

**Urbana CUSD #116
Champaign County, Illinois
Analysis of Bond Levy and Borrowing Options**

Underlying Facts and Assumptions for Property Tax Bonds

1. Current bonds are supported by property tax levy with a \$.64 target levy
2. 2010 Working Cash Fund Bonds will provide approximately \$2.95 million for projects and maintain \$.64 target for next three years
3. 2010 Tort Bonds will fund settlement and be repaid through \$.05 levy in addition to the \$.64 target for the next five years
4. District needs to file any abatement from sales tax revenues with the County Clerk by March 1.

Bond & Interest Levy after 2010 General Obligation Bonds and Abatement from Sales Tax

Levy Year	Fiscal Year	EAV	Growth Rate	2002 GO Bonds	ULT GO Levy	2007 & 2009 WC Bonds	Total Existing Debt Svc	Total Levy	2010 WC Debt Service	2010 WC Levy	Total Levy	2010 Tort Bonds Total	Total Levy	Levy After Abate \$1 Million
2008	2010	689,061,088		3,263,340	0.47	1,072,643	4,335,983	0.63		0.00	0.63		0.63	
2009	2011	700,331,625		3,264,700	0.47	807,373	4,072,073	0.58	409,060	0.06	0.64	342,034	0.69	0.55
2010	2012	714,338,258	2%	3,265,450	0.46	-	3,265,450	0.46	1,306,250	0.18	0.64	353,175	0.69	0.55
2011	2013	735,768,405	3%	3,261,313	0.44	-	3,261,313	0.44	1,445,250	0.20	0.64	360,775	0.69	0.55
2012	2014	757,841,457	3%	3,264,344	0.43	-	3,264,344	0.43	-	0.00	0.43	368,250	0.48	0.35
2013	2015	795,733,530	5%	3,264,806	0.41	-	3,264,806	0.41	-	0.00	0.41	389,500	0.46	0.33
2014	2016	835,520,207	5%	3,263,281	0.39	-	3,263,281	0.39		0.00	0.39		0.39	0.27
2015	2017	877,296,217	5%	3,264,500	0.37		3,264,500	0.37		0.00	0.37		0.37	0.26
2016	2018	921,161,028	5%	3,263,500	0.35		3,263,500	0.35		0.00	0.35		0.35	0.25
2017	2019	967,219,079	5%	3,265,500	0.34		3,265,500	0.34		0.00	0.34		0.34	0.23
				32,640,734		1,880,016	34,520,750		3,160,560		1,813,734			

Underlying Facts and Assumptions for Sales Tax Bonds

1. District will start receiving sales tax revenues in April.
2. District is eligible to sell Stimulus Bonds for lower interest rates
 - a. Build America Bonds (BABs)
 - i. 35% subsidy on taxable interest rates
 - ii. Expires 12/31/10
 - iii. Currently saves about .50% in interest expense
 - b. Recovery Zone Economic Development Bonds
 - i. 45% subsidy on taxable interest rates
 - ii. \$587,250 allocated by County Board – July 1 deadline
3. Feasibility Study of sales tax revenues is complete
 - a. Projects Urbana will receive \$2,879,000 in sales tax revenues in 2010
 - b. Revenues are estimated to grow 2.7% annually thereafter
4. Options herein assume:
 - a. 2.5% annual increase in sales tax revenue
 - b. Current interest rates plus .50% - very low from an historic perspective
 - c. Through 2018, sales tax revenues of \$1,000,000 annually are used to reduce property taxes and remaining sales tax revenues are split 50/50 between pay as you go projects and potential bond payments
 - c. After 2002 Bonds are paid off in 2018, additional sales tax revenues are available for pay as you go projects and/or bond payments (see options below)

Summary of Estimated Sales Tax Borrowing Options

Option	1	2	3	4
Tax-Exempt Bonds	Yes	Yes	No	No
Taxable BABs	No	No	Yes	Yes
Use of CSFT Revs after 2018 -				
Ongoing Projects / Bonds	50% / 50%	33% / 67%	50% / 50%	33% / 67%
10 Year Bonds	\$9,725,276	\$10,468,202	\$10,020,789	\$10,802,265
15 Year Bonds	\$14,385,788	\$16,743,412	\$15,011,386	\$17,519,872
20 Year Bonds	\$18,376,034	\$22,094,696	\$19,390,858	\$23,391,385
25 Year Bonds	\$21,804,362	\$26,684,830	\$23,248,021	\$28,554,175
30 Year Bonds	\$24,395,801	\$30,163,868	\$26,253,852	\$32,586,786

ALL VALUES ARE SUBJECT TO CHANGE WITH INTEREST RATES

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