



July 25, 2016

Geneva Community Unit School
District 304, Kane County, Illinois

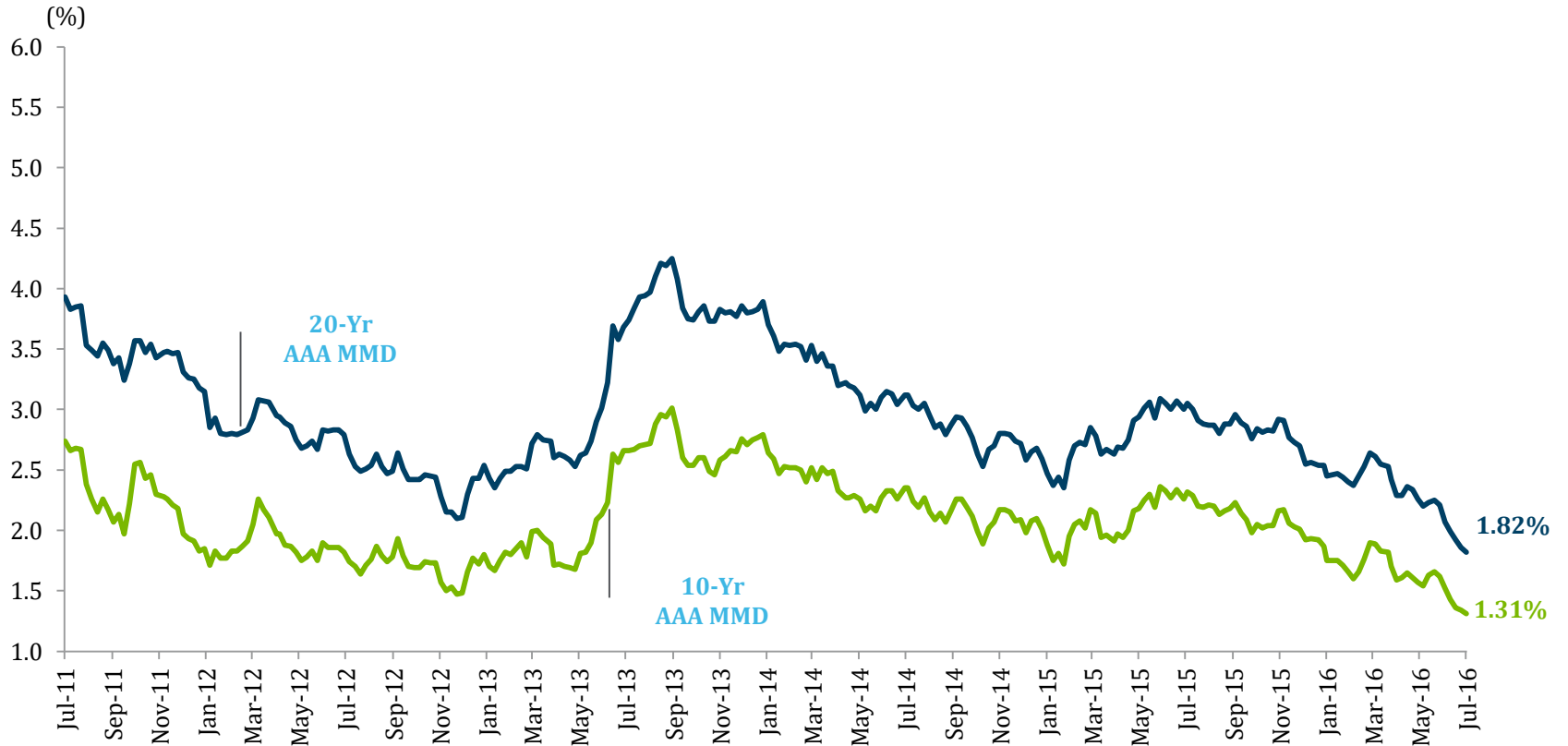
Update on Debt Restructuring Plan

William Blair

Market Update

Historical AAA MMD Interest Rates

AAA Municipal Market Data (“MMD”) During the Past Five Years



Note: Reflects market conditions as of July 8, 2016

Source: Thomson Financial

Abatement and Refunding Options to Level Debt Payments

Current Situation July 2016

Levy Year	EAV	% Change	Debt Levy	2011/2012 Levy Abate		2012/2014 Levy Abate		2014 Levy Abate		2015, 2016 Abate		2016 Abate		Total Abatements	New Total Debt Service	Estimated Tax Rate for Debt Service	Annual (Savings)/Cost on \$315k Home
				w/ Ed Fund Surplus FY11		w/ Ed Fund Surplus FY12		w/ Ed Fund Surplus FY13		w/ Ed Fund Surplus FY14		Surplus FY15					
2011	1,328,294,553	-5.73%	15,951,903	(1,220,895)										(1,220,895)	14,731,008	1.11	(97)
2012	1,285,654,414	-3.21%	17,302,070	(2,003,934)		(298,136)								(2,302,070)	15,000,000	1.17	(188)
2013	1,241,734,700	-3.42%	18,730,973			(3,230,973)								(3,230,973)	15,500,000	1.25	(273)
2014	1,252,189,532	0.84%	20,293,283			(1,460,891)		(2,532,392)						(3,993,283)	16,300,000	1.30	(335)
2015	1,296,119,451	3.51%	22,013,633					(3,399,246)						(6,047,310)	15,966,323	1.23	(490)
2016	1,316,158,937	1.55%	23,618,248						(1,648,064)					(1,870,723)	16,855,853	1.28	(539)
2017	1,370,643,705	4.14%	24,302,850												24,302,850	1.77	-
2018	1,426,763,017	4.09%	24,590,110												24,590,110	1.72	-
2019	1,484,565,907	4.05%	24,928,505												24,928,505	1.68	-
2020	1,543,948,543	4.00%	19,344,395												19,344,395	1.25	-
2021	1,605,706,485	4.00%	19,346,975												19,346,975	1.20	-
2022	1,669,934,744	4.00%	21,857,908												21,857,908	1.31	-
2023	1,736,732,134	4.00%	19,204,313												19,204,313	1.11	-
2024	1,806,201,420	4.00%	19,213,363												19,213,363	1.06	-
2025	1,878,449,476	4.00%	19,209,750												19,209,750	1.02	-
2026	1,953,587,455	4.00%	-												-	-	-
2027	2,031,730,954	4.00%	-												-	-	-
2028	2,113,000,192	4.00%	-												-	-	-
2029	2,197,520,199	4.00%	-												-	-	-
2030	2,285,421,007	4.00%	-												-	-	-
2031	2,376,837,848	4.00%	-												-	-	-
Total			309,908,275	(3,224,829)	(4,990,000)	(5,931,638)	(3,518,787)	(5,891,672)	(23,556,926)	286,351,349				\$	(1,922)		

Notes: Projections from the FPP Model assumptions and County Clerk estimate for levy 2015

Since 2011, the District has abated \$23,556,926 back to the taxpayers

Abate Thru 2016; Refund/Defease Fall 2016 and Fall 2017

Fiscal Year Levy Year	Est. Actual	Projections				
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	Levy 2014	Levy 2015	Levy 2016	Levy 2017	Levy 2018	Levy 2019
Beginning Balance	\$19,881,687	\$17,328,809	\$16,821,843	\$16,277,042	\$17,980,349	\$19,079,869
Revenues	61,711,434	62,945,663	64,204,576	65,488,668	66,798,441	68,134,410
Expenditures	58,372,640	60,123,820	61,927,534	63,785,360	65,698,921	67,669,889
Surplus/Deficit	3,338,794	2,821,843	2,277,042	1,703,307	1,099,520	464,521
Transfer to Debt Service for Abatement	(5,891,672)	0	0	0	0	0
Transfer to Debt Service for Defeasance	0	(3,328,809)	(2,821,843)	0	0	0
Other Transfers						
Ending Balance	\$17,328,809	\$16,821,843	\$16,277,042	\$17,980,349	\$19,079,869	\$19,544,390
Less: Minimum \$14M	\$14,000,000	\$14,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000
Abatement Amount Surplus > \$14M	-		-	-	-	
Additional Amount for Future Defeasance	3,328,809	2,821,843				

Notes: Projections from the FPP Model assumptions and County Clerk estimate for levy 2016

- The projection uses surpluses over **\$14M** for abatements/defeasance through FY2017;
- Thereafter, revenues are expected to increase by 2% and expenses by 3%

Discussion of Refunding Options

- Uses Educational fund surpluses over \$14M per current projection through FY2017
- Base case option shows refunding in Fall 2016 and Fall 2017 to capitalize on the current call dates of the Series 2007 and Series 2008 Bonds
- Refunding bonds on a current basis within 90 days of the call date have several advantages to an advance refunding more than 90 days prior to the call date:
 - 1) Savings are greater because the negative escrow cost in the refunding escrow are much less with a current refunding
 - 2) When bonds are refunded on an advance basis, future refundings must be taxable; however, with a current refunding, the bonds may be refunded again on a tax-exempt basis
 - 3) The risk is increase in interest rates
- Options range from refunding to level payments and pay off debt on an accelerated basis versus leveling and extending the debt payments
- Each option uses just under \$5M cash to pay down bond principal

Option I: Refunding Fall 16 and 17: Accelerated at \$16M

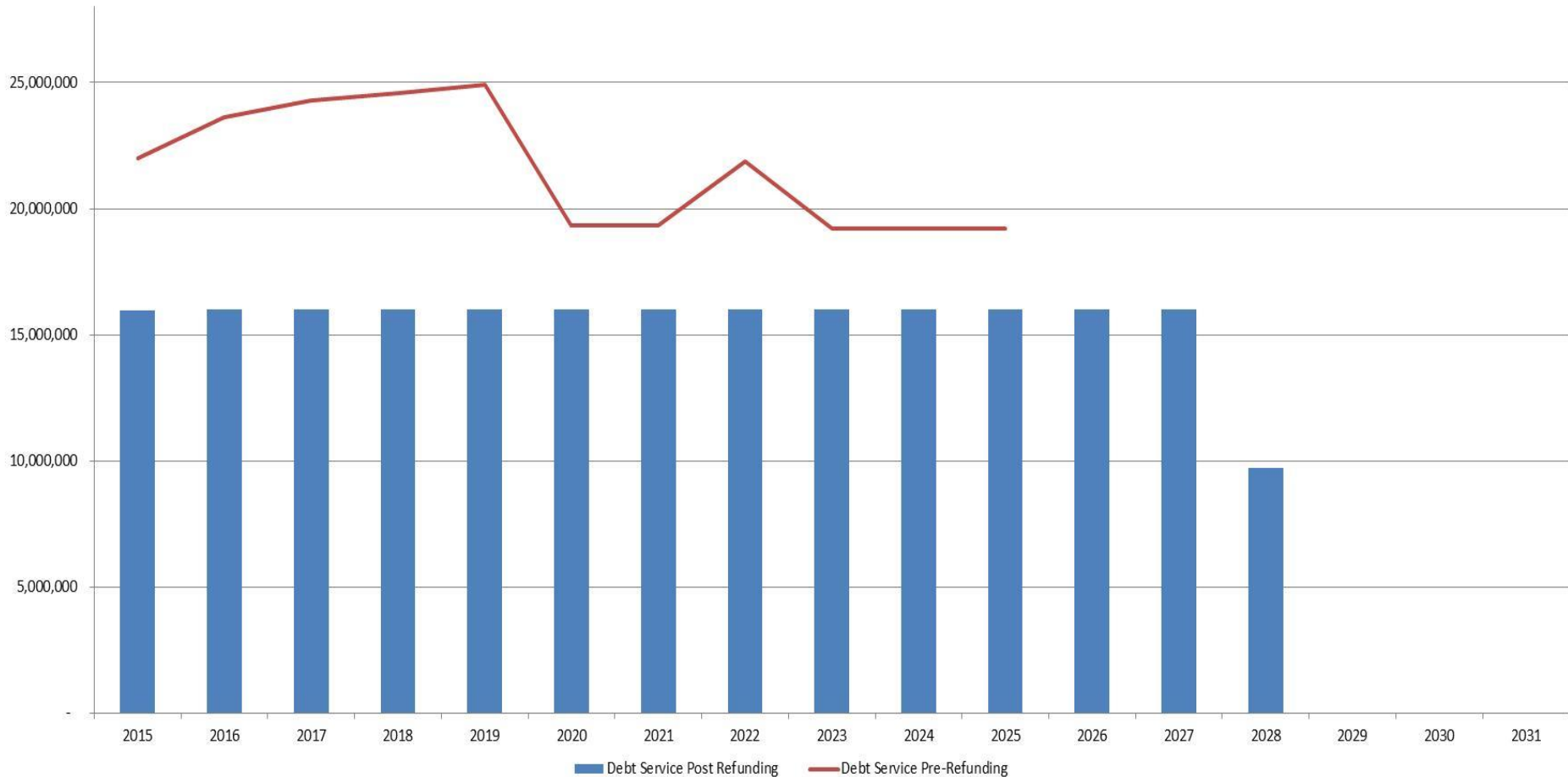
Option 1: Abate and 2-Phase Refunding - Minimum Ed Fund Balance \$14M

Levy Year	Debt Service Levy	Estimated Tax Rate for Debt Service	2015 Levy Abate w/ Ed Fund Surplus FY14	2016 Levy Abate w/ Ed Fund Surplus FY15	2016 Levy Abate w/ Ed Fund Surplus FY16	Ed Fund Surplus FY17	Less: Dec 2016 Refunded Debt Service	Plus: Series 2016 Refunding Debt Service	Less: Dec 2017 Refunded Debt Service	Plus: Series 2017 Refunding Debt Service	New TOTAL Debt Service	Estimated Tax Rate for Debt Service	Tax Rate Increase/ (Reduction)	Annual (Savings) / Cost on \$315k Home	
2015	22,013,633	1.71	(1,648,064)	(1,000,000)							15,966,323	1.24	(0.47)	(493)	
2016	23,618,248	1.76	(1,870,723)	(4,891,672)	-		(2,973,040)	2,114,029			15,996,842	1.19	(0.57)	(595)	
2017	24,302,850	1.73					(2,807,055)	1,556,550	(8,591,620)	1,535,109	15,995,834	1.14	(0.59)	(622)	
2018	24,590,110	1.68					(5,419,255)	1,556,550	(6,141,620)	1,413,400	15,999,185	1.09	(0.59)	(616)	
2019	24,928,505	1.63					(6,308,000)	1,556,550	(5,591,620)	1,413,400	15,998,835	1.05	(0.58)	(613)	
2020	19,344,395	1.21					(1,533,250)	1,556,550	(4,782,620)	1,413,400	15,998,475	1.00	(0.21)	(220)	
2021	19,346,975	1.16					(1,533,250)	1,556,550	(4,782,570)	1,413,400	16,001,105	0.96	(0.20)	(211)	
2022	21,857,908	1.26					(1,533,250)	1,556,550	(7,296,483)	1,413,400	15,998,125	0.92	(0.34)	(356)	
2023	19,204,313	1.07					(1,533,250)	1,556,550	(4,645,563)	1,413,400	15,995,450	0.89	(0.18)	(187)	
2024	19,213,363	1.03					(16,493,250)	7,731,550	(2,720,113)	8,268,400	15,999,950	0.86	(0.17)	(180)	
2025	19,209,750	0.99					(16,490,250)	7,729,550	(2,719,500)	8,269,200	15,998,750	0.82	(0.17)	(173)	
2026								7,732,750		8,264,000	15,996,750	0.79	0.79	830	
2027								7,728,750		8,268,500	15,997,250	0.76	0.76	798	
2028								7,733,250		1,979,250	9,712,500	0.44	0.44	466	
2029										-	-	-	-	-	
2030										-	-	-	-	-	
2031										-	-	-	-	-	
Total	237,630,048		(3,518,787)	(5,891,672)	-	-	(56,623,850)	51,665,729	(47,271,708)	45,064,859	217,655,374			\$ (3,065)	
											Net Cashflow Saving/(Costs)				
											Net PV Saving/(Costs)				
											Less: PV Cash on Hand				
											Net PV Saving/(Costs)		8.83%		
											All-in-TIC as of Jul 14, 16			2.55%	
											Efficiency			85%	
			Additional Set Aside for Defeasance				3,433,441		2,715,455						
							Total for Debt Payoff		(6,148,896)						
							Total Abatements		(23,556,926)						

- Debt is extended only 3 years versus 4 years
- Positive cash flow savings as well as present value savings

Option I: Refunding Fall 16 and 17: Accelerated at \$16M

Option I: Debt Service Pre and Post Refunding and Abatements



Option IIA: Refunding Fall 16 and 17: Accelerated at \$15.5M

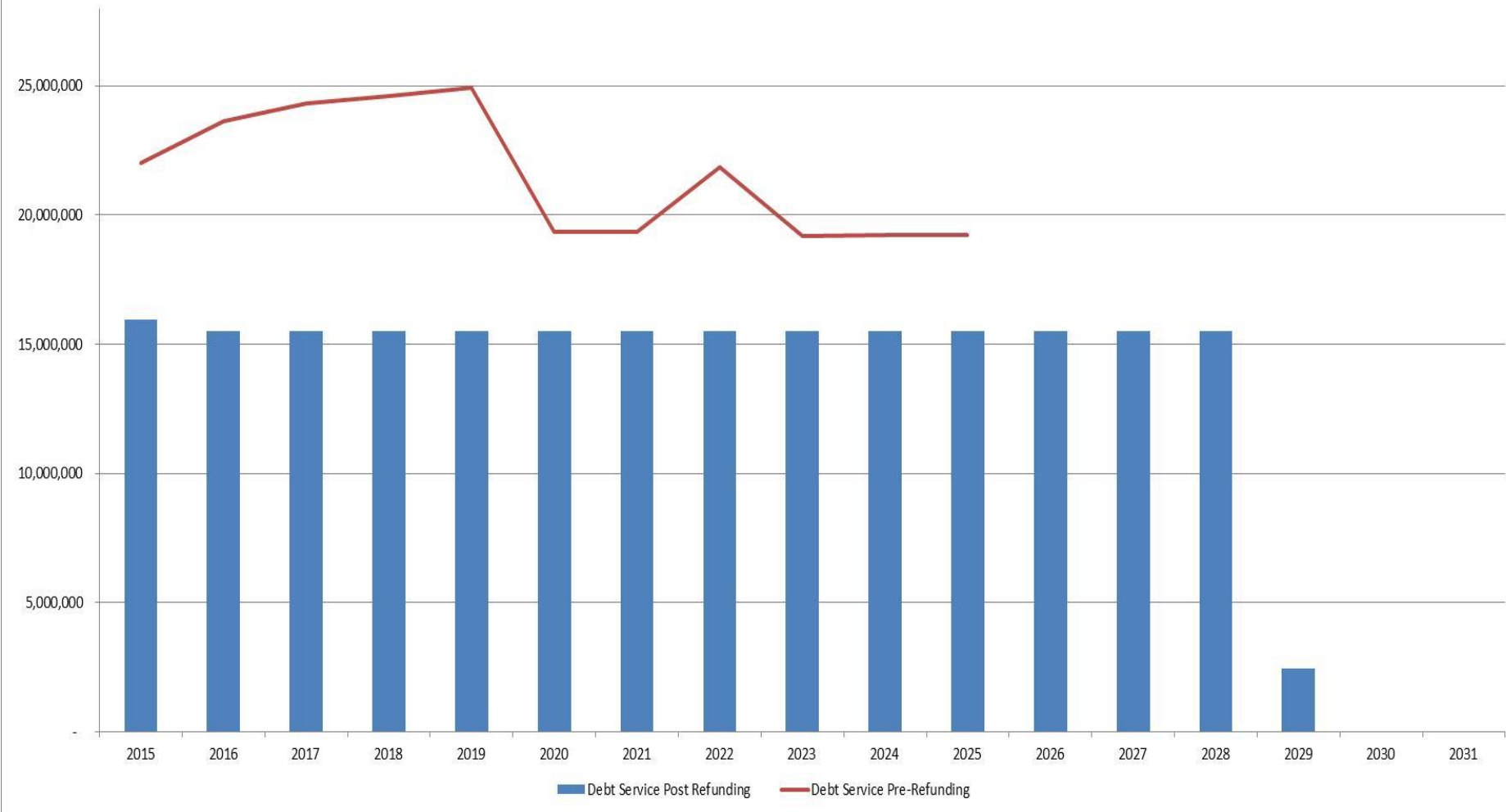
Option 2A: Abate and 2-Phase Refunding - Minimum Ed Fund Balance \$14M

Levy Year	Debt Service Levy	Estimated Tax Rate for Debt Service	2015 Levy Abate w/ Ed Fund Surplus FY14	2016 Levy Abate w/ Ed Fund Surplus FY15	2016 Levy Abate w/ Ed Fund Surplus FY16	Ed Fund Surplus FY17	Less: Dec 2016 Refunded Debt Service	Plus: Series 2016 Refunding Debt Service	Less: Dec 2017 Refunded Debt Service	Plus: Series 2017 Refunding Debt Service	New TOTAL Debt Service	Estimated Tax Rate for Debt Service	Tax Rate Increase/ (Reduction)	Annual (Savings) / Cost on \$315k Home
2015	22,013,633	1.71	(1,648,064)	(1,000,000)							15,966,323	1.24	(0.47)	(493)
2016	23,618,248	1.76	(1,870,723)	(4,891,672)	-		(3,068,040)	1,708,038			15,495,850	1.15	(0.60)	(634)
2017	24,302,850	1.73					(2,807,055)	1,576,650	(9,354,420)	1,777,204	15,495,229	1.10	(0.63)	(659)
2018	24,590,110	1.68					(5,419,255)	1,576,650	(6,884,420)	1,636,300	15,499,385	1.06	(0.62)	(652)
2019	24,928,505	1.63					(6,308,000)	1,576,650	(6,334,420)	1,636,300	15,499,035	1.01	(0.62)	(647)
2020	19,344,395	1.21					(1,533,250)	1,576,650	(5,525,420)	1,636,300	15,498,675	0.97	(0.24)	(253)
2021	19,346,975	1.16					(1,533,250)	1,576,650	(5,533,120)	1,636,300	15,493,555	0.93	(0.23)	(243)
2022	21,857,908	1.26					(1,533,250)	1,576,650	(8,044,833)	1,636,300	15,492,775	0.90	(0.37)	(386)
2023	19,204,313	1.07					(1,533,250)	1,576,650	(5,392,213)	1,636,300	15,491,800	0.86	(0.21)	(217)
2024	19,213,363	1.03					(16,493,250)	7,831,650	(2,720,113)	7,661,300	15,492,950	0.83	(0.20)	(209)
2025	19,209,750	0.99					(16,490,250)	7,831,450	(2,719,500)	7,665,300	15,496,750	0.80	(0.19)	(200)
2026								7,831,250		7,664,500	15,495,750	0.77	0.77	804
2027								7,828,000		7,668,500	15,496,500	0.74	0.74	773
2028								7,833,000		7,666,000	15,499,000	0.71	0.71	744
2029										2,446,500	2,446,500	0.11	0.11	113
2030											-	-	-	-
2031											-	-	-	-
Total	237,630,048		(3,518,787)	(5,891,672)	-	-	(56,718,850)	51,899,938	(52,508,458)	52,367,104	219,860,076			\$ (3,052)
											Net Cashflow Saving/(Costs)		4,960,266	
Additional Set Aside for Defeasance											Net PV Saving/(Costs)		10,898,589	
											Less: PV Cash on Hand		(4,840,672)	
											Net PV Saving/(Costs)	7.50%	6,057,917	
											All-in-TIC as of Jul 14, 16		2.61%	
											Efficiency		81%	

- Debt is extended 4 years and accelerated to \$15.5M annual payments
- Positive cash flow savings as well as present value savings

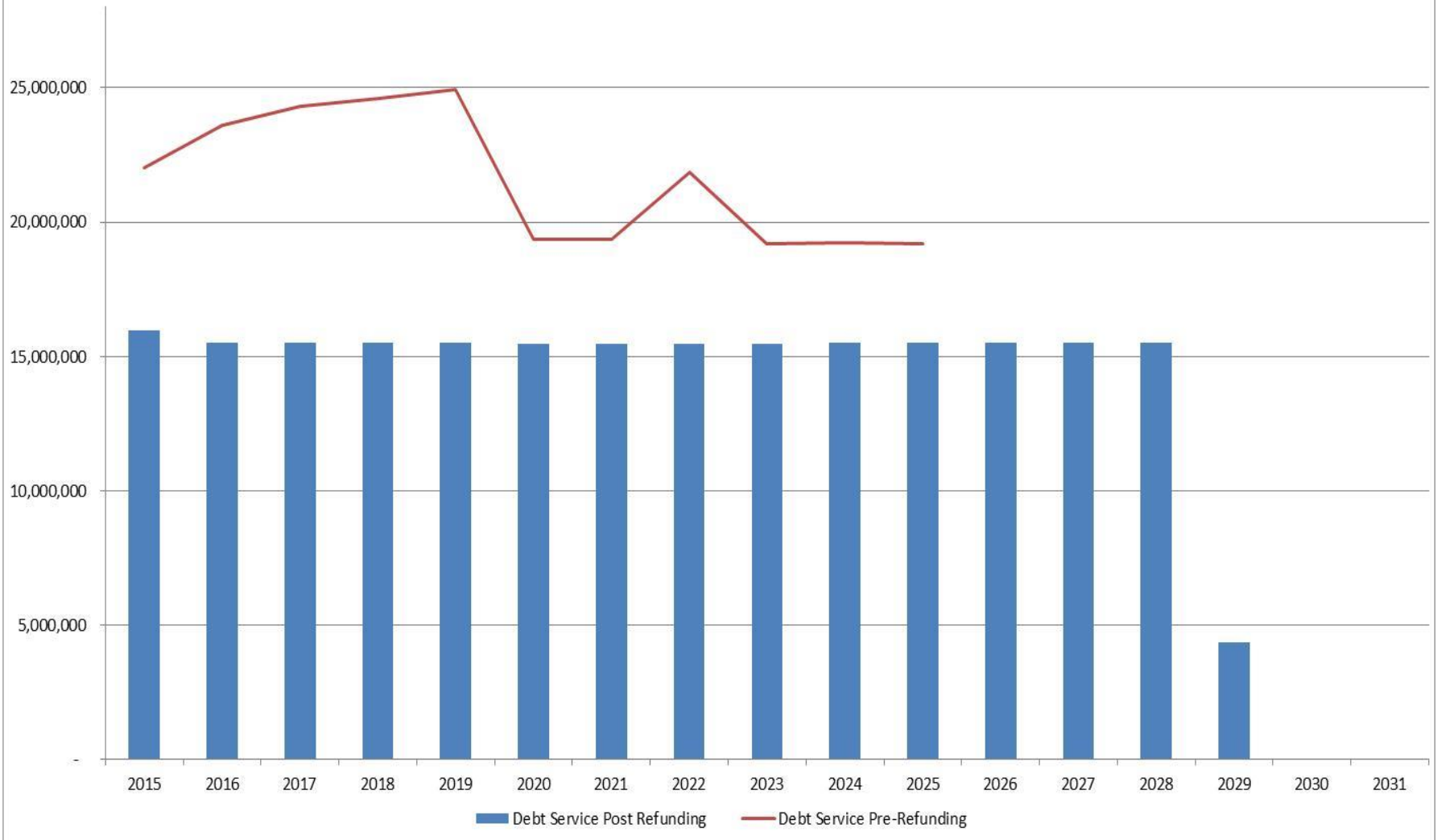
Option IIA: Refunding Fall 16 and 17: Accelerated at \$15.5M

Option IIA: Debt Service Pre and Post Refunding and Abatements



Option IIB: Refunding Fall 16: Accelerated at \$15.5M

Option IIB: Debt Service Pre and Post Refunding and Abatements



Option III: Refunding Fall 16 and 17: Level at \$14.8M

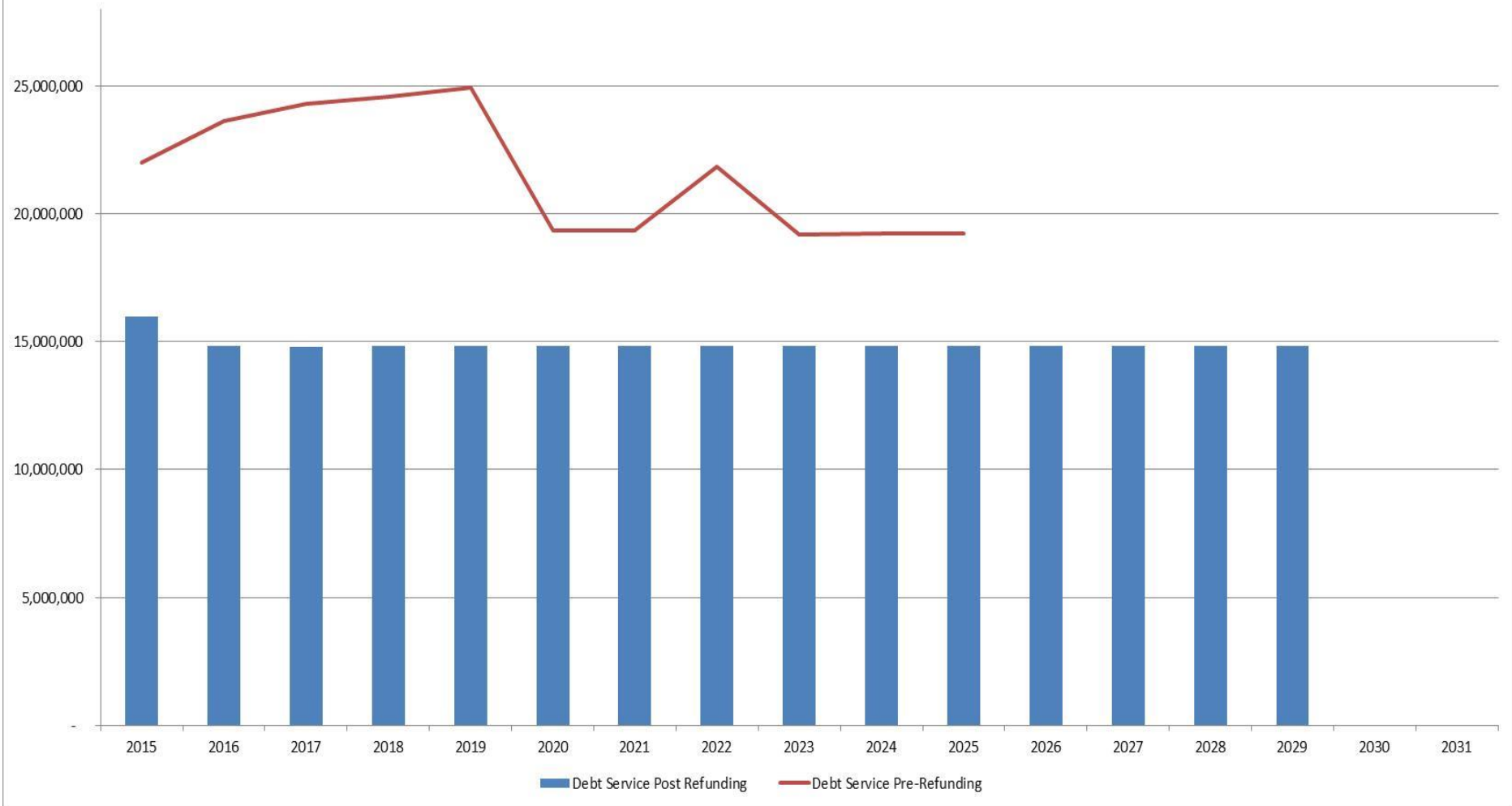
Community Unit School District Number 304 (Geneva)
Option 3: Abate and 2-Phase Refunding - Minimum Ed Fund Balance \$14M

Levy Year	Debt Service Levy	Estimated Tax Rate for Debt Service	2015 Levy Abate w/ Ed Fund Surplus FY14	2016 Levy Abate w/ Ed Fund Surplus FY15	2016 Levy Abate w/ Ed Fund Surplus FY16	Ed Fund Surplus FY17	Less: Dec 2016 Refunded Debt Service	Plus: Series 2016 Refunding Debt Service	Less: Dec 2017 Refunded Debt Service	Plus: Series 2017 Refunding Debt Service	New TOTAL Debt Service	Estimated Tax Rate for Debt Service	Tax Rate Increase/ (Reduction)	Annual (Savings) / Cost on \$315k Home
2011	15,951,903	1.20									14,731,008	1.11	(0.09)	(97)
2012	17,302,070	1.35									15,000,000	1.17	(0.18)	(188)
2013	18,730,973	1.51									15,500,000	1.25	(0.26)	(273)
2014	20,293,283	1.62									16,300,000	1.30	(0.32)	(335)
2015	22,013,633	1.71	(1,648,064)	(1,000,000)							15,966,323	1.24	(0.47)	(493)
2016	23,618,248	1.76	(1,870,723)	(4,891,672)	-		(3,773,040)	1,737,558			14,820,371	1.10	(0.65)	(687)
2017	24,302,850	1.73					(2,807,055)	1,603,900	(10,400,970)	2,110,477	14,809,202	1.06	(0.68)	(710)
2018	24,590,110	1.68					(5,419,255)	1,603,900	(7,905,970)	1,943,150	14,811,935	1.01	(0.67)	(701)
2019	24,928,505	1.63					(6,308,000)	1,603,900	(7,355,970)	1,943,150	14,811,585	0.97	(0.66)	(694)
2020	19,344,395	1.21					(1,533,250)	1,603,900	(6,546,970)	1,943,150	14,811,225	0.93	(0.28)	(298)
2021	19,346,975	1.16					(1,533,250)	1,603,900	(6,549,420)	1,943,150	14,811,355	0.89	(0.27)	(286)
2022	21,857,908	1.26					(1,533,250)	1,603,900	(9,060,483)	1,943,150	14,811,225	0.86	(0.41)	(428)
2023	19,204,313	1.07					(1,533,250)	1,603,900	(6,405,913)	1,943,150	14,812,200	0.82	(0.24)	(256)
2024	19,213,363	1.03					(16,493,250)	7,968,900	(2,720,113)	6,848,150	14,817,050	0.79	(0.23)	(247)
2025	19,209,750	0.99					(16,490,250)	7,969,300	(2,719,500)	6,851,950	14,821,250	0.76	(0.23)	(237)
2026								7,964,500		6,852,750	14,817,250	0.73	0.73	769
2027								7,965,500		6,852,250	14,817,750	0.70	0.70	739
2028								7,964,250		6,853,500	14,817,750	0.68	0.68	711
2029										14,820,750	14,820,750	0.65	0.65	684
2030											-	-	-	-
2031											-	-	-	-
Total	237,630,048		(3,518,787)	(5,891,672)	-	-	(57,423,850)	52,797,308	(59,665,308)	62,848,727	223,377,220			\$ (3,028)
Additional Set Aside for Defeasance					3,433,441	2,715,455								
Total for Debt Payoff						(6,148,896)								
Total Abatements						(23,556,926)								
											Net Cashflow Saving/(Costs)	1,443,122		
											Net PV Saving/(Costs)	9,696,442		
											Less: PV Cash on Hand	(4,836,912)		
											Net PV Saving/(Costs)	4,859,531	5.61%	
											All-in-TIC as of Jul 14, 16	2.69%		
											Efficiency	73%		

- Debt is level at \$14.8M annually
- Debt is extended 4 years; positive cash flow savings as well as present value savings

Option III: Refunding Fall 16 and 17: Level at \$14.8M

Option III: Debt Service Pre and Post Refunding and Abatements



Option IV: Refunding Fall 16 +17: Extend 6 Years with Drop 2024

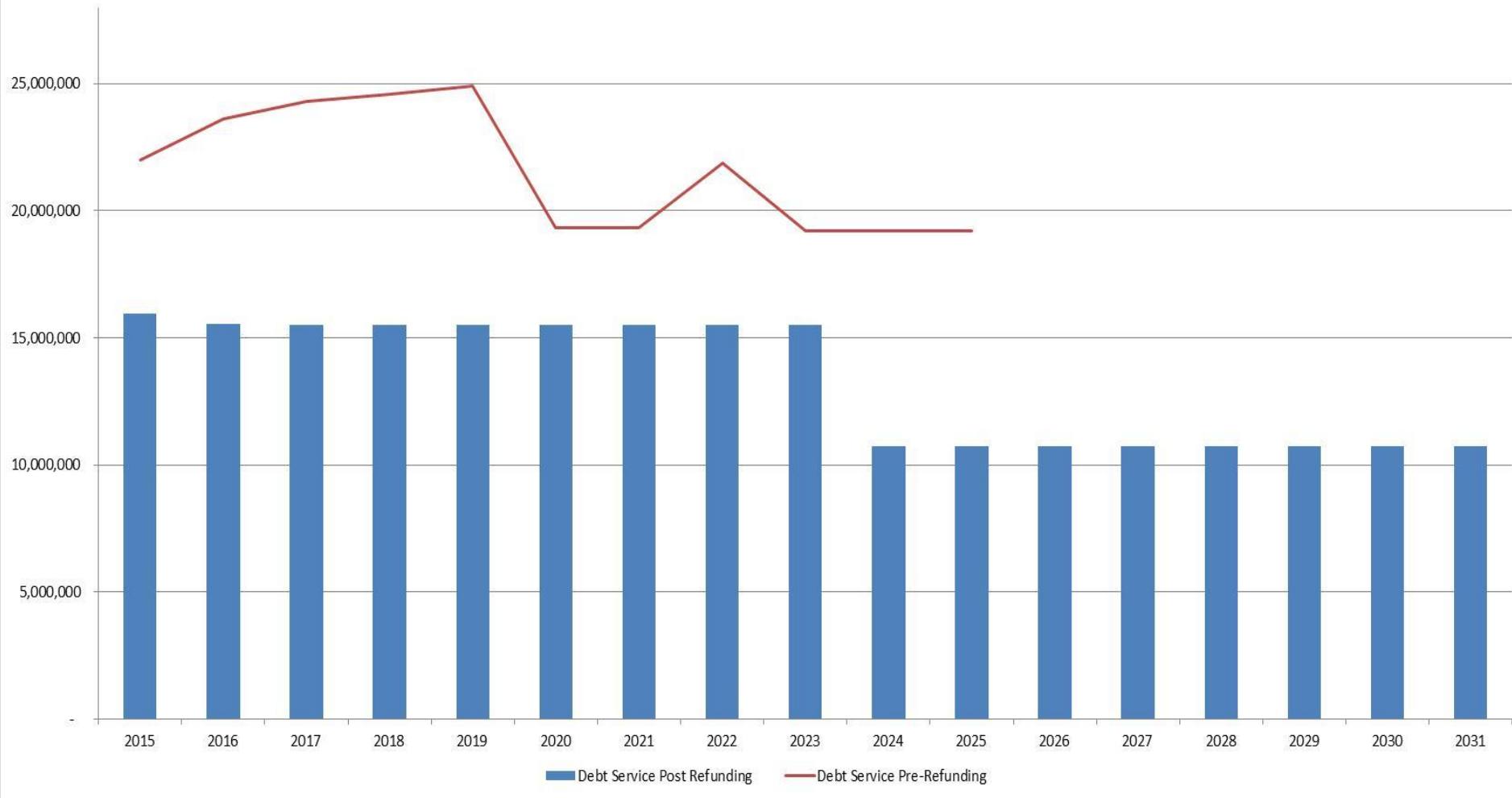
Community Unit School District Number 304 (Geneva)
Option 4: Abate and 2-Phase Refunding - Minimum Ed Fund Balance \$14M

Levy Year	Debt Service Levy	Estimated Tax Rate for Debt Service	2015 Levy Abate w/ Ed Fund Surplus FY14	2016 Levy Abate w/ Ed Fund Surplus FY15	2016 Levy Abate w/ Ed Fund Surplus FY16	Ed Fund Surplus FY17	Less: Dec 2016 Refunded Debt Service	Plus: Series 2016 Refunding Debt Service	Less: Dec 2017 Refunded Debt Service	Plus: Series 2017 Refunding Debt Service	New TOTAL Debt Service	Estimated Tax Rate for Debt Service	Tax Rate Increase/ (Reduction)	Annual (Savings) / Cost on \$315k Home	
2015	22,013,633	1.71	(1,648,064)	(1,000,000)							15,966,323	1.24	(0.47)	(493)	
2016	23,618,248	1.76	(1,870,723)	(4,891,672)	-		(3,038,040)	1,728,296			15,546,109	1.16	(0.60)	(631)	
2017	24,302,850	1.73			-		(2,807,055)	1,595,350	(9,478,170)	1,885,923	15,498,898	1.10	(0.63)	(659)	
2018	24,590,110	1.68					(5,419,255)	1,595,350	(7,003,170)	1,736,400	15,499,435	1.06	(0.62)	(652)	
2019	24,928,505	1.63					(6,308,000)	1,595,350	(6,453,170)	1,736,400	15,499,085	1.01	(0.62)	(647)	
2020	19,344,395	1.21					(1,533,250)	1,595,350	(5,644,170)	1,736,400	15,498,725	0.97	(0.24)	(253)	
2021	19,346,975	1.16					(1,533,250)	1,595,350	(5,649,220)	1,736,400	15,496,255	0.93	(0.23)	(243)	
2022	21,857,908	1.26					(1,533,250)	1,595,350	(8,157,833)	1,736,400	15,498,575	0.90	(0.37)	(386)	
2023	19,204,313	1.07					(1,533,250)	1,595,350	(5,506,663)	1,736,400	15,496,150	0.86	(0.21)	(216)	
2024	19,213,363	1.03					(16,493,250)	6,665,350	(2,720,113)	4,081,400	10,746,750	0.57	(0.45)	(475)	
2025	19,209,750	0.99					(16,490,250)	6,662,550	(2,719,500)	4,082,600	10,745,150	0.55	(0.44)	(457)	
2026								6,666,750		4,075,000	10,741,750	0.53	0.53	557	
2027								6,662,500		4,083,500	10,746,000	0.51	0.51	536	
2028								6,664,750		4,080,250	10,745,000	0.49	0.49	516	
2029								6,667,500		4,075,500	10,743,000	0.47	0.47	496	
2030										10,744,000	10,744,000	0.45	0.45	477	
2031										10,746,750	10,746,750	0.44	0.44	458	
Total	237,630,048		(3,518,787)	(5,891,672)	-	-	(56,688,850)	52,885,146	(53,332,008)	58,273,323	225,957,954			\$ (2,964)	
											Net Cashflow Saving/(Costs)				
											Net PV Saving/(Costs)	8,536,302			
											Less: PV Cash on Hand	(4,828,837)			
											Net PV Saving/(Costs)	3,707,465	4.56%		
											Additional Set Aside for Defeasance				
											Total for Debt Payoff	(6,148,896)			
											Total Abatements	(23,556,926)			
											All-in-TIC as of Jul 14, 16	2.89%			
											Efficiency	70%			

- Debt is extended 6 years versus 4 years with a drop in Debt Service in 2024
- Negative cash flow savings but positive present value savings

Option IV: Refunding Fall 16 +17: Extend 6 Years with Drop 2024

Option IV: Debt Service Pre and Post Refunding and Abatements



Summary of Options

	Option I	Option IIA	Option IIB	Option III	Option IV
Bonds Issued in 2016 and 2017	Yes	Yes	No-2016 Only	Yes	Yes
Levy Year of Final Maturity (versus 2025)	2028	2029	2029	2029	2031
Levy Years Beyond Original Maturity	3	4	4	4	6
Total Cash Flow Savings	7,164,969	4,960,266	3,171,621	1,443,122	(1,137,612)
Total Present Value Savings	6,793,984	6,057,917	4,770,900	4,859,531	3,707,465
PV Savings as Percent of Bonds Refunded	8.83%	7.50%	5.95%	5.61%	4.56%
Refunding Efficiency	85%	81%	70%	73%	70%
Total Net Savings to the Taxpayers 2010-2029 (for owner of \$315,000 market value home)	3,065	3,052	2,972	3,028	2,964

Notice and Disclaimer

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