



**\$26,000,000\***

**Unlimited Tax General Obligation  
Bonds, 2012**

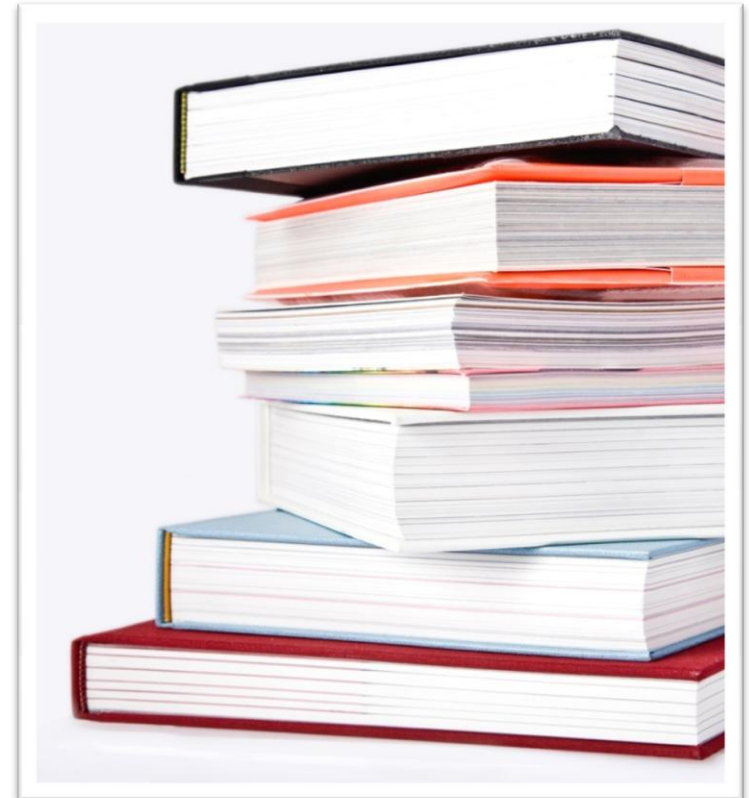
**Presentation to Moody's Investors Service**

**June 25, 2012**

*\* Preliminary, Subject to Change*

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# I. Introduction

# Participants



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## District Highlights

- Part of the greater Portland/Vancouver metropolitan service area and economy. 20 miles north of Portland
- District leadership is committed to maintaining strong financial management
- Low outstanding debt with 100% payout in the next 10 years
- Experienced administration and school board
- The District has been rewarded by the community with consistent voter support, as demonstrated most recently in February 2010
- Relatively stable enrollment is expected to continue
- Affordable housing, transportation infrastructure improvements, and development activities will bring continued growth to the local economy

**Mark**



## II. Plan of Finance

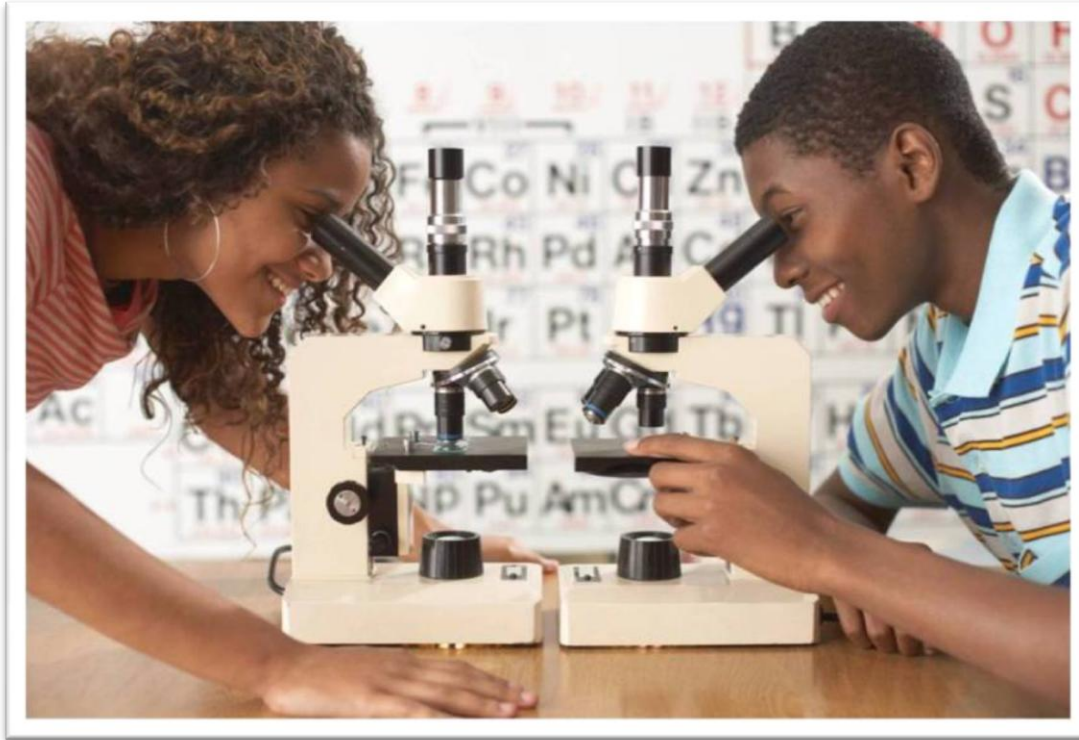
# Plan of Finance and Preliminary Schedule

This bond issuance will be the first sale for a \$52,835,000 authorization approved by District voters April 17, 2012. In addition to this issue, the District anticipates issuing the remaining bonds under this authorization over the next three years to provide funds to construct and equip a new high school, including new athletic facilities, and to modernize and make improvements to elementary and middle school facilities.

- Monday, June 25: Conference calls Moody's Investors Service
- Monday, July 9: Receive ratings  
Finalize Preliminary Official Statement
- Tuesday, July 17: Bond sale
- Wednesday, August 15: Closing and receipt of funds



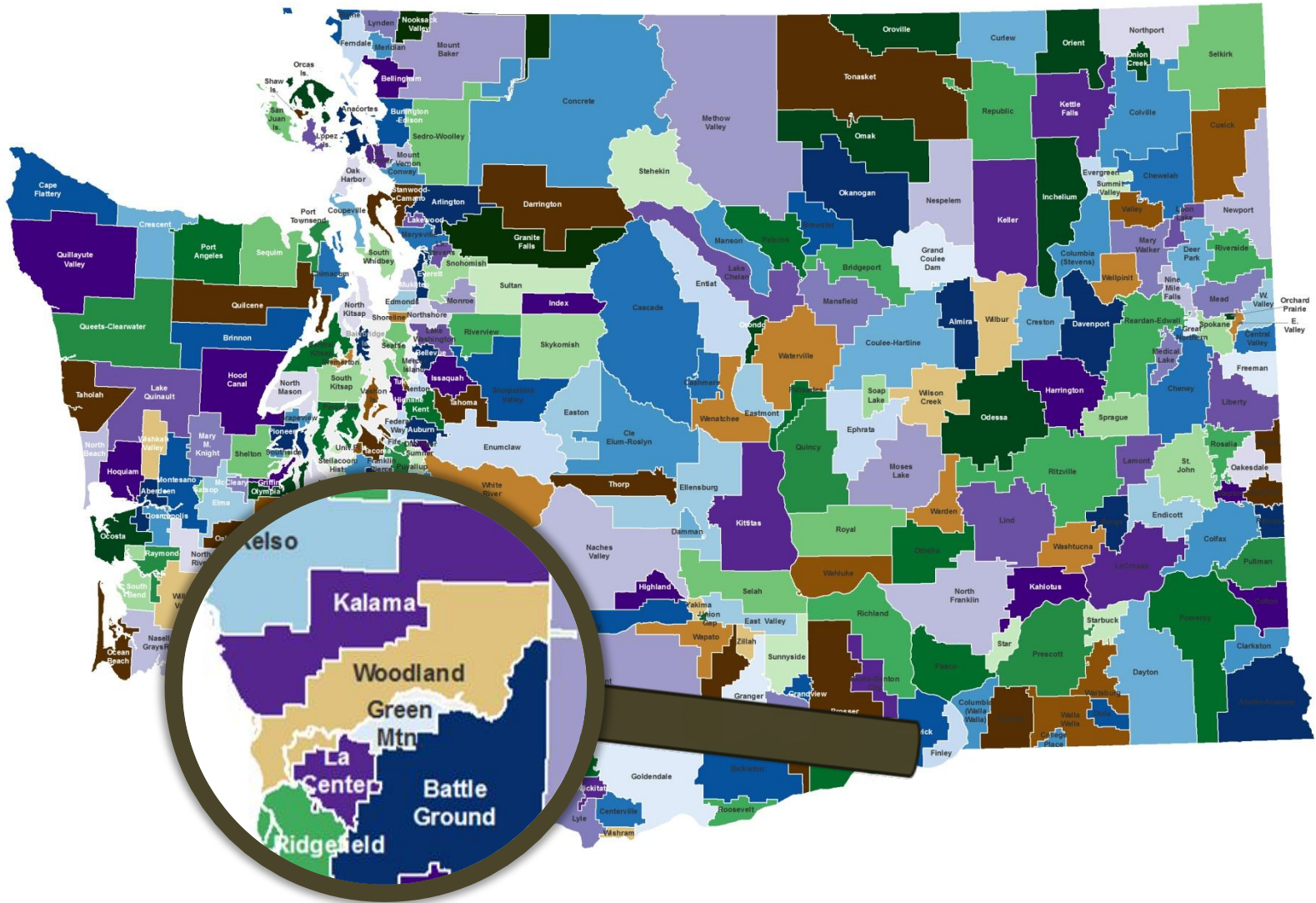




## III. The District



# District Map



The District is located in Cowlitz and Clark Counties approximately 30 miles north of the City of Portland, Oregon, and 147 miles southwest of Seattle. The District's assessed valuation is split 89.72% to 10.28% between Cowlitz and Clark Counties, respectively. The District has a current estimated population of 12,000 residents, and encompasses approximately 200 square miles. Major rail service, river transportation, shipping facilities and immediate access to Interstate 5, position the district for continued growth.

- 2012 headcount enrollment for 2011 was 2,120, an increase from the prior year
- The District includes:
  - 2 High Schools (including one alternative high school)
  - 1 Middle Schools
  - 3 Elementary Schools
  - Early learning programs

Historical populations of the City of Woodland and the County demonstrate steady growth.

## Population <sup>(1)</sup>

Year	City of Woodland <sup>(2)</sup>	Cowlitz County	Washington State
2011	5,550	102,700	6,767,900
2010 <sup>(3)</sup>	5,509	102,410	6,724,540
2009	5,195	99,600	6,668,200
2008	5,135	99,000	6,587,600
2007	4,960	97,800	6,488,000

(1) Estimated as of April 1 unless otherwise noted.

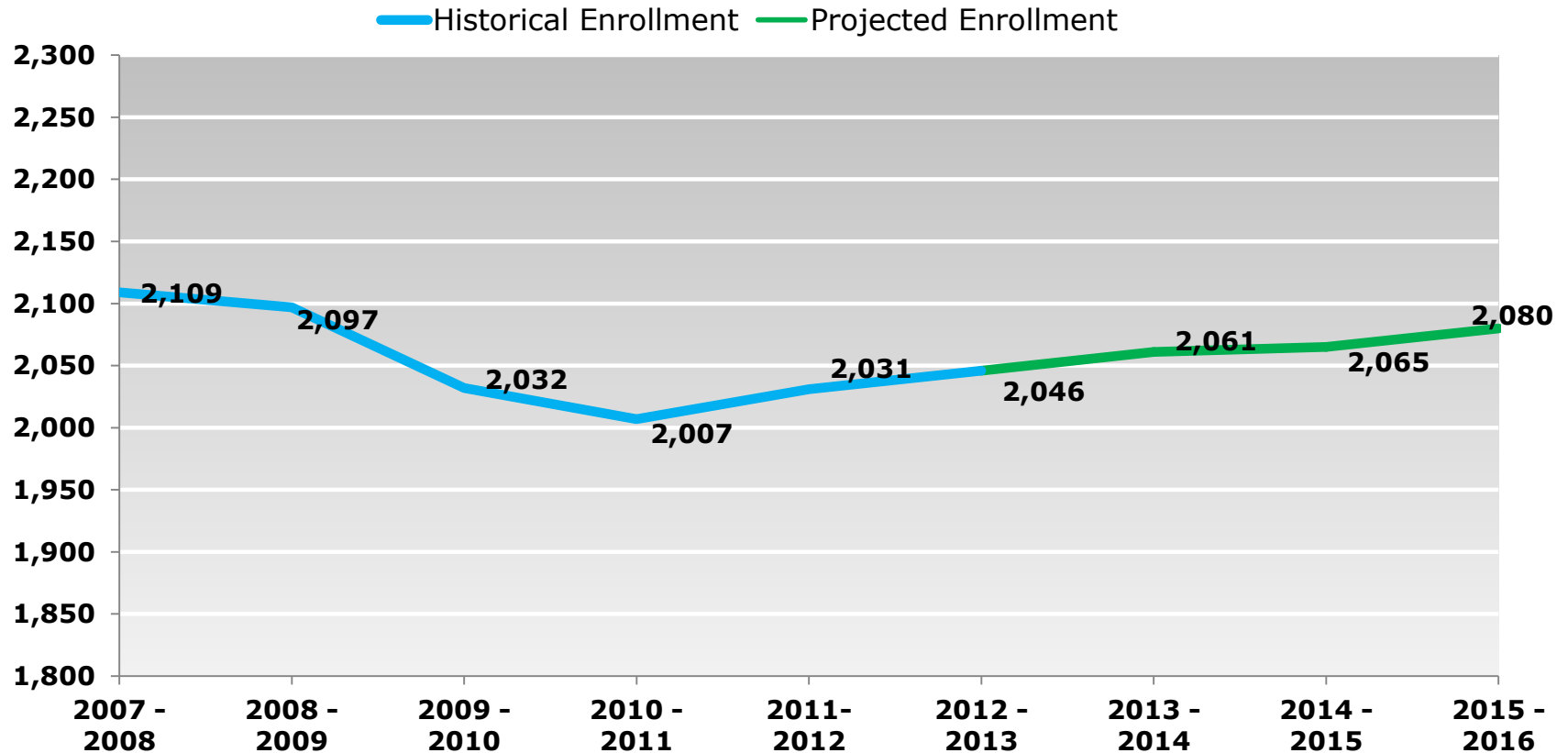
(2) Reflects population in both Cowlitz and Clark counties.

(3) 2010 federal census Public 94-171 count.

*Source: Washington State Office of Financial Management.*

After rapid enrollment increases in 200-2007, the District has experienced moderate enrollment declines. However, the enrollment is expected to continue to grow at a measured pace.

## Historical and Projected Enrollment (FTE)



Source: Woodland School District

- The District employs 291 employees
  - 122 certificated employees
  - 151 classified employees
- Current labor contracts:

<u>Bargaining Unit</u>	<u># of Employees</u>	<u>Contract Expires</u>
Woodland Education Association (Certificated)	122	08/2013
Washington Education Association (Secretaries)	11	05/2014
Woodland Administration Association	7	08/2013
Service Employees International Union (Classified)	73	08/2012

# Election Results



The District has a history of receiving strong voter support and has been using shorter two year levies more recently to minimize the risk from changes in other funding sources.

## Historical Election Results M&O Levy

Date	% Yes	Approval	Total Collection Amount	Year
February 2012	58.25%	Yes	\$3,400,000	2014
			3,250,000	2013
February 2010	58.20%	Yes	3,100,000	2012
			2,950,000	2011
March 2006	61.28%	Yes		2010
				2009
				2008
				2007
	%	Yes		2006
				2005
	%	Yes		2004
				2003

**Mark**



## IV. District Finances



# Washington Education Funding



## Washington State Senate Releases Budget—with No Further Cuts to K–12 Education

**OLYMPIA, Washington (February 28, 2012)**—Today, the Senate released its proposed budget, which held no further cuts for K–12 education. The budget currently projects a \$1 billion shortfall to balance the 2011–13 Operating Budget and comes at a time when a hopeful budget is most needed. Past budget proposals reflected gloom and doom, as K–12 education has been hit with nearly \$4 billion in cuts within the last two legislative sessions.

Budget cuts have compromised or eliminated numerous student programs and professional development for teachers and support staff. Budget cuts have also compromised classroom curriculum, classroom size, and students who struggle to keep up. The Senate’s budget provides a light at the end of the tunnel for educators: in addition to assigning no further cuts to public education, the proposal includes more than \$38 million to fund K–3 class-size reductions and provide professional development for implementation of the state’s new Teacher/Principal Evaluation Project.

Joel Aune, superintendent of Snoqualmie Valley School District and president of the Washington Association of School Administrators, reported earlier today:

“This is an incredible opportunity for K–12 education in light of the Supreme Court’s ruling in the McCleary case. Washington State has failed to meet its constitutional duty to fully fund public education, and this proposed budget begins the first steps in keeping the state accountable in supporting our students. As the Senate and, hopefully, the full Legislature, move toward adopting this budget, your support is critical.”

If this proposed budget garners the necessary support of the full Senate, K–12 education would be in a good position as negotiations begin with the House to craft a final, agreed-upon compromised budget. Washington Association of School Administrators is pleased with this budget and hopes the proposal sets a precedent for future legislative sessions. Public education is instrumental to the students it serves as well as the communities, businesses, and individuals who reside throughout Washington State.

The Washington Association of School Administrators is a statewide professional association representing nearly 1,100 members including superintendents, central office administrators, and building principals.



## Enrollment Budgeting

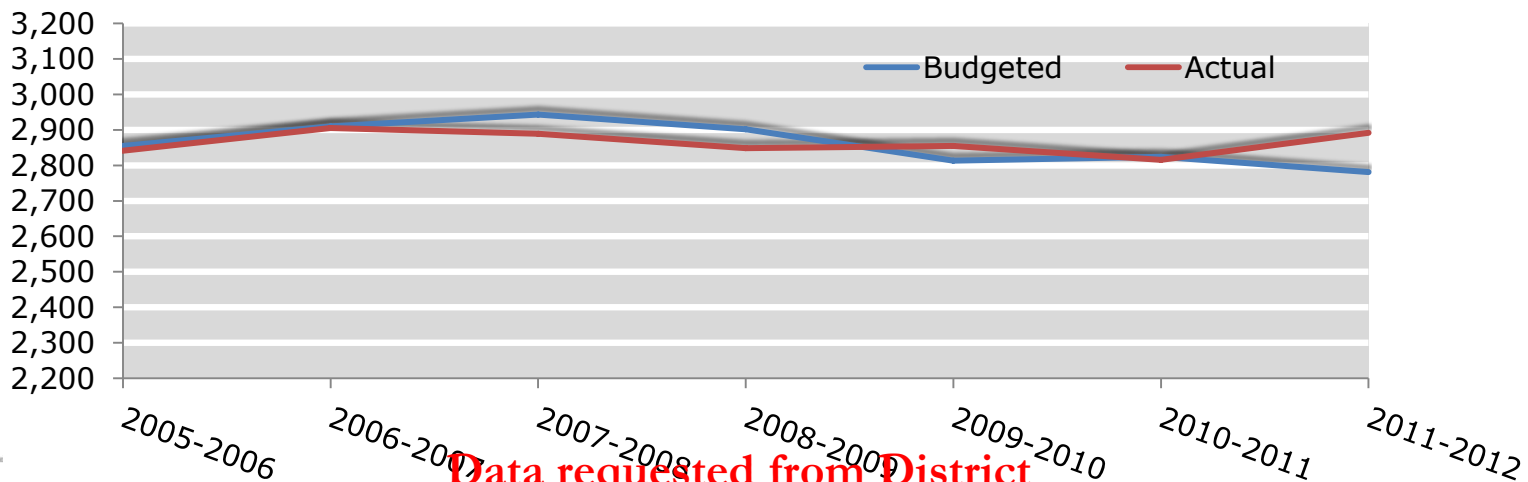
The District has successfully projected enrollment, providing budget stability.

**BUDGET VS. ACTUAL ENROLLMENT**  
(Average Annual FTE)

Fiscal Year	Budget Enrollment	Actual Enrollment	Surplus/ (Deficit)	% Difference
2011-2012				
2010-2011				
2009-2010				
2008-2009				
2007-2008				
2006-2007				
2005-2006				

\* As of February 2012

Source: State of Washington, Office of Superintendent of Public Instruction (OSPI)



Data requested from District

# The District Finances



	Audited 2007	Audited 2008	Audited 2009	Audited 2010	Audited 2011	Budget 2011
<b>REVENUES</b>						
Local Funds	\$2,769,545	\$288,564	\$2,886,597	\$3,220,258	\$3,428,531	\$3,366,121
State Funds	13,572,830	14,733,520	14,571,532	14,284,202	14,341,045	14,607,715
Federal Funds	1,056,705	1,109,120	1,232,802	1,259,903	1,287,413	1,698,566
Federal Stimulus <sup>(1)</sup>	--	--	1,002,947	918,586	633,945	0
Other	684,109	781,433	956,228	976,416	973,850	1,246,751
<b>Total Revenues</b>	<b>\$18,083,189</b>	<b>\$16,912,637</b>	<b>\$20,650,106</b>	<b>\$20,659,365</b>	<b>\$20,664,784</b>	<b>\$20,919,153</b>
<b>EXPENDITURES</b>						
<b>Current:</b>						
Basic Education	\$9,048,838	\$9,538,797	\$9,024,403	\$9,464,426	\$9,652,547	\$10,244,812
Special Education	1,399,987	1,538,611	1,742,124	1,556,202	1,741,165	1,984,865
Vocational Education	481,856	547,368	546,847	565,044	605,518	642,335
Compensatory Education	1,411,531	1,611,291	1,585,752	734,745	703,182	823,096
Other Instructional Programs	55,669	89,571	78,878	38,540	20,927	366,499
Community Services	273,190	264,013	223,227	121,871	147,319	139,514
Support Services	5,227,219	5,498,020	5,826,741	6,253,029	6,713,133	6,828,127
Federal Stimulus	0	0	982,066	884,950	637,162	0
<b>Debt Service:</b>						
Principal	0	0	0	0	0	0
Interest	0	204	37	0	0	0
<b>Capital Outlay:</b>						
Equipment	0	0	0	0	0	0
Other	30,689	45,911	209,129	398,488	14,860	
<b>Total Expenditures</b>	<b>\$17,928,979</b>	<b>\$19,133,786</b>	<b>\$20,219,204</b>	<b>\$20,017,295</b>	<b>\$20,235,813</b>	
Excess of Revenues Over (Under) Expenditures	\$154,211	\$378,852	\$430,893	\$642,071	\$428,971	
<b>Other Financing Sources (Uses):</b>						
Transfers In	0	0	90,000	0	235,000	
Long Term Financing	0	0	0	0	0	
Transfers Out	145,060	-194,163	-193,904	-186,559	0	
Total Other Financing Sources (Uses)	145,060	-194,163	-103,904	-186,559	235,000	
Excess of Revenues Over (Under) Expenditures and Other Sources	9,151	184,689	326,989	455,512	663,971	
Fund Balance at Beginning of Year (As Restated)	796,138	805,289	989,977	1,316,966	1,772,478	
<b>ENDING FUND BALANCE</b>	<b>\$805,289</b>	<b>\$989,977</b>	<b>\$1,316,966</b>	<b>\$1,772,478</b>	<b>\$2,436,449</b>	
<b>Total General Fund Balance as a % of Expenditures</b>						
	4.49%	5.17%	6.51%	8.85%	12.04%	

Jessica To add Budget 2011-2012 and Lt balance % of expenditures  
Comparative General Fund Income/Expense Statement (Fiscal Year Ending August 31)



# The District Finances



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# The District Finances



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# The District Finances



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# The District Finances



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# The District Finances



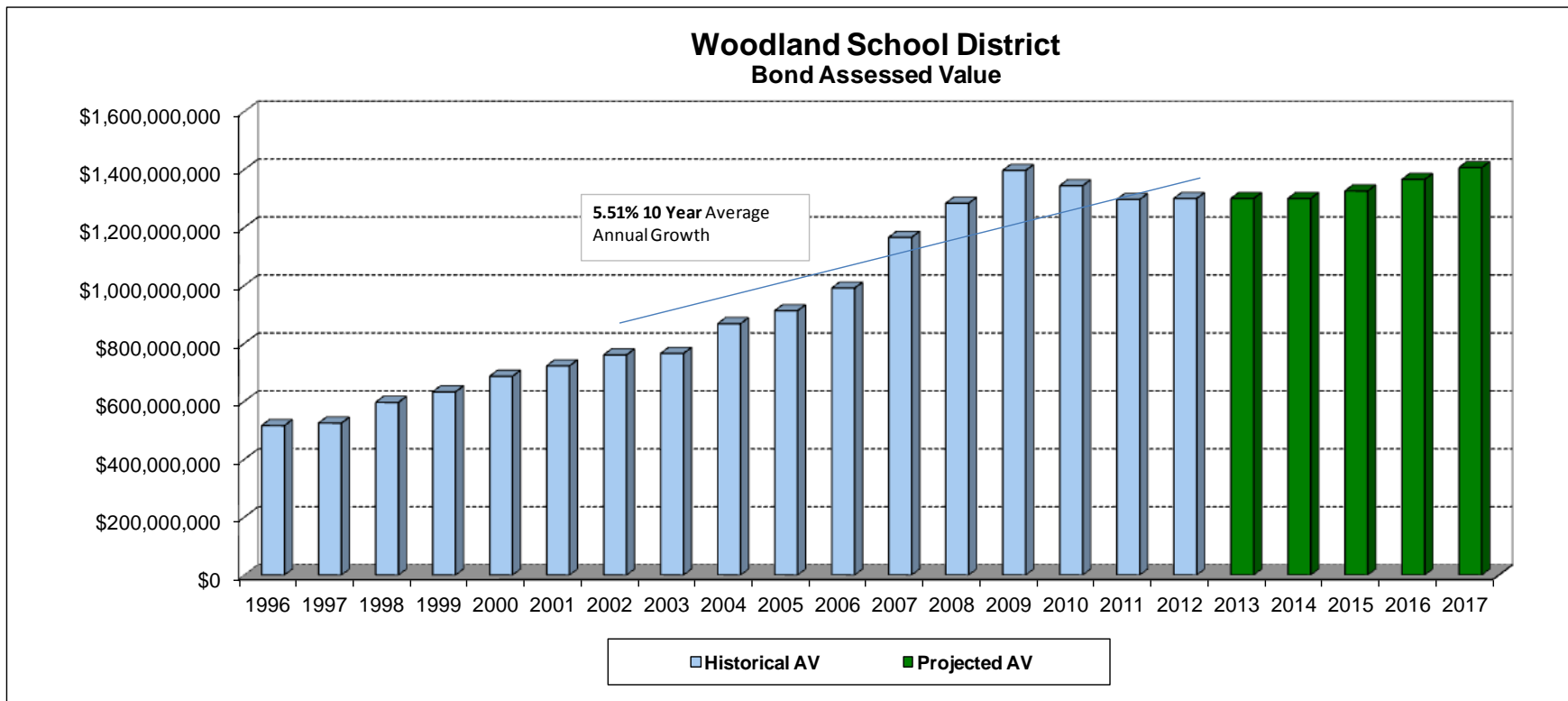
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## Schedule of General Obligation Indebtedness

Unlimited Tax General Obligation Bonds (UTGO Bonds)	Dated Date	Date of Final Maturity	Amount Outstanding
UTGO Refunding Bonds, 2005 <sup>(1)</sup>	11/15/2005	12/01/2024	\$ 3,250,000
UTGO Refunding Bonds, 2012	03/06/2012	12/01/2016	3,055,000
UTGO Bonds, 2012 (the "Bonds")	08/15/2012*	12/01/2036	26,000,000
<b>UTGO Bond Total</b>			<b>\$32,305,000*</b>
Limited General Obligation Bonds			
LGO Bonds, 2012	07/13/2012	06/01/2016	\$ 400,000
LGO Bond Total			\$400,000
<b>Total Long-Term Debt Outstanding</b>			<b>\$32,705,000</b>

Source: Woodland School District

\* Preliminary, subject to change.



# Bonded Debt Ratios



Bonded Debt Ratios	
District Taxable Assessed Valuation (2012 collection year)	\$ 1,299,439,907
Woodland School District Population <sup>1</sup>	12,000
10 Year Payoff	XX Mark
Direct Debt to Assessed Valuation	XX%
Direct & estimated Overlapping Debt to Assessed Valuation	XX%
Per Capita Assessed Valuation	\$ 108,287
Per Capita Direct Debt	\$ XX
Per Capita Direct and Overlapping Debt	\$ XX

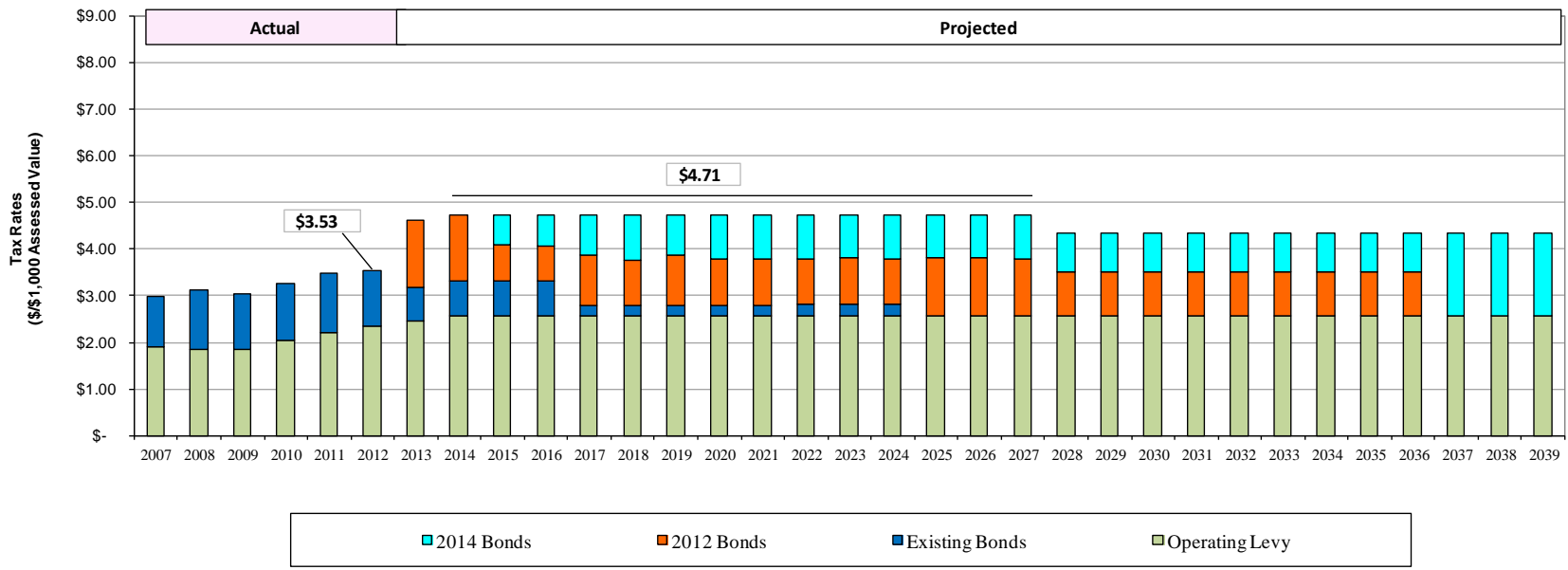
Source: Woodland School District  
(1) Estimate

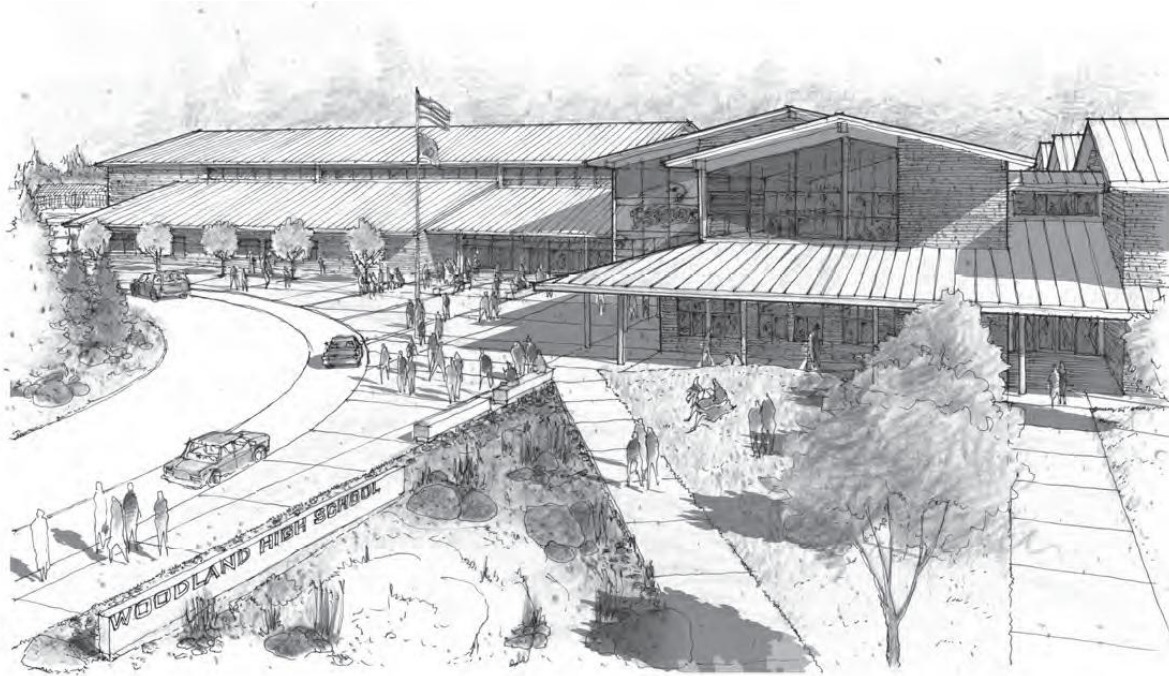
# Tax Rate Analysis



**Woodland Public Schools**  
**Historic and Projected Total Property Tax Rates**

Includes a \$52.835 Million Bond Authorization,





# V. Capital Projects

# Capital Projects Description

## HIGH SCHOOL PROJECT

TOTAL: \$61,135,000

Total costs for the new high school (all technology, fixtures and furnishings included).

## OTHER DISTRICT PROJECTS

TOTAL: \$2,700,000

Total costs for Yale Gym and other District-Wide Safety, Efficiency, and Energy improvements.

## LESS STATE MATCH: (\$11,000,000)

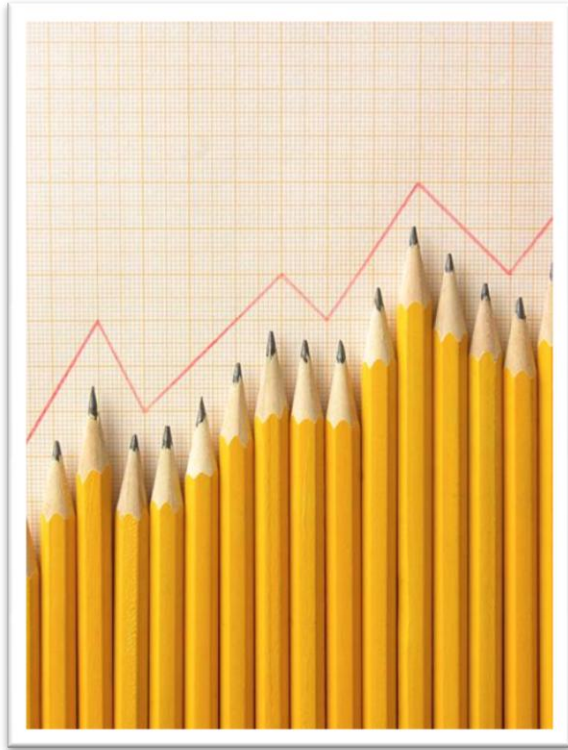
This is money the district is eligible to receive from the state upon approval of the bond.

## TOTAL AUTHORIZATION:

**\$52,835,000**







## VI. Economic Information

# Major Taxpayers



## Major Taxpayers

Taxpayer	Type of Business	Assessed Value (\$'000) <sup>(1)</sup>
Pacificorp	Electric Generation	\$ 67,138,785
Columbia River Carbonates	Chemicals	25,298,130
Columbia Colstor Inc.	Cold Storage	21,158,730
Peri Formwork Systems	Forms/Scaffolding Manufacturing	17,630,480
E/B Work LLC (American Paper Converting)	Paper Manufacturing	15,342,910
Wal-Mart Stores Inc.	Retail Store	12,003,220
Behnken Properties	Pet Products	11,303,200
Safeway Inc.	Retail Grocery	9,659,290
General Steel Corp.	Steel Mill	9,244,100
BNSF Railway	Railroad	7,952,254
<b>Total Assessed Valuation</b>		<b>\$196,731,099</b>
<b>% of District-Wide Assessed Valuation</b>		<b>15.14%</b>

<sup>(1)</sup> Total value includes real property and personal property  
 Source: Cowlitz County Assessor's Offices

## Major Employers in Cowlitz County<sup>(1)</sup>

Employer	Service/Product	Number of Employees
St. Johns Medical Center/Peace Health	Healthcare	1,919
Weyerhaeuser	Wood Products	1,587
JH Kelley	Contractor	1,200
Longview Fiber	Kraft Paper	1,078
Longview School District	Education	800
Foster Farms	Chicken Processing	707
Cowlitz County	Government	539
Lower Columbia College	Higher Education	469
Safeway	Groceries	420
Wal-Mart Stores Inc.	Retail	380

(1) Reflects most recent data available as October 2010.

Source: Coelitz-Wahliakum Council of Government

# Economic Development – Port of Woodland

## *Port of Woodland*

The Port of Woodland owns more than 300 acres of property for light industrial and recreational opportunities in south Cowlitz County along the Columbia and Lewis rivers. The port's location provides easy access to Interstate 5, rail transportation on the BNSF Railway north-south mainline, and is close to deep draft marine terminals at three major shipping ports. The Port of Woodland is also less than 30 minutes from Portland International Airport and is included within the Portland-Vancouver USA metropolitan statistical area (MSA).

Two freeway ramps enter and exit the Woodland area with excellent on/off truck route to the newly established light industrial area northwest of Woodland, including the Port's two light industrial parks.

All of Woodland's general cargo terminals are within an easy five-minute ride of I-5; the West Coast's "Main Street."

Easily accessible in either direction, I-5 connects with major interstates north, south, east and west, and numerous trucking companies, capable of transporting any type of cargo, connect the Port with any spot in the region.



# Economic Development – Port of Woodland



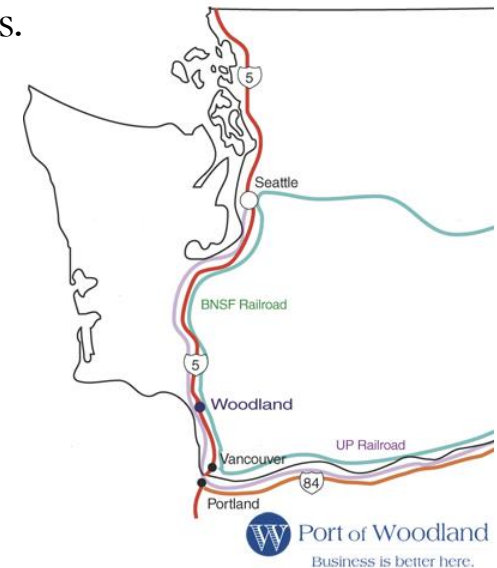
The Port is served by Burlington Northern Santa Fe and Union Pacific Railroad main lines with 23-acres of its industrial property served by a newly completed rail drill line located at the intersection of Schurman Way and Port Way.

Woodland's geographic location offers opportunities to decrease both time and cost for rail freight offering the right combination of excellent connectivity to the BNSF and UP mainline routes, and direct access to major north-south and east-west interstate highways.

This combination ensures containerized cargo moves quickly and reliably to inland destinations.

The Port of Woodland benefits as an distribution hub include:

- Reduced transit time using rail packages to key U.S. destinations.
- Rail connections by the Burlington Northern Santa Fe (BNSF) and Union Pacific (UP) railroads.
- Extensive existing rail business via the Schurman Way area.



## Economic Development

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# Taxable Retail Sales



## Taxable Retail Sales

Year	City of Woodland	Clark County
2011 <sup>(1)</sup>	\$ 101,058,762	\$1,954,950,929
2010	93,831,440	4,036,327,778
2009	86,752,898	3,907,558,113
2008	98,828,396	4,548,933,138

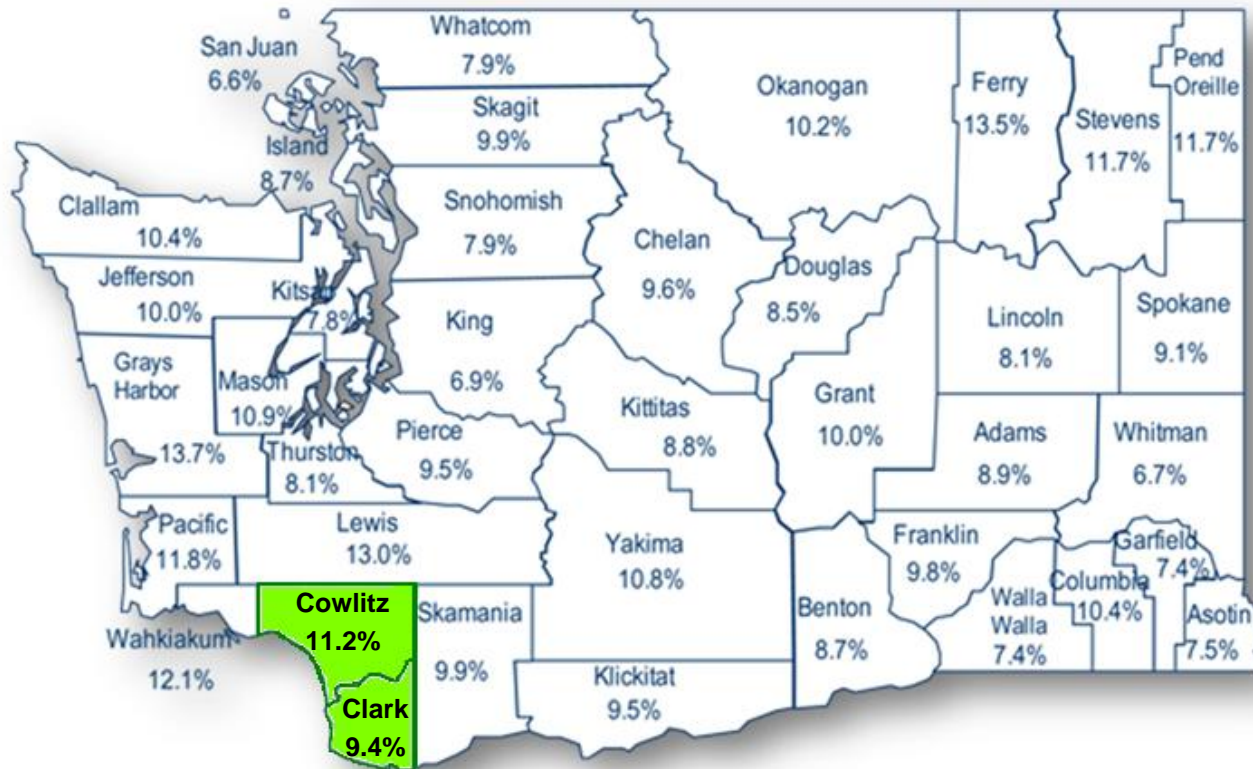
<sup>(1)</sup> Through second quarter only.

Source: Washington State Department of Revenue, February 2012.



# Unemployment Rates

As of May 2012, unemployment rates for Cowlitz County and Clark County were reported to be 11.2% and 9.4% respectively. These numbers are slightly higher than the reported Washington State unemployment rate of 8.3% and the reported national unemployment rate of 8.2%.



As of May 2012. NOT Seasonally Adjusted  
 Source: Washington State Employment Security Department



# Employment Statistics



	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Washington</b>					
Employed	3,165,350	3,167,40	3,193,29	3,283,92	3,232,65
Unemployed	319,740	349,070	329,510	188,200	154,120
% Unemployed	9.2%	9.9%	9.4%	5.4%	4.6%
<b>Cowlitz County <sup>(1)</sup></b>					
Employed	38,040	38,700	38,690	40,500	40,580
Unemployed	5,230	5,800	5,970	3,630	2,750
% Unemployed	12.1%	13.0%	13.4%	8.2%	6.3%

(1) Longview Metropolitan Statistical Area.

Source: Washington State Employment Security Department

While the region has lower per capital income that the statewide average, lower costs of living generally compensate for this difference.

## Personal and Per Capita Income Data

Year	Cowlitz County		State of Washington		United States
	Per Capita Income	Personal Income	Per Capita Income	Personal Income	Per Capita Income
2011 <sup>(1)</sup>	-	-	\$ 44,294	\$ 302,529,308	\$ 41,663
2010	\$ 32,249	\$ 3,304,488	42,589	287,174,714	39,937
2009	31,217	3,188,076	41,837	278,944,289	38,846
2008	31,369	3,189,878	44,106	289,433,693	40,947
2007	29,649	2,986,915	42,192	272,624,864	39,506
2006	27,661	2,742,890	39,570	252,091,288	37,725

(1) Most recent data available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

District





## VI. Conclusion

# Summary

- The District has demonstrated strong financial management during difficult times
- Proximity to the greater Portland/Vancouver metropolitan area provides broad employment opportunities
- The District's tax base is well diversified
- The area economy and employment base is well diversified and housing remains in demand
- Budgets have been well managed and are expected to remain stable going forward
- Affordable debt profile will serve the District well going forward
- General Fund balances are strong and are expected to be sufficient to provide operational stability
- The District enjoys strong voter support
- As a result of effective community outreach and quality education, strong community support is expected to continue



**Mark**