	-	1,705,000	157,681,077	-1.48%	1.081	4.911	5.993
2015	2017	1,640,000	135,000	-	564,225	2,339,225	157,681,077	0.00%	1.484	4.911	6.395
2016	2018	1,705,000	140,000	-	445,275	2,290,275	159,257,888	1.00%	1.438	4.911	6.349
2017	2019	1,770,000	150,000	-	374,400	2,294,400	160,850,467	1.00%	1.426	4.911	6.338
2018	2020	1,840,000	155,000	-	374,400	2,369,400	162,458,971	1.00%	1.458	4.911	6.370
2019	2021	-	2,075,000	-	374,400	2,449,400	164,083,561	1.00%	1.493	4.911	6.404
2020	2022	-	270,000	-	1,386,375	1,656,375	165,724,397	1.00%	0.999	4.911	5.911
2021	2023	-	-	-	1,656,450	1,656,450	167,381,641	1.00%	0.990	4.211	5.201
2022	2024	-	-	-	1,651,650	1,651,650	169,055,457	1.00%	0.977	4.211	5.188
2023	2025	-	-	-	1,654,650	1,654,650	170,746,012	1.00%	0.969	4.211	5.180
2024	2026	-	-	-	1,656,350	1,656,350	172,453,472	1.00%	0.960	4.211	5.172
2025	2027	-	-	-	1,187,175	1,187,175	174,178,006	1.00%	0.682	4.211	4.893
2026	2028	-	-	-	1,186,100	1,186,100	175,919,786	1.00%	0.674	4.211	4.886
2027	2029	-	-	-	-	-	177,678,984	1.00%	0.000		
2028	2030	-	-	-	-	-	179,455,774	1.00%	0.000		
2029	2031	-	-	-	-	-	181,250,332	1.00%	0.000		
Total DS From Current FY:		\$ 8,530,000	\$ 3,055,000	\$ -	\$ 12,511,450	\$ 24,096,450					

(1) Series 2000 bonds were authorized by referendum.

(2) Rates based upon the "AAA" MMD index for September 1, 2015 and recent bond sales which PMA believes to be accurate and reliable plus 0.50%. Estimated TIC = 3.71%.



SCENARIO 4

RESTRUCTURING TO MAINTAIN CONSTANT B&I RATE THROUGH FY 2022 WITH FURTHER DECREASE IN FY 2027

ESTIMATED PROCEEDS: \$9,300,000

General Obligation Debt Service

Levy Year	Fiscal Year	School Bonds, Series 2000 CABs(1)	School GO CABs, Series 2002	\$2,150,000 GO Bonds, Series 2008	PROPOSED \$13 Million School and Refunding Bonds, Series 2015 (2)	Total	Rate Setting EAV	Growth Rate	B&I Tax Rate	Est. Operating Rate	Est. Total Tax Rate
2010	2012	\$ 1,345,000	\$ 110,000	\$ 472,463	\$ -	\$ 1,927,463	\$ 179,904,662	-2.16%	1.071		
2011	2013	1,400,000	115,000	455,478	-	1,970,478	172,708,476	-4.00%	1.141		
2012	2014	1,455,000	120,000	438,493	-	2,013,493	167,067,231	-3.27%	1.205		
2013	2015	1,515,000	125,000	-	-	1,640,000	160,054,193	-4.20%	1.025		
2014	2016	1,575,000	130,000	-	-	1,705,000	157,681,077	-1.48%	1.081	4.911	5.993
2015	2017	715,000	135,000	-	857,306	1,707,306	157,681,077	0.00%	1.083	4.911	5.994
2016	2018	1,015,000	140,000	-	571,538	1,726,538	159,257,888	1.00%	1.084	4.911	5.995
2017	2019	1,020,000	150,000	-	571,538	1,741,538	160,850,467	1.00%	1.083	4.911	5.994
2018	2020	1,035,000	155,000	-	571,538	1,761,538	162,458,971	1.00%	1.084	4.911	5.996
2019	2021	-	1,205,000	-	571,538	1,776,538	164,083,561	1.00%	1.083	4.911	5.994
2020	2022	-	270,000	-	1,519,650	1,789,650	165,724,397	1.00%	1.080	4.911	5.991
2021	2023	-	-	-	1,645,163	1,645,163	167,381,641	1.00%	0.983	4.211	5.194
2022	2024	-	-	-	1,648,963	1,648,963	169,055,457	1.00%	0.975	4.211	5.187
2023	2025	-	-	-	1,645,863	1,645,863	170,746,012	1.00%	0.964	4.211	5.175
2024	2026	-	-	-	1,647,563	1,647,563	172,453,472	1.00%	0.955	4.211	5.167
2025	2027	-	-	-	1,379,800	1,379,800	174,178,006	1.00%	0.792	4.211	5.004
2026	2028	-	-	-	1,375,863	1,375,863	175,919,786	1.00%	0.782	4.211	4.993
2027	2029	-	-	-	1,379,675	1,379,675	177,678,984	1.00%	0.776	4.211	4.988
2028	2030	-	-	-	1,374,606	1,374,606	179,455,774	1.00%	0.766	4.211	4.977
2029	2031	-	-	-	1,373,875	1,373,875	181,250,332	1.00%	0.758	4.211	4.969
2030	2032	-	-	-	1,373,500	1,373,500	183,062,835	1.00%	0.750	4.211	4.962
Total DS From Current FY:		\$ 5,360,000	\$ 2,185,000	\$ -	\$ 19,507,975	\$ 27,052,975					

(1) Series 2000 bonds were authorized by referendum.

(2) Rates based upon the "AAA" MMD index for September 1, 2015 and recent bond sales which PMA believes to be accurate and reliable plus 0.50%. Estimated TIC = 4.16%. Assumed to be non-bank qualified.

Life Safety Options (1)

Ley Year	Fiscal Year	Estimated		Scenario 1		Scenario 2		Scenario 3		Scenario 4	
		Existing Debt Service	B&I Tax Rate	No Restructuring	Estimated B&I Tax Rate	Maintain Constant B&I Rate Through FY 2022; Further Drop in FY 2027	Estimated B&I Tax Rate	No Restructuring	Estimated B&I Tax Rate	Maintain Constant B&I Rate Through FY 2022; Further Drop in FY 2027	Estimated B&I Tax Rate
2015	2017	\$ 1,775,000	\$ 1.126	\$ 2,188,438	\$ 1.388	\$ 1,700,150	\$ 1.078	\$ 2,339,225	\$ 1.484	\$ 1,707,306	\$ 1.083
2016	2018	1,845,000	1.158	2,189,750	1.375	1,725,100	1.083	2,290,275	1.438	1,726,538	1.084
2017	2019	1,920,000	1.194	2,193,875	1.364	1,740,100	1.082	2,294,400	1.426	1,741,538	1.083
2018	2020	1,995,000	1.228	2,268,875	1.397	1,755,100	1.080	2,369,400	1.458	1,761,538	1.084
2019	2021	2,075,000	1.265	2,348,875	1.432	1,775,100	1.082	2,449,400	1.493	1,776,538	1.083
2020	2022	270,000	0.163	1,560,763	0.942	1,790,325	1.080	1,656,375	0.999	1,789,650	1.080
2021	2023	-	-	1,560,650	0.932	1,644,550	0.983	1,656,450	0.990	1,645,163	0.983
2022	2024	-	-	1,560,550	0.923	1,641,550	0.971	1,651,650	0.977	1,648,963	0.975
2023	2025	-	-	1,563,150	0.915	1,641,450	0.961	1,654,650	0.969	1,645,863	0.964
2024	2026	-	-	1,564,425	0.907	1,640,388	0.951	1,656,350	0.960	1,647,563	0.955
2025	2027	-	-	-	-	1,129,700	0.649	1,187,175	0.682	1,379,800	0.792
2026	2028	-	-	-	-	1,128,238	0.641	1,186,100	0.674	1,375,863	0.782
2027	2029	-	-	-	-	1,124,750	0.633	-	-	1,379,675	0.776
2028	2030	-	-	-	-	-	-	-	-	1,374,606	0.766
2029	2031	-	-	-	-	-	-	-	-	1,373,875	0.758
2030	2032	-	-	-	-	-	-	-	-	1,373,500	0.750
Estimated Proceeds:		N/A		\$ 7,000,000		\$ 7,000,000		\$ 9,300,000		\$ 9,300,000	
Estimated Size of Restructuring:		N/A		N/A		\$ 3,015,000		N/A		\$ 3,865,000	
Estimated Net Increase in Debt Service:		N/A		\$ 9,119,350		\$ 10,556,500		\$ 12,511,450		\$ 15,467,975	
Debt Service for FY 2017 - 2026:		\$ 9,880,000		\$ 18,999,350		\$ 17,053,813		\$ 20,018,175		\$ 17,090,656	
Debt Service for FY 2027 and thereafter:		\$ -		\$ -		\$ 3,382,688		\$ 2,373,275		\$ 8,257,319	

(1) Rates based upon the "AAA" MMD index for September 1, 2015 and recent bond sales which PMA believes to be accurate and reliable plus 0.50%. Scenario 4 is assumed to be non-bank qualified (would require multiple issues in order to be bank qualified).



DISCLAIMER

The information contained herein is solely intended to suggest/discuss potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement.

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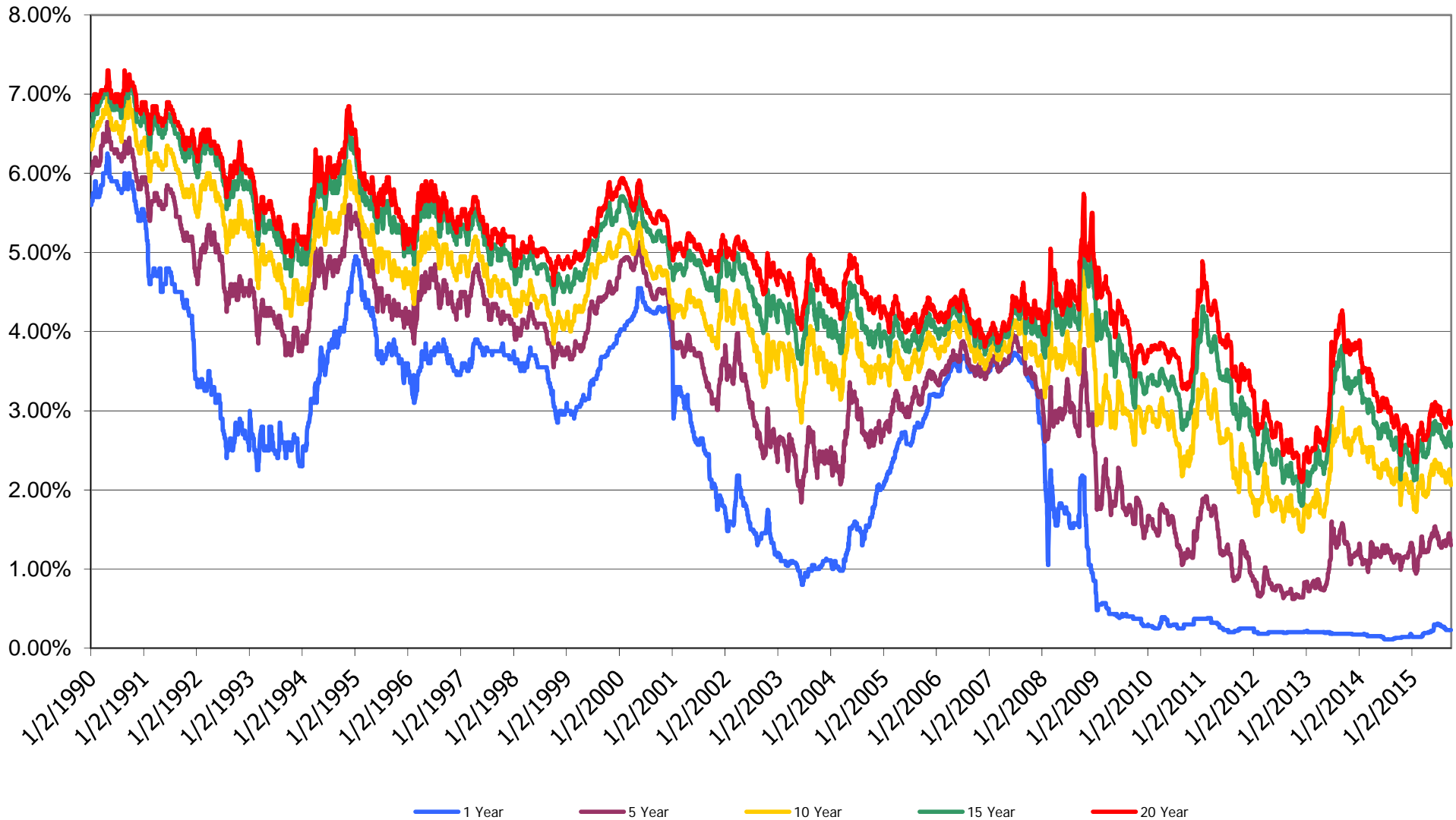
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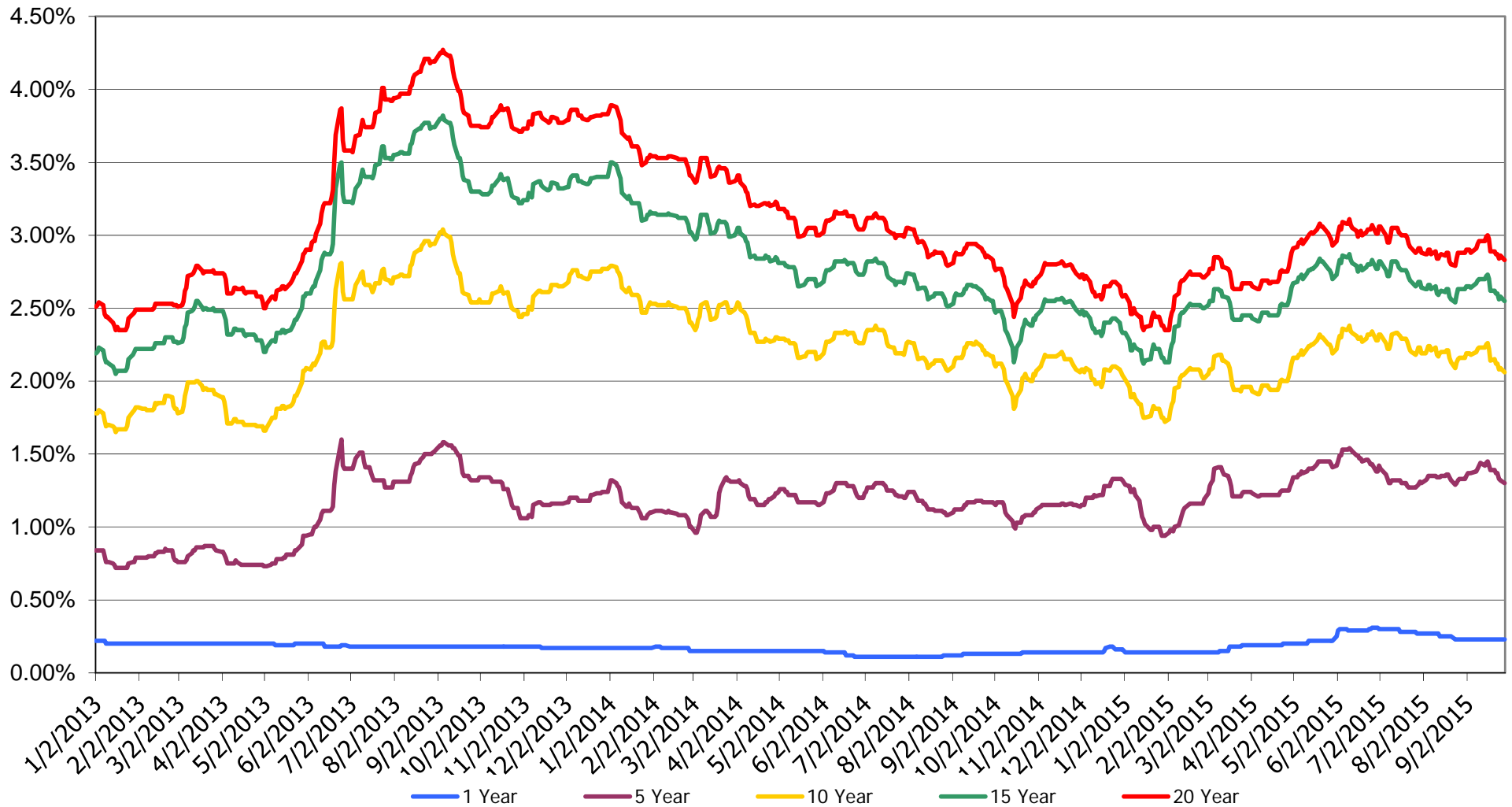
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APPENDIX A: MARKET UPDATE AND LEGAL DEBT MARGIN



*The Municipal Market Data "MMD" is a AAA municipal bond market index produced by TM3. As of September 29, 2015.



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Levy Year	2014	2015	2016	2017	2018	2019
Collection Year	2015	2016	2017	2018	2019	2020
Fiscal Year Ending 6/30	2016	2017	2018	2019	2020	2021
Direct Debt, Beginning of Period (1)	\$ 3,524,104	\$ 2,944,937	\$ 2,383,009	\$ 1,838,649	\$ 1,310,150	\$ 798,385
Principal Paydown, Series 2000 (2)	(519,435)	(503,431)	(487,153)	(470,696)	(455,437)	-
Principal Paydown, Series 2002 (2)	(59,732)	(58,497)	(57,208)	(57,803)	(56,329)	(711,123)
Direct Debt, End of Period (1)	<u>\$ 2,944,937</u>	<u>\$ 2,383,009</u>	<u>\$ 1,838,649</u>	<u>\$ 1,310,150</u>	<u>\$ 798,385</u>	<u>\$ 87,261</u>
Equalized Assessed Valuation (4)	\$ 157,704,466	\$ 157,704,466	\$ 159,281,511	\$ 160,874,326	\$ 162,483,069	\$ 164,107,900
Assumed EAV Increase		0.00%	1.00%	1.00%	1.00%	1.00%
Statutory Debt Limit @ 13.80%	\$ 21,763,216	\$ 21,763,216	\$ 21,980,848	\$ 22,200,657	\$ 22,422,664	\$ 22,646,890
Direct Debt, End of Period as % of EAV	1.87%	1.51%	1.15%	0.81%	0.49%	0.05%
Statutory Debt Margin at End of Period (1)	\$ 18,818,279	\$ 19,380,207	\$ 20,142,200	\$ 20,890,507	\$ 21,624,279	\$ 22,559,629

(1) Assumes that the principal due in the current year is paid or that the funds are set aside for payment. Does not include leases.

(2) Principal paid on December 1 of the fiscal year.

(3) Uses total EAV including the EAV located in TIF districts.