La Center School District No. 101

Bond Planning
July 21, 2009

$20 Million Bond Authorization – Spring 2010

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Overview

The following information includes projected tax rates for a $20 million bond authorization. We made several assumptions on the District's behalf in the preparation of these tax rate projections. As the District continues to move forward with the planning, we can revisit these assumptions as needed.

Assumptions:

- Assumes 2009 assessed value utilizes full amount listed on County website (excludes adjustment for Green Mountain)
- - 10.0% assessed value growth 2010; 0.00% growth in 2011-2012; and 2.00% thereafter
- Current interest rates plus 1.00% cushion for market volatility (as of June 23, 2009)
- Spring 2010 bond election
- June 1, 2010 bond sale:
  - Combined level tax rate (for new and old bonds)
  - Stepped level tax rate (for new and old bonds)

While we assume the bond authorization is sold as a single bond sale for this analysis, the District may be able to split the authorization into multiple bond sales to help reduce the tax rate while still meeting the construction timeline. Ultimately, the number of bond sales and the timing of the sales will be determined by the District's construction timeline.

Please note that we have assumed negative assessed value growth for 2010 and 0.00% growth in 2011. This is due to very preliminary conversations with the County. Although final numbers are not yet available, they are predicting significant decreases in assessed value throughout Clark County. The assessed value assumptions can be adjusted to be more or less conservative.

Refunding Update:

As a result of the American Recovery and Reinvestment Act, the bank-qualified limit has been increased to $30 million from $10 million for 2009 and 2010. At this time, we would not recommend moving forward with a refunding of the callable 2002 bonds. We will continue to monitor the District's outstanding bonds for possible refunding opportunities.

	---2002 Issue---
Date	**BQ[1]**
Bond Amount	$12,445,000
Total Net Savings	(155,151)
Total Net Present Value Savings	(108,834)
Total Net Present Value Savings as a % of the par amount of the refunded bonds	(0.97%)
Negative Arbitrage[2]	$701,465
Callable	Yes

[1] The bonds can be issued as bank qualified if the District issues less than $30 million in a calendar year (for 2009 and 2010 only)

[2] Negative arbitrage is a measure of inefficiency in a refunding escrow, which results in bypassed savings by the district.

Summary

	La Center_121	La Center_123
Total Authorization	$20,000,000	$20,000,000
Bond Structure	Combined Level Tax Rate	Stepped Level Tax Rate
Bond Sales June 2010	$20,000,000	$20,000,000
Total Bond Tax Rates		
Actual 2008	*$1.04*	*$1.04*
Actual 2009	*$1.11*	*$1.11*
Projected 2010	*$1.27*	*$1.27*
2011	$2.88	$3.05
2012	$2.88	$3.05
2015	$2.88	$3.05
2020	$2.88	$2.55
2024	$2.88	$2.55
2028	$0.78	$2.55
2029	-	$2.55
2011 Total Bond Tax Increase Over 2009	$1.77	$1.94
2011 Total Bond Tax Increase Over 2010	$1.61	$1.78
Estimated Total Interest	$15,621,000	$17,493,000
Estimated Total Debt Service	$35,621,000	$37,493,000
Estimated Net Interest Cost [1]	5.62%	5.76%
Final Maturity	2028	2029

[1] Includes 1.00% interest rate cushion

More detailed analyses are attached on the following pages.

$20 Million Voted Bond – Combined Level Tax Rate

Please note that this scenario assumes a combined level tax rate and does not incorporate a "step down" in tax rate in a future year for an additional bond authorization.

La Center School District No. 101

Projected Bond Tax Rates

Calculation Factors

Rating:	Aa1 / AA+ (State Guarantee)			
Interest Rates:	2010 Issue: Current Plus 1.00 Percent			
	All Other Issues: Current Plus 1.00 Percent			
Assessed Value Increases at:				
		R&P	Timber	
	Final 2009	-3.80%	-63.79%	
	2010	-10.00%	0.00%	
	2011-2012	0.00%	0.00%	
	2013-2058	2.00%	0.00%	
Issue Structure:	Combined Level Tax Rate			
		Issue 1	Issue 2	Total
Bonds Issued:		6/1/2010	1/1/2011	
Issue Size:		$20,000,000	$0	$20,000,000

(in 1,000's)

Levy Year	Bond Assessed Value	M&O Assessed Value	Debt Service: Prior Debt	Debt Service: 2010 Issue	Debt Service: 2011 Issue	Debt Service: Total Bonds		Projected Tax Rates: Prior Debt	Projected Tax Rates: 2010 Issue	Projected Tax Rates: 2011 Issue	Projected Tax Rates: Total Bonds	
2009	$1,018,371	$1,017,664	$1,138	$0	$0	$1,130	(1)	$1.12	$0.00	$0.00	$1.11	(2)
2010	916,675	915,968	1,168	541	0	1,709		1.27	0.59	0.00	1.27	(3)
2011	916,675	915,968	1,215	1,081	0	2,296		1.33	1.18	0.00	2.88	(4)
2012	916,675	915,968	1,255	1,231	0	2,486		1.37	1.34	0.00	2.88	(4)
2013	934,980	934,273	1,292	1,402	0	2,694		1.38	1.50	0.00	2.88	
2014	953,652	952,945	1,332	1,417	0	2,748		1.40	1.49	0.00	2.88	
2015	972,696	971,989	1,367	1,434	0	2,801		1.41	1.47	0.00	2.88	
2016	992,122	991,415	1,409	1,449	0	2,858		1.42	1.46	0.00	2.88	
2017	1,011,936	1,011,229	1,454	1,462	0	2,916		1.44	1.44	0.00	2.88	
2018	1,032,147	1,031,440	1,494	1,482	0	2,976		1.45	1.44	0.00	2.88	
2019	1,052,761	1,052,054	1,539	1,495	0	3,034		1.46	1.42	0.00	2.88	
2020	1,073,788	1,073,081	1,587	1,510	0	3,097		1.48	1.41	0.00	2.88	
2021	1,095,236	1,094,529	1,634	1,522	0	3,156		1.49	1.39	0.00	2.88	
2022	1,117,112	1,116,405	1,685	1,535	0	3,221		1.51	1.37	0.00	2.88	
2023	1,139,426	1,138,719	0	3,281	0	3,281		0.00	2.88	0.00	2.88	
2024	1,162,186	1,161,479	0	3,349	0	3,349		0.00	2.88	0.00	2.88	
2025	1,185,402	1,184,695	0	3,414	0	3,414		0.00	2.88	0.00	2.88	
2026	1,209,082	1,208,375	0	3,484	0	3,484		0.00	2.88	0.00	2.88	
2027	1,233,235	1,232,528	0	3,553	0	3,553		0.00	2.88	0.00	2.88	
2028	1,257,871	1,257,164	0	980	0	980		0.00	0.78	0.00	0.78	
2029	1,283,001	1,282,294	0	0	0	0		0.00	0.00	0.00	0.00	
2030	1,308,632	1,307,925	0	0	0	0		0.00	0.00	0.00	0.00	
	Total Debt Service:			$35,621	$0							
	Total Interest:			$15,621	$0							
	Net Interest Cost:			5.62%	0.00%							

La Center_121

(1) Certified Bond levy amount.
(2) Utilizes DS Fund reserves.
(3) Requires use of 6-month interfund loan ($225k).
(4) Builds DS Fund reserves.

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La Center School District No. 101

Projected Debt Service Fund Cash Flow as of 5/31

$ in 1,000's

Calculation Factors

2009-2010 Collection:	98.00%
2011 Collection:	95.00%
2012-2014 Collection:	98.00%
Spring Collection:	53.00%
Interest earned at:	0.65%
A.V. Increases per year:	
2010	-10.00%
2011-2012	0.00%
2013-2058	2.00%
2009 Taxes Uncollected at Date of Beginning Balance	$601

	Dollars Levied	Assessed Value	Bond Levy Rate	Actual Debt Serv.	Over (Under)
2009	$1,130	$1,018,371	$1.11	$1,138	($8)
2010	1,168	916,675	1.27	1,709	(541)
2011	2,642	916,675	2.88	2,296	346
2012	2,642	916,675	2.88	2,486	155
2013	2,694	934,980	2.88	2,694	0
2014	2,748	953,652	2.88	2,748	0
					($48)

File: La Center_121

Period Beginning	Beginning Balance	Additional Proceeds	Interfund Loan	Levy Collection	Interest Earnings	Prior Bonds	Projected Debt Service 2010 Bonds	Projected Debt Service Future Bonds	Ending Balance	Period Ending
1/1/2009	-				-				-	1/31/2009
2/1	-				-				-	2/28
3/1	-				-				-	3/31
4/1	-			-	-				-	4/30
5/1	-			-	-				904	5/31
6/1	904			58	0	(332)	0	0	631	6/30
7/1	631				0				631	7/31
8/1	631				0				631	8/31
9/1	631				0				632	9/30
10/1	632			104	0				736	10/31
11/1	736			364	0				1,101	11/30
12/1	1,101			52	1	(807)	0	0	347	12/31
1/1/2010	347				0				347	1/31/2010
2/1	347				0				347	2/28
3/1	347				0				348	3/31
4/1	348			121	0				469	4/30
5/1	469			425	0				894	5/31
6/1	894			61	0	(324)	0	0	631	6/30
7/1	631				0				631	7/31
8/1	631				0				632	8/31
9/1	632				0				632	9/30
10/1	632			108	0				740	10/31
11/1	740			377	0				1,117	11/30
12/1	1,117		225	54	1	(844)	(541)	0	12	12/31
1/1/2011	12				0				12	1/31/2011
2/1	12				0				12	2/28
3/1	12				0				12	3/31
4/1	12			266	0				278	4/30
5/1	278			931	0				1,209	5/31
6/1	1,209		(226)	133	1	(315)	(541)	0	262	6/30
7/1	262				0				262	7/31
8/1	262				0				262	8/31
9/1	262				0				262	9/30
10/1	262			236	0				498	10/31
11/1	498			826	0				1,324	11/30
12/1	1,324			118	1	(900)	(541)	0	2	12/31
1/1/2012	2				0				2	1/31/2012
2/1	2				0				2	2/29
3/1	2				0				2	3/31
4/1	2			274	0				276	4/30
5/1	276			960	0				1,237	5/31
6/1	1,237			137	1	(302)	(541)	0	532	6/30
7/1	532				0				532	7/31
8/1	532				0				532	8/31
9/1	532				0				533	9/30
10/1	533			243	0				776	10/31
11/1	776			852	0				1,628	11/30
12/1	1,628			122	1	(952)	(691)	0	108	12/31

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TAX IMPACT ANALYSIS

Total Project Cost:	
State Match:	
Bond Authorization Amount:	**$20,000,000**

Estimated 2011 Tax Rate Increase over 2010 Tax Rate (Bonds Only) (per $1,000 assessed value): $1.61

Assessed Value of Property	Gross Property Tax Increase for Bonds	Monthly Gross Increase	Monthly Net Tax Increase from Bonds After Allowing for Income Tax Deduction — Federal Income Tax Bracket			
			25%	28%	33%	35%
$200,000	$322.00	$26.83	$20.13	$19.32	$17.98	$17.44
250,000	403.00	33.58	25.19	24.18	22.50	21.83
300,000	483.00	40.25	30.19	28.98	26.97	26.16
350,000	564.00	47.00	35.25	33.84	31.49	30.55
400,000	644.00	53.67	40.25	38.64	35.96	34.88

NOTE: **Qualified homeowners may apply for a senior exemption. Please contact the Clark County Assessor for details at (360) 397-2391.**

$20 Million Voted Bond – Stepped Level Tax Rate

A step down typically provides additional flexibility for future bond issues. A step down structure usually requires a higher initial tax rate to accommodate a drop in tax rate in a future year. This scenario assumes the District would approach voters again in 2015 and thus has a "step down" in tax rate in 2016.

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Projected Bond Tax Rates

Calculation Factors

Rating:	Aa1 / AA+ (State Guarantee)
Interest Rates:	2010 Issue: Current Plus 1.00 Percent All Other Issues: Current Plus 1.00 Percent

Assessed Value Increases at:

		R&P	Timber
Final	2009	-3.80%	-63.79%
	2010	-10.00%	0.00%
	2011-2012	0.00%	0.00%
	2013-2058	2.00%	0.00%

Issue Structure: Combined Stepped Tax Rate

	Issue 1	Issue 2	Total
Bonds Issued:	6/1/2010	1/1/2011	
Issue Size:	$20,000,000	$0	$20,000,000

(in 1,000's)

Levy Year	Bond Assessed Value	M&O Assessed Value	Debt Service: Prior Debt	Debt Service: 2010 Issue	Debt Service: 2011 Issue	Debt Service: Total Bonds	
2009	$1,018,371	$1,017,664	$1,138	$0	$0	$1,130	(1)
2010	916,675	915,968	1,168	551	0	1,719	
2011	916,675	915,968	1,215	1,102	0	2,317	
2012	916,675	915,968	1,255	1,477	0	2,732	
2013	934,980	934,273	1,292	1,561	0	2,854	
2014	953,652	952,945	1,332	1,576	0	2,908	
2015	972,696	971,989	1,367	1,598	0	2,965	
2016	992,122	991,415	1,409	1,122	0	2,531	
2017	1,011,936	1,011,229	1,454	1,128	0	2,582	
2018	1,032,147	1,031,440	1,494	1,139	0	2,633	
2019	1,052,761	1,052,054	1,539	1,149	0	2,688	
2020	1,073,788	1,073,081	1,587	1,153	0	2,740	
2021	1,095,236	1,094,529	1,634	1,161	0	2,795	
2022	1,117,112	1,116,405	1,685	1,163	0	2,848	
2023	1,139,426	1,138,719	0	2,905	0	2,905	
2024	1,162,186	1,161,479	0	2,966	0	2,966	
2025	1,185,402	1,184,695	0	3,025	0	3,025	
2026	1,209,082	1,208,375	0	3,083	0	3,083	
2027	1,233,235	1,232,528	0	3,148	0	3,148	
2028	1,257,871	1,257,164	0	3,209	0	3,209	
2029	1,283,001	1,282,294	0	3,275	0	3,275	
2030	1,308,632	1,307,925	0	0	0	0	
Total Debt Service:				$37,493	$0		
Total Interest:				$17,493	$0		
Net Interest Cost:				5.76%	0.00%		

La Center_123

Projected Tax Rates: Prior Debt	2010 Issue	2011 Issue	Total Bonds	
$1.12	$0.00	$0.00	$1.11	(2)
1.27	0.60	0.00	1.27	(3)
1.33	1.20	0.00	3.05	(4)
1.37	1.61	0.00	3.05	(4)
1.38	1.67	0.00	3.05	
1.40	1.65	0.00	3.05	
1.41	1.64	0.00	3.05	
1.42	1.13	0.00	2.55	
1.44	1.12	0.00	2.55	
1.45	1.10	0.00	2.55	
1.46	1.09	0.00	2.55	
1.48	1.07	0.00	2.55	
1.49	1.06	0.00	2.55	
1.51	1.04	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	2.55	0.00	2.55	
0.00	0.00	0.00	0.00	

(1) Certified Bond levy amount.
(2) Utilizes DS Fund reserves.
(3) Requires use of 6-month interfund loan ($225k).
(4) Builds DS Fund reserves.

La Center School District No. 101

Projected Debt Service Fund Cash Flow as of 5/31

$ in 1,000's

Calculation Factors

2009-2010 Collection:	98.00%
2011 Collection:	95.00%
2012-2014 Collection:	98.00%
Spring Collection:	53.00%
Interest earned at:	0.65%
A.V. Increases per year:	
2010	-10.00%
2011-2012	0.00%
2013-2058	2.00%
2009 Taxes Uncollected at Date of Beginning Balance	$601

	Dollars Levied	Assessed Value	Bond Levy Rate	Actual Debt Serv.	Over (Under)
2009	$1,130	$1,018,371	$1.11	$1,138	($8)
2010	1,168	916,675	1.27	1,719	(551)
2011	2,796	916,675	3.05	2,317	479
2012	2,796	916,675	3.05	2,732	64
2013	2,854	934,980	3.05	2,854	0
2014	2,908	953,652	3.05	2,908	0
					($16)

File: La Center_123

Period Beginning	Beginning Balance	Additional Proceeds	Interfund Loan	Levy Collection	Interest Earnings	Prior Bonds	Projected Debt Service 2010 Bonds	Projected Debt Service Future Bonds	Ending Balance	Period Ending
1/1/2009	-				-				-	1/31/2009
2/1	-				-				-	2/28
3/1	-				-				-	3/31
4/1	-			-	-				-	4/30
5/1	-			-	-				904	5/31
6/1	904			58	0	(332)	0	0	631	6/30
7/1	631				0				631	7/31
8/1	631				0				631	8/31
9/1	631				0				632	9/30
10/1	632			104	0				736	10/31
11/1	736			364	0				1,101	11/30
12/1	1,101			52	1	(807)	0	0	347	12/31
1/1/2010	347				0				347	1/31/2010
2/1	347				0				347	2/28
3/1	347				0				348	3/31
4/1	348			121	0				469	4/30
5/1	469			425	0				894	5/31
6/1	894			61	0	(324)	0	0	631	6/30
7/1	631				0				631	7/31
8/1	631				0				632	8/31
9/1	632				0				632	9/30
10/1	632			108	0				740	10/31
11/1	740			377	0				1,117	11/30
12/1	1,117		225	54	1	(844)	(551)	0	2	12/31
1/1/2011	2				0				2	1/31/2011
2/1	2				0				2	2/28
3/1	2				0				2	3/31
4/1	2			282	0				283	4/30
5/1	283			985	0				1,269	5/31
6/1	1,269		(226)	141	1	(315)	(551)	0	319	6/30
7/1	319				0				319	7/31
8/1	319				0				319	8/31
9/1	319				0				319	9/30
10/1	319			250	0				569	10/31
11/1	569			874	0				1,443	11/30
12/1	1,443			125	1	(900)	(551)	0	118	12/31
1/1/2012	118				0				118	1/31/2012
2/1	118				0				118	2/29
3/1	118				0				118	3/31
4/1	118			290	0				409	4/30
5/1	409			1,017	0				1,426	5/31
6/1	1,426			145	1	(302)	(551)	0	718	6/30
7/1	718				0				719	7/31
8/1	719				0				719	8/31
9/1	719				0				719	9/30
10/1	719			258	0				977	10/31
11/1	977			901	1				1,879	11/30
12/1	1,879			129	1	(952)	(926)	0	131	12/31

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La Center School District No. 101

TAX IMPACT ANALYSIS

Total Project Cost:	
State Match:	
Bond Authorization Amount:	**$20,000,000**

Estimated 2011 Tax Rate Increase over 2010 Tax Rate (Bonds Only) (per $1,000 assessed value): $1.78

Assessed Value of Property	Gross Property Tax Increase for Bonds	Monthly Gross Increase	Monthly Net Tax Increase from Bonds After Allowing for Income Tax Deduction — Federal Income Tax Bracket 25%	28%	33%	35%
$200,000	$356.00	$29.67	$22.25	$21.36	$19.88	$19.28
250,000	445.00	37.08	27.81	26.70	24.85	24.10
300,000	534.00	44.50	33.38	32.04	29.82	28.93
350,000	623.00	51.92	38.94	37.38	34.78	33.75
400,000	712.00	59.33	44.50	42.72	39.75	38.57

NOTE: **Qualified homeowners may apply for a senior exemption. Please contact the Clark County Assessor for details at (360) 397-2391.**

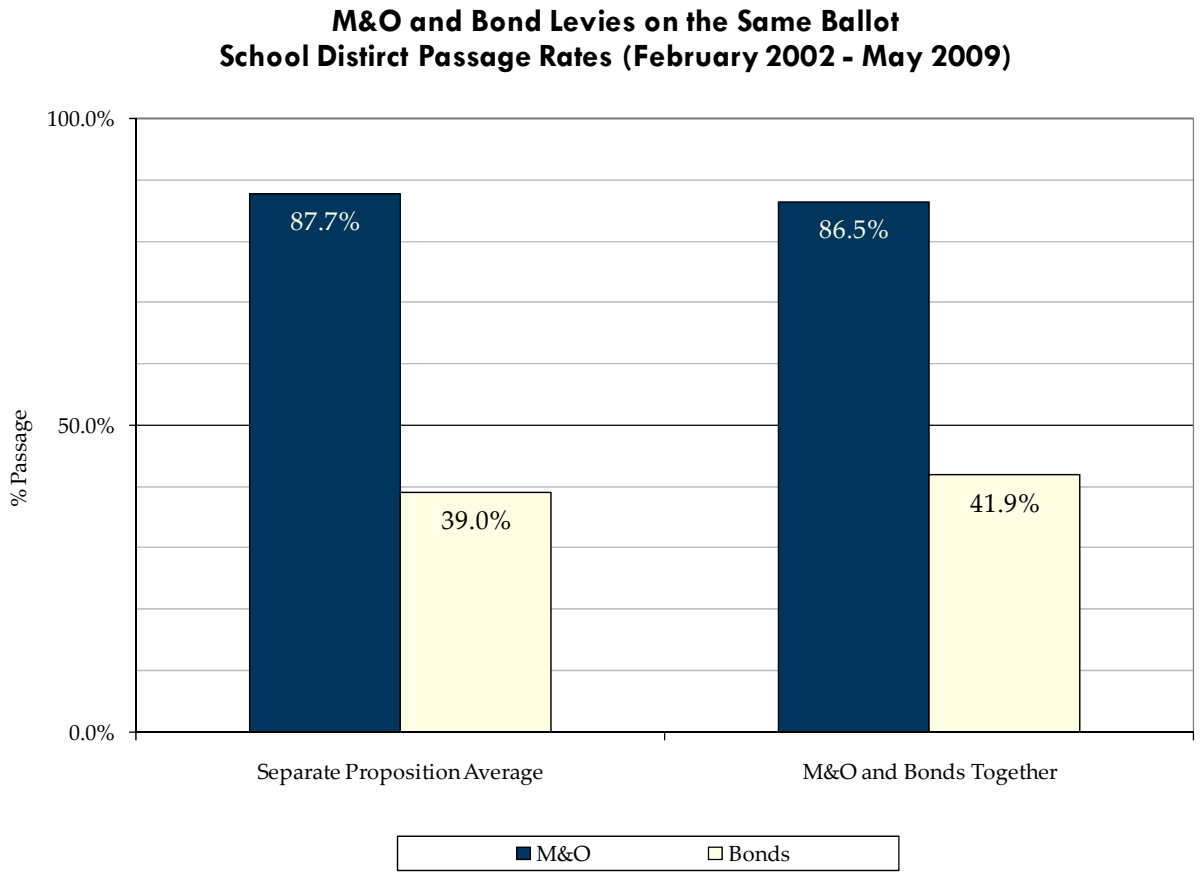
Election/Resolution Filing Dates

Please note the change in election dates for 2010 (no March election):

Election Dates

Election Date	Filing Deadline	Approximate Date Absentee Ballots are Mailed[1]
February 9, 2010	December 23, 2009	January 22, 2010
	No March 2010 Election	
April 27, 2010	March 12, 2010	April 9, 2010
May 18, 2010 [2]	April 2, 2010	April 30, 2010
August 17, 2010	May 25, 2010	July 30, 2010
November 2, 2010	August 10, 2010	October 15, 2010

(1) Ballots are required to be mailed no later than 18 days prior to the election date.
(2) The May 2010 (and 2011) election will be limited to tax levies that have previously failed in 2010 or for new bond issues. Beginning in 2012 there will no longer be a May election.

Bonds and Levies on Same Ballot

Our most recent data shows that when M&O and bond levies are run on the same ballot, M&O levies pass at a slightly lower percentage and bond levies pass at a slightly higher percentage (versus being run on separate ballots).