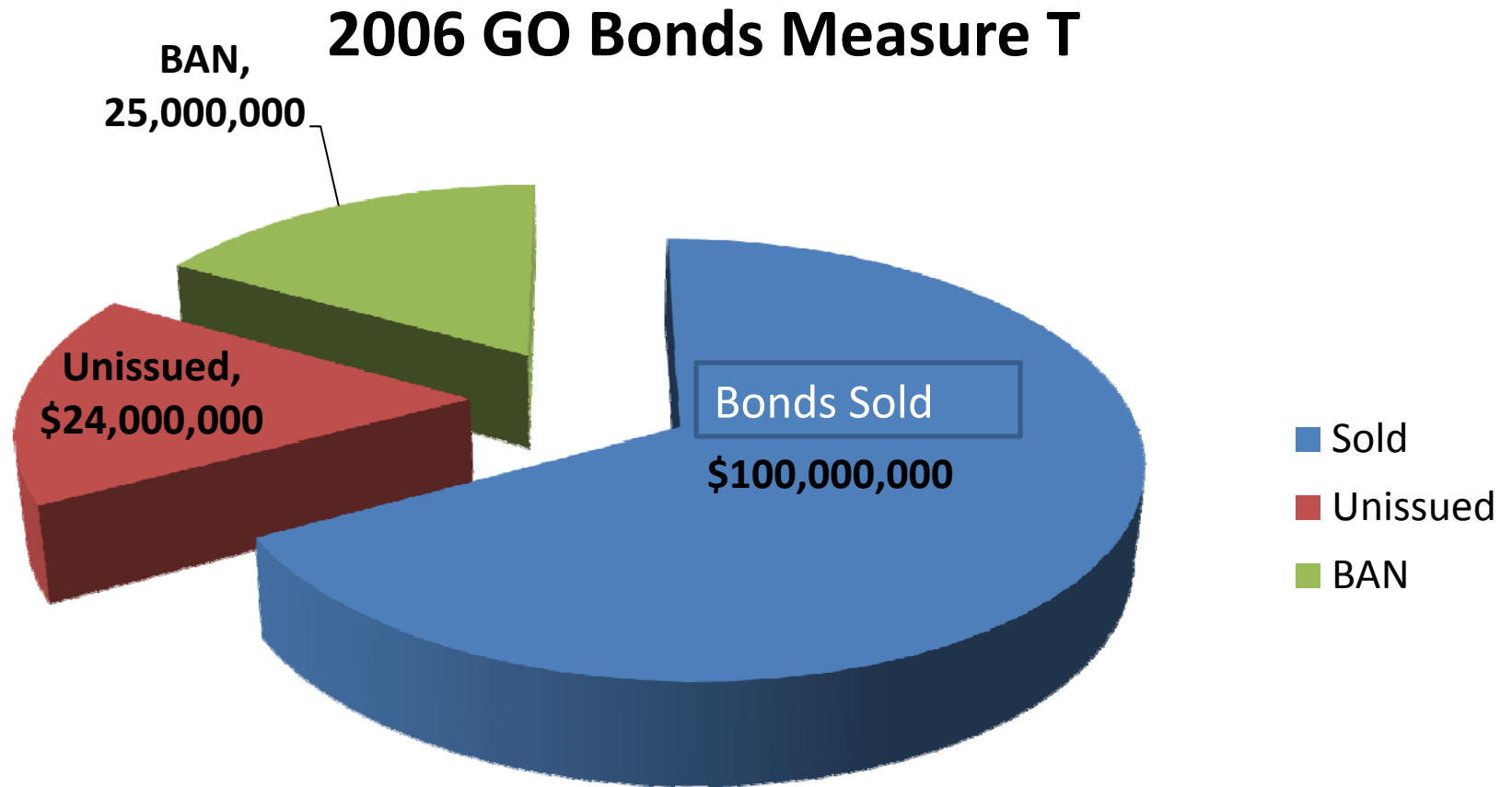


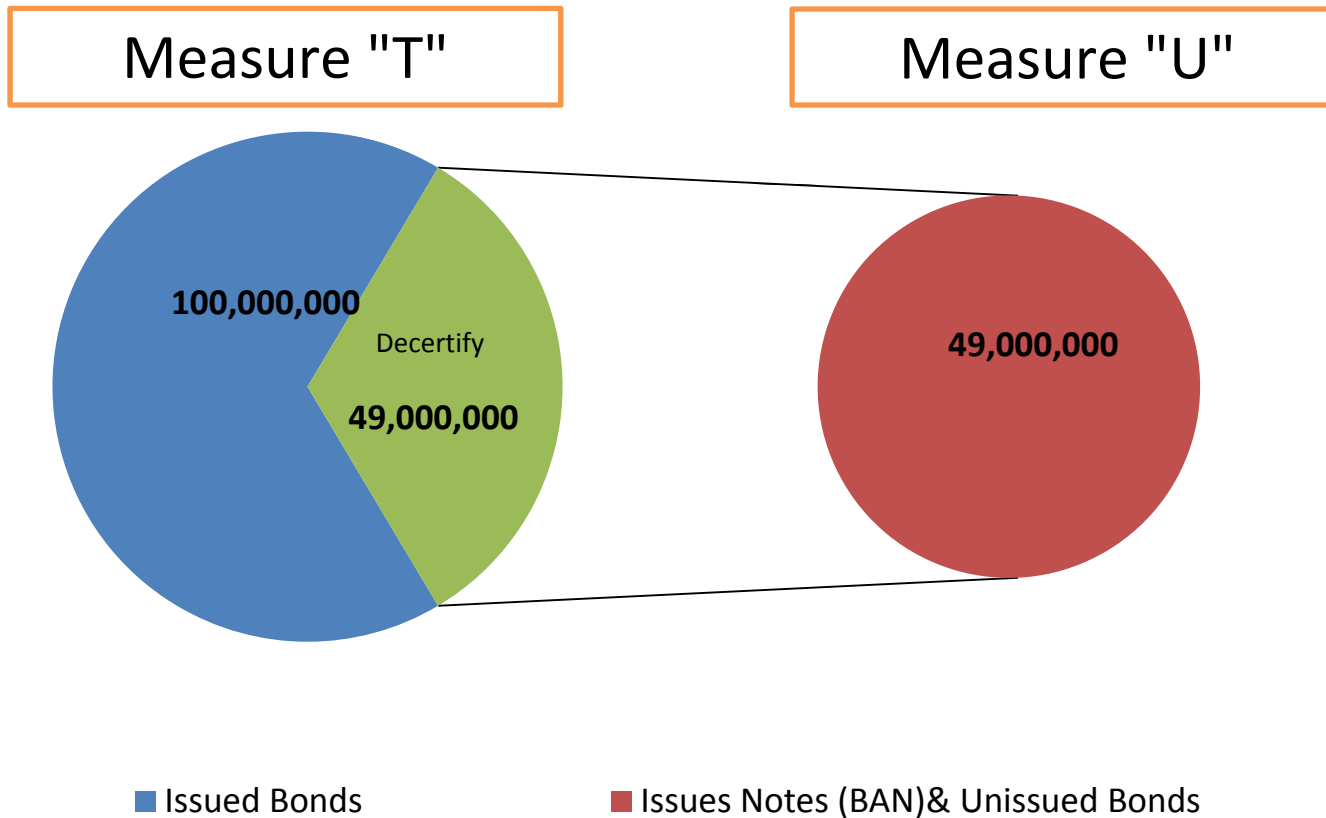
# Measure “U” Bond Reauthorization

- Voters approved Measure “T” in 2006 for \$149 million
  - District sold \$100 million for projects (THS, HHS)
- Total Assessed Valuation ( AV) of property in the District’s boundaries dropped 25% from 2008 to 2012.
  - \$49 million of bond authorization cannot be sold without going over the \$60 per \$100 K of AV.
  - 2010 District had to issue \$25 million in Bond Anticipation Notes to complete HHS with QSCB (Federal subsidized loan). 5 year Notes are due 2015.

# General Obligation Bond – Reauthorization Election



# Reauthorize with New Bond



# Long Term Savings to Taxpayers

- Measure “U” will establish a new \$60 per \$100K of Assessed Valuation Cap.
- District’s Options to Sell Bonds:
  - Option 1: Sell Capital Appreciation Bonds under Measure T authorization.
    - Total principal and interest payments over 32 years would be \$305 million for \$49 million of bonds.
  - Option 2: Reauthorize \$49 million under new bond Measure U and sell standard bonds at lower interest rate. Total principal and interest payments over 29 years would be \$95 million.

# Cost/Benefit Comparison (\$49 million)

	Option # 1 Delay Repayment	Option # 2 Reauthorization
When Funding Received	2018	2013
Principal Amount	\$49,000,000	\$49,000,000
Interest	<u>\$256,460,000.</u>	<u>\$46,625,000</u>
Total P&I	\$305,460,000.	\$95,625,000
Average Tax Rate per \$100,000 of value	\$40.00	\$27.00