



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

6-26

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: CEO  
Department No.: 990  
For Agenda Of: 6/03/2008  
Placement: Admin  
Estimated Tme: NA  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

**TO:** Redevelopment Agency Board of Directors

**FROM:** Department Michael Brown, Redevelopment Agency Executive Director  
Director(s) Bob Geis, Redevelopment Agency Treasurer  
Contact Info: Mark Paul, Advanced Accounting, Auditor's Office (x 2141)  
Jamie Goldstein, Deputy Director, Redevelopment Agency (x 8050)

**SUBJECT:** County/Redevelopment Agency Repayment Agreement

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Debt Advisory Committee

Recommended Actions:

That the Redevelopment Agency Board of Directors:

1. Consider and adopt the attached resolution [Attachment 1] approving and authorizing the Chair to execute a repayment agreement between the County of Santa Barbara (County) and the Santa Barbara County Redevelopment Agency (Agency) in an amount not to exceed \$18,000,000 [Attachment 2].
2. Approve the attached Budget Revision Request BJE 2007276 (Attachment 3) to record the \$18 million loan, which consists of \$13.4 million into Fund 3107 (Project Fund) and \$5.7 million into fund 3104 (Debt Service Fund). (4/5 vote required).

Summary Text: This item is on the agenda to approve a loan from the County of Santa Barbara to the County of Santa Barbara Redevelopment Agency to construct infrastructure projects and acquire property in the Isla Vista Project Area. Should the Board approve this repayment agreement, the County will proceed with the issuance of certificates of participation on behalf of the Agency.

Background:

In February 2008, your Board reviewed a proposed list of infrastructure and acquisition projects for the Agency to finance through debt issuance. Those projects include:

- Improvements to Pardall Road
- Acquisition of land for parking and redevelopment
- Widening for El Colegio Road

- Improvements and enhancements to downtown Isla Vista sidewalks, landscaping, roadways, parking, public utilities, and parks.

At their December 7, 2007 meeting, the County Debt Advisory Committee considered a Certificate of Participation (COP) issuance and adopted a recommendation to forward the proposal to the County Board of Supervisors for consideration. That COP issuance, if approved, will be used to provide this proposed loan to the Agency.

**Fiscal Analysis:**

The overall budget for the proposed loan is as follows:

|                                    |                     |
|------------------------------------|---------------------|
| Project Funds                      | \$13,400,000        |
| Debt service reserve fund          | 2,100,000           |
| Capitalized interest               | 2,300,000           |
| Estimated issuance costs           | 200,000             |
| <b>Estimated total loan amount</b> | <b>\$18,000,000</b> |

The funding source for the debt service and associated costs will be fully paid by Agency tax increment revenues. It is estimated that beginning in 2011 the annual debt service for this issuance will be approximately \$1.5 million (Attachment 4). Based on revenue projections prepared by an external fiscal consultant, Keyser Marston Associates, and reviewed by the County Debt Advisory Committee, the Agency has sufficient funds to support such an annual debt payment.

Attachment 3 includes a Budget Revision necessary to receive the loan during FY 07/08. That Budget Revision, which was approved by the County on May 27<sup>th</sup>, must also be separately approved by the Agency. The Budget Revision authorizes proceeds of up to \$19.1 million, which is more than the total loan amount. The extra \$1.1 million includes bond proceeds, potential bond premium, and accrued interest.

**Special Instructions:** Please forward six original signed resolutions to Stacey Matson in the Treasurer Tax Collector's Office. The Treasurer's Office will forward these documents to bond counsel for inclusion with the Certificates of Participation closing documents.

**Attachments:**

- Attachment 1 – Resolution approving County Repayment Agreement
- Attachment 2 – Repayment Agreement
- Attachment 3 – Budget Revision Request
- Attachment 4 – Pro Forma Debt Schedule

**Authored by:**

Paul/Goldstein

**Attachment 1 – Resolution approving County Repayment Agreement**



**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE REDEVELOPMENT AGENCY OF THE  
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

**IN THE MATTER OF APPROVING A )  
REPAYMENT AGREEMENT )  
BETWEEN THE COUNTY AND THE ) Resolution No. \_\_\_\_\_  
REDEVELOPMENT AGENCY )**

WHEREAS, on November 27, 1990 the Board of Supervisors of the County of Santa Barbara (the "County") adopted Ordinance 3894, approving and adopting the Redevelopment Plan for the Isla Vista Redevelopment Project Area (the "Redevelopment Plan") for the purposes of eliminating blight and assisting the redevelopment of the Isla Vista Redevelopment Project Area Project (the "Project Area"); and

WHEREAS, the County of Santa Barbara Redevelopment Agency is a public body, corporate and politic (the "Agency") organized and existing under the California Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.); and

WHEREAS, the Redevelopment Plan provides for the acquisition and construction of certain capital improvements, including but not limited to the installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, gutters, sidewalks; traffic control devices and other public improvements and for the installation, or construction of parking facilities, streets, utilities, parks, open space, playgrounds and other public improvements; and

WHEREAS, in furtherance of the elimination of blight and the redevelopment of the Project Area, the County and Agency desire to enter into an agreement under which the County will advance funds to the Agency (the "Advance") from proceeds of certificates of participation executed and delivered pursuant to a Trust Agreement, dated as of June 1, 2008, by and among the County, U.S. Bank National Association, as trustee and the Santa Barbara County Finance Corporation, Inc.; and

WHEREAS, the funds from the Advance will be used for the acquisition and construction of certain capital improvements consistent with the Redevelopment Plan; and

WHEREAS, the Agency will reimburse the Advance from any funds available to it including but not limited to tax increment revenues generated within the Project Area and/or rents collected from the rental of real property owned by the Agency.

NOW, THEREFORE BE IT RESOLVED by the Redevelopment Agency of the County of Santa Barbara as follows:

1. The repayment agreement (the "Agreement"), between the County and the Agency, presented to this meeting and on file with the Secretary of the Agency, is hereby approved. The Chair and the Vice Chair of the Agency (the "Authorized Officers") are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver to the County the Agreement in substantially said form, with such changes therein as such officer may require or approve with the consent of Agency Counsel, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, the principal amount of the advance to the Agency shall not exceed \$18,000,000.

PASSED, APPROVED AND ADOPTED by the Redevelopment Agency of the County of Santa Barbara, State of California, this 27th day of May, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Salud Carbajal  
Chair, Redevelopment Agency of the County of Santa  
Barbara

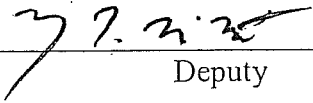
ATTEST:

Michael F. Brown,  
Agency Secretary

By \_\_\_\_\_

APPROVED AS TO FORM:

Daniel J. Wallace,  
Redevelopment Agency Counsel

By   
Deputy

APPROVED AS TO FORM:

Robert W. Geis, C.P.A.,  
Redevelopment Agency Treasurer

By   
Deputy

**Attachment 2 –Repayment Agreement**

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## REPAYMENT AGREEMENT

This Repayment Agreement, dated as of June 1, 2008 by and between the Redevelopment Agency of the County of Santa Barbara (the "Agency") and the County of Santa Barbara (the "County").

### WITNESSETH

WHEREAS, on November 27, 1990 the Board of Supervisors of the County adopted Ordinance 3894, approving and adopting the Redevelopment Plan for the Isla Vista Redevelopment Project Area (the "Plan") for the purposes of eliminating blight and assisting the redevelopment of the Isla Vista Redevelopment Project Area Project (the "Project Area"); and

WHEREAS, the Plan provides for the acquisition and construction of certain capital improvements, including but not limited to the installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, gutters, sidewalks, traffic control devices and other public improvements and for the installation, or construction of parking facilities, streets, utilities, parks, open space, playgrounds and other public improvements; and

WHEREAS, the County has determined to issue certificates of participation (the "Certificates of Participation") pursuant to that certain Trust Agreement, dated as of June 1, 2008 among the County, U.S. Bank National Association as trustee (the "Trustee") and the Santa Barbara County Finance Corporation, Inc. (the "Trust Agreement"); and

WHEREAS, an aggregate principal amount of \$ \_\_\_\_\_ will be advanced by the County to the Agency for the purpose of acquiring and constructing the Projects (the "Advance"); and

WHEREAS, the amount of the Advance, together with interest thereon and other expenses as hereinafter provided, will be repaid by the Agency to the County out of tax increment funds and rental income generated within the Project Area and/or, if appropriate, from the proceeds of indebtedness hereinafter issued by the Agency; and

WHEREAS, the County and the Agency are each ready and willing to assume the relationship described herein;

NOW, THEREFORE, the Agency and the County, for and in consideration of the mutual promises and agreements herein contained do agree as follows:

### 1. DEFINITIONS

Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Agreement and of any amendment hereto have the meanings herein specified.

"Certificates of Participation" means the certificates of participation issued pursuant to the Trust Agreement.

"Closing Date" means the date of issuance of the Certificates of Participation.

“Law” means the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California and the acts amendatory thereof and in supplement thereto.

“Projects” mean the acquisition and construction of capital improvements, including but not limited to the widening of sidewalks; improvements to intersections; acquisition of land for future mixed-use development; acquisition of land for and development of parking improvements, expansion and development of park facilities, road improvements; and construction and installation of landscaping improvements.

“Project Area” means the Isla Vista Redevelopment Project Area of the Agency.

“Tax Increment Revenues” means all taxes allocated to, and paid into a special fund of the Agency for the Project Area pursuant to Article 6 of Chapter 6 of the Law and Section 16 of Article XVI of the Constitution of the State of California, and as provided in the redevelopment plan for the Project Area, including all payments and reimbursements, if any, to the Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations.

“Trust Agreement” means the Trust Agreement, dated as of June 1, 2008, among the County, U.S. Bank National Association, as trustee (the “Trustee”) and the Santa Barbara County Finance Corporation, Inc. (the “Trust Agreement”).

“Trustee” means U.S. Bank National Association or any other entity then performing the function of Trustee under the Trust Agreement.

**2. PURPOSE: ALLOCATION OF PROCEEDS**

The County hereby agrees to advance to the Agency an aggregate principal amount of \$\_\_\_\_\_. On the Closing Date, the total proceeds of the Advance shall be disbursed as follows:

- (1) The County shall cause the Trustee to deposit \$\_\_\_\_\_ into Account II of the Costs of Issuance Account.
- (2) The County shall cause the Trustee to deposit \$\_\_\_\_\_ into the Capitalized Interest Fund.
- (3) The County shall cause the Trustee to deposit \$\_\_\_\_\_ into Account II of the Reserve Fund; and
- (4) The County shall cause the Trustee to deposit \$\_\_\_\_\_ in Account II of the Project Fund.

The Agency shall, from time to time, request the County Treasurer to requisition disbursements from Account II of the Project Fund, including interest earnings thereon, to pay costs of the Projects in the manner and subject to the terms and conditions set forth in Section 3.03 of the Trust Agreement. The Agency hereby covenants that all hearings, findings and

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Agreement by their officers thereunto duly authorized on \_\_\_\_\_, 2008.

**REDEVELOPMENT AGENCY OF THE  
COUNTY OF SANTA BARBARA**

By \_\_\_\_\_  
Salud Carbajal  
Chair, Redevelopment Agency of the  
County of Santa Barbara

**ATTEST:**

Michael F. Brown,  
Agency Secretary

**APPROVED AS TO FORM:**

Robert W. Geis, C.P.A.,  
Redevelopment Agency Treasurer

By \_\_\_\_\_

By \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

Daniel J. Wallace,  
Redevelopment Agency Counsel

By \_\_\_\_\_  
Deputy

**COUNTY OF SANTA BARBARA**

By \_\_\_\_\_  
Chair of the Board of Supervisors

[SEAL]

**ATTEST:**

Michael F. Brown,  
Clerk of the Board of Supervisors

**APPROVED AS TO ACCOUNTING  
FORM:**

Robert W. Geis, C.P.A.,  
Auditor-Controller

**APPROVED AS TO FORM:**

Daniel J. Wallace,  
County Counsel

**APPROVED AS TO FORM:**

Ray Aromatorio,  
Risk Manager

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Deputy County Counsel

determinations as required pursuant to the Law with respect to a withdrawal for a Project shall have been made prior to submitting a request to the County Treasurer and hereby agrees to provide (or cause to be provided) such information concerning each Project as may be reasonably requested by the County Treasurer.

3. **REPAYMENT TERMS**

The principal of the Advance shall be payable in installments on December 1 in each of the years and in the amounts, and interest on the Advance shall be payable in installments on June 1 and on December 1 in each of the years and in the amounts, as set forth in Exhibit A.

In the event the principal of the Advance shall be prepaid pursuant to Section 4, the foregoing schedule of principal installment payments shall be reduced pro rata as provided in Section 4.

Interest on each installment of principal of the Advance has been calculated on the basis of a 360-day year of twelve 30-day months, and shall accrue on each installment of principal from and including the Closing Date to but not including the interest payment date with respect to which such installment of principal is payable. Any installment of principal or interest which is not paid when due shall continue to accrue interest at the interest rate payable on the Certificates of Participation from and including the interest payment date with respect to which such principal or interest is payable to but not including the date of actual payment.

Principal of and interest on the Advance shall be payable by the Agency directly to the County in immediately available funds which constitute lawful money of the United States of America.

Any portion of the Advance deposited on the Closing Date into Account II of the Reserve Fund established by the Trust Agreement shall be credited to the final installment payments payable pursuant to this Section. In addition, amounts in the Capitalized Interest Account held by the Trustee pursuant to the Trust Agreement (including earnings thereon) and investment earnings on Account II of the Reserve Fund shall be credited to the installment payments payable pursuant to this Section or shall be deposited into Account II of the Project Fund or the Rebate Fund if directed by the County.

4. **OPTIONAL PREPAYMENT**

[track optional prepayment of Certificates of Participation set forth in Trust Agreement]

5. **REIMBURSEMENT TO COUNTY BY AGENCY**

The Agency agrees to reimburse the County for all ongoing expenses of the County relating to the Agency's proportionate share of the Certificates of Participation, including but not limited to the fees and expenses of the Trustee and fees and expenses of the rebate analyst. Such expenses shall be determined from time to time by the County Treasurer.

**6. REPAYMENT FROM TAX INCREMENT REVENUES**

The Agency and the County agree that Tax Increment Revenues shall be used and applied to repay the County for all amounts due to the County hereunder. In addition, the Agency may apply any other lawfully available funds, including rental income from properties of the Agency, to repay the County. This Agreement may be amended from time to time by the parties hereto, (1) to subordinate the Agency's obligations hereunder to any other obligations issued or incurred or to be issued or incurred by the Agency, or (2) for any other purposes and with any other effect whatsoever.

**7. VALIDITY OF AGREEMENT**

If any provisions of this Agreement, or the application thereof to any person, party, transaction, or circumstance, is held invalid, the remainder of this Agreement, or the application of such provision to other persons, parties, transactions or circumstances, shall not be affected thereby.

**8. NONLIABILITY OF COUNTY**

No liability shall be imposed on the County or its supervisors, officers, agents and employees by reason of its execution of this Agreement, including without limitation liability with respect to Agency actions or operations or the Projects.

**9. PROTECTION OF COUNTY**

The County shall not be answerable for the exercise of any of its rights hereunder or for the performance of any of its obligations hereunder or under the Trust Agreement or for anything whatsoever in connection with the funds established hereunder or thereunder, except only for its own willful misconduct.

No provision hereof shall require the County to expend or risk its own funds or otherwise incur any financial or other liability or risk in the performance of any of its obligations hereunder.

**10. FURTHER ASSURANCES**

The Agency agrees that it will execute and deliver any and all such further agreements, instruments or other assurances as may be reasonably necessary or requested by the County to carry out the intention or to facilitate the performance of this Agreement.

**11. NOTICES**

All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Agency:

Executive Director  
Redevelopment Agency of the County of Santa Barbara  
c/o County Administrative Officer  
105 East Anapamu Street  
Santa Barbara, California 93101

If to the County:

County Administrative Officer-County of Santa Barbara  
105 East Anapamu Street  
Santa Barbara, California 93101  
(with copies County Treasurer and County Counsel)

**12. GOVERNING LAW**

This Agreement shall be construed in accordance with and governed by the Constitution and laws of the State of California.

**13. BINDING EFFECT**

This Agreement shall inure to the benefit of and shall be binding upon the County, the Agency and their respective successors and assigns, subject, however, to the limitations contained herein.

**14. SEVERABILITY OF INVALID PROVISIONS**

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The County and the Agency each hereby declares that it would have entered into this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that anyone or more Sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

**15. ARTICLE AND SECTION HEADINGS AND REFERENCES**

The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Agreement. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or

subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

**16. REPAYMENT AGREEMENT REPRESENTS COMPLETE AGREEMENT; AMENDMENTS**

This Agreement represents the entire contract between the parties. This Agreement may not be effectively amended, changed, modified, altered or terminated except by the written agreement of the Agency and the County.

**17. EXECUTION OF COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

**18. TERM OF REPAYMENT AGREEMENT**

Except as otherwise provided herein, this Agreement shall remain in full force and effect from the date of execution hereof until no amounts remain due and owing hereunder.



**EXHIBIT A**

[REPAYMENT SCHEDULE TO COME]



**Attachment 3 - Budget Revision Request**



# Budget Revision Request

Gov. Code Sec. 29125 & 29130

JE  
Related Journal Entry #

**Subject / Title:** Provide a short description for this budget revision request. For example: "Designate funds for zoning ordinance amendments" or "Distribute proceeds from sale of 2005 COPS".

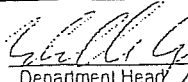

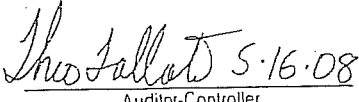
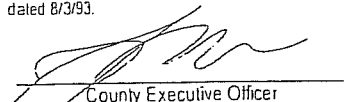
General County Programs, Debt Service, Redevelopment Agency and Public Works, Resource Recovery and Waste Management: To budget proceeds, costs of issuance, reserves and project costs of the proposed 2008 Certificates of Participation in an amount not to exceed \$30 million. This budget revision assumes issuance of \$26.7 million.

**Justification:** For all changes: explain what the change is for and why it is needed. Attach additional justification, board Letters or spreadsheet, if appropriate. When moving Appropriation: explain why it's available. When Revenue is adjusted: explain the reason for the increase or decrease. For adjustments to General Fund Contingency: explain why no other alternative funding source is available.

This budget revision records the issuance of the 2008 Certificates of Participation with a par amount not to exceed \$30 million. This issuance is to fund a loan to the Redevelopment Agency for the Isla Vista Project Area (not to exceed \$21 million) and the Tajiguas Landfill Liner (not to exceed \$9 million). The issuance is estimated to be \$24 million however \$26.7 million is being used for this budget revision in order to accomodate any changes, as we will not price and issue until June. The County will record an estimated \$18.6 million in COP proceeds and advance those monies to the RDA to fund \$13.4 million in project costs and along with a premium of \$500 thousand, \$5.7 million in costs of issuance, debt service reserves and capitalized interest. Solid Waste will record an estimated \$7.6 million in proceeds and premium to fund \$6 million in project costs and \$1.6 million in reserves and costs of issuance. See attached board letter for more details. The semi-annual debt service payments begin in FY 08-09 and will be budgeted accordingly.

## Financial Summary

|   | Department / Fund<br>990 / 0001 | Department / Fund<br>990 / 3107 | Department / Fund<br>990 / 3104 | Department / Fund<br>054 / 1930 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Increase or (Decrease) in Appropriation for / Uses: |                                 |                                 |                                 |                                 |
| Salaries & Benefits                                 | 00                              | 00                              | 00                              | 00                              |
| Services & Supplies                                 | 00                              | 8,375,000                       | 400,000                         | 400,000                         |
| Other Charges                                       | 00                              | 00                              | 00                              | 00                              |
| Fixed Assets  | 00                              | 5,025,000                       | 00                              | 00                              |
| Other Financing Uses                                | 18,600,000                      | 00                              | 00                              | 00                              |
| Intrafund Transfers                                 | 00                              | 00                              | 00                              | 00                              |
| Reserve or Designation                              | 00                              | 00                              | 5,300,000                       | 00                              |
| Sources:  |                                 |                                 |                                 |                                 |
| Revenue   | 00                              | 00                              | 00                              | 00                              |
| Other Financing Sources                             | 18,600,000                      | 13,400,000                      | 5,700,000                       | 7,600,000                       |
| Intrafund Transfers                                 | 00                              | 00                              | 00                              | 00                              |
| Reserve or Designation                              | 00                              | 00                              | 00                              | 00                              |
| Effect on Contingency / RE                          | 00                              | 00                              | 00                              | 7,200,000                       |

|   |  |   |  |
|---|--|---|--|
| Departmental Authorization<br> 5/16/08<br>Department Head Date<br> 5-16-08<br>Department Head Date<br>_____<br>Department Head Date | Auditor-Controller<br>Budget Journal Entry and Related Journal Entry if applicable. Approved as to Accounting Form.<br> 5-16-08<br>Auditor-Controller | CEO's Recommendation<br><input checked="" type="checkbox"/> Approve<br><input type="checkbox"/> Disapprove<br>Transfer/Revision in Accordance with Board Policy dated 8/3/93.<br><br>County Executive Officer | Board of Supervisor's Action<br><input type="checkbox"/> Approved<br><input type="checkbox"/> Disapproved<br>_____ Date<br>_____ Agenda Item<br>_____<br>Clerk of the Board of Supervisors |
|---|--|---|--|



**Attachment 4 – Pro Forma Debt Schedule**





REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA BARBARA, CALIFORNIA

Pro Forma Repayment Schedule

| Fiscal Year<br>Ending            | Long-term Obligations |                      | Total<br>Expenditures | Outstanding<br>Balance |
|----------------------------------|-----------------------|----------------------|-----------------------|------------------------|
|                                  | Principal             | Interest             |                       |                        |
| 2008                             | \$ -                  | \$ -                 | \$ -                  | \$ 18,000,000          |
| 2009                             | -                     | 725,486              | 725,486               | 18,000,000             |
| 2010                             | -                     | 777,306              | 777,306               | 18,000,000             |
| 2011                             | -                     | 777,306              | 777,306               | 18,000,000             |
| 2012                             | 660,000               | 767,406              | 1,427,406             | 17,340,000             |
| 2013                             | 680,000               | 743,906              | 1,423,906             | 16,660,000             |
| 2014                             | 710,000               | 716,106              | 1,426,106             | 15,950,000             |
| 2015                             | 740,000               | 687,106              | 1,427,106             | 15,210,000             |
| 2016                             | 765,000               | 657,006              | 1,422,006             | 14,445,000             |
| 2017                             | 800,000               | 625,706              | 1,425,706             | 13,645,000             |
| 2018                             | 830,000               | 593,106              | 1,423,106             | 12,815,000             |
| 2019                             | 865,000               | 559,206              | 1,424,206             | 11,950,000             |
| 2020                             | 895,000               | 523,447              | 1,418,447             | 11,055,000             |
| 2021                             | 935,000               | 485,119              | 1,420,119             | 10,120,000             |
| 2022                             | 975,000               | 440,875              | 1,415,875             | 9,145,000              |
| 2023                             | 1,025,000             | 390,875              | 1,415,875             | 8,120,000              |
| 2024                             | 1,075,000             | 338,375              | 1,413,375             | 7,045,000              |
| 2025                             | 1,125,000             | 283,375              | 1,408,375             | 5,920,000              |
| 2026                             | 1,185,000             | 225,625              | 1,410,625             | 4,735,000              |
| 2027                             | 1,245,000             | 164,875              | 1,409,875             | 3,490,000              |
| 2028                             | 1,305,000             | 101,125              | 1,406,125             | 2,185,000              |
| 2029                             | 1,370,000             | 34,250               | 1,404,250             | 815,000                |
| <b>Total Since<br/>Inception</b> | <b>\$ 17,185,000</b>  | <b>\$ 10,617,589</b> | <b>\$ 27,802,589</b>  |                        |

\* Amounts to be adjusted based on actual issuance

