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Fiscal Consolidation Study: School District of Wabeno Area and School District of Laona

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Executive Summary

In early 2009, the School District Wabeno Area and the School District of Laona (“Wabeno Area” and “Laona” respectively) boards of education approved a study to be done that would analyze the potential fiscal impacts of creating a newly Consolidated School District (“CSD”).

Analysis, Data and Assumptions

This report was prepared by Robert W. Baird & Co. Incorporated. A school finance computer model was used which was originally developed by Baird in 1998. The model was appropriately modified to estimate the fiscal impacts of a consolidation of the two districts.

Data for the analysis was secured primarily from Wabeno Area and Laona administration, and the State Departments of Public Instruction (“DPI”) and of Revenue (“DOR”).

Assumptions were made regarding enrollments, property values, revenues and expenditures under revenue caps and state law. The assumptions were developed,

tested and revised to ensure reasonableness based on: (1) likely district comparables and statewide trends; and (2) comments solicited from Wabeno Area and Laona administration, boards of education, and DPI staff.

Important Insights

Critical insights were gained from this modeling process and similar projects conducted for other school districts. First, state laws governing school aids, revenue limits and consolidation incentive aid are paramount in the resulting tax and financial impacts. All formula assumptions related to State law used in the models are based on current legislation. When districts are similar in size and fiscal landscape, a consolidation will typically show a very similar structure.

State law in this area is complex. Reorganized districts receive special funding outside the revenue limit for five years. Thus, the true impact of the consolidation is not fully realized for at least five years after implementation begins. Additionally, the legal process to

“...State law in this area is complex. Reorganized districts receive special funding outside the revenue limit. ...”

Executive Summary

consolidate takes one to two years. For purposes of this study we have used 2010-11 as the first year of the consolidation.

Key Findings

Summarized in Exhibit A are key financial data points for each district. In each case, the “new” consolidated district is compared to the existing districts.

The tax rates are based upon projected levy and equalized valuation (TID-Out) for the Districts. It is appropriate to assume that Laona, the community with the higher rate, would see a tax rate reduction with the consolidation.

The recent condition of the economy lends itself to a complete review of each districts’ tax base. While growth in this area of the State has historically been substantial for most Wisconsin schools, it has slowed tremendously for many in recent years. This trend is presumed to continue, so we assumed tax base growth as follows:

	2009 (Actual)	Projection
Wabeno Area	(2.85%)	0.00%
Laona	(1.48%)	0.00%
Consolidated		0.00%

State aid in this study has two components:

- *State Equalization Aid* is general financial assistance to public school districts for use in funding a broad range of school district operational expenditures. It is allocated based on district spending, equalized valuation and membership (enrollment). This aid is counted within the Revenue Limit.
- *Consolidation Incentive Aid* is strictly meant for districts who have consolidated and is based upon a complex formula written in Wisconsin State Statutes 121.07(6)(e) and 121.07(7)(e). This aid would be received for five years beginning in the first year of consolidation and would be counted as revenue outside of the Revenue Limit. It is typically not meant to be used for on-going operational expenditures. Act 28, adopted on June 29, 2009, provided for increased fiscal incentive for schools to consolidate.

Exhibit A

Summary of Key Findings		
District	2009-10	2010-11
Tax Rate (per \$1,000 of Equalized Value)		
Wabeno Area	\$6.22	\$6.22
Laona	12.53	11.85
CSD	---	9.31
Taxes (\$100,000 Home)		
Wabeno Area	\$622	\$622
Laona	1,253	1,185
CSD	---	931
Surplus/(Deficit) (\$ in thousands)		
Wabeno Area	(\$422)	(\$719)
Laona	(90)	(231)
CSD	---	960
Consolidation Incentive Aid (\$ in thousands)		
Wabeno Area	---	---
Laona	---	---
CSD	---	\$1,290

Research Process and Assumptions

Estimating the financial impact of consolidating two school districts is complex and time consuming. Baird staff began the process by discussing with each districts' administrative team the study procedures, district data and assumptions. The data on enrollments, tax base growth and spending for prior years would be used for the forecast model projections.

When initial assumptions and financial estimates were completed, a second discussion was held with district administration. The objective was to review assumptions and preliminary findings.

The primary analytical tool used to estimate school aid entitlements, state revenue limits, and tax levies and rates was a school financial computer model originally developed and updated annually by Baird. Baird staff made appropriate changes to the model so that it accurately reflected state law regarding district consolidation. A four-year projection is

analyzed each of the individual districts and the Consolidated District.

The model requires information on school district budgets, enrollments, equalized values and state aid. Some of this information was gathered from the Districts, some from the DPI and some from the DOR.

One of the more challenging aspects of the research was state law pertaining to the calculation of state aid and revenue limits in a newly consolidated school district. The legislature enacted a major school district reorganization law in 1998 (updated in 2009); however, statutes remain somewhat silent on details of revenue limit calculation, especially for a new district.

Early in the research process, considerable time was spent developing and testing assumptions. The key assumptions are reviewed in the next section.

Enrollment

Student enrollment is a key factor in determining a school district's revenue limit. Enrollment in both districts is projected based upon the administration's

This study estimates the fiscal impacts of a district consolidation. It does not make assumptions or attempt to determine the operational savings resulting from shared costs and services.

Research Process and Assumptions

best estimates. Once these assumptions were established, they were held constant. Laona saw a slight increase in enrollment in 2009 while Wabeno Area had a decrease in enrollment. Wabeno Area projected a five student decline in enrollment each year while Laona held their 2009 enrollment flat into the future (Exhibit B).

Open enrollment was also a consideration. It is important to note that currently there is one student open enrolling in to Wabeno Area from Laona. There are three that are open enrolling from Wabeno Area to Laona. These numbers were netted out when considering the open enrollment status of the Consolidated District. The model assumptions used current year estimates for open enrollment students.

Estimated Open Enrollment

	2009-10	2010-11
Wabeno Area		
In	8	8
Out	13	13
Laona		
In	13	13
Out	5	5
Consolidated		
In	---	17
Out	---	14

For projection purposes for the Consolidated District, the open enrollment numbers were held constant at 17 in and 14 out. Open enrollment for the CSD becomes less of a financial benefit because the CSD nets three students in, or a net revenue of \$20,343.

Equalized Valuation

The equalized valuation of a school district is defined as the full value of all taxable general property as determined by the DOR. This value is determined independently of the locally assessed value and is meant to reflect the actual market value of the property in the district. This value is a key component of the forecast model as a determinate of tax rate and state aid. For purposes of this study, equalized values are projected to remain flat. The CSD's tax base will be comprised of approximately 15% as Laona and 85% as Wabeno Area (see Exhibit C).

State Equalization Aid

State Equalization Aid is general financial assistance to public school districts for funding a broad range of school district

Exhibit B

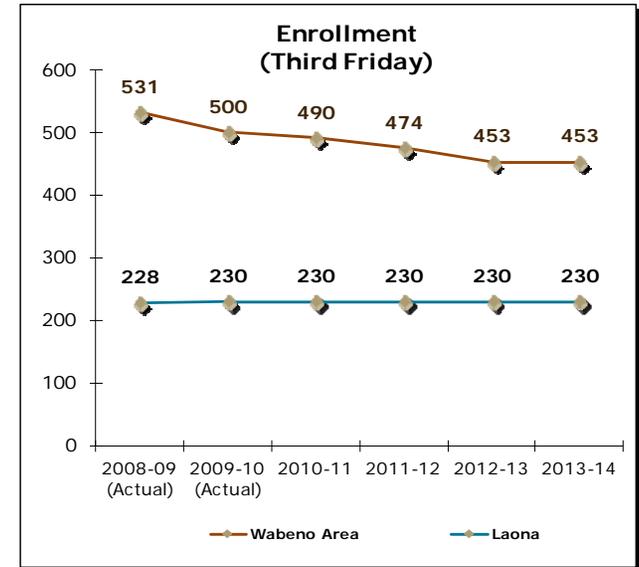
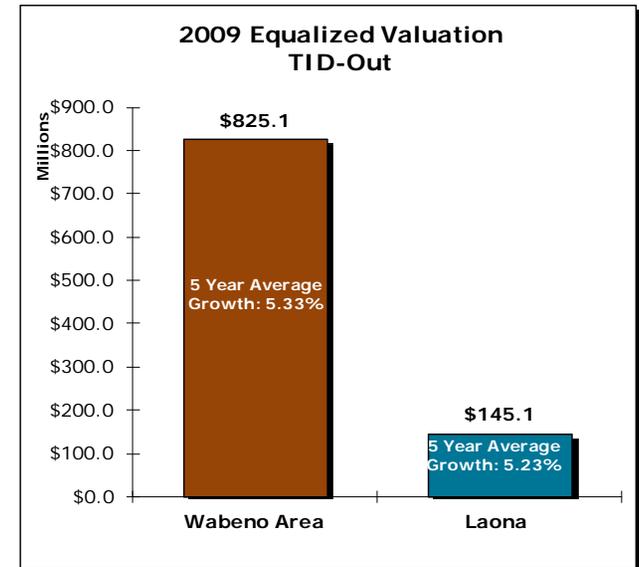


Exhibit C



Research Process and Assumptions

operational expenditures. It is allocated based on spending, equalized valuation and membership. To calculate state aid, assumptions also had to be made about parameters in state law. All guarantees remained flat with the exception of the secondary cost ceiling. This factor is a function of school spending; therefore a 2% growth figure was applied. Current state budget issues were also a key consideration in forecasting the guarantees. A conservative approach was suggested by all parties.

A key factor in determining equalization aid is a district's property value per student. Typically, the more "property rich" a district is, the less state equalization aid received.

Currently Wabeno Area has a property value per student of \$1,582,113 and is aided at 8% of shared costs. Laona has a property value per student of \$633,098 and is aided at 38% of shared costs (see Exhibit D). The aid formula is very complex. There are three "tiers" of aid: primary, secondary, and tertiary. Both districts have high property value per

student, and are aided negatively at the tertiary aid level. This trend will continue with a consolidated district. Both districts lose only 15% of aid each year regardless of their amount of negative tertiary aid:

Estimated Equalization Aid

	Wabeno Area	Laona	CSD
Property Value per Student	\$1,582,113	\$633,098	\$1,317,072
Tertiary Aid %	(171.6%)	(8.7%)	(126.1%)

Revenue Limits

Wisconsin Act 16 implemented revenue limits beginning with the 1993-94 school year. A district's revenue limit is the maximum amount of revenue it may raise through state general aid and property taxes. The maximum limit is based upon enrollment changes, the Consumer Price Index ("CPI") and each district's prior year controlled revenue. Revenues from the revenue limit make up approximately 95% of any district's operating budget.

For purposes of this study, and in accordance with Act 28 passed on June 29, 2009, per student increases in state revenue caps were assumed to be \$200 for two years and \$275 thereafter.

Exhibit D

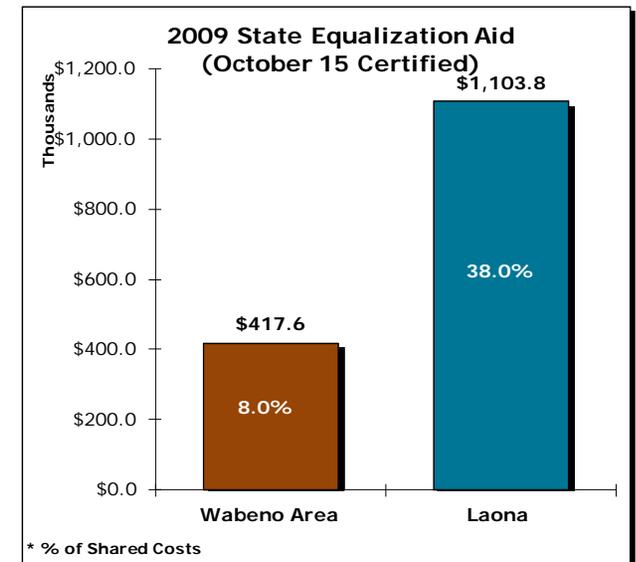


Exhibit E

2009-10 State Equalization Aid Breakdown

	Wabeno Area	Laona
Primary	\$ 96,795	\$ 156,569
Secondary	-----	947,988
Tertiary	-----	(65,813)
"Hold Harmless"	<u>320,795</u>	<u>65,079</u>
Total	<u>\$ 417,590</u>	<u>\$1,103,823</u>

Research Process and Assumptions

Districts with declining enrollments tend to have more difficulty staying within the limits because expenses generally do not fall in line with enrollment declines. This has become a theme that permeates throughout this report. The “structural deficit” in the state funding formula affects all districts, including the three districts analyzed in this study.

District Expenses

Total expenses for both districts were assumed to increase by 3.5% to 4% per year. No adjustment was made to expenses to account for potential operational savings as a result of the consolidation. Presumably, these cost savings would be made up of staffing and operational reductions.

General Obligation Debt

The long term debt of each district varies and is detailed in Appendix 2. Wabeno Area and Laona have debt outstanding; however, Wabeno Area’s final year of payment is 2017 while Laona will have all of its debt paid in full in 2028.

As a consolidated district, the overall debt burden would not be compromised. A district is allowed to borrow up to 10% of their equalized valuation.

Debt Limit and Debt Outstanding (12/31/2009)

	Wabeno Area	Laona
Debt Limit	\$82,514,304	\$14,513,639
Fund 39	\$ 1,675,000	\$ 1,140,000
<i>Year of Final Payment</i>	2017	2015
Fund 38	\$ 0	\$ 499,100
<i>Year of Final Payment</i>	<u>N/A</u>	<u>2028</u>
Total	<u>\$ 1,675,000</u>	<u>\$ 1,639,100</u>
% Debt Limit Used	2.03%	11.29%

Fund Balance

Fund balance is a critical factor for financial planning and budgeting processes. It is typically used to “bridge the gap” between receipt of revenues (quarterly) and payment of expenditures (semi-monthly). It can also be used to fund certain expenditures. A district with an appropriate fund balance can avoid excessive short-term borrowing and make designated purchases or cover unforeseen

Exhibit F

Referendum Debt Levy and Rate (2009-10)

	Wabeno Area	Laona
Debt Levy	\$242,860	\$209,925
Tax Rate	\$0.29	\$1.43

Research Process and Assumptions

expenditure needs. Fund balance is a key factor in the bond rating process. While fund balances across the state vary greatly, a typical fund balance, as a percent of expenditures, would range from 10% to 20%. Under criteria reviewed by Moody's Investors Service, it is inadvisable for a fund balance to be below 5%, and they view any fund balance in excess of 15% as very favorable (see Exhibit G).

Federal Impact Aid

According to this statute, the financial forecast models have assumed that the loss in impact aid cannot be recouped through local taxes by including a recurring revenue limit exemption on the revenue limit worksheet. While this is true for all Wisconsin school districts who receive federal impact aid, the statutes are not clearly written in the case of a consolidation. More specifically, the statute 117.25(1)(a) states that once the consolidation takes effect on July 1, the prior districts no longer exist. Therefore, while the Federal Government has computed the estimated amount of federal aid the consolidated district would receive;

further clarification is needed from the State as to how the loss in aid from one year to the next would be handled.

State legislators are currently aware the statutes need to be clarified on this matter. The Department of Public Instruction has taken the stance that the loss could not be recaptured through the revenue limit, because it is not specifically stated in the statutes.

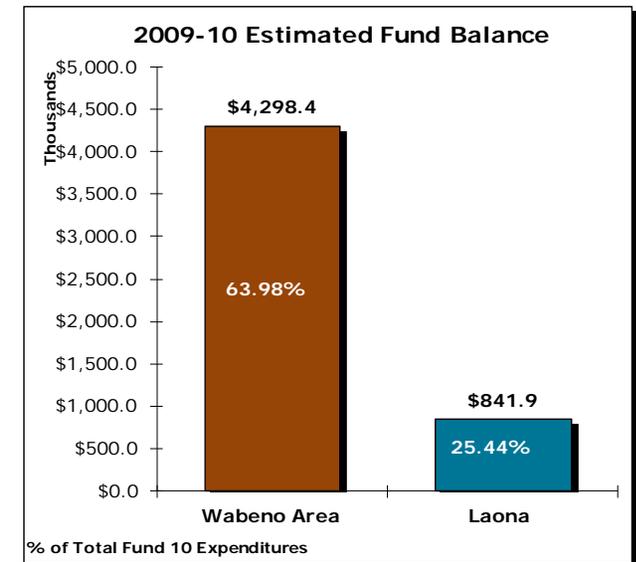
	Federal Impact Aid
Wabeno Area	\$340,000
Laona	\$0
Consolidated	\$200,000 (Estimated)

Supplemental Aid

Supplemental Aid for school districts with a large area is an annual entitlement program authorized under s.115.435, Wisconsin Statutes. It is a grant created to supplement aid under s.121.08, Statutes, to school districts that meet the following requirements:

1. The school district had an enrollment in the previous school year of fewer than 500 pupils.
2. The school district is at least 200 square miles in area.

Exhibit G



Wisconsin State Statute: 121.91(4)(e)

If a school district receives less aid under 20 USC 7701 to 7703 {Federal Impact Aid} in the 1994-95 school year or in any school year thereafter than it received in the previous school year, the limit otherwise applicable to the school district's revenue in the following school year under sub. (2m) is increased by an amount equal to the reduction in such aid

Research Process and Assumptions

3. At least 80% of the real property in the school district is exempt from taxation under s.70.11, taxed as forest croplands under subchapter I of chapter 77, owned by or held in trust for a federally recognized American Indian tribe or owned by the federal government.

Because requirement 1 would not be met with the CSD, this aid is assumed to be lost. Currently Laona is one of the few districts receiving this aid, which amounted to over \$85,000.

A Consolidated District

Summary

There are two crucial questions to be answered concerning the fiscal impact of a potential consolidation. The first involves the tax impact. The obvious question is: *Will my taxes rise or fall?* The second and equally important question is: *Is the new district fiscally viable?*

There are several ways to answer the first question. One approach is to compare future tax rates to current ones. The problem with this is that even without a consolidation, tax rates and burdens will rise or fall due to changes in enrollment, property values and the state's complex school-finance system.

To mitigate such complications, the study used a different approach. It first made assumptions about such factors as state law, enrollment and equalized valuations over the next five years. It then used those assumptions to model the future of each of the current districts. These base assumptions are then used to build

internally consistent assumptions about the CSD.

The second question relates to fiscal health of a consolidated district. It is clear that the consolidation incentive aid is a key component of the fiscal stability of the newly created district. It is estimated that CSD could receive over \$6.5 million in additional aid (outside of the revenue limit) over five years.

Overall, the projected deficits for both districts and the consolidated district must be examined. One can see that while all districts are subject to the current "structural deficit" in the school funding formula, the newly consolidated district could have more fiscal stability for a longer period of time. Key to this finding is the additional revenue generated from the consolidation incentive aid. Appendix 1 provides detailed financial forecasts for Wabeno Area and Laona as well as the consolidated district.

Taxpayer Effects

The tax rates for each district tell an interesting story. Taxpayers in Laona have

It is estimated that CSD could earn over \$6.5 million in additional aid (outside of the revenue limit) over five years.

A Consolidated District

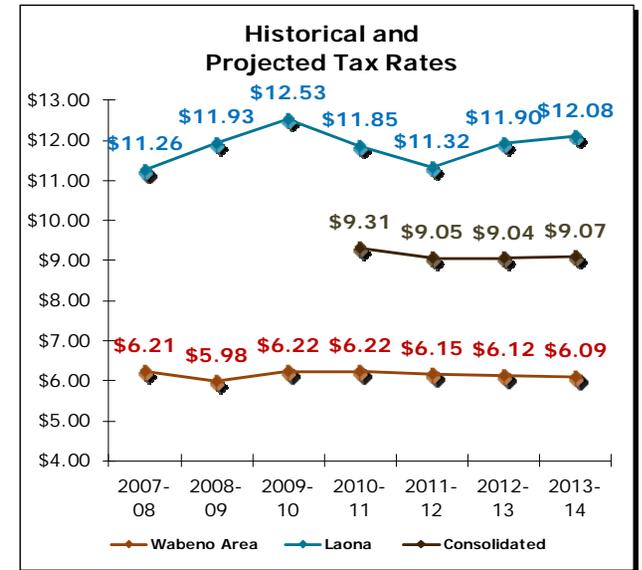
seen an increased tax rate since 2007-08. This is simply due to reduction in state aid each year. In the CSD scenario with 0% growth in tax base, Laona residents will likely experience a property tax decrease, while taxpayers in Wabeno Area will see an increase (Exhibit H).

The tax bills for two “typical” property owners are reported. It is important to note that these tax bills are based upon equalized valuations, or fair market value, and will not be the rate that a particular taxpayer will see on their statement, if their assessed property value is not at fair market.

Estimated Tax Bill (School Portion)

	Wabeno Area	Laona	CSD
<u>\$100,000 Home</u>			
2007-08	\$621	\$1,126	---
2008-09	598	1,193	---
2009-10	622	1,253	---
2010-11	622	1,185	\$931
2011-12	615	1,132	905
2012-13	612	1,190	904
2013-14	609	1,208	907
<u>\$300,000 Home</u>			
2007-08	\$1,863	\$3,378	---
2008-09	1,794	3,579	---
2009-10	1,866	3,759	---
2010-11	1,866	3,555	\$2,793
2011-12	1,845	3,396	2,715
2012-13	1,836	3,570	2,712
2013-14	1,827	3,624	2,721

Exhibit H



A Consolidated District

Consolidation Incentive Aid

According to Wisconsin State Statutes 121.07(6)(e) and 121.07(7)(e): For each year, and for each subsequent year for four years the guaranteed valuation per member, and cost ceilings per member shall be multiplied by 1.15 and rounded to the next lowest dollar. Additionally, Wisconsin State Statutes 121.105(3) states that for each year, and for each subsequent year for four years the consolidated aid shall be an amount that is not less than the aggregate state aid received by the consolidating school district in the school year prior to the school year in which the consolidation takes effect. The difference between the consolidated aid calculation (without the 1.15) and the greater of a) the combination of prior year's aid for each consolidating district or b) the consolidated aid payment with the 1.15 is the amount of additional aid the District would receive to spend outside the revenue cap. The additional aid will only be received for five years and will fluctuate annually.

Certain assumptions were made with respect to expected growth of the state aid guarantees and cost ceilings each year. These assumptions were significant, as a slight change in the guarantees could have an impact on the aid picture for the CSD. The table below shows the projected revenue for consolidated incentive aid for the five years it is statutorily allowed.

Estimated Consolidation Incentive Aid

	Consolidated Aid*	Equalization Aid	Total Aid
2010-11	1,289,857	231,556	\$1,521,413
2011-12	1,299,750	221,663	\$1,521,413
2012-13	1,307,005	214,408	\$1,521,413
2013-14	1,317,998	203,415	\$1,521,413
2014-15	1,300,000	221,413	\$1,521,413
2015-16	0	189,000	\$189,000

* Received for five years.

The aid received is to be used outside of the revenue limit, and because it is not ongoing revenue, it is typically earmarked for one-time expenses. It is important to note that after 5 years, CSD would see a significant drop in aid. The District would no longer receive the consolidation incentive aid.

“Per state statute, the consolidated district will not receive less than \$1,521,413 in total aid (estimated combined state aid for both districts in the year prior to consolidation) for the first five years of consolidation.”

A Consolidated District

Projected Revenues and Expenses

Finally, and equally as important is the fiscal viability of each district on its own and consolidated. It is clear that a consolidated district will give both districts fiscal stability further into the future. This is undoubtedly a result of the consolidation incentive aid the districts would receive for five years. Without that aid, a very different district would emerge. Nonetheless, as a consolidated district, shared staff and services would result in reduced expenses. It is recommended that administration review the operational savings a consolidated district might achieve if this, in fact, becomes a viable option.

Unresolved Issues

Given the statutory timeline for consolidation and the complexity of the financial issues associated with it, this study has to be viewed as an enlightened exercise rather than a sure answer. There are outstanding issues that this report either does not address, or addresses only in part.

Another concern is the CSD's use of surplus. The model assumes the incentive aid is deposited to fund balance each year and used to cover projected shortfalls.

Finally, it is important to note that the DPI takes a firm stand on projecting mill rates for consolidated districts; "It is not possible to calculate a mill rate or a school tax rate for a new district after consolidation until it is known what the levy will be for the new district. The levy cannot be determined until many other questions are answered, particularly specifics about the new district's budget..." It is without a doubt that assumptions discussed in this report will impact the results of the study; all projections are based on current legislation and best estimates.

"...as a consolidated district, shared staff and services would result in reduced expenses. It is recommended that administration review the operational savings a consolidated district might achieve if this, in fact, becomes a viable option."

Appendix 1

Detailed Financial Forecasts



Forecast Model Scenario:	Base Case						Wabeno Area
	'07-'08	'08-'09	'09-'10	'10-'11	'11-'12	'12-'13	'13-'14
Enrollment:	554	531	500	490	474	453	453
Equalized Valuation Growth:		6.16%	-2.85%	0.00%	0.00%	0.00%	0.00%
Fund 10 Revenues	\$6,223,453	\$6,165,358	\$6,295,311	\$6,243,827	\$6,138,644	\$6,070,357	\$6,014,172
Fund 10 Expenditures	\$5,973,716	\$5,974,513	\$6,718,065	\$6,963,038	\$7,210,588	\$7,467,513	\$7,734,187
Surplus (Deficit)	\$249,737	\$190,845	(\$422,754)	(\$719,211)	(\$1,071,944)	(\$1,397,156)	(\$1,720,014)
Fund Balance	\$4,530,356	\$4,721,201	\$4,298,447	\$3,579,235	\$2,507,292	\$1,110,136	(\$609,878)
Total Tax Rate per \$1,000 Equalized Valuation	\$6.21	\$5.98	\$6.22	\$6.22	\$6.15	\$6.12	\$6.09

Forecast Model Scenario:	Base Case						Laona
	'07-'08	'08-'09	'09-'10	'10-'11	'11-'12	'12-'13	'13-'14
Enrollment:	249	228	230	230	230	230	230
Equalized Valuation Growth:		2.31%	-1.48%	0.00%	0.00%	0.00%	0.00%
Fund 10 Revenues	\$3,559,656	\$3,528,722	\$3,217,957	\$3,184,297	\$3,156,748	\$3,226,723	\$3,296,777
Fund 10 Expenditures	\$3,545,016	\$3,364,521	\$3,308,671	\$3,415,676	\$3,539,230	\$3,667,516	\$3,800,722
Surplus (Deficit)	\$14,640	\$164,201	(\$90,714)	(\$231,379)	(\$382,482)	(\$440,793)	(\$503,945)
Fund Balance	\$768,376	\$932,577	\$841,864	\$610,485	\$228,003	(\$212,790)	(\$716,735)
Total Tax Rate per \$1,000 Equalized Valuation	\$11.26	\$11.93	\$12.53	\$11.85	\$11.32	\$11.90	\$12.08

Forecast Model Scenario:	Base Case				Consolidated School District			
				'09-'10	'10-'11	'11-'12	'12-'13	'13-'14
Enrollment:					720	704	683	683
Equalized Valuation Growth:					0.00%	0.00%	0.00%	0.00%
Fund 10 Revenues					\$11,305,847	\$11,057,118	\$11,061,694	\$11,089,272
Fund 10 Expenditures					\$10,345,512	\$10,715,980	\$11,100,543	\$11,499,763
Surplus (Deficit)					\$960,334	\$341,138	(\$38,849)	(\$410,490)
Fund Balance					\$6,101,008	\$6,442,146	\$6,403,297	\$5,992,807
Total Tax Rate per \$1,000 Equalized Valuation					\$9.31	\$9.05	\$9.04	\$9.07
Combined Aid Received by both Districts prior to Consolidat					\$1,521,413			
Estimated Equalization Aid (Revenue Limit)					\$231,556	\$221,663	\$214,408	\$203,415
Consolidaton Incentive Aid					\$1,289,857	\$1,299,750	\$1,307,005	\$1,317,998
Total Aid Received (Cannot Be less than \$1,521,413)					\$1,521,413	\$1,521,413	\$1,521,413	\$1,521,413

Appendix 2

District Existing Debt



School District of Wabeno Area Existing Debt

Issue: 1
 Amount: \$2,085,000
 Type: General Obligation Refunding Bonds (AR)
 Dated: July 1, 2002

Callable: '13-'17 Callable 3/1/12 @ Par

CALENDAR YEAR	PRINCIPAL (3/1)	RATE	INTEREST (3/1 & 9/1)	TOTAL
2010	\$175,000	4.00%	\$67,860	\$242,860
2011	\$185,000	4.15%	\$60,521	\$245,521
2012	\$190,000	4.15%	\$52,740	\$242,740
2013	\$205,000	4.15%	\$44,544	\$249,544
2014	\$215,000	4.25%	\$35,721	\$250,721
2015	\$225,000	4.35%	\$26,259	\$251,259
2016	\$235,000	4.40%	\$16,195	\$251,195
2017	\$245,000	4.50%	\$5,513	\$250,513
TOTAL	\$1,675,000		\$309,353	\$1,984,353

School District of Laona Existing Debt

CALENDAR YEAR	FUND 39				FUND 38			
	PRINCIPAL (3/1)	RATE	INTEREST (3/1 & 9/1)	TOTAL	PRINCIPAL (3/15)	RATE	INTEREST (3/15)	TOTAL
2010	\$170,000	3.50%	\$36,925	\$206,925	\$10,679	6.25%	\$35,296	\$45,975
2011	\$180,000	3.50%	\$30,800	\$210,800	\$15,449	6.25%	\$30,526	\$45,975
2012	\$190,000	3.50%	\$24,325	\$214,325	\$16,333	6.25%	\$29,642	\$45,975
2013	\$190,000	3.50%	\$17,675	\$207,675	\$17,435	6.25%	\$28,540	\$45,975
2014	\$205,000	3.50%	\$10,763	\$215,763	\$18,525	6.25%	\$27,450	\$45,975
2015	\$205,000	3.50%	\$3,588	\$208,588	\$19,683	6.25%	\$26,292	\$45,975
2016					\$20,844	6.25%	\$25,131	\$45,975
2017					\$22,215	6.25%	\$23,760	\$45,975
2018					\$23,604	6.25%	\$22,371	\$45,975
2019					\$25,079	6.25%	\$20,896	\$45,975
2020					\$26,594	6.25%	\$19,381	\$45,975
2021					\$28,309	6.25%	\$17,666	\$45,975
2022					\$30,078	6.25%	\$15,897	\$45,975
2023					\$31,958	6.25%	\$14,017	\$45,975
2024					\$33,922	6.25%	\$12,053	\$45,975
2025					\$36,075	6.25%	\$9,900	\$45,975
2026					\$38,330	6.25%	\$7,645	\$45,975
2027					\$40,726	6.25%	\$5,249	\$45,975
2028					\$43,263	6.25%	\$2,711	\$45,975
TOTAL	<u>\$1,140,000</u>		<u>\$124,075</u>	<u>\$1,264,075</u>	<u>\$499,100</u>		<u>\$374,424</u>	<u>\$873,524</u>

Callable Maturities Credit: NR
Laona State Bank Loan