

Palatine CCSD 15, Cook County, IL

Overview of Limited Tax Financing Options

March 10, 2010

William Blair & Company®

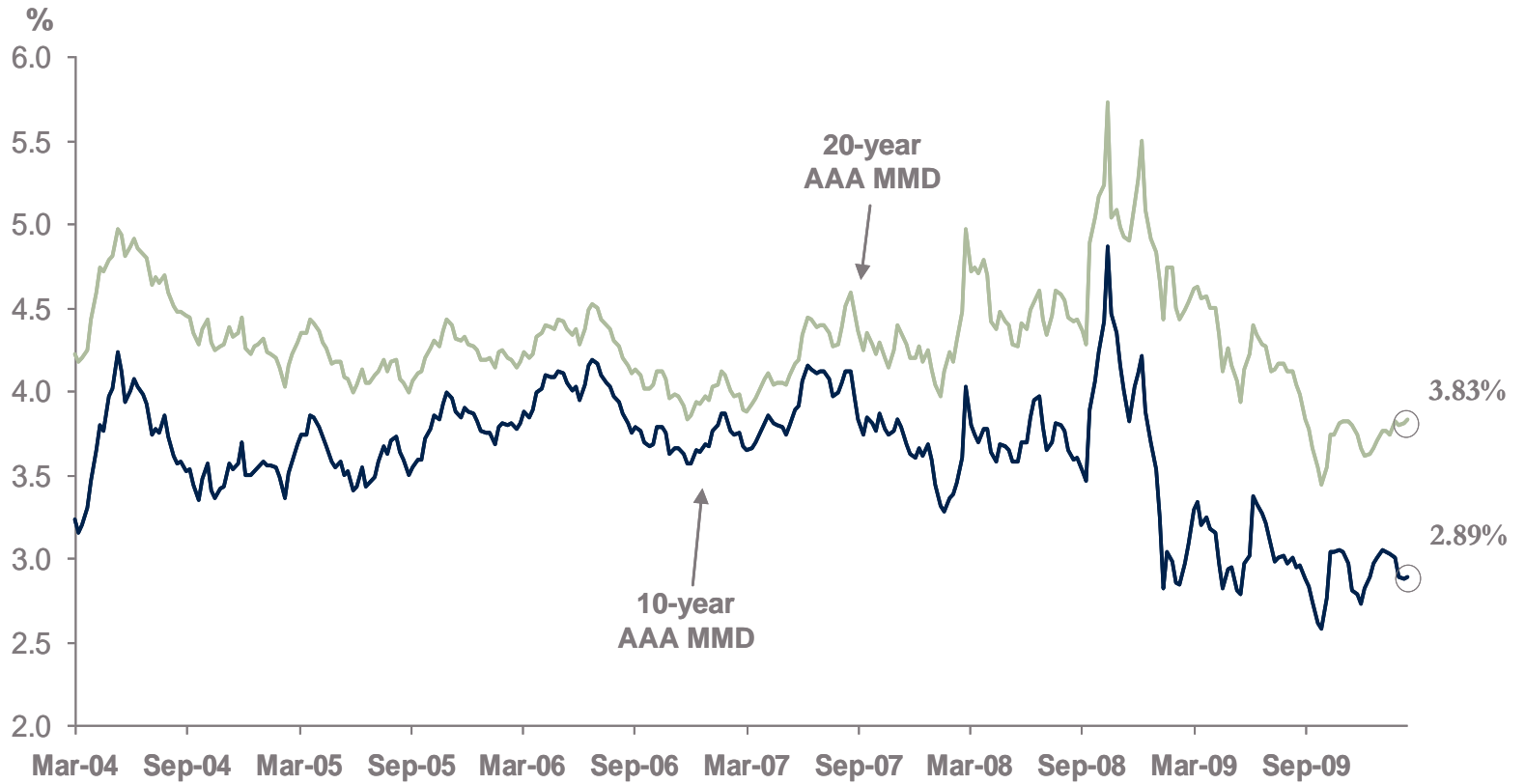
Market Update



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Historic AAA MMD Interest Rates

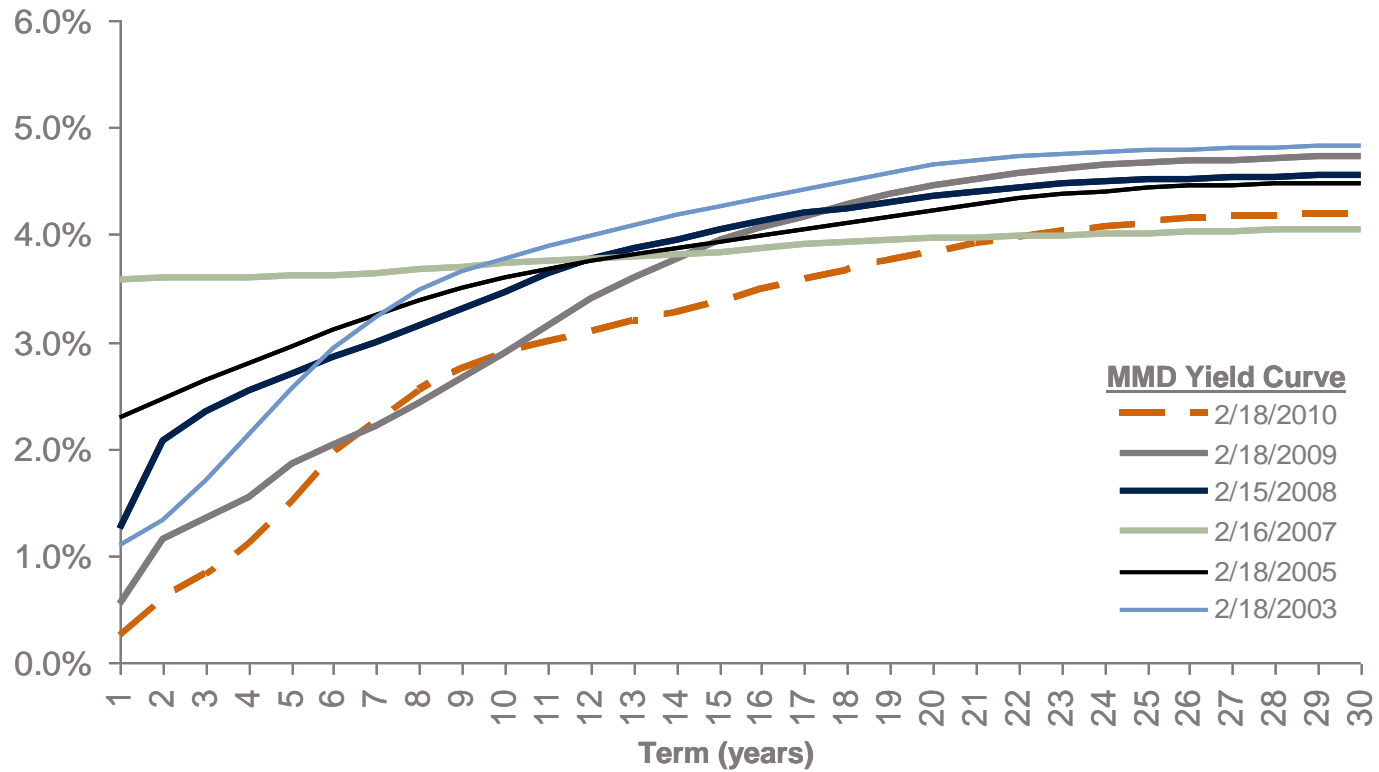
AAA Municipal Market Data (“MMD”) during the past 5 years



Note: Reflects market conditions as of February 18, 2010
Source: Thomson Financial

Municipal Yield Curve Comparison

AAA MMD curves during the past 7 years



Note: Reflects market conditions as of February 18, 2010
 Source: Thomson Financial

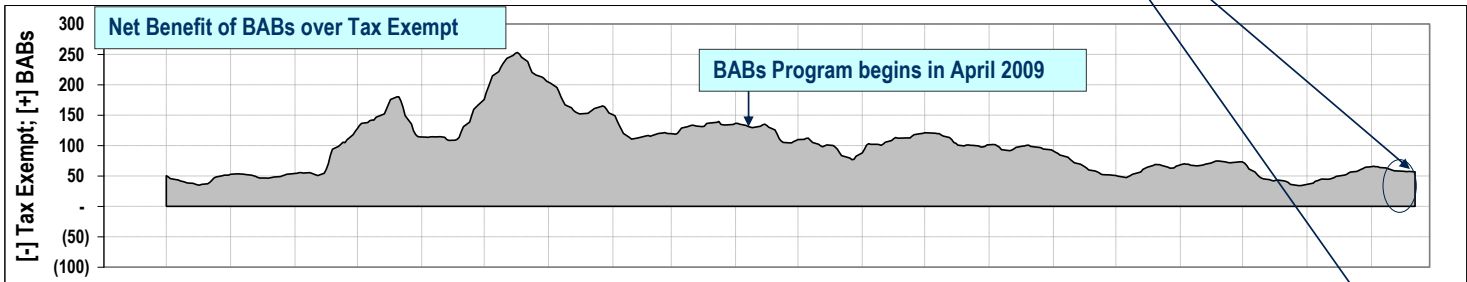
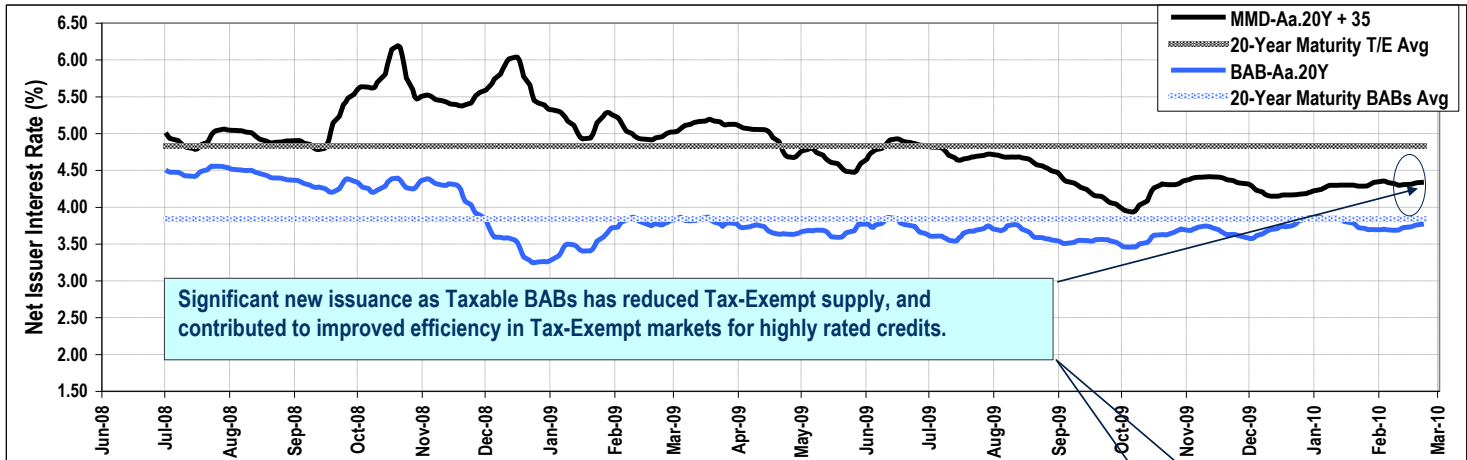
Moderately Improved Tax-Exempt Market Efficiency

20-Year Build America Bonds & Tax-Exempt Bonds

02/22/10

Aa Tax-Exempts Expressed as 20-Year Tax Exempt MMD + 35 Basis Points
 Aa Taxable BAB Expressed as Taxable Rate x [1- 0.35]% as Issuer Net Rate

T/Exe Average = 4.828%
 BABs Average = 3.836%



Sources: Municipal Market Data; Tax-Exempt rates
 Bloomberg Data; Daily closing Treasury Yields
 Notes: Graphs utilize a 5 Trading-Day Moving Average to demonstrate market trend effects

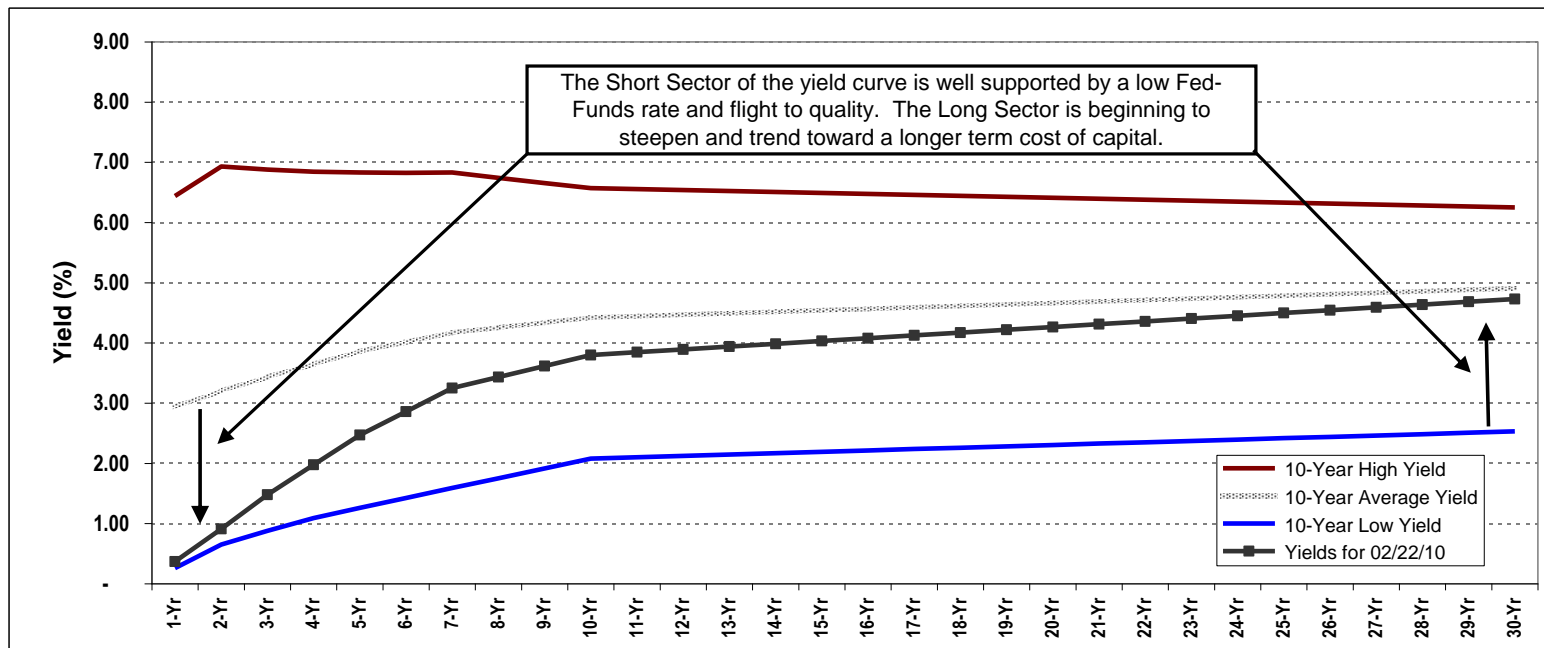
T/Exe Estimated Rate for 02/22/10 = 4.350%
 BABs Estimated Rate for 02/22/10 = 3.796%
 Net BABs Benefit for 02/22/10 = 55 bps

The Treasury Curve is Becoming Moderately Steeper

Treasury Yield Curves

02/22/10

10-Year Historical; Bloomberg Data



<u>Maturity (Years):</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>5</u>	<u>7</u>	<u>10</u>	<u>12</u>	<u>15</u>	<u>20</u>	<u>25</u>	<u>30</u>
High Yield	6.44	6.93	6.88	6.83	6.83	6.57	6.54	6.49	6.41	6.33	6.25
High Date	05/15/00	05/18/00	05/18/00	05/08/00	05/18/00	05/08/00	05/08/00	05/08/00	05/08/00	05/08/00	05/08/00
Low Yield	0.26	0.65	0.88	1.26	1.59	2.08	2.13	2.19	2.31	2.42	2.53
Low Date	12/01/09	12/16/08	12/16/08	12/18/08	12/18/08	12/18/08	12/18/08	12/18/08	12/18/08	12/18/08	12/18/08
Average Yield	2.93	3.20	3.43	3.86	4.17	4.42	4.47	4.54	4.66	4.78	4.91
Current Yield	0.37	0.91	1.48	2.47	3.25	3.80	3.89	4.03	4.27	4.50	4.73

Legislative Update and Financing Options

William Blair & Company®

Statutory Debt Limit

2008 Equalized Assessed Valuation	4,617,764,493
6.9% Statutory Debt Limit	6.90%
Gross Debt Limit	318,625,750
Less Debt Outstanding:	32,045,424
Net Debt Limit	286,580,326

Working Cash Fund Debt Limit

2008 Equalized Assessed Valuation	4,617,764,493
Maximum Education Fund Tax Rate	3.50%
Subtotal	161,621,757
Plus Corporate and Personal Property Replacement Taxes	1,640,192
Subtotal	163,261,949
Times 85%	85%
Gross Working Cash Fund Bond Limit	138,772,657
Less: Outstanding Working Cash Fund Bonds	(32,045,424)
Net Working Cash Fund Bonding Limit	106,727,233

Public Act 96-0501 – Debt Service Extension Base

- In 1994 issuers affected by the Property Tax Limitation Law were allowed to continue to issue non-referendum bonds such as life safety, working cash and funding bonds as long as the debt service payments did not exceed the 1994 tax levy for debt service. For the District, that amount was \$4,893,766.
- Public Act 96-501 provides that starting in the year 2009, the debt service extension base must be increased each year by the lesser of 5% or the CPI for the prior calendar year. This will allow school district to issue a greater amount of non-referendum bonds including life safety bonds, working cash fund bonds and funding bonds within their respective statutory limits.
- Due to the difficulty of estimating the CPI into the future, issuers must pledge additional funds to the repayment of the bonds just in case the CPI is less than anticipated.
- It is important to be conservative with the assumption of future CPI increases. In the following example we have estimated future CPI at 1.5% for 2011 and thereafter. The CPI for 2010 levy year is 2.70%.

Public Act 96-0501

Bond Counsel and Rating Agency developing positions on Public Act 96-0501

1. Chapman and Cutler have determined that they will not depend on the County Clerk to abate any levy that is in excess of the CPI increase that actually materializes in future years – so they will only allow levies in the amount of the current DSEB (incorporating most recent CPI information). Then the District will need to approve a supplemental bond levy concurrently with its operating levy annually.
2. Standard and Poor’s (S&P) have concluded that if future debt base increases are pledged to the repayment of bonds, then if the debt base CPI estimate is wrong in future years, the District will need to pay debt service from operating funds or funds on hand in the debt service fund. Therefore, they are “notching” the bond rating one grade lower. So for example, if the District had an “A+” rating from S&P, the rating using future DSEB increases would be “A”, similar to their policy on operating fund debt service.
3. Moody’s so far, does not notch the bond rating on issues that assume a conservative increase in CPI.
4. The only bond insurance company still viable, Assured Guaranty/FSA, requires that upon issuance, the debt service on the bonds does not exceed the DSEB. If insurance is required, the District will not be able to take advantage of future increases in CPI with the Debt Base.
5. Prior insurance commitments with Assured Guaranty/FSA may need to be amended or the bonds refunded.

Working Cash Fund – The Internal Bank Account

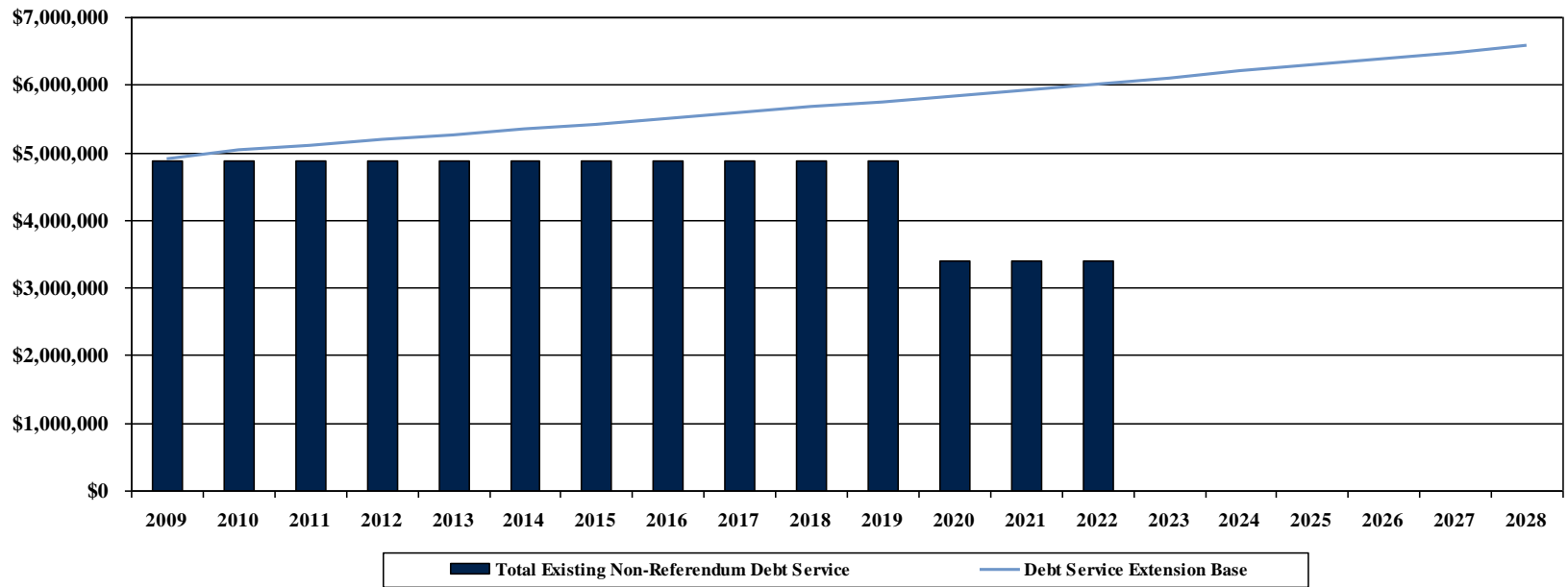
- The working cash fund is meant to act as an internal bank to provide cash flow between cash collections.
- The District *NEEDS* operating fund balances in order to avoid short term borrowing for paying bills in between tax collections.
- The District's major revenue source – property taxes – are collected in March and the following September. However, the September tax distribution is later each year due to assessment objections in Cook County.
- Last year the fall distribution was December 3, 2009. This year it could be as late as January or February 1st of 2011!
- In order to avoid short term borrowing, many school district set an operating fund balance target of 30% to 50% fund balance as a percentage of expenditures.
- The working cash fund balance is part of the operating fund balance and should not be permanently transferred to the operating funds and spent. Instead, it should be loaned to the most needy fund(s), then repaid prior to the end of the fiscal year.
- When the working cash fund balance is not loaned to other funds, it earns interest. The interest earnings can be a source or revenue to the operating funds and can be transferred (abated) annually.
- In the following options, we have assumed that \$10M of the bond issue is for working cash fund purposes to increase the operating fund balances.

Currently Outstanding Limited Tax Bonded Debt Service

<u>Tax Year</u>	<u>Equalized Assessed Valuation</u>	<u>% Change</u>	<u>Debt Service Extension Base (1994 Levy)</u>	<u>% Increase in CPI</u>	<u>Series 2000 Debt Service</u>	<u>Series 2001 Debt Service</u>	<u>Series 2006 Debt Service</u>	<u>Total Existing Non-Referendum Debt Service</u>	<u>Remaining Debt Service Capacity</u>	<u>Tax Rate for Debt Service</u>
2009	4,386,876,268	-5%	4,898,660	0.1%	4,495,000		390,850	4,885,850	12,810	0.11
2010	4,825,563,895	10%	5,030,924	2.7%	585,000	3,910,000	390,850	4,885,850	145,074	0.10
2011	4,873,819,534	1%	5,106,387	1.5%		4,495,000	390,850	4,885,850	220,537	0.10
2012	4,922,557,729	1%	5,182,983	1.5%		4,495,000	390,850	4,885,850	297,133	0.10
2013	5,414,813,502	10%	5,260,728	1.5%		4,495,000	390,850	4,885,850	374,878	0.09
2014	5,468,961,637	1%	5,339,639	1.5%		4,495,000	390,850	4,885,850	453,789	0.09
2015	5,523,651,254	1%	5,419,733	1.5%		4,495,000	390,850	4,885,850	533,883	0.09
2016	6,076,016,379	10%	5,501,029	1.5%		4,495,000	390,850	4,885,850	615,179	0.08
2017	6,136,776,543	1%	5,583,545	1.5%		4,495,000	390,850	4,885,850	697,695	0.08
2018	6,198,144,308	1%	5,667,298	1.5%		4,495,000	390,850	4,885,850	781,448	0.08
2019	6,817,958,739	10%	5,752,308	1.5%		4,495,000	390,850	4,885,850	866,458	0.07
2020	6,886,138,327	1%	5,838,592	1.5%			3,400,850	3,400,850	2,437,742	0.05
2021	6,954,999,710	1%	5,926,171	1.5%			3,407,440	3,407,440	2,518,731	0.05
2022	7,650,499,681	10%	6,015,064	1.5%			3,402,130	3,402,130	2,612,934	0.04
2023	7,727,004,678	1%	6,105,290	1.5%					6,105,290	-
2024	7,804,274,725	1%	6,196,869	1.5%					6,196,869	-
2025	8,584,702,197	10%	6,289,822	1.5%					6,289,822	-
2026	8,670,549,219	1%	6,384,169	1.5%					6,384,169	-
2027	8,757,254,711	1%	6,479,932	1.5%					6,479,932	-
2028	8,844,827,258	1%	6,577,131	1.5%					6,577,131	-
Total					\$5,080,000	\$44,365,000	\$14,509,770	\$63,954,770		

Currently Outstanding Bonded Debt Service

Community Consolidated School District Number 15 (Palatine)
Summary of Outstanding Limited Tax Bond Debt Service



Structure to Achieve Maximum Limited Tax Bond Proceeds

	Series 2010A Taxable General Obligation Limited Tax Bonds	Series 2010B General Obligation Limited Tax Refunding Bonds (Tax-Exempt)	Series 2010C Taxable General Obligation Limited Tax Bonds (Build America Bonds)
Refunding	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪ Refunding of a portion of the Series 2001 Bonds to “make room” for interest on the new bonds 	<ul style="list-style-type: none"> ▪ None
New Money	<ul style="list-style-type: none"> ▪ \$10 million for working cash purposes for cash flow 	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪ \$15.9 million for working cash purposes for capital projects

Tax-Exempt vs. Build America Bond Yields

Community Consolidated School District Number 15

Series 2010 Bonds

Market Conditions as of February 23, 2010

Tax-Exempt vs. BABs Pricing Analysis

Maturity	T.E. Scale	Taxable Scale	Net Scale	Result
12/1/2021	3.60	4.99	3.24	BABs
12/1/2022	3.80	5.14	3.34	BABs
12/1/2023	3.95	5.29	3.44	BABs
12/1/2024	4.05	5.44	3.54	BABs
12/1/2025	4.15	5.54	3.60	BABs
12/1/2026	4.25	5.63	3.66	BABs
12/1/2027	4.32	5.73	3.72	BABs
12/1/2028	4.41	5.83	3.79	BABs
12/1/2029	4.50	5.93	3.85	BABs

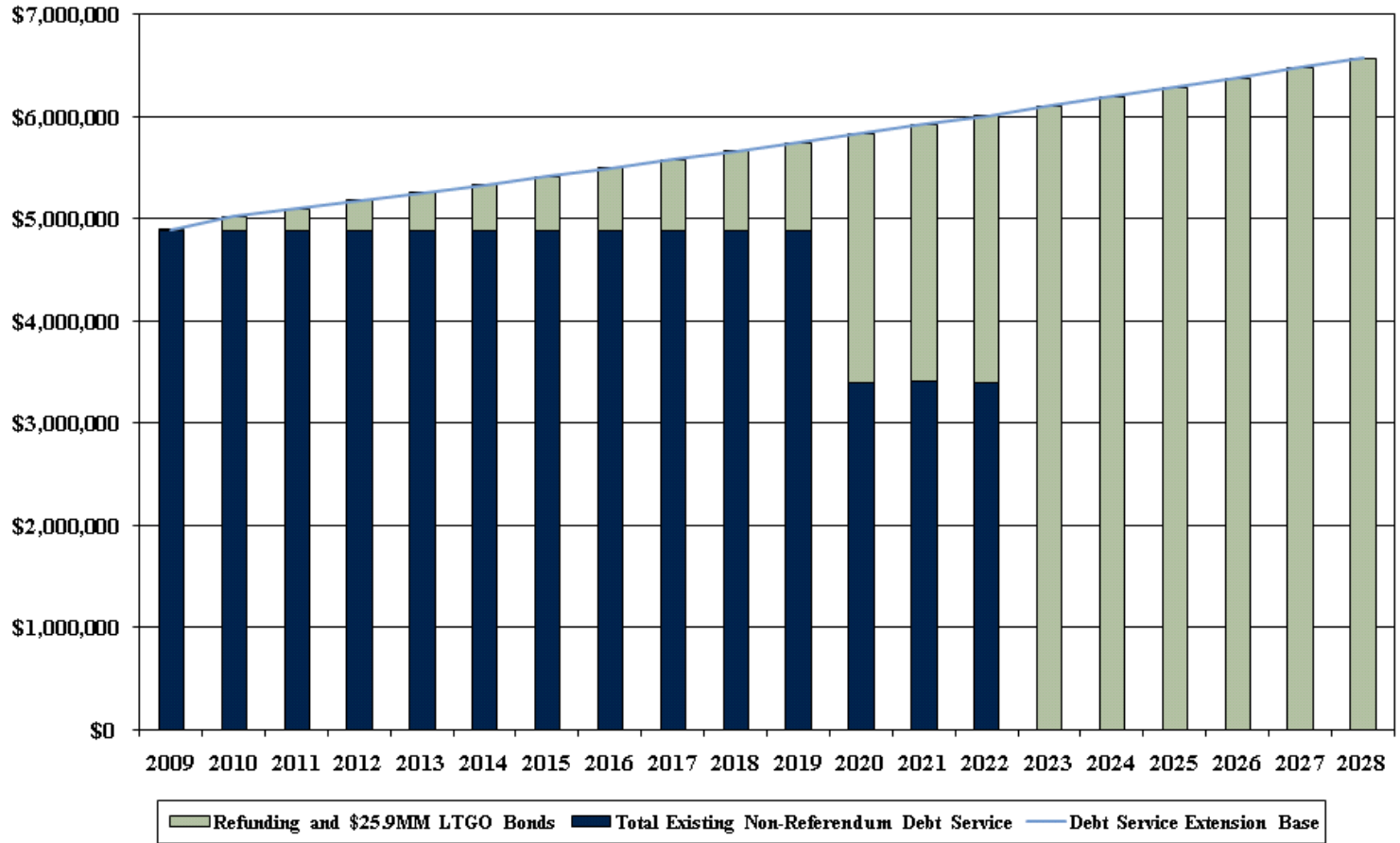
Both Scales Assume 10-Year Par Call

Option I: Maximum Limited Bond Proceeds with Refunding: \$25.9M (\$10M Working Cash for Operations/\$15.9M for Capital)

Tax Year	Equalized Assessed Valuation	% Change	Debt Service		Total Existing Non-Referendum Debt Service	Series 2010A	Less: T/E Refunded Bonds	Series 2010B	Series 2010C	Less: 35% Subsidy	Less: Cap-I and Funds on Hand	Total Net Debt Service	Remaining Debt Service Capacity	Tax Rate for Debt Service
			Extension Base (1994 Levy)	% Increase in CPI		\$10M Taxable New Money Bonds		Tax-Exempt Refunding Bonds	\$15.9M Build America Bonds					
2008	4,617,764,493	6%	4,893,766		4,888,850							4,888,850	4,916	0.11
2009	4,386,876,268	-5%	4,898,660	0.1%	4,885,850	363,308		264,960	645,417	(225,896)	(1,034,979)	4,898,660	(0)	0.11
2010	4,825,563,895	10%	5,030,924	2.7%	4,885,850	544,962	(1,430,000)	397,440	968,126	(338,844)		5,027,534	3,390	0.10
2011	4,873,819,534	1%	5,106,387	1.5%	4,885,850	544,962	(1,355,000)	397,440	968,126	(338,844)		5,102,534	3,854	0.10
2012	4,922,557,729	1%	5,182,983	1.5%	4,885,850	544,962	(1,275,000)	397,440	968,126	(338,844)		5,182,534	449	0.11
2013	5,414,813,502	10%	5,260,728	1.5%	4,885,850	544,962	(1,200,000)	397,440	968,126	(338,844)		5,257,534	3,194	0.10
2014	5,468,961,637	1%	5,339,639	1.5%	4,885,850	544,962	(1,120,000)	397,440	968,126	(338,844)		5,337,534	2,105	0.10
2015	5,523,651,254	1%	5,419,733	1.5%	4,885,850	544,962	(1,040,000)	397,440	968,126	(338,844)		5,417,534	2,200	0.10
2016	6,076,016,379	10%	5,501,029	1.5%	4,885,850	544,962	(960,000)	397,440	968,126	(338,844)		5,497,534	3,496	0.09
2017	6,136,776,543	1%	5,583,545	1.5%	4,885,850	544,962	(875,000)	397,440	968,126	(338,844)		5,582,534	1,011	0.09
2018	6,198,144,308	1%	5,667,298	1.5%	4,885,850	544,962	(795,000)	397,440	968,126	(338,844)		5,662,534	4,764	0.09
2019	6,817,958,739	10%	5,752,308	1.5%	4,885,850	544,962	(710,000)	397,440	968,126	(338,844)		5,747,534	4,774	0.08
2020	6,886,138,327	1%	5,838,592	1.5%	3,400,850	1,409,962		397,440	968,126	(338,844)		5,837,534	1,058	0.08
2021	6,954,999,710	1%	5,926,171	1.5%	3,407,440	1,491,799		397,440	968,126	(338,844)		5,925,960	211	0.09
2022	7,650,499,681	10%	6,015,064	1.5%	3,402,130	1,585,913		397,440	968,126	(338,844)		6,014,764	299	0.08
2023	7,727,004,678	1%	6,105,290	1.5%		5,075,871		397,440	968,126	(338,844)		6,102,593	2,697	0.08
2024	7,804,274,725	1%	6,196,869	1.5%		2,591,007		2,972,440	968,126	(338,844)		6,192,729	4,140	0.08
2025	8,584,702,197	10%	6,289,822	1.5%				5,655,578	968,126	(338,844)		6,284,859	4,963	0.07
2026	8,670,549,219	1%	6,384,169	1.5%				1,517,565	5,203,126	(338,844)		6,381,847	2,322	0.07
2027	8,757,254,711	1%	6,479,932	1.5%					6,730,461	(253,911)		6,476,549	3,383	0.07
2028	8,844,827,258	1%	6,577,131	1.5%					6,705,369	(131,379)		6,573,990	3,141	0.07
Total					\$63,954,770	\$17,967,479	(\$10,760,000)	\$15,974,703	\$34,774,389	(\$6,371,536)	(\$1,034,979)	\$114,504,825		
All-in TIC:						5.519%		4.343%	3.895%					

Option I: Maximum Limited Bond Proceeds with Refunding: \$25.9M

Community Consolidated School District Number 15 (Palatine)
 Summary of Outstanding Limited Tax Bonds plus Refunding and \$25.9MM Limited Tax Bonds



Option I: Financing Considerations

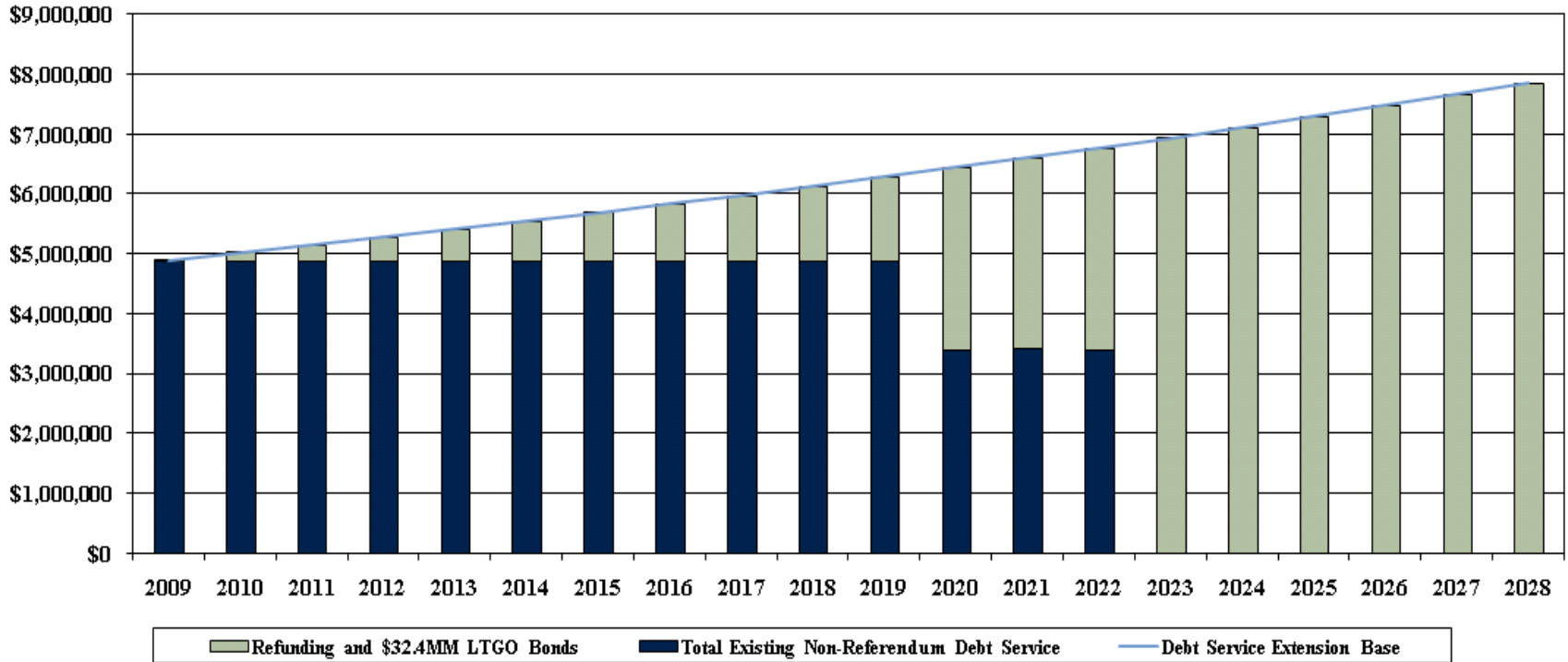
- Currently, school districts can only extend debt for 20 years.
- The majority of the District's debt base is used through levy year 2019. Therefore, a refunding of the Series 2001 Bonds will be necessary to make room for the new bonds under the DSEB.
- The BABs subsidy is pledged to the repayment of the Series 2010C Bonds, making the net interest cost to the District 3.89% for twenty year bonds.
- If the District extends non-referendum debt service for the maximum term, the debt base will not be available until levy year 2029, except for growth over the 1.5% assumed increase from CPI in the future.

Option I-A: Maximum Limited Bond Proceeds with Refunding: \$32.4M (\$10M Working Cash for Operations/\$22.4M for Capital)

Tax Year	Debt Service		Total Existing Non-Referendum Debt Service	Series 2010A	Less: T/E Refunded Bonds	Series 2010B	Series 2010C	Less: 35% Subsidy	Less: Cap-I and Funds on Hand	Total Net Debt Service	Remaining Debt Service Capacity	Tax Rate for Debt Service
	Extension Base % (1994 Levy)	Increase in CPI		\$10M Taxable New Money Bonds		Tax-Exempt Refunding Bonds	\$22.4M Build America Bonds					
2009	4,898,660	0.1%	4,885,850	359,333		267,172	903,714	(316,300)	(1,201,110)	4,898,659	0	0.11
2010	5,030,924	2.7%	4,885,850	539,000	(1,680,000)	400,758	1,355,572	(474,450)		5,026,729	4,195	0.10
2011	5,156,697	2.5%	4,885,850	539,000	(1,555,000)	400,758	1,355,572	(474,450)		5,151,729	4,968	0.11
2012	5,285,614	2.5%	4,885,850	539,000	(1,425,000)	400,758	1,355,572	(474,450)		5,281,729	3,885	0.11
2013	5,417,754	2.5%	4,885,850	539,000	(1,290,000)	400,758	1,355,572	(474,450)		5,416,729	1,025	0.10
2014	5,553,198	2.5%	4,885,850	539,000	(1,155,000)	400,758	1,355,572	(474,450)		5,551,729	1,469	0.10
2015	5,692,028	2.5%	4,885,850	539,000	(1,020,000)	400,758	1,355,572	(474,450)		5,686,729	5,299	0.10
2016	5,834,329	2.5%	4,885,850	539,000	(875,000)	400,758	1,355,572	(474,450)		5,831,729	2,600	0.10
2017	5,980,187	2.5%	4,885,850	539,000	(730,000)	400,758	1,355,572	(474,450)		5,976,729	3,458	0.10
2018	6,129,692	2.5%	4,885,850	539,000	(580,000)	400,758	1,355,572	(474,450)		6,126,729	2,963	0.10
2019	6,282,934	2.5%	4,885,850	539,000	(425,000)	400,758	1,355,572	(474,450)		6,281,729	1,205	0.09
2020	6,440,008	2.5%	3,400,850	1,754,000		400,758	1,355,572	(474,450)		6,436,729	3,279	0.09
2021	6,601,008	2.5%	3,407,440	1,908,372		400,758	1,355,572	(474,450)		6,597,690	3,317	0.09
2022	6,766,033	2.5%	3,402,130	2,079,870		400,758	1,355,572	(474,450)		6,763,878	2,154	0.09
2023	6,935,184	2.5%		5,651,262		400,758	1,355,572	(474,450)		6,933,141	2,043	0.09
2024	7,108,563	2.5%		496,038		5,730,758	1,355,572	(474,450)		7,107,917	646	0.09
2025	7,286,277	2.5%				4,404,563	3,355,572	(474,450)		7,285,684	593	0.08
2026	7,468,434	2.5%					7,902,972	(435,040)		7,467,931	503	0.09
2027	7,655,145	2.5%					7,956,354	(301,474)		7,654,880	265	0.09
2028	7,846,524	2.5%					7,997,715	(156,700)		7,841,015	5,509	0.09
Total			\$63,954,770	\$17,638,874	(\$10,735,000)	\$16,013,097	\$48,449,898	(\$8,800,714)	(\$1,201,110)	\$125,319,815		
All-in TIC:				5.458%	5.458%	4.300%	3.875%					

Option I-A: Maximum Limited Bond Proceeds with Refunding: \$32.4M (\$10M Working Cash for Operations/\$22.4M for Capital)

Community Consolidated School District Number 15 (Palatine)
Summary of Outstanding Limited Tax Bonds plus Refunding and \$32.4MM Limited Tax Bonds



Option I-A: Financing Considerations

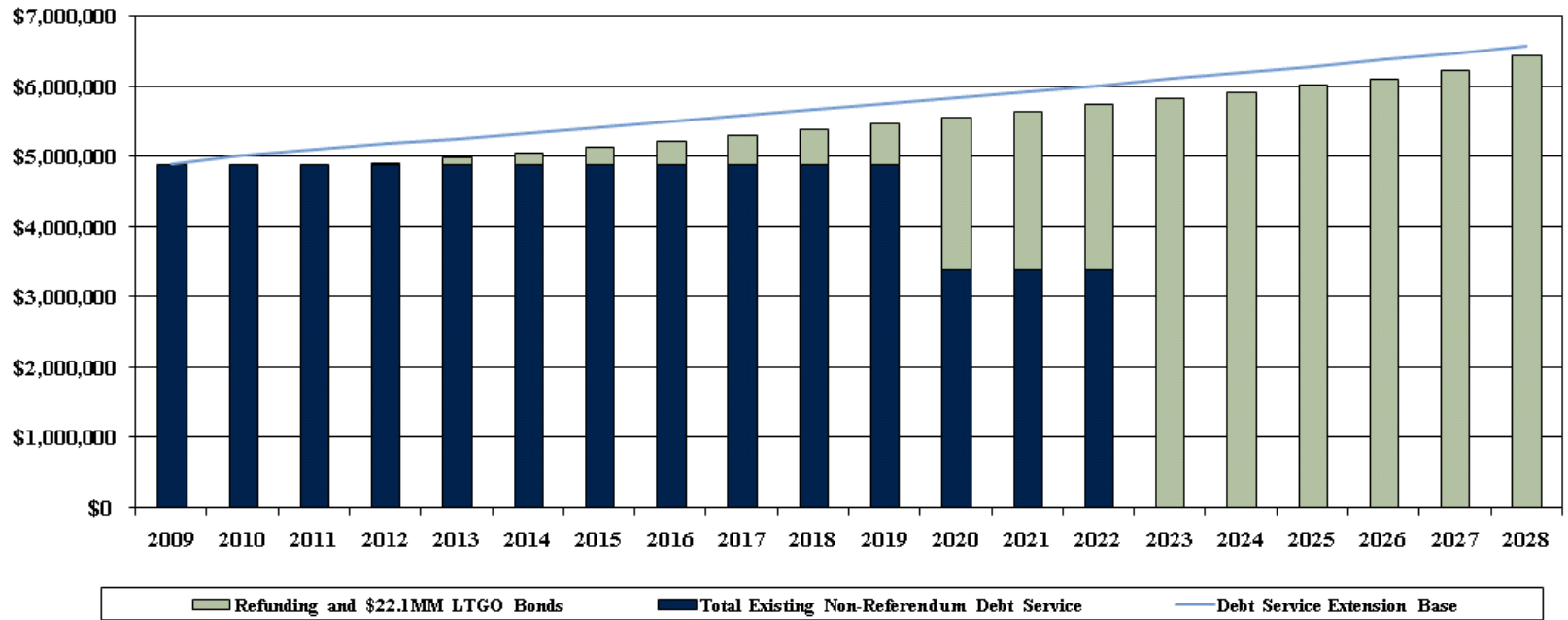
- Future CPI assumption 25% - historical average is 2.5%, however, if future CPI is less, bond debt service will need to be paid with operating funds.
- Currently, school districts can only extend debt for 20 years.
- The majority of the District's debt base is used through levy year 2019. Therefore, a refunding of the Series 2001 Bonds will be necessary to make room for the new bonds under the DSEB.
- The BABs subsidy is pledged to the repayment of the Series 2010C Bonds, making the net interest cost to the District 3.89% for twenty year bonds.
- If the District extends non-referendum debt service for the maximum term, the debt base will not be available until levy year 2029, except for growth over the 1.5% assumed increase from CPI in the future.

Option II: Maximum Limited Bond Proceeds with Refunding: \$22.1M (\$10M Working Cash for Operations/\$12.1M for Capital) BABs Subsidy Not Pledged to Debt

Tax Year	Debt Service		Series 2010A		Less: T/E Refunded Bonds	Series 2010B		Series 2010C		Less: Cap-I and Funds on Hand	Total Net Debt Service	Remaining Debt Service Capacity	Tax Rate for Debt Service
	Extension Base (1994 Levy)	% Increase in CPI	Total Existing Non-Referendum Debt Service	\$10M Taxable New Money Bonds		Tax-Exempt Refunding Bonds	\$12.1M Build America Bonds	35% Subsidy Not Pledged to Debt Service					
2008	4,893,766		4,888,850								4,888,850	4,916	0.11
2009	4,898,660	0.1%	4,885,850	365,349		316,200	502,229	(175,780)	(1,170,969)		4,898,660	0	0.11
2010	5,030,924	2.7%	4,885,850	548,024	(1,630,000)	474,300	753,344	(263,670)			5,031,518	(594)	0.10
2011	5,106,387	1.5%	4,885,850	548,024	(1,555,000)	474,300	753,344	(263,670)			5,106,518	(131)	0.10
2012	5,182,983	1.5%	4,885,850	548,024	(1,480,000)	474,300	753,344	(263,670)			5,181,518	1,465	0.11
2013	5,260,728	1.5%	4,885,850	548,024	(1,405,000)	474,300	753,344	(263,670)			5,256,518	4,210	0.10
2014	5,339,639	1.5%	4,885,850	548,024	(1,325,000)	474,300	753,344	(263,670)			5,336,518	3,121	0.10
2015	5,419,733	1.5%	4,885,850	548,024	(1,245,000)	474,300	753,344	(263,670)			5,416,518	3,215	0.10
2016	5,501,029	1.5%	4,885,850	548,024	(1,165,000)	474,300	753,344	(263,670)			5,496,518	4,511	0.09
2017	5,583,545	1.5%	4,885,850	548,024	(1,080,000)	474,300	753,344	(263,670)			5,581,518	2,027	0.09
2018	5,667,298	1.5%	4,885,850	548,024	(1,000,000)	474,300	753,344	(263,670)			5,661,518	5,780	0.09
2019	5,752,308	1.5%	4,885,850	548,024	(915,000)	474,300	753,344	(263,670)			5,746,518	5,790	0.08
2020	5,838,592	1.5%	3,400,850	1,208,024		474,300	753,344	(263,670)			5,836,518	2,074	0.08
2021	5,926,171	1.5%	3,407,440	1,290,090		474,300	753,344	(263,670)			5,925,174	997	0.09
2022	6,015,064	1.5%	3,402,130	1,385,255		474,300	753,344	(263,670)			6,015,029	35	0.08
2023	6,105,290	1.5%		4,877,116		474,300	753,344	(263,670)			6,104,760	530	0.08
2024	6,196,869	1.5%		3,525,036		1,914,300	753,344	(263,670)			6,192,680	4,189	0.08
2025	6,289,822	1.5%				5,534,540	753,344	(263,670)			6,287,884	1,938	0.07
2026	6,384,169	1.5%				4,776,940	1,603,344	(263,670)			6,380,284	3,885	0.07
2027	6,479,932	1.5%					6,479,639	(246,624)			6,479,639	293	0.07
2028	6,577,131	1.5%					6,572,957	(128,785)			6,572,957	4,174	0.07
Total			\$63,954,770	\$18,131,110	(\$12,800,000)	\$19,182,180	\$27,211,673	(\$5,033,585)	(\$1,170,969)		\$114,508,764		
All-in TIC:				5.547%		4.377%	5.988%						

Option II: Maximum Limited Bond Proceeds with Refunding: \$22.1M
 (\$10M Working Cash for Operations/\$12.1M for Capital) BABs Subsidy Not Pledged to Debt

Community Consolidated School District Number 15 (Palatine)
 Summary of Outstanding Limited Tax Bonds plus Refunding and \$22.1MM Limited Tax Bonds



Option II: Financing Considerations

- Currently, school districts can only extend debt for 20 years.
- The majority of the District's debt base is used through levy year 2019. Therefore, a refunding of the Series 2001 Bonds will be necessary to make room for the new bonds under the DSEB.
- The BABs subsidy is NOT pledged to the repayment of the Series 2010C Bonds, making the net interest cost on taxable twenty year bonds 5.98%. The BABs subsidy instead is deposited into the operating funds – O&M fund for example, as an additional revenue source.
- If the District extends non-referendum debt service for the maximum term, the debt base will not be available until levy year 2029, except for growth over the 1.5% assumed increase from CPI in the future.

Proposed Financing Schedule

<u>Date</u>	<u>Activity</u>	<u>Responsibility</u>
3-Mar-10	Resolution of Intent sent to District to be included in Board Packet	C&C
Regular Meeting 10-Mar-10	Pass Resolution of Intent to issue working cash bonds and set public hearing for regular meeting regarding working cash fund bonds	District/WBC
11-Mar-10	Publish Resolution of Intent in local newspaper beginning petition period	WBC
18-Mar-10	Publish Bond Hearing Notice in local newspaper (Must appear in the paper more than 7 days, but no more than 30 days prior to the Public Hearing.)	WBC
10-Apr-10	Back door period expires	District
11-Apr-10	Post Notice of Public Hearing at District Office	District
Regular Meeting 14-Apr-10	Public Hearing on Issuance of Bonds	District/WBC
15-Apr-10	Preliminary Official Statement (POS) distributed	WBC
Week of April 26th	Meeting with Rating Agency(ies)	District/WBC

Proposed Financing Schedule (continued)

<u>Date</u>	<u>Activity</u>	<u>Responsibility</u>	<u>Status</u>
5-May-10	Parameters Bond Resolutions delivered to District for inclusion in the Board packets	C&C	
Regular Meeting 12-May-10	Approval of Parameters Bond Resolutions and Escrow Resolution allowing District to move forward with Bond Pricing given optimal market conditions	District/WBC	
3-May-10	Mail POS	District/WBC	
Week of May 10th	Price Bonds if market conditions appropriate with approval of Board Delegates	District/WBC	
Ongoing	Process documentation	C&C/WBC	
20-May-10	Mail Final Official Statement & Closing Memo	WBC	
27-May-10	Close bond issue	All Parties	
3-Jun-10	Public Notice of transfer of funds from Ed Fund to O&M is published in local newspaper	District/WBC	
Regular Meeting 10-Jun-10	Board Approves resolution transferring working cash funds for capital projects from Working Cash fund to Ed Fund to O&M Fund to Capital Projects Fund	District	
Palatine CCSD 15 William Blair & Company, Underwriter Chapman and Cutler, Bond Counsel Chapman and Cutler, Disclosure Counsel		District WBC C&C C&C	

*Preliminary, subject to change.