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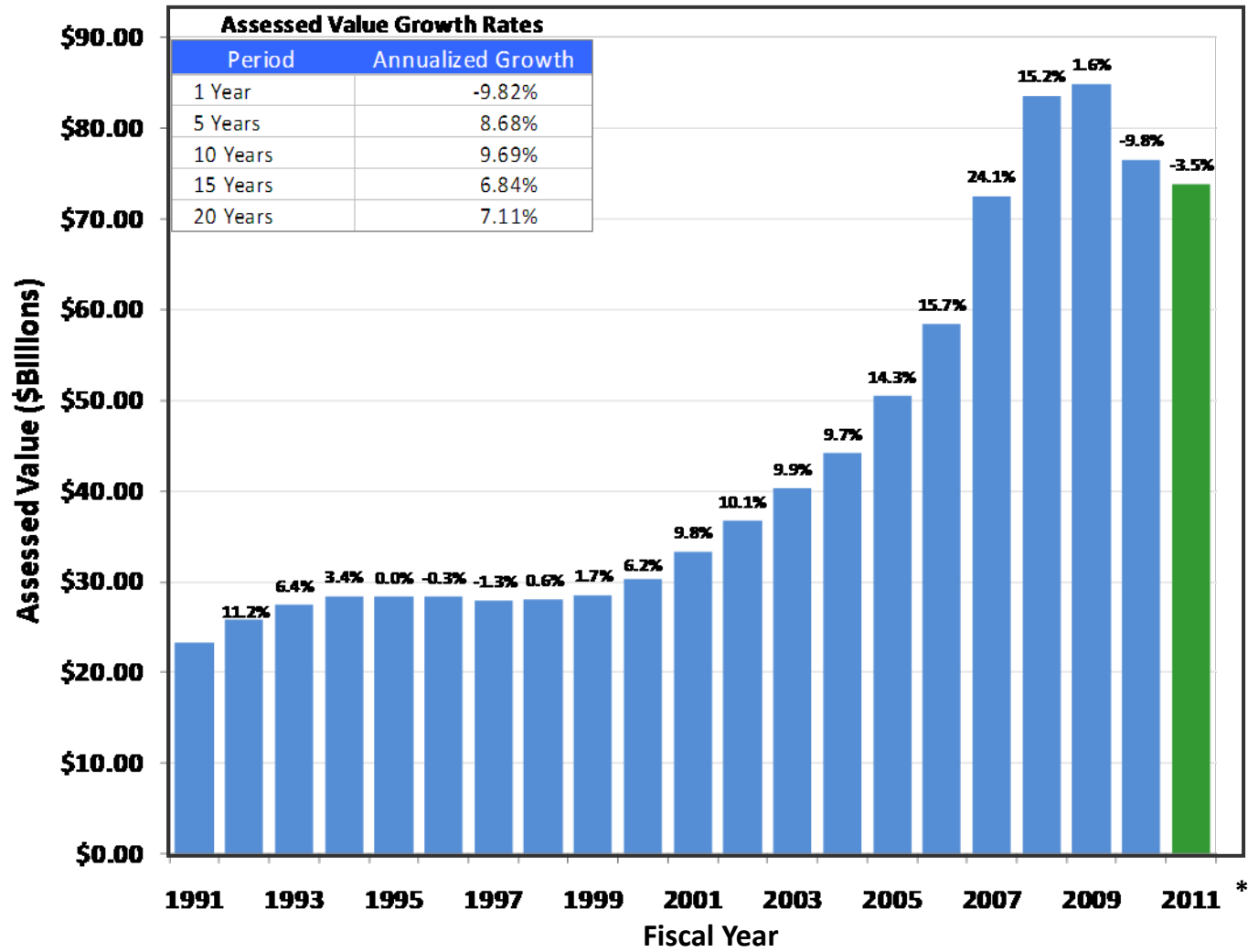
RIVERSIDE COMMUNITY COLLEGE DISTRICT

Measure C Bond Program Update

November 3, 2009

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Riverside CCD Historical Assessed Value & 2010/11 Projection



* Riverside County Treasurer Tax Collector County-Wide Estimate

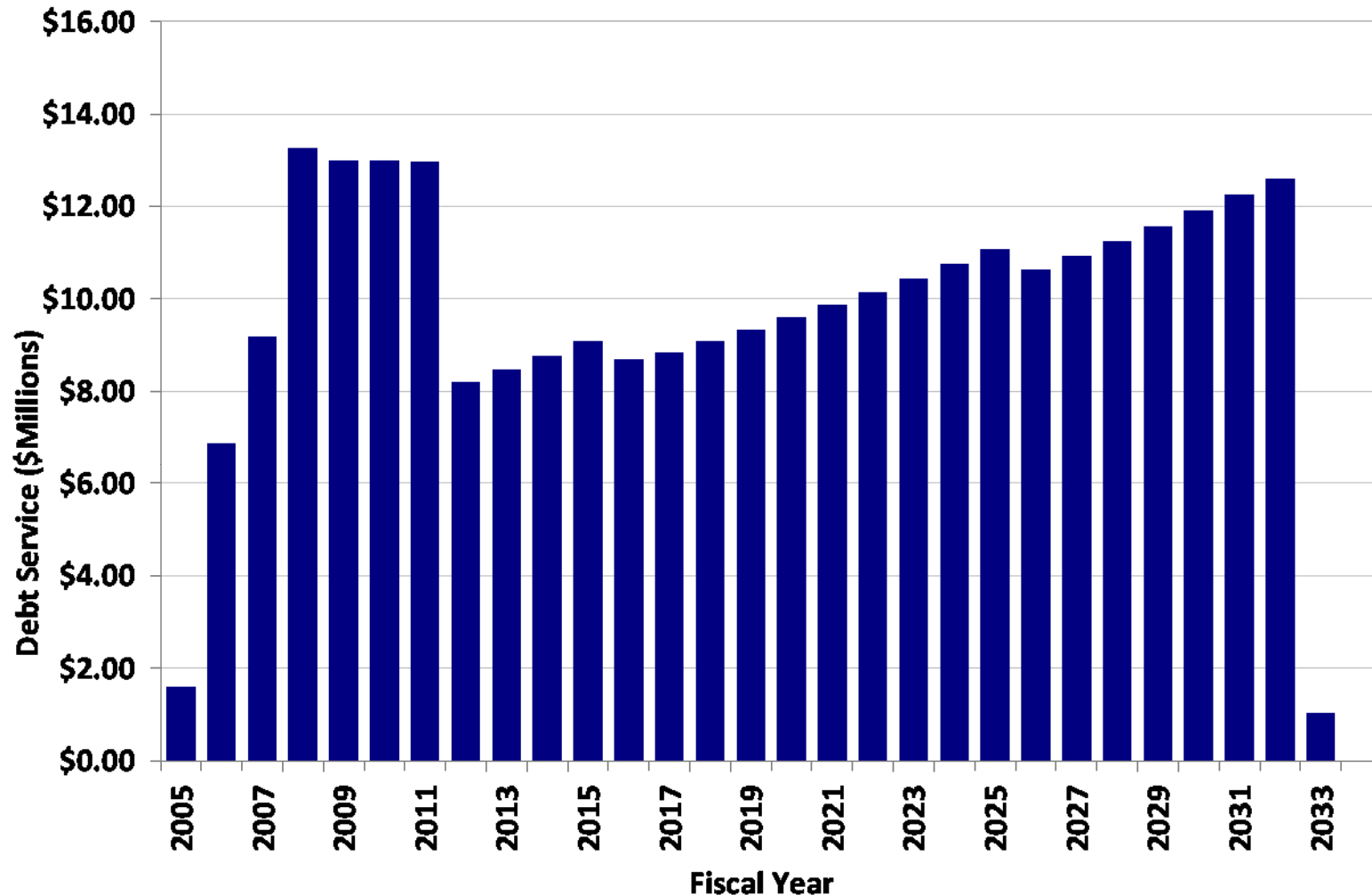
Impact of Additional Declines in Assessed Value

Existing bond payment structure allows for a significant drop in assessed value while maintaining future tax rates below \$18 per \$100,000 of assessed value

- The 2009/10 fiscal year tax rate for the Measure C bonds is \$12.42 per \$100,000 of assessed value
- Debt service payments on the existing Measure C bonds decline by 37% in fiscal year 2011/12 then grow at an annualized rate of approximately 2.3%
- RCC could experience an unprecedented decline in AV next year and maintain tax rates below \$18 per \$100,000
 - Even with a 30% decline in 2010/11 and an additional 4.5% decline in 2011/12 before returning to a normal growth thereafter, the tax rate is projected to remain below \$18 per \$100,000 of assessed value
- The Riverside County Treasurer's Office is currently using a projected 3.5% countywide decrease in assessed value for the 2010/11 fiscal year

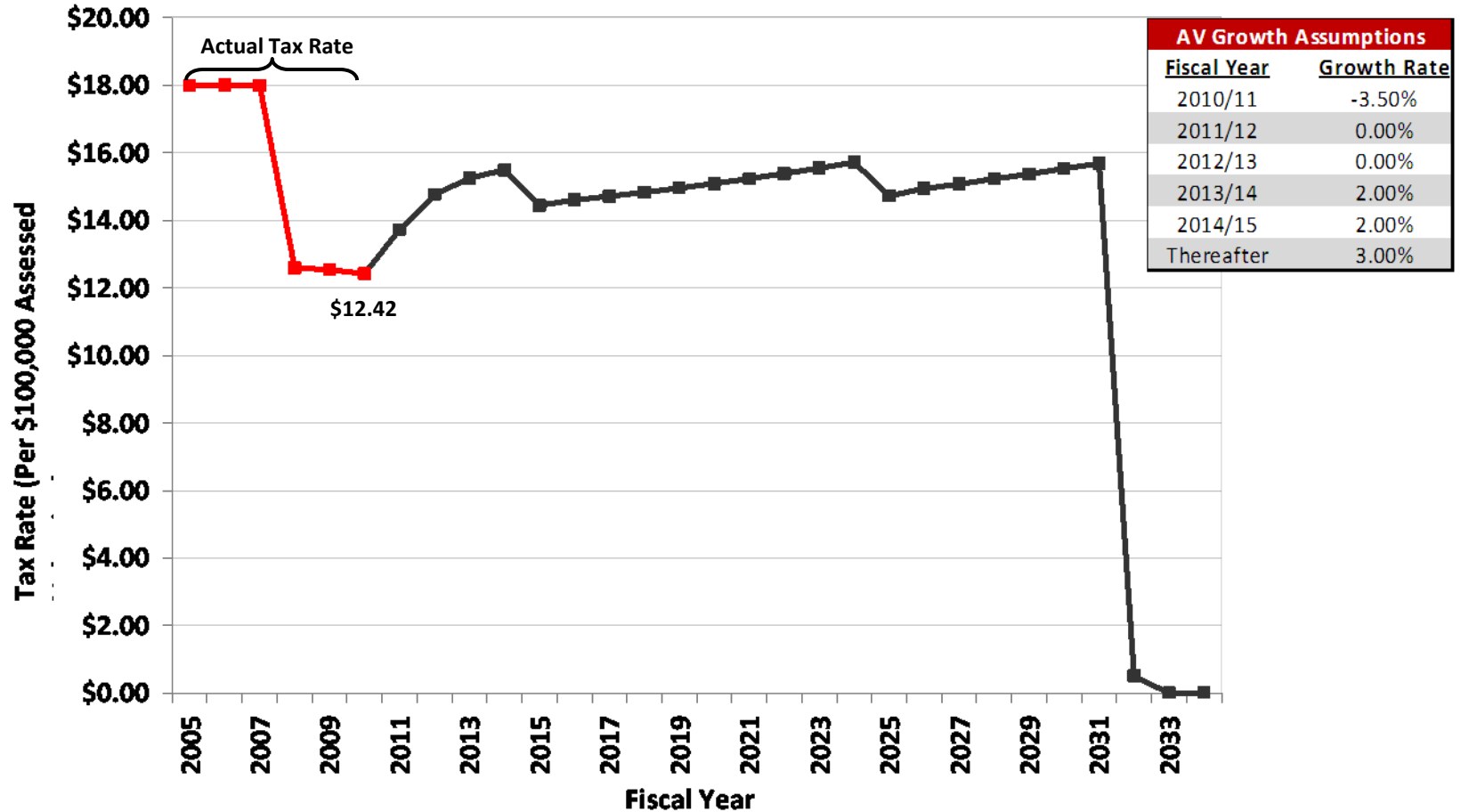
Current Measure C Bond Debt Service Payment Schedule

Existing bond payments drop to make room for new bond issuance in 2010



Measure C Actual and Projected Tax Rates

Assuming no new bond issuances, tax rates are projected to remain below \$18.00 per \$100,000 of assessed value

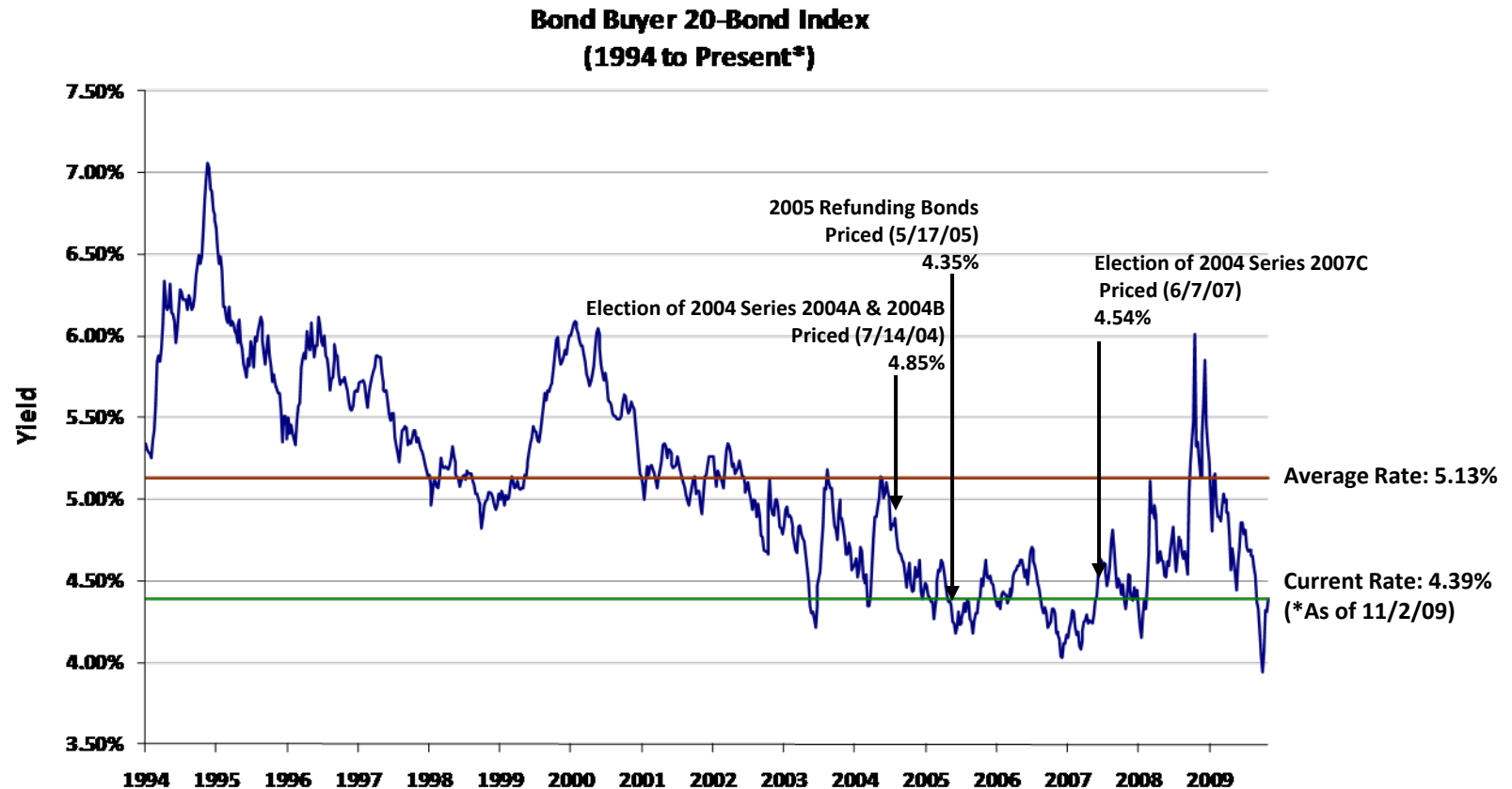


Future Bond Issuance Considerations

- **Additional declines in assessed value and the rate of future growth**
 - Issuance of next series of bonds will increase tax rates from current \$12.42 level to close to \$18 per \$100,000 of assessed value
- **RCC's construction project cash flow needs**
 - Bond series typically sized to provide 2 or 3 years of project cash flow needs
 - Smaller annual issuances provide additional opportunities to review AV assumptions but increases issuance costs
- **Prospects for statewide educational facilities bond measure in 2010**
 - Impact of construction schedule without state matching funds
- **Market conditions and interest rates for general obligation bonds**
 - Highly rated general obligation bond issuers currently enjoy market access and low long-term interest rates by historic standards
- **Financing term of next bond issuance**
 - Term can be extended beyond 25-years to lower annual payments and reduce risk of exceeding the \$18 tax rate estimate but increases interest cost

Historic General Obligation Bond Interest Rate Index

General obligation bond rates have fallen significantly after spiking in late 2008 during the financial crisis



(1) Bond Buyer 20-Bond Index is comprised of 20 general obligation bonds maturing in 20 years. Published weekly, the index has an average rating equivalent to Moody's Aa2 and S&P's AA.

Prospective 2010 Bond Issuance (Series D) Summary

For illustrative purposes, this scenario demonstrates that RCC could issue its next series of bonds in 2010 utilizing conservative assessed value projections

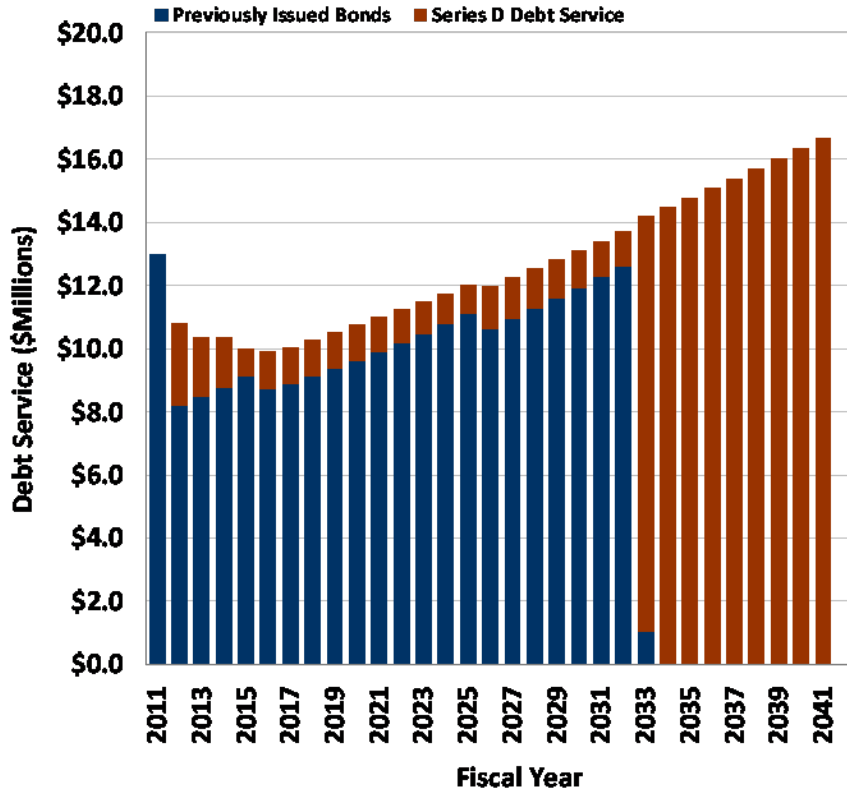
Series D Principal Amount	\$50,000,000
Measure C Authorization Remaining After Issuance	\$145,000,000
Average Interest Rate Assumption	5.50%
Financing Term	30 Years

Assessed Value Assumptions

Fiscal Year	% Change
2010/11	-10.00%
2011/12	-10.00%
2012/13	0.00%
2013/14	2.00%
2014/15	2.00%
Thereafter	2.00%

Combined Debt Service & Tax Rates After Series D Issuance

Measure C Debt Service Schedule



Projected Measure C Tax Rates

