

Handout 3/22/11

Belmont-Redwood Shores School District

Pre-sale 2010 G.O. Bond Update

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Belmont-Redwood Shores School District

Overview of Updated Bond Plan

Key Information and Results

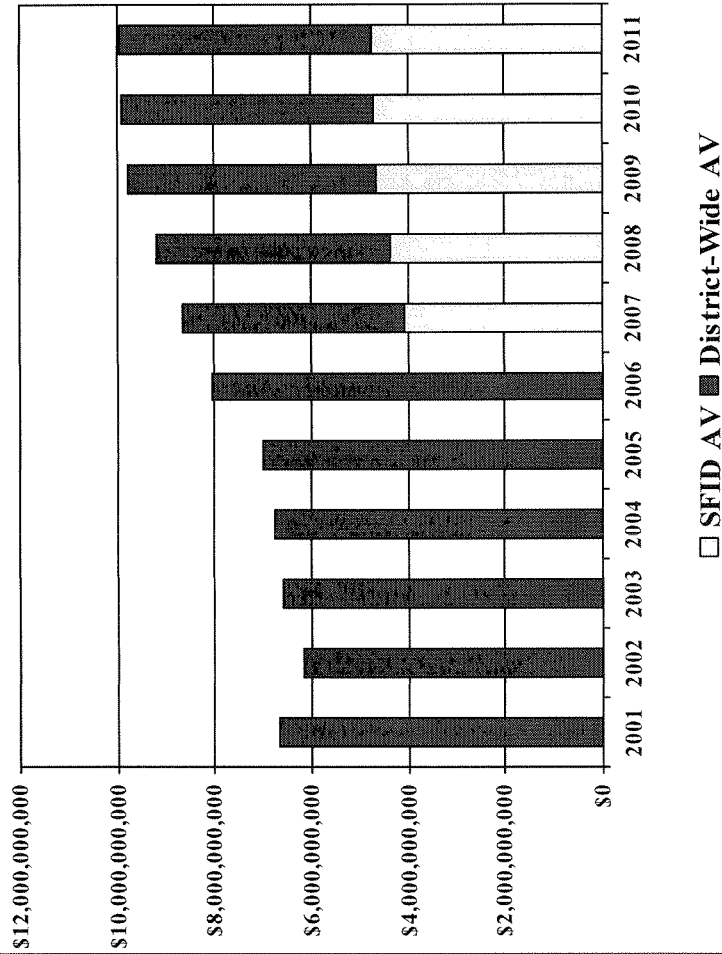
1. District-wide assessed value increased slightly from \$9,918,164,640 (projected 6/1/10) to \$9,958,076,391 actual for 2010/11.
2. Belmont SFID assessed value declined slightly from \$5,236,047,251 (projected 6/1/10) to \$5,220,206,055 actual for 2010/11.
3. True interest cost has risen from 6/1/10 projections of 5.92% to 6.35% for the SFID and 6.76% for the District-wide bond. The higher rate on the District-wide bond includes a more expensive taxable portion for the COP refunding.
4. The original term estimate of 40 years for the final maturity is unchanged due to rising interest rates and unchanged AV growth rates based upon actual 2010/11 data.
5. The District-wide bond can be issued in a single series (with a .40% upward adjustment to AV growth rates as compared to 6/1/10), but the SFID bond will need to be sold in two series (as originally planned). The SFID series will be sold as an approximately \$30 million series in 2011 with the balance of the \$35 million to be sold in 2017.
6. AV projections have been increased from a maximum of 4% to 4.50% and 4.400% for the SFID and District bonds, respectively, in order to maintain net bond proceeds projected on 6/1/10 to compensate for higher interest rates. Average AV growth rates are 4.04% and 4.36% respectively.

Belmont-Redwood Shores School District

Overview of Updated Bond Plan

Updated Historical Assessed Valuation For District & SFID

Total Assessed Valuation by Year



General Information

Actual Assessed Value and Debt Limits
2010/11

District-wide AV = \$9,958,076,391
 Redwood Shores AV = \$4,737,870,336 or 47.57%
 Belmont AV = \$5,220,206,055 or 52.43%

District-wide Bond Capacity = \$124,475,955
 Redwood Shores Bond Capacity = \$59,223,379
 Belmont Bond Capacity = \$62,252,576

District-wide Bonds Outstanding = \$32,855,000
 Redwood Shores Bonds Outstanding = \$23,460,000
 District-wide after 2011 Bonds = \$88,485,000

Belmont-Redwood Shores School District

Overview of Updated Bond Plan

Update and Comparison of Projected Results for District-wide and SFID Bonds

	<u>District-wide</u>			<u>Belmont SFID</u>		
	<u>6/1/10</u>	<u>3/17/11</u>	<u>Difference</u>	<u>6/1/10</u>	<u>3/17/11</u>	<u>Difference</u>
Bond Capacity	\$24,647,000	\$25,000,000	\$353,000	\$34,906,074	\$30,630,000	(\$4,276,074)
<u>Projects</u>						
Belmont Elementary Schools	0	0	0	34,306,074	30,060,000	(4,246,074)
Ralston Intermediate	17,921,000	19,010,000	1,089,000	0	0	0
Sandpiper COPs	6,080,000	5,335,000	(745,000)	0	0	0
Maintenance Building	146,000	146,000	0	0	0	0
<u>Total</u>	24,147,000	24,491,000	344,000	34,306,074	30,060,000	(4,246,074)
Issuance Costs	500,000	509,000	9,000	\$600,000	570,000	(30,000)
Program Costs	24,647,000	25,000,000	353,000	\$34,906,074	30,630,000	(4,276,074)
Tax Rate	\$10.68/\$100,000	\$11/\$100,000*	\$.32/\$100,000	\$27/\$100,000	\$27/\$100,000*	\$0/\$100,000
Average AV Growth	3.59%	4.36%	.767%	3.59%	4.04%	.45%
Remaining Authorization	\$0	\$0	\$0	\$0	\$4,370,000	\$4,370,000

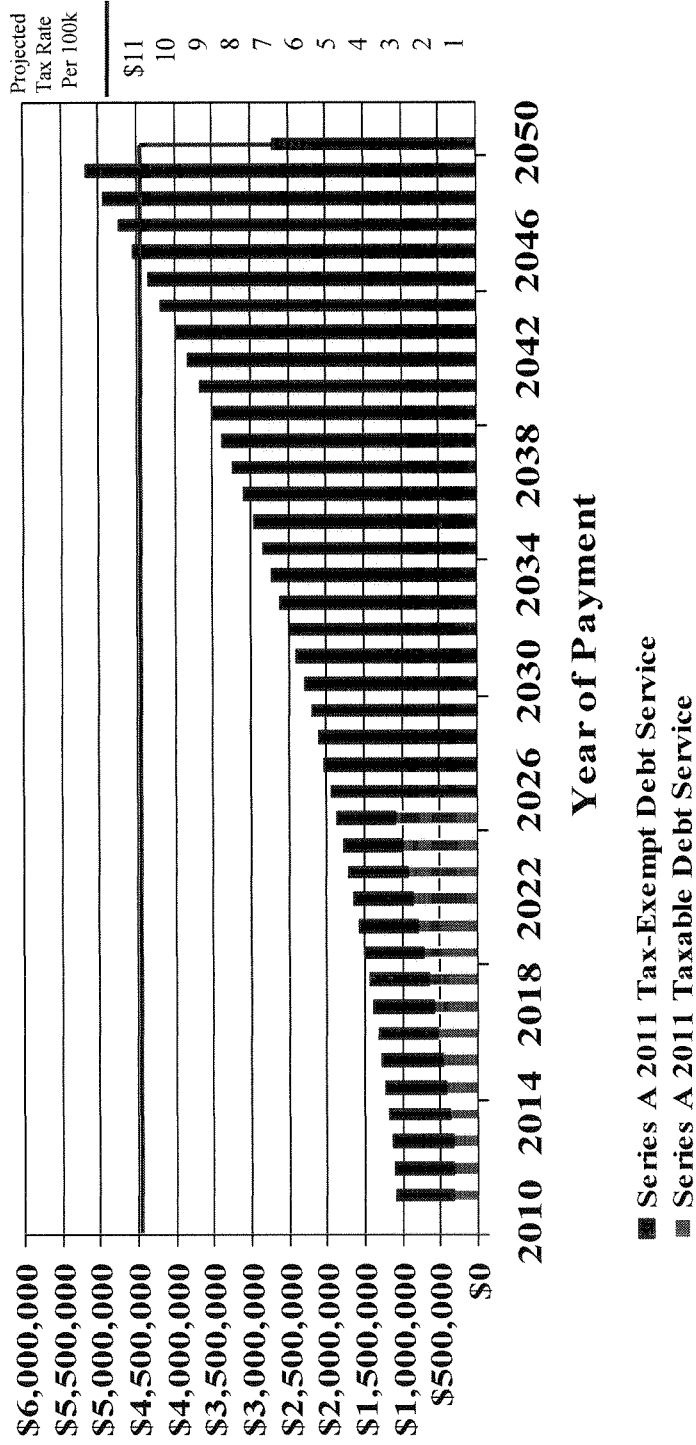
*Tax rate is based upon tax rate statement included in voter pamphlet distributed to registered voters as contained in Appendix 2.

Belmont-Redwood Shores School District

Overview of Pre-Sale Bond Plan

District-wide Debt Service Schedule

Bond Debt Service

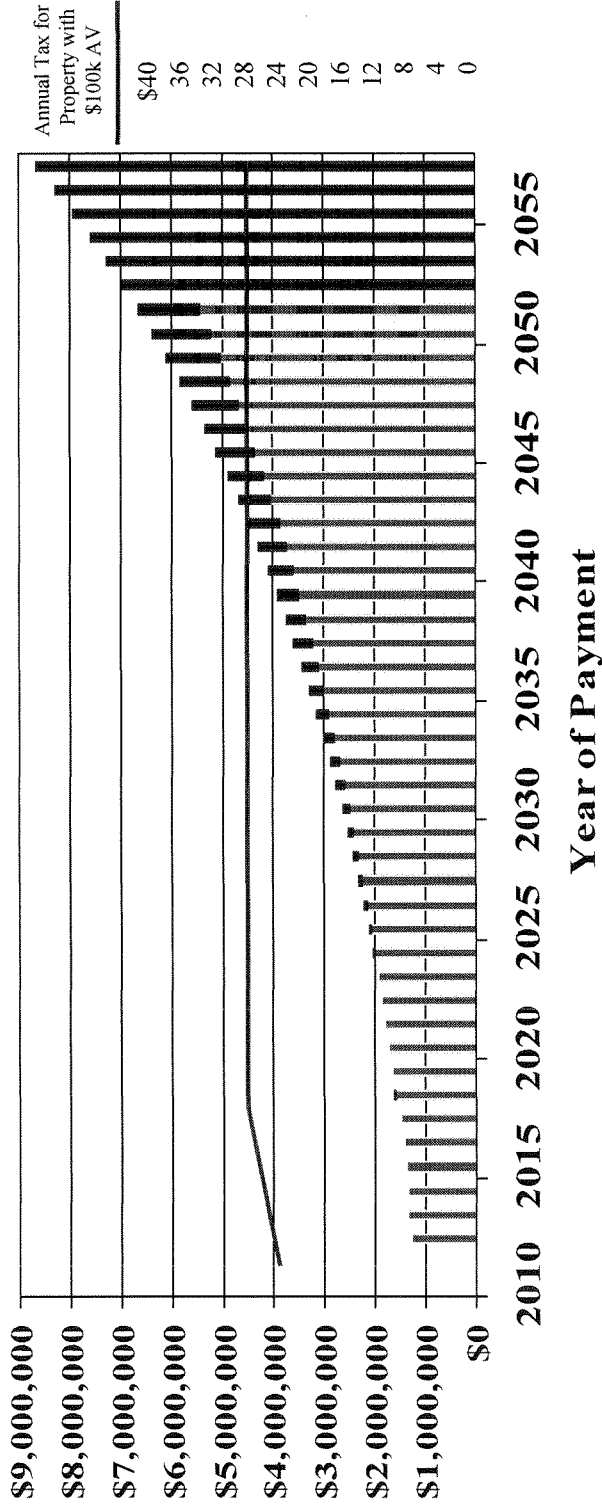


Belmont-Redwood Shores School District

Overview of Pre-Sale Bond Plan

Belmont SFID Debt Service Schedule

Bond Debt Service



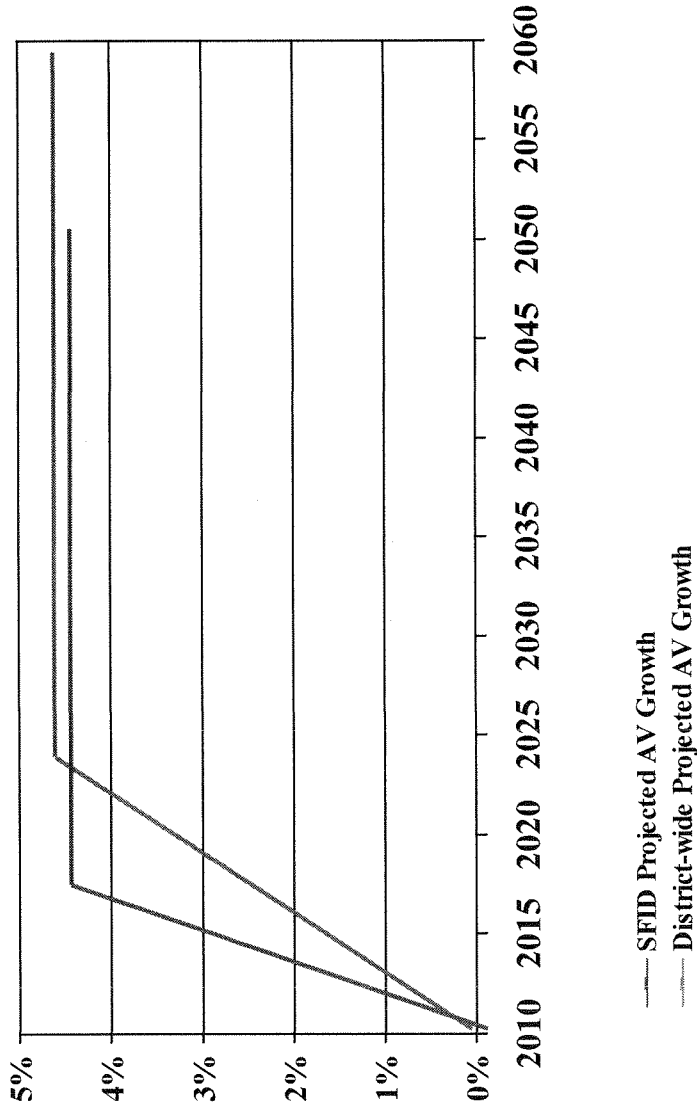
■ Estimated Series 2017 Debt Service
 ■ Estimated Series 2011 Debt Service

Belmont-Redwood Shores School District

Overview of Pre-Sale Bond Plan

Projected Assessed Valuation Growth Rate

Projected AV Growth



Belmont-Redwood Shores School District

Pre-sale 2010 G.O. Bond Update

Summary and Conclusions

- All District-wide bonds can be sold in 2011 utilizing an average AV growth rate of 4.36% at a tax rate of \$11/\$100,000 of AV.
- Approximately \$30.6 million of SFID bonds can be sold in 2011 utilizing an average AV growth rate of 4.04% and a tax rate of \$27/\$100,000 of AV.
- Approximately \$4.4 million of SFID Bonds are projected to be sold in 2017 based upon an average AV growth rate of 4.04%.
- The Sandpiper COPs will be defeased utilizing an escrow structure that will eliminate all future payments by the District on the COPs (as of the date of closing) and retire all of the remaining COPs in 2015.
- If feasible, costs of issuance will be included in the bond premium according to the District's past practices – subject to the resolution of any pending legal issues related to restrictions on the use of premium – to maximize bond proceeds available for project construction.