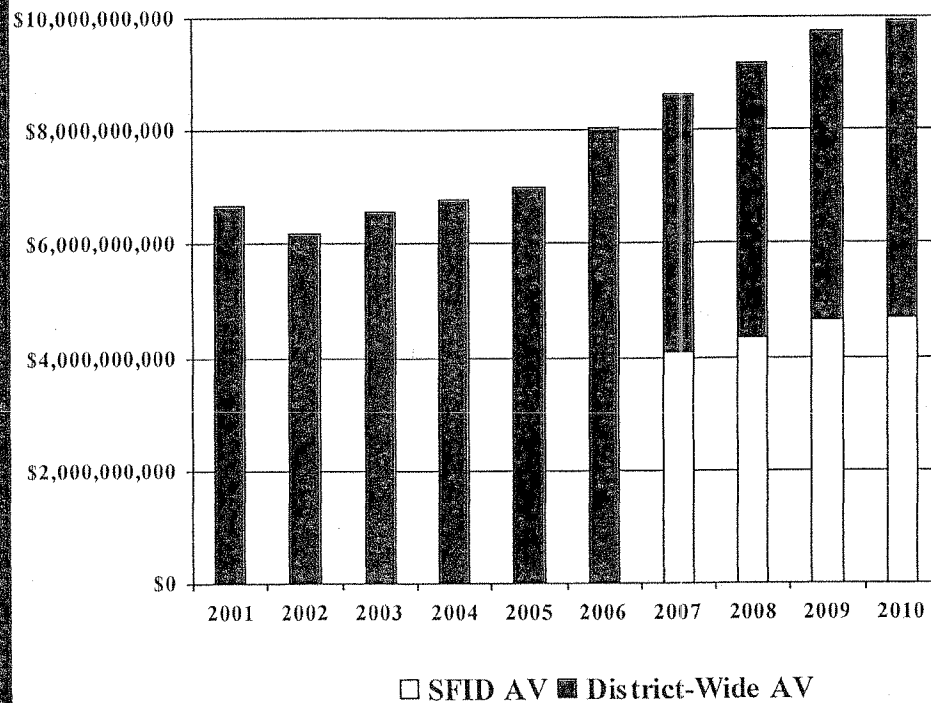


Belmont-Redwood Shores School District

Overview of Capital Funding/Bond Plan

Historical Assessed Valuation For District & SFID

Total Assessed Valuation by Year



General Information

District-wide AV = \$9,918,164,640
 Redwood Shores AV = \$4,682,117,389 or 47.21%
 Belmont AV = \$5,236,047,251 or 52.79%

District-wide Bond Capacity = \$123,997,058
 Redwood Shores Bond Capacity = \$58,526,467
 Belmont Bond Capacity = \$65,450,591

District-wide Bonds Outstanding = \$33,345,000
 Redwood Shores Outstanding = \$23,475,000

District-wide Prop 39 Capacity* = \$66,122,511
 Redwood Shores Prop 39 Capacity* = \$31,216,437
 Belmont Prop 39 Capacity* = \$34,906,074

*At \$27 per \$100,000 of assessed value based on Community Opinion Survey. Two series of bonds in 2011 and 2017. \$27 per \$100,000 was determined through the responses to a community opinion survey.

Belmont-Redwood Shores School District

Overview of Capital Funding/Bond Plan

Option No. 1: District-wide Bond

Explanation: *One election for all voters within BRSSD useable for projects anywhere within the District's boundaries.*

Advantages:

- 1. Most flexibility in allocating funds to where they are needed most;**
- 2. Lowest interest rate to taxpayers due to likely higher credit quality and lower issuance costs;**
- 3. Requires the effort and expense of only a single election campaign; and**
- 4. Voters will be asked to vote on only one measure on the November 2010 ballot.**

Disadvantages:

- 1. Allocates costs equally for each \$100,000 of assessed value regardless of the benefit received by each neighborhood within the District.**

Belmont-Redwood Shores School District
Overview of Capital Funding/Bond Plan

**Option No. 2: Two New Separate School Facility
Improvement Districts (SFIDs)**

Explanation: *Two elections for two separate SFIDs for the Belmont area and the Redwood Shores area that share the parcels on which Ralston Intermediate School is located.*

Advantages:

1. Allocation of costs more closely aligned to benefit received in each neighborhood within the District;
2. Voters, in each tax area, will be asked to vote on only one measure on the November Ballot; and
3. By adding the Ralston Intermediate School parcels to the Shores SFID, funds from both SFIDs can be used to improve Ralston.

Disadvantages:

1. Divides the bond capacity roughly in half between the two SFIDs, reducing District flexibility to allocate funds across SFID boundaries;
2. SFID bond ratings would potentially be worse than a District-wide bond – possibly resulting in higher interest cost and requiring additional issuance costs due to the doubling of required series of bonds; and
3. Requires the effort and expense of two separate election campaigns.

Belmont-Redwood Shores School District

Overview of Capital Funding/Bond Plan

Option No. 3: District-wide Bond and Belmont Elementary SFID

Explanation: *Two elections including one District-wide for the Ralston/Sandpiper COP's and the other exclusively in Belmont, utilizing an SFID, for Elementary School Projects.*

Advantages:

1. Improves the likely credit rating for Ralston bonds due to higher credit quality compared to SFID bonds described in Option 2;
2. Each bond would have a separate \$30 per \$100,000 of assessed value limit, creating more potential funding for the Belmont elementary schools than Option 2, where some of the Belmont SFID proceeds would be needed for the Ralston projects;
3. Greater potential funding for Ralston since the district-wide bond has its own separate \$30 per \$100,000 tax limit, although only \$10.68 per \$100,000 is required to support identified projects;
4. Inclusion of COP payoff will result in annual debt service savings of \$375,000 per year that will result in either additional revenue for or elimination of encroachments on expenditures;
5. Allocation of costs more closely aligned to benefit received in each neighborhood within the District.

Disadvantages:

1. Less flexibility to allocate and raise funds District-wide for and apply them where needed most as compared to Option 1;
2. Requires the effort and expense of two separate election campaigns, potentially at different times;
3. Requires placing two ballot measures on the ballot for Belmont voters; and
4. The Belmont SFID rating would potentially be worse than a District-wide bond – possibly resulting in higher interest costs and requiring additional issuance costs due to the doubling of required series of bonds.

Belmont-Redwood Shores School District

Overview of Capital Funding/Bond Plan

Summary of Results by Option

	Option 1	Option 2		Option 3	
	<u>District-wide</u>	<u>Belmont SFID</u>	<u>Shores SFID</u>	<u>District-wide</u>	<u>Belmont SFID</u>
Bond Capacity*	\$66,112,511	\$34,906,074	\$11,335,500	\$24,647,000	\$34,906,074
<u>Projects</u>					
Belmont Elementary Schools	\$48,748,000	\$48,748,000	0	0	48,748,000
Shores Elementary Schools	1,975,000	0	1,975,000	0	0
Ralston Intermediate	17,921,000	8,960,500	8,960,500	17,921,000	0
Sandpiper COPs	0	0	0	6,080,000	0
Maintenance Building	<u>146,000</u>	<u>146,000</u>	0	<u>146,000</u>	0
<u>Total</u>	<u>\$68,790,000</u>	<u>\$57,854,500</u>	<u>\$10,935,000</u>	<u>\$24,147,000</u>	<u>\$48,748,000</u>
Issuance Costs**	<u>\$850,000</u>	<u>\$600,000</u>	<u>\$400,000</u>	<u>\$500,000</u>	<u>\$600,000</u>
Program Costs	<u>\$69,640,000</u>	<u>\$58,454,500</u>	<u>\$11,335,500</u>	<u>\$24,647,000</u>	<u>\$49,348,000</u>
Surplus/Deficit	(\$3,527,489)	(\$23,548,426)	0	0	(\$14,441,926)
Tax Rate	\$27/\$100,000	\$27/\$100,000	\$9.81/\$100,000	\$10.68/\$100,000	\$27/\$100,000

*Total of two series of bonds. Approximately 90% to be issued in 2011. Balance in 2017.

**Estimated, depends on bond structure and market conditions. Assumes two sales of bonds for each tax measure that requires a \$27/\$100,000 tax rate.

Belmont-Redwood Shores School District
Overview of Capital Funding/Bond Plan

Summary Taxing District Options by Eligible Project

Project	District-wide Bonds	Existing Shores SFID	New Shores SFID	New Belmont SFID
Central	X			X
Cipriani	X			X
Fox	X			X
Nesbit	X			X
Sandpiper	X	X	X	
Ralston	X		X	X
New Shores School	X	X	X	
District Office	X			X
Maintenance Building	X			X
Sandpiper COPs	X	X	X	
Refinance District Bond	X			X
Refinance SFID Bonds	X	X	X	