ALAMEDA UNIFIED SCHOOL DISTRICT
Excellence & Equity For All Students

Issuance of General Obligation Bonds

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Review of Voter Approved Taxes

March 1989 – Voters approved issuance of $47,660,000 of GO Bonds

- July 1989 – Issued full amount of GO Bonds, maturing 2014
- August 1992 – Partial refinancing of 1989 Bonds, maturing 2014
- July 2002 – Refinancing of remaining 1992 Bonds, maturing 2014

March 2004 – Voters approved issuance of $63,000,000 in GO Bonds

- October 2004 – Issued $41.0 million of GO Bonds, maturing 2029
- June 2005 – Issued $22.0 million of GO Bonds, maturing 2036

March 2011 – Voters approved a parcel tax for 7 years

Measure A Parcel Tax

- Measure A assesses all non-exempt parcels with buildings at a rate of $0.32 per building square foot, up to a maximum of $7,999
- It assesses all non-exempt parcels without buildings at $299
- Senior citizens and SSI recipients are exempt from Measure A
- An owner of a 1,500 square foot home would pay $480 annually for the parcel tax

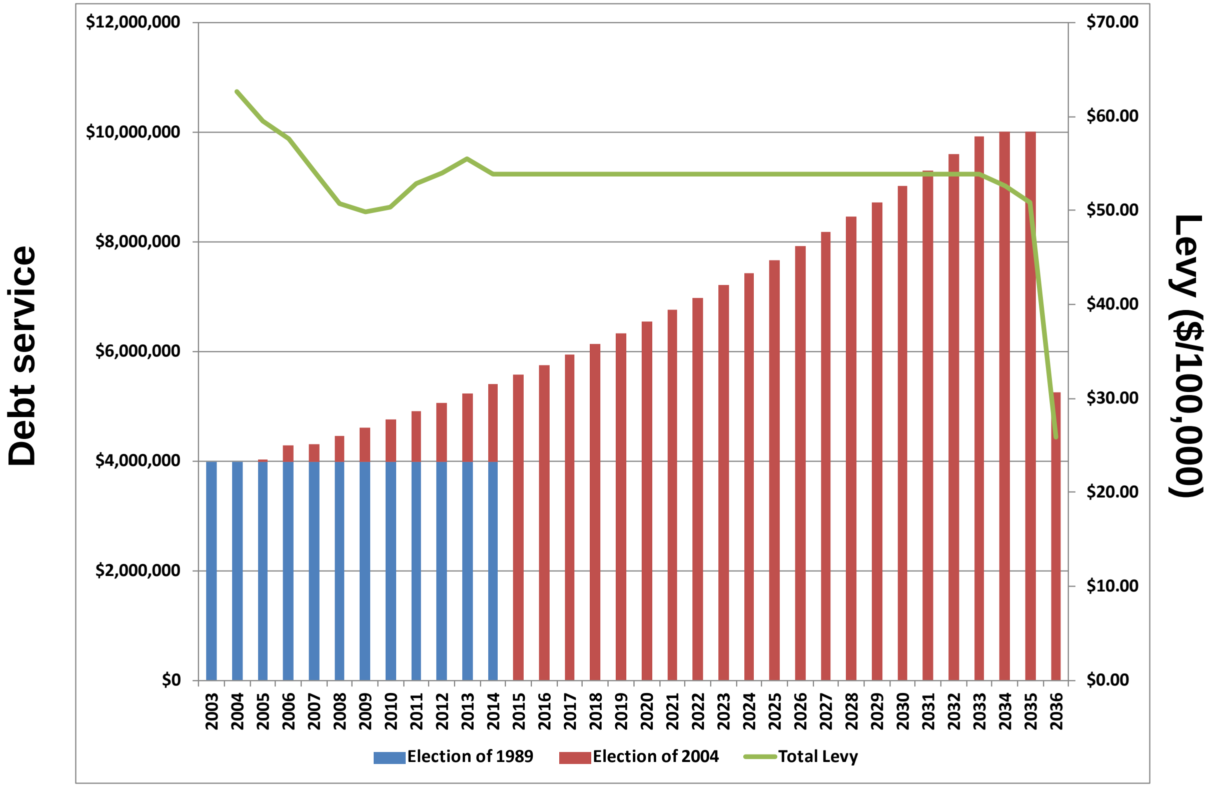
Measure C GO Bonds

Authorized the issuance of $63 million of bonds on March 2, 2004

- Bonds were issued as two separate series, each with a portion of capital appreciation bonds
- Measure C authorized an additional levy of $60/$100,000 of assessed valuation in addition to existing bonds
- After the maturity of the existing 2002 bonds, the remaining Measure C bond levy would be about $54/$100,000
- The two issuances were structured around existing bonds to achieve an overall level levy, rather than increasing debt service in the short-term
  - There are tradeoffs between the millage rate and interest rate when structuring bonds

Outstanding GO Bonds

- 1989 bonds were refunded twice for savings, and mature in July 2014
- Measure C bonds were structured to maintain a level levy



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California Proposition 39 (2000)

- Authorizes general obligation bonds by a 55% supermajority vote for school and community college districts
- Requires 2/3 vote by District Board to place on ballot
- Unified School Districts are limited to a maximum levy of $60 per $100,000 of assessed valuation
- Requires that the District evaluate safety, class size reduction, and information technology in developing its project list for bond financing
- Requires that the District complete annual audits to ensure that the bond funds have been used only for the projects listed in the measure
- Under separate statutes, requires the appointment of a Citizen’s Oversight Committee for bond expenditures

Bonding Capacity

- Unified School Districts are limited to an outstanding bond balance of no greater than 2.5% of assessed value
- Maximum levy of $60 per $100,000 of assessed value at issuance of any series of bonds
- Factors influencing capacity include:
  - Assumed growth in assessed value
  - Timing and amount of first and subsequent issuances
  - Prevailing interest rates at time of issuance
- Other assumptions include:
  - 25-Year final maturity as allowed under the California Education Code
  - Current interest bonds only

Bonding Capacity

- Maximum statutory bond capacity is approximately $202 million for 2015

AV 2014-15	$	10,481,414,544
Debt Limit @2.5%	$	262,035,364
Outstanding Debt	$	59,330,327
Capacity	$	202,705,037

- The bond capacity in the current market is limited by the maximum $60 levy.
- Assuming the 10-year historical growth rate in assessed value, the District could issue $179.5 million over three separate issuances starting in 2015. Assuming a lower growth rate, the District could issue $161.3 million in bonds through two issuances. Under both scenarios, the bonds would mature in 2042.

Bonding Capacity

- A $60/bond levy could generate $179.5 million in proceeds for the District
- The average assessed value of a residential property in the District at $405,000 would pay an additional $243 per year
- Combined with outstanding bonds, a home valued at $405,000 would pay $455 total per year