



# Berryessa Union School District

**Presentation to Bond Oversight Committee**

**Election of 2014 Series B GO Bonds**

**March 1, 2017**

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## Bond Measure

- A successful general obligation bond measure represents a kind of deal between a school district and its local community.
  - Authorizes the District to issue bonds up to an agreed upon amount and to use bond proceeds to fund authorized projects.
  - Obligates local property taxpayers to make payments on bonds issued based on future debt service requirements and future assessed values.
  - In implementing the bond program, the financing team endeavors to do so in a way that is fair to current and future taxpayers, is cost effective, and is consistent with the messages conveyed to voters at the time of the election.
  - With 2014 Measure L, and among other priorities, we are focusing on maintaining tax rates below the originally projected \$28.00 per \$100,000 of assessed value annual maximum target.





## Repayment Schedules

- ◆ Once bonds are authorized by voters, school districts have significant discretion in terms of how the repayment terms are structured.
  - Shorter repayment terms reduce overall interest costs and longer repayment produce additional proceeds.
  - Escalation of repayment can be appropriate given that Proposition 13 assessment methods have provided consistent growth over time.
  - In addition to developing a repayment structure that is fair to current and future taxpayers, we often take into account the current condition of District facilities and the District's current relative rate of bond tax.
  - Federal tax law requires a link between the term of repayment and the useful life of the project being financed.



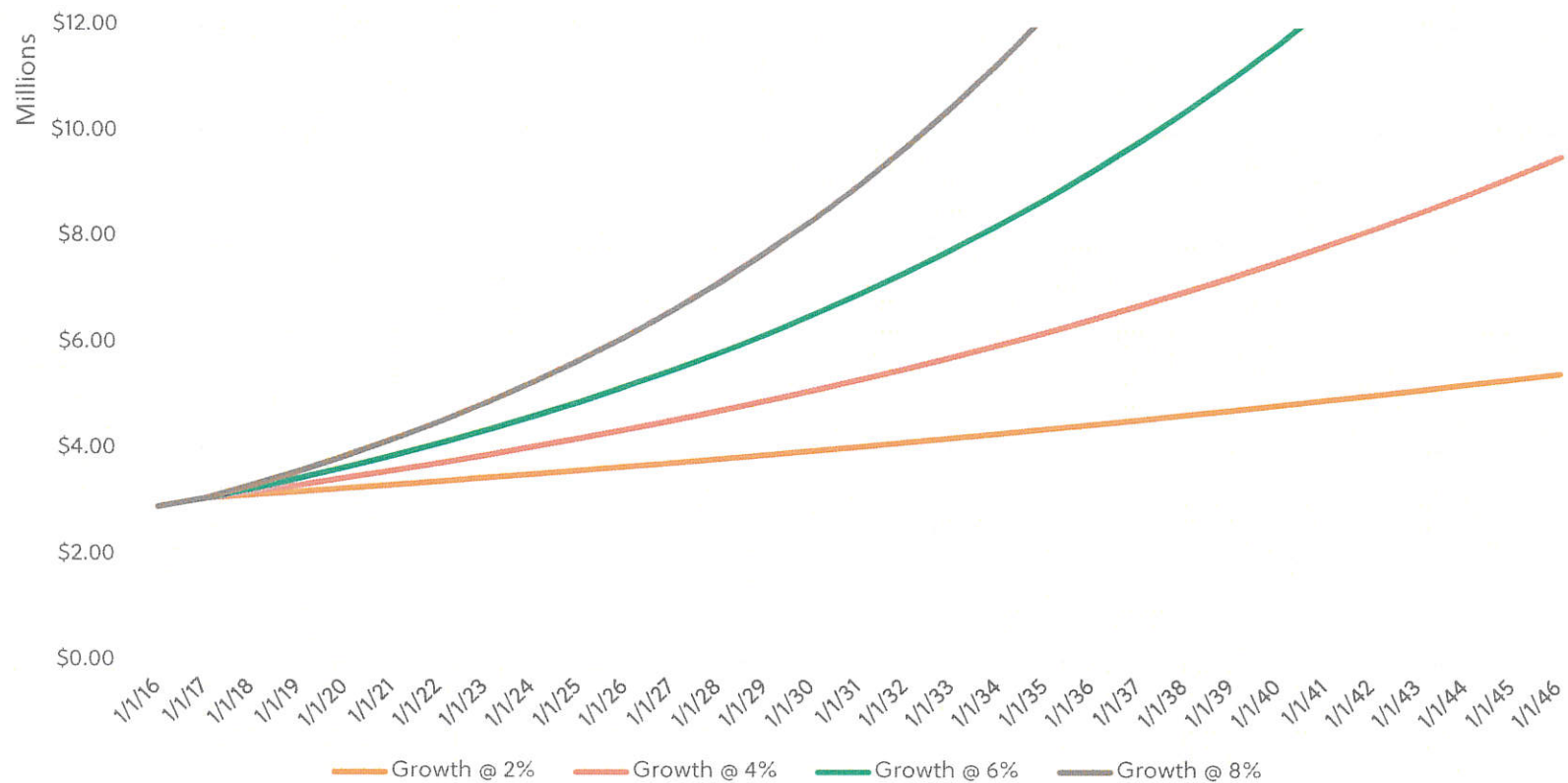
## Considerations

- ◆ In general, repayment schedules are established based on six primary considerations.
  - Tax rate target and tax rate limitations.
  - Size of tax base and projected long-term tax base growth.
  - Current interest rates and forecasted future interest rates.
  - Future program needs and flexibility required to access existing authorization.
  - Urgency of current facility needs.
  - Generational equity and other policy considerations.



## Revenue Constraints

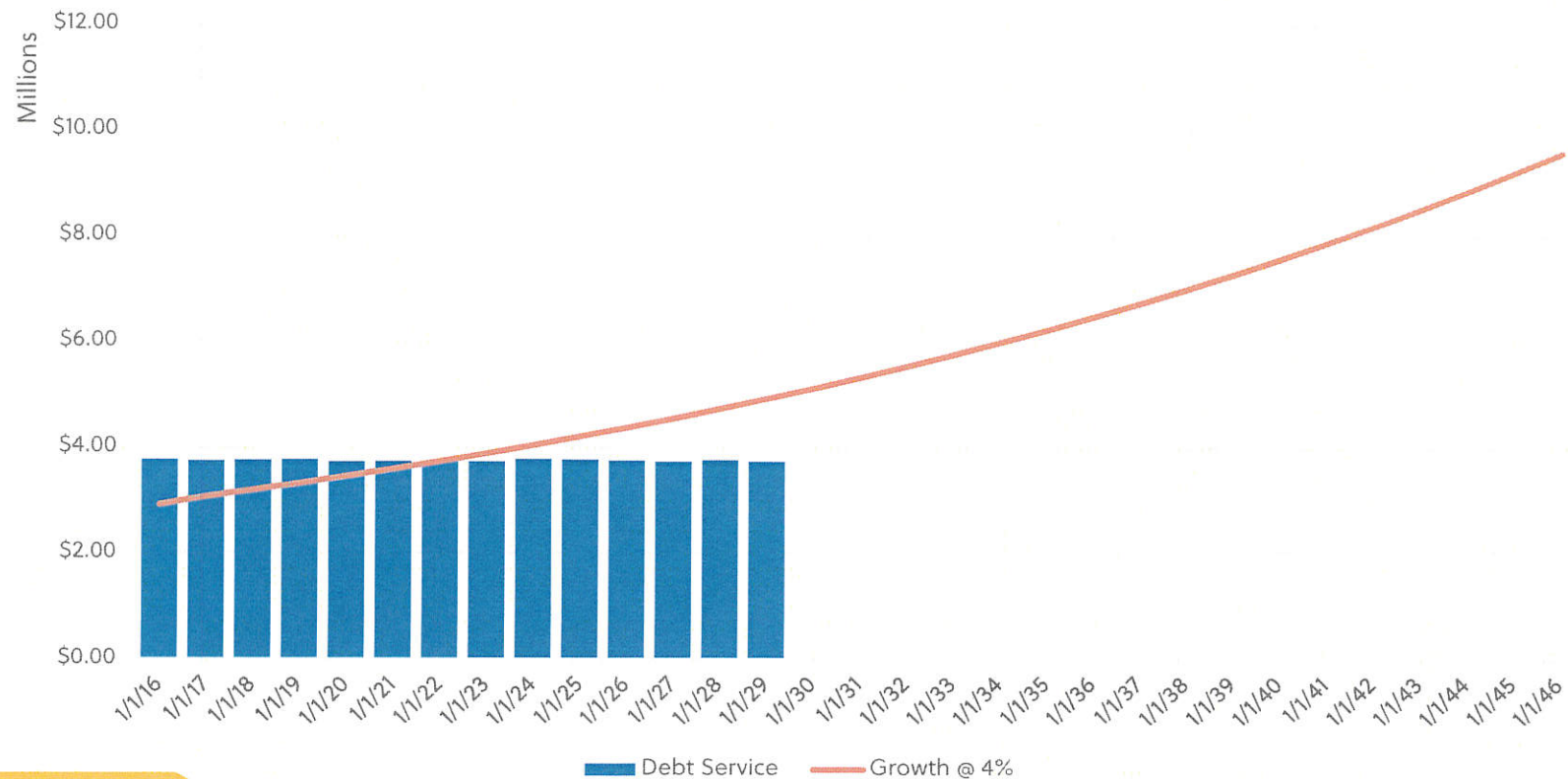
- ◆ The first step in developing a repayment structure is often the establishment of revenue constraints.





## Level DS and 15 Year Term

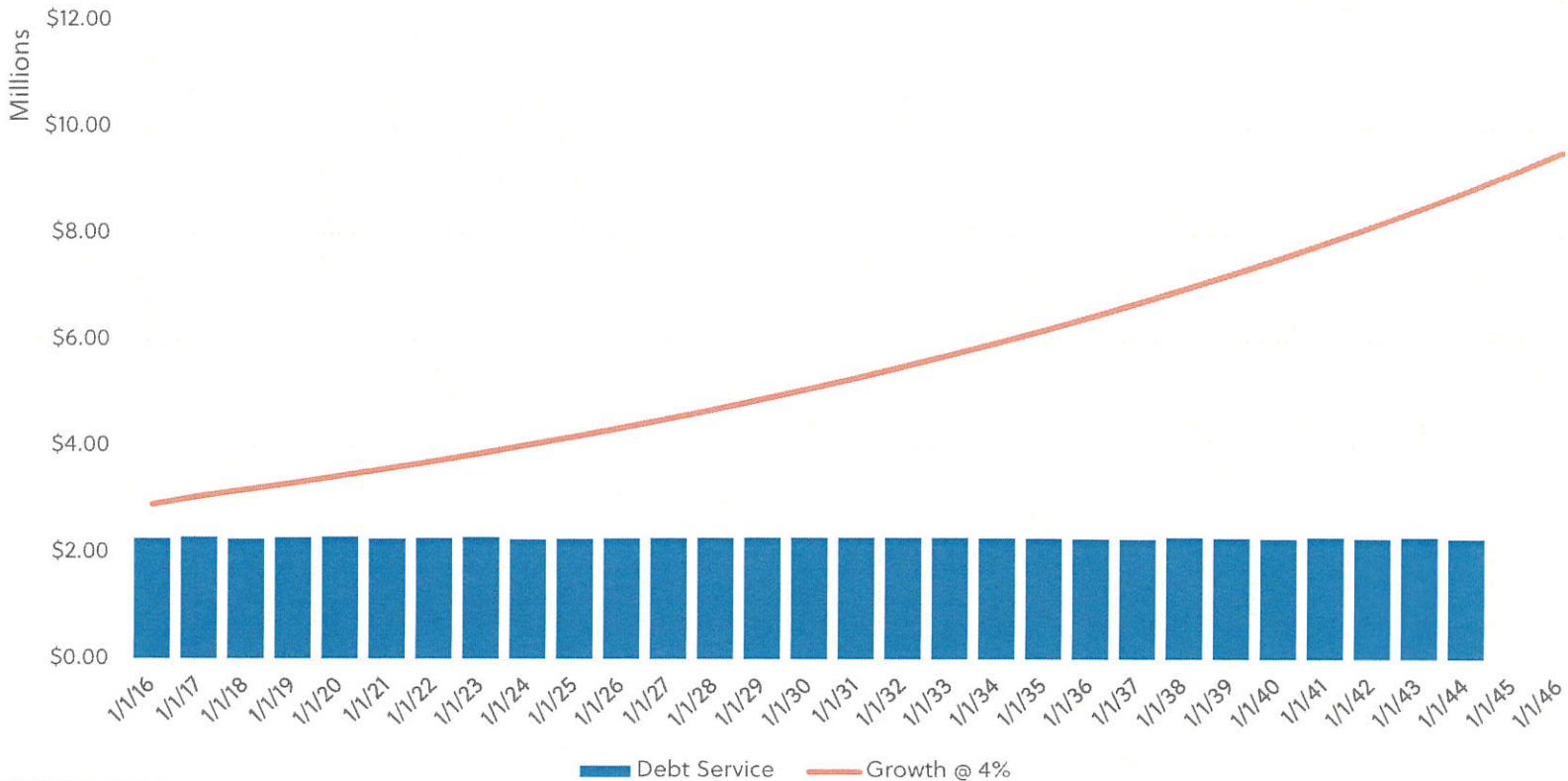
- Given the District's revenue constraints, the desired bond size, and the then current interest rate climate, a level debt service structure to be repaid over fifteen years would not be appropriate.





## Level DS and 30 Year Term

- Given the District's revenue constraints, the desired bond size, and the then current interest rate climate, a level debt service structure to be repaid over fifteen years would not be appropriate.

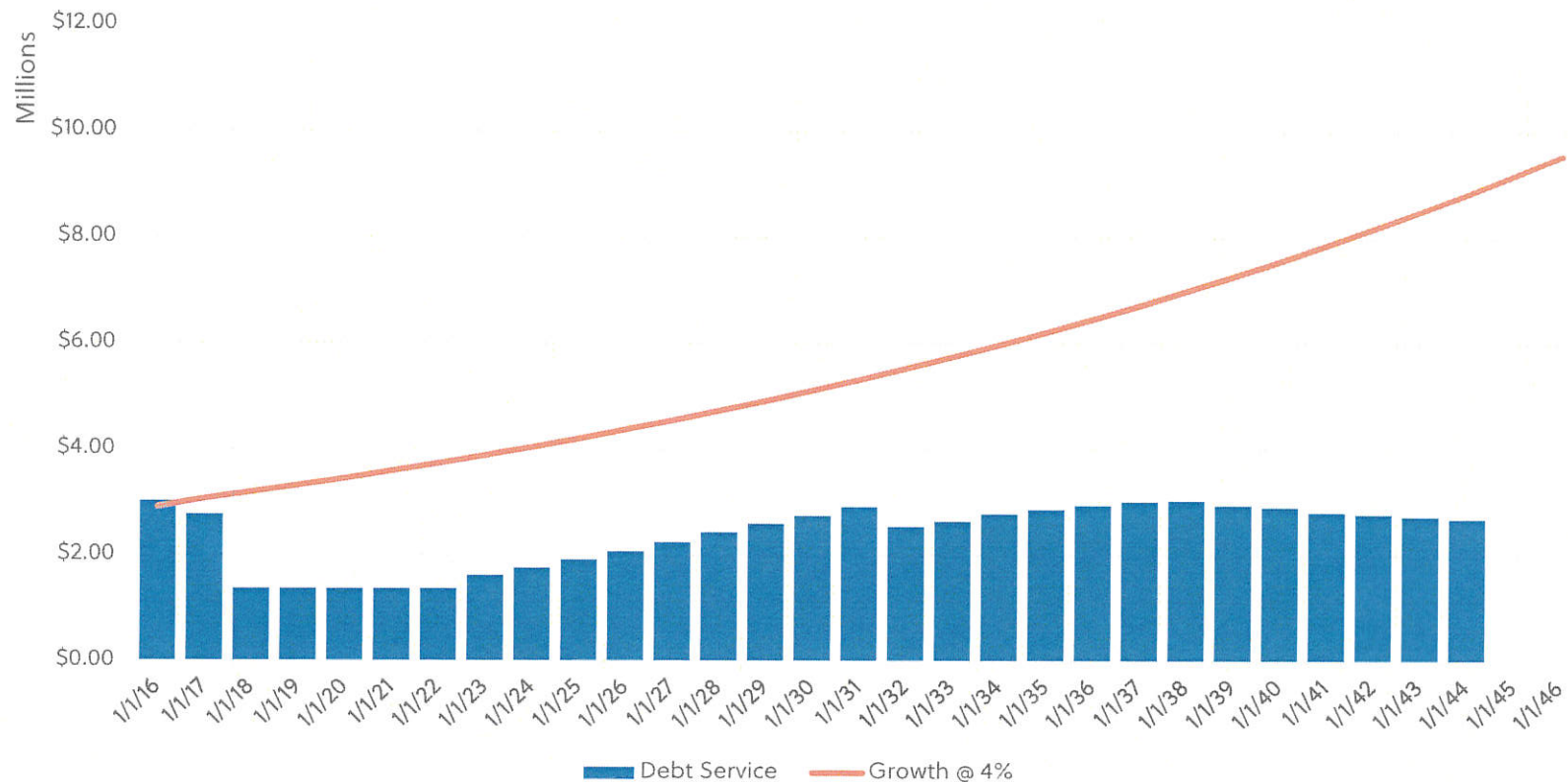






## Series A Structure

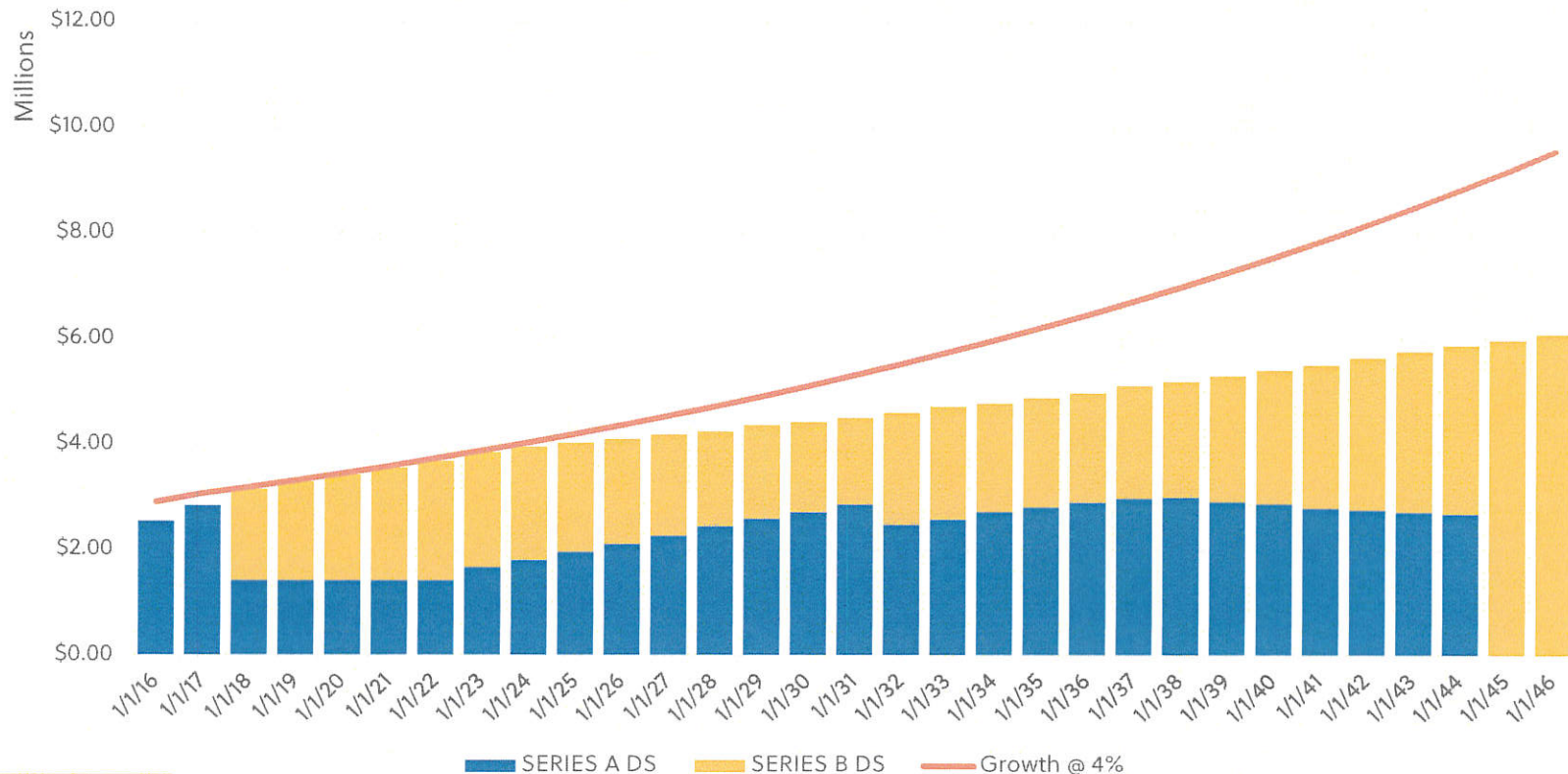
- The final structure of the Series A bonds reflected our decision to prioritize tax rate considerations, program considerations, and the District's capacity to access funds in the future.





## Series B Structure

- Given strong tax base growth, continued low interest rates, and other factors, the District is moving ahead with a plan to issue all \$37 million of remaining 2014 Measure L Authorization this spring.





## Tax Rate Targets

- In general, tax rate targets are established in connection with each individual bond authorization and tax rates cumulate over multiple authorizations.

Year	1999 Authorization	2014 Authorization <sup>(a)</sup>	Total
2007/08	\$40.40	N/A	\$40.40
2008/09	40.30	N/A	40.30
2009/10	47.50	N/A	47.50
2010/11	41.30	N/A	41.30
2011/12	49.40	N/A	49.40
2012/13	52.80	N/A	52.80
2013/14	50.30	N/A	50.30
2014/15	50.20	N/A	50.20
2015/16	47.60	\$25.10	72.70
2016/17	47.30	25.10	72.40

(a) The tax rate statement submitted by the District at the time of the 2014 election estimated a maximum tax rate of \$28.00 per \$100,000 of assessed valuation.







**BERRYESSA SCHOOL DISTRICT  
2014 MEASURE L BOND PROGRAM**

**TAX BASE PROJECTIONS**

Year Ending	Tax Base			
	Growth @ 2%	Growth @ 4%	Growth @ 6%	Growth @ 8%
8/1/15	9,748,894,150	9,748,894,150	9,748,894,150	9,748,894,150
8/1/16	10,414,706,325	10,414,706,325	10,414,706,325	10,414,706,325
8/1/17	10,968,911,510	10,968,911,510	10,968,911,510	10,968,911,510
8/1/18	11,188,289,740	11,407,667,970	11,627,046,201	11,846,424,431
8/1/19	11,412,055,535	11,863,974,689	12,324,668,973	12,794,138,385
8/1/20	11,640,296,646	12,338,533,677	13,064,149,111	13,817,669,456
8/1/21	11,873,102,579	12,832,075,024	13,847,998,058	14,923,083,013
8/1/22	12,110,564,630	13,345,358,025	14,678,877,941	16,116,929,654
8/1/23	12,352,775,923	13,879,172,346	15,559,610,618	17,406,284,026
8/1/24	12,599,831,441	14,434,339,240	16,493,187,255	18,798,786,748
8/1/25	12,851,828,070	15,011,712,809	17,482,778,490	20,302,689,688
8/1/26	13,108,864,631	15,612,181,322	18,531,745,199	21,926,904,863
8/1/27	13,371,041,924	16,236,668,574	19,643,649,911	23,681,057,252
8/1/28	13,638,462,763	16,886,135,317	20,822,268,906	25,575,541,832
8/1/29	13,911,232,018	17,561,580,730	22,071,605,040	27,621,585,179
8/1/30	14,189,456,658	18,264,043,959	23,395,901,343	29,831,311,993
8/1/31	14,473,245,791	18,994,605,718	24,799,655,423	32,217,816,952
8/1/32	14,762,710,707	19,754,389,946	26,287,634,749	34,795,242,308
8/1/33	15,057,964,921	20,544,565,544	27,864,892,834	37,578,861,693
8/1/34	15,359,124,220	21,366,348,166	29,536,786,404	40,585,170,629
8/1/35	15,666,306,704	22,221,002,093	31,308,993,588	43,831,984,279
8/1/36	15,979,632,838	23,109,842,176	33,187,533,203	47,338,543,021
8/1/37	16,299,225,495	24,034,235,863	35,178,785,195	51,125,626,463
8/1/38	16,625,210,005	24,995,605,298	37,289,512,307	55,215,676,580
8/1/39	16,957,714,205	25,995,429,510	39,526,883,045	59,632,930,706
8/1/40	17,296,868,489	27,035,246,690	41,898,496,028	64,403,565,163
8/1/41	17,642,805,859	28,116,656,558	44,412,405,790	69,555,850,376
8/1/42	17,995,661,976	29,241,322,820	47,077,150,137	75,120,318,406
8/1/43	18,355,575,216	30,410,975,733	49,901,779,145	81,129,943,878
8/1/44	18,722,686,720	31,627,414,762	52,895,885,894	87,620,339,388
8/1/45	19,097,140,454	32,892,511,353	56,069,639,048	94,629,966,540
8/1/46	19,479,083,263	34,208,211,807	59,433,817,391	102,200,363,863

**BERRYESSA SCHOOL DISTRICT**  
**2014 MEASURE L BOND PROGRAM**

**AVAILABLE REVENUES**

Year Ending	Target Tax Rate	Available Revenues			
		Growth @ 2%	Growth @ 4%	Growth @ 6%	Growth @ 8%
8/1/15					
8/1/16	28.00	2,916,118	2,916,118	2,916,118	2,916,118
8/1/17	28.00	3,071,295	3,071,295	3,071,295	3,071,295
8/1/18	28.00	3,132,721	3,194,147	3,255,573	3,316,999
8/1/19	28.00	3,195,376	3,321,913	3,450,907	3,582,359
8/1/20	28.00	3,259,283	3,454,789	3,657,962	3,868,947
8/1/21	28.00	3,324,469	3,592,981	3,877,439	4,178,463
8/1/22	28.00	3,390,958	3,736,700	4,110,086	4,512,740
8/1/23	28.00	3,458,777	3,886,168	4,356,691	4,873,760
8/1/24	28.00	3,527,953	4,041,615	4,618,092	5,263,660
8/1/25	28.00	3,598,512	4,203,280	4,895,178	5,684,753
8/1/26	28.00	3,670,482	4,371,411	5,188,889	6,139,533
8/1/27	28.00	3,743,892	4,546,267	5,500,222	6,630,696
8/1/28	28.00	3,818,770	4,728,118	5,830,235	7,161,152
8/1/29	28.00	3,895,145	4,917,243	6,180,049	7,734,044
8/1/30	28.00	3,973,048	5,113,932	6,550,852	8,352,767
8/1/31	28.00	4,052,509	5,318,490	6,943,904	9,020,989
8/1/32	28.00	4,133,559	5,531,229	7,360,538	9,742,668
8/1/33	28.00	4,216,230	5,752,478	7,802,170	10,522,081
8/1/34	28.00	4,300,555	5,982,577	8,270,300	11,363,848
8/1/35	28.00	4,386,566	6,221,881	8,766,518	12,272,956
8/1/36	28.00	4,474,297	6,470,756	9,292,509	13,254,792
8/1/37	28.00	4,563,783	6,729,586	9,850,060	14,315,175
8/1/38	28.00	4,655,059	6,998,769	10,441,063	15,460,389
8/1/39	28.00	4,748,160	7,278,720	11,067,527	16,697,221
8/1/40	28.00	4,843,123	7,569,869	11,731,579	18,032,998
8/1/41	28.00	4,939,986	7,872,664	12,435,474	19,475,638
8/1/42	28.00	5,038,785	8,187,570	13,181,602	21,033,689
8/1/43	28.00	5,139,561	8,515,073	13,972,498	22,716,384
8/1/44	28.00	5,242,352	8,855,676	14,810,848	24,533,695
8/1/45	28.00	5,347,199	9,209,903	15,699,499	26,496,391
8/1/46	28.00	5,454,143	9,578,299	16,641,469	28,616,102



**BERRYESSA SCHOOL DISTRICT  
2014 MEASURE L BOND PROGRAM**

**LEVEL DEBT SERVICE AND 15 YEAR TERM**

Year Ending	Principal	Nominal Interest Rate	Interest	Debt Service
3/12/15				
8/1/15				
8/1/16	1,750,000	3.650%	2,023,722	3,773,722
8/1/17	2,350,000	3.650%	1,396,125	3,746,125
8/1/18	2,450,000	3.650%	1,310,350	3,760,350
8/1/19	2,550,000	3.650%	1,220,925	3,770,925
8/1/20	2,600,000	3.650%	1,127,850	3,727,850
8/1/21	2,700,000	3.650%	1,032,950	3,732,950
8/1/22	2,800,000	3.650%	934,400	3,734,400
8/1/23	2,900,000	3.650%	832,200	3,732,200
8/1/24	3,050,000	3.650%	726,350	3,776,350
8/1/25	3,150,000	3.650%	615,025	3,765,025
8/1/26	3,250,000	3.650%	500,050	3,750,050
8/1/27	3,350,000	3.650%	381,425	3,731,425
8/1/28	3,500,000	3.650%	259,150	3,759,150
8/1/29	3,600,000	3.650%	131,400	3,731,400
8/1/30				
8/1/31				
8/1/32				
8/1/33				
8/1/34				
8/1/35				
8/1/36				
8/1/37				
8/1/38				
8/1/39				
8/1/40				
8/1/41				
8/1/42				
8/1/43				
8/1/44				
8/1/45				
8/1/46				
	40,000,000		12,491,922	52,491,922

**BERRYESSA SCHOOL DISTRICT  
2014 MEASURE L BOND PROGRAM**

**LEVEL DEBT SERVICE AND 30 YEAR TERM**

Year Ending	Principal	Nominal Interest Rate	Interest	Debt Service
3/12/15				
8/1/15				
8/1/16	250,000	3.650%	2,023,722	2,273,722
8/1/17	850,000	3.650%	1,450,875	2,300,875
8/1/18	850,000	3.650%	1,419,850	2,269,850
8/1/19	900,000	3.650%	1,388,825	2,288,825
8/1/20	950,000	3.650%	1,355,975	2,305,975
8/1/21	950,000	3.650%	1,321,300	2,271,300
8/1/22	1,000,000	3.650%	1,286,625	2,286,625
8/1/23	1,050,000	3.650%	1,250,125	2,300,125
8/1/24	1,050,000	3.650%	1,211,800	2,261,800
8/1/25	1,100,000	3.650%	1,173,475	2,273,475
8/1/26	1,150,000	3.650%	1,133,325	2,283,325
8/1/27	1,200,000	3.650%	1,091,350	2,291,350
8/1/28	1,250,000	3.650%	1,047,550	2,297,550
8/1/29	1,300,000	3.650%	1,001,925	2,301,925
8/1/30	1,350,000	3.650%	954,475	2,304,475
8/1/31	1,400,000	3.650%	905,200	2,305,200
8/1/32	1,450,000	3.650%	854,100	2,304,100
8/1/33	1,500,000	3.650%	801,175	2,301,175
8/1/34	1,550,000	3.650%	746,425	2,296,425
8/1/35	1,600,000	3.650%	689,850	2,289,850
8/1/36	1,650,000	3.650%	631,450	2,281,450
8/1/37	1,700,000	3.650%	571,225	2,271,225
8/1/38	1,800,000	3.650%	509,175	2,309,175
8/1/39	1,850,000	3.650%	443,475	2,293,475
8/1/40	1,900,000	3.650%	375,950	2,275,950
8/1/41	2,000,000	3.650%	306,600	2,306,600
8/1/42	2,050,000	3.650%	233,600	2,283,600
8/1/43	2,150,000	3.650%	158,775	2,308,775
8/1/44	2,200,000	3.650%	80,300	2,280,300
8/1/45				
8/1/46				
	40,000,000		26,418,497	66,418,497

**BERRYESSA SCHOOL DISTRICT**  
**2014 MEASURE L BOND PROGRAM**

**SERIES A STRUCTURE (SINGLE RATE)**

Year Ending	Principal	Nominal Interest Rate	Interest	Debt Service
3/12/15				
8/1/15				
8/1/16	1,000,000	3.650%	2,023,722	3,023,722
8/1/17	1,350,000	3.650%	1,423,500	2,773,500
8/1/18	0	3.650%	1,374,225	1,374,225
8/1/19	0	3.650%	1,374,225	1,374,225
8/1/20	0	3.650%	1,374,225	1,374,225
8/1/21	0	3.650%	1,374,225	1,374,225
8/1/22	0	3.650%	1,374,225	1,374,225
8/1/23	250,000	3.650%	1,374,225	1,624,225
8/1/24	400,000	3.650%	1,365,100	1,765,100
8/1/25	575,000	3.650%	1,350,500	1,925,500
8/1/26	750,000	3.650%	1,329,513	2,079,513
8/1/27	950,000	3.650%	1,302,138	2,252,138
8/1/28	1,175,000	3.650%	1,267,463	2,442,463
8/1/29	1,375,000	3.650%	1,224,575	2,599,575
8/1/30	1,575,000	3.650%	1,174,388	2,749,388
8/1/31	1,800,000	3.650%	1,116,900	2,916,900
8/1/32	1,500,000	3.650%	1,051,200	2,551,200
8/1/33	1,650,000	3.650%	996,450	2,646,450
8/1/34	1,850,000	3.650%	936,225	2,786,225
8/1/35	2,000,000	3.650%	868,700	2,868,700
8/1/36	2,150,000	3.650%	795,700	2,945,700
8/1/37	2,300,000	3.650%	717,225	3,017,225
8/1/38	2,400,000	3.650%	633,275	3,033,275
8/1/39	2,400,000	3.650%	545,675	2,945,675
8/1/40	2,450,000	3.650%	458,075	2,908,075
8/1/41	2,450,000	3.650%	368,650	2,818,650
8/1/42	2,500,000	3.650%	279,225	2,779,225
8/1/43	2,550,000	3.650%	187,975	2,737,975
8/1/44	2,600,000	3.650%	94,900	2,694,900
8/1/45				
8/1/46				
	40,000,000		29,756,422	69,756,422



**BERRYESSA SCHOOL DISTRICT**  
**2014 MEASURE L BOND PROGRAM**

**SERIES A STRUCTURE (ACTUAL RATES)**

Year Ending	Principal	Nominal Interest Rate	Interest	Debt Service
3/12/15				
8/1/15			596,585	596,585
8/1/16	1,000,000	5.000%	1,545,113	2,545,113
8/1/17	1,350,000	5.000%	1,495,113	2,845,113
8/1/18	0		1,427,613	1,427,613
8/1/19	0		1,427,613	1,427,613
8/1/20	0		1,427,613	1,427,613
8/1/21	0		1,427,613	1,427,613
8/1/22	0		1,427,613	1,427,613
8/1/23	250,000	5.000%	1,427,613	1,677,613
8/1/24	400,000	5.000%	1,415,113	1,815,113
8/1/25	575,000	5.000%	1,395,113	1,970,113
8/1/26	750,000	5.000%	1,366,363	2,116,363
8/1/27	950,000	5.000%	1,328,863	2,278,863
8/1/28	1,175,000	5.000%	1,281,363	2,456,363
8/1/29	1,375,000	5.000%	1,222,613	2,597,613
8/1/30	1,575,000	5.000%	1,153,863	2,728,863
8/1/31	1,800,000	5.000%	1,075,113	2,875,113
8/1/32	1,500,000	3.125%	985,113	2,485,113
8/1/33	1,650,000	3.200%	938,238	2,588,238
8/1/34	1,850,000	3.250%	885,438	2,735,438
8/1/35	2,000,000	3.250%	825,313	2,825,313
8/1/36	2,150,000	3.375%	760,313	2,910,313
8/1/37	2,300,000	3.500%	687,750	2,987,750
8/1/38	2,400,000	3.500%	607,250	3,007,250
8/1/39	2,400,000	3.500%	523,250	2,923,250
8/1/40	2,450,000	3.500%	439,250	2,889,250
8/1/41	2,450,000	3.500%	353,500	2,803,500
8/1/42	2,500,000	3.500%	267,750	2,767,750
8/1/43	2,550,000	3.500%	180,250	2,730,250
8/1/44	2,600,000	3.500%	91,000	2,691,000
8/1/45				
8/1/46				
	40,000,000		29,985,298	69,985,298

**BERRYESSA SCHOOL DISTRICT  
2014 MEASURE L BOND PROGRAM**

**SERIES B STRUCTURE (PROPOSED)**

Year Ending	Principal	Nominal Interest Rate	Interest	Debt Service
4/28/17 8/1/17 8/1/18	150,000	4.250%	1,572,500	1,722,500
8/1/19	300,000	4.250%	1,566,125	1,866,125
8/1/20	450,000	4.250%	1,553,375	2,003,375
8/1/21	600,000	4.250%	1,534,250	2,134,250
8/1/22	750,000	4.250%	1,508,750	2,258,750
8/1/23	700,000	4.250%	1,476,875	2,176,875
8/1/24	700,000	4.250%	1,447,125	2,147,125
8/1/25	650,000	4.250%	1,417,375	2,067,375
8/1/26	600,000	4.250%	1,389,750	1,989,750
8/1/27	550,000	4.250%	1,364,250	1,914,250
8/1/28	450,000	4.250%	1,340,875	1,790,875
8/1/29	450,000	4.250%	1,321,750	1,771,750
8/1/30	400,000	4.250%	1,302,625	1,702,625
8/1/31	350,000	4.250%	1,285,625	1,635,625
8/1/32	850,000	4.250%	1,270,750	2,120,750
8/1/33	900,000	4.250%	1,234,625	2,134,625
8/1/34	850,000	4.250%	1,196,375	2,046,375
8/1/35	900,000	4.250%	1,160,250	2,060,250
8/1/36	950,000	4.250%	1,122,000	2,072,000
8/1/37	1,050,000	4.250%	1,081,625	2,131,625
8/1/38	1,150,000	4.250%	1,037,000	2,187,000
8/1/39	1,400,000	4.250%	988,125	2,388,125
8/1/40	1,600,000	4.250%	928,625	2,528,625
8/1/41	1,850,000	4.250%	860,625	2,710,625
8/1/42	2,100,000	4.250%	782,000	2,882,000
8/1/43	2,350,000	4.250%	692,750	3,042,750
8/1/44	2,600,000	4.250%	592,875	3,192,875
8/1/45	5,500,000	4.250%	482,375	5,982,375
8/1/46	5,850,000	4.250%	248,625	6,098,625
	37,000,000		33,759,875	70,759,875

**BERRYESSA SCHOOL DISTRICT**  
**2014 MEASURE L BOND PROGRAM**

**TAX RATE PROJECTIONS**

Year Ending	Debt Service			Projected Tax Rate			
	Series A	Series B	2014 Measure L	Growth @ 2%	Growth @ 4%	Growth @ 6%	Growth @ 8%
8/1/15	596,585	0	596,585				
8/1/16	2,545,113	0	2,545,113	25.10	25.10	25.10	25.10
8/1/17	2,845,113	0	2,845,113	25.10	25.10	25.10	25.10
8/1/18	1,427,613	1,722,500	3,150,113	28.16	27.61	27.09	26.59
8/1/19	1,427,613	1,866,125	3,293,738	28.86	27.76	26.72	25.74
8/1/20	1,427,613	2,003,375	3,430,988	29.48	27.81	26.26	24.83
8/1/21	1,427,613	2,134,250	3,561,863	30.00	27.76	25.72	23.87
8/1/22	1,427,613	2,258,750	3,686,363	30.44	27.62	25.11	22.87
8/1/23	1,677,613	2,176,875	3,854,488	31.20	27.77	24.77	22.14
8/1/24	1,815,113	2,147,125	3,962,238	31.45	27.45	24.02	21.08
8/1/25	1,970,113	2,067,375	4,037,488	31.42	26.90	23.09	19.89
8/1/26	2,116,363	1,989,750	4,106,113	31.32	26.30	22.16	18.73
8/1/27	2,278,863	1,914,250	4,193,113	31.36	25.82	21.35	17.71
8/1/28	2,456,363	1,790,875	4,247,238	31.14	25.15	20.40	16.61
8/1/29	2,597,613	1,771,750	4,369,363	31.41	24.88	19.80	15.82
8/1/30	2,728,863	1,702,625	4,431,488	31.23	24.26	18.94	14.86
8/1/31	2,875,113	1,635,625	4,510,738	31.17	23.75	18.19	14.00
8/1/32	2,485,113	2,120,750	4,605,863	31.20	23.32	17.52	13.24
8/1/33	2,588,238	2,134,625	4,722,863	31.36	22.99	16.95	12.57
8/1/34	2,735,438	2,046,375	4,781,813	31.13	22.38	16.19	11.78
8/1/35	2,825,313	2,060,250	4,885,563	31.19	21.99	15.60	11.15
8/1/36	2,910,313	2,072,000	4,982,313	31.18	21.56	15.01	10.52
8/1/37	2,987,750	2,131,625	5,119,375	31.41	21.30	14.55	10.01
8/1/38	3,007,250	2,187,000	5,194,250	31.24	20.78	13.93	9.41
8/1/39	2,923,250	2,388,125	5,311,375	31.32	20.43	13.44	8.91
8/1/40	2,889,250	2,528,625	5,417,875	31.32	20.04	12.93	8.41
8/1/41	2,803,500	2,710,625	5,514,125	31.25	19.61	12.42	7.93
8/1/42	2,767,750	2,882,000	5,649,750	31.40	19.32	12.00	7.52
8/1/43	2,730,250	3,042,750	5,773,000	31.45	18.98	11.57	7.12
8/1/44	2,691,000	3,192,875	5,883,875	31.43	18.60	11.12	6.72
8/1/45	0	5,982,375	5,982,375	31.33	18.19	10.67	6.32
8/1/46	0	6,098,625	6,098,625	31.31	17.83	10.26	5.97
	69,985,298	70,759,875	140,745,173	31.45	27.81	27.09	26.59
				MAX	MAX	MAX	MAX



*In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein with respect to tax consequences relating to the Bonds.*

**\$40,000,000**

**BERRYESSA UNION SCHOOL DISTRICT**

**(Santa Clara County, California)**

**Election of 2014 General Obligation Bonds, Series A**

**Dated: Date of Delivery**

**Due: August 1, as shown on inside cover**

*This cover page contains certain information for general reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used on this cover page not otherwise defined shall have the meanings set forth herein.*

The Berryessa Union School District (Santa Clara County, California) Election of 2014 General Obligation Bonds, Series A (the "Bonds") were authorized at an election of the registered voters of the Berryessa Union School District (the "District") held on November 4, 2014, at which the requisite 55% or more of the persons voting on a proposition submitted thereto voted to authorize the issuance and sale of \$77,000,000 aggregate principal amount of general obligation bonds of the District. The Bonds are being issued to repair, upgrade, acquire, construct, and equip certain District property and facilities and to pay the costs of issuing the Bonds.

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes. The Board of Supervisors of Santa Clara County is empowered and obligated to annually levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers of the Bonds ("Beneficial Owners") will not receive certificates representing their interest in the Bonds. See "THE BONDS – Book-Entry Only System" herein.

The Bonds will be issued as current interest bonds. Interest on the Bonds accrues from the date of delivery of the Bonds (the "Date of Delivery"), and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2015.

Payments of principal of and interest on the Bonds will be made by the designated paying agent, bond registrar and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the Beneficial Owners of the Bonds. U.S. Bank National Association has been appointed as Paying Agent for the Bonds. See "THE BONDS – Book-Entry Only System" herein.

The Bonds are subject to optional and mandatory sinking fund redemption prior to their stated maturity dates, as further described herein. See "THE BONDS – Redemption" herein.

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**MATURITY SCHEDULE**

**(See inside front cover)**

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*Pursuant to the terms of a public sale occurring on February 25, 2015, the Bonds were awarded on February 26, 2015 to Robert W. Baird & Co., Inc., as underwriter therefor, at a true interest cost of 3.599974%. The Bonds are being offered when, as and if issued and received by the Underwriter, subject to the approval of legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel and Disclosure Counsel. The Bonds, in book-entry form, will be available through the facilities of the DTC in New York, New York, on or about March 12, 2015.*

Dated: February 26, 2015

## MATURITY SCHEDULE

**\$40,000,000**  
**BERRYESSA UNION SCHOOL DISTRICT**  
**(Santa Clara County, California)**  
**Election of 2014 General Obligation Bonds, Series A**

**Base CUSIP<sup>(1)</sup>: 085797**

**\$22,750,000 Serial Bonds**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP<sup>(1)</sup></u>
2016	\$1,000,000	5.000%	0.450%	TX6
2017	1,350,000	5.000	0.530	TY4
2023	250,000	5.000	2.000	TZ1
2024	400,000	5.000	2.200	UA4
2025	575,000	5.000	2.300 <sup>C</sup>	UB2
2026	750,000	5.000	2.500 <sup>C</sup>	UC0
2027	950,000	5.000	2.600 <sup>C</sup>	UD8
2028	1,175,000	5.000	2.700 <sup>C</sup>	UE6
2029	1,375,000	5.000	2.770 <sup>C</sup>	UF3
2030	1,575,000	5.000	2.820 <sup>C</sup>	UG1
2031	1,800,000	5.000	2.870 <sup>C</sup>	UH9
2032	1,500,000	3.125	3.230	UJ5
2033	1,650,000	3.200	3.280	UK2
2034	1,850,000	3.250	3.330	UL0
2035	2,000,000	3.250	3.380	UM8
2036	2,150,000	3.375	3.430	UN6
2039	2,400,000	3.500	3.520	UQ9

**\$4,700,000 – 3.500% Term Bonds, due August 1, 2038; Yield 3.500%; CUSIP<sup>(1)</sup>: UP1**

**\$4,900,000 – 3.500% Term Bonds, due August 1, 2041; Yield 3.570%; CUSIP<sup>(1)</sup>: UR7**

**\$7,650,000 – 3.500% Term Bonds, due August 1, 2044; Yield 3.600%; CUSIP<sup>(1)</sup>: US5**

<sup>C</sup>: Yield to first call date of August 1, 2024

<sup>(1)</sup> CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

then, notwithstanding that any such maturities of Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) above, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

“Government Obligations” means direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or “prerefunded” municipal obligations rated in the highest rating category by Moody’s Investors Service (“Moody’s”) or Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”). In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either S&P or Moody’s.

#### **ESTIMATED SOURCES AND USES OF FUNDS**

The proceeds of the Bonds are expected to be applied as follows:

Sources of Funds	
Principal Amount of Bonds	\$40,000,000.00
Net Original Issue Premium	<u>1,581,516.25</u>
Total Sources	<u>\$41,581,516.25</u>
Uses of Funds	
Building Fund	\$39,790,000.00
Debt Service Fund	617,109.75
Costs of Issuance <sup>(1)</sup>	<u>1,174,406.50</u>
Total Uses	<u>\$41,581,516.25</u>

<sup>(1)</sup> Reflects the costs of issuance, including but not limited to the Underwriter’s discount, demographics and filing fees, printing costs, legal fees, financial advisory fees, and the costs and fees of the Paying Agent to be paid from proceeds of the Bonds. See “MISCELLANEOUS – Underwriting” herein.



## Annual Debt Service on the Bonds

The following table shows the annual debt service requirements of the District for the Bonds, assuming no optional redemptions are made:

<u>Year Ending August 1</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment<sup>(1)</sup></u>	<u>Total Annual Debt Service</u>
2015	--	\$596,585.10	\$596,585.10
2016	\$1,000,000.00	1,545,112.50	2,545,112.50
2017	1,350,000.00	1,495,112.50	2,845,112.50
2018	--	1,427,612.50	1,427,612.50
2019	--	1,427,612.50	1,427,612.50
2020	--	1,427,612.50	1,427,612.50
2021	--	1,427,612.50	1,427,612.50
2022	--	1,427,612.50	1,427,612.50
2023	250,000.00	1,427,612.50	1,677,612.50
2024	400,000.00	1,415,112.50	1,815,112.50
2025	575,000.00	1,395,112.50	1,970,112.50
2026	750,000.00	1,366,362.50	2,116,362.50
2027	950,000.00	1,328,862.50	2,278,862.50
2028	1,175,000.00	1,281,362.50	2,456,362.50
2029	1,375,000.00	1,222,612.50	2,597,612.50
2030	1,575,000.00	1,153,862.50	2,728,862.50
2031	1,800,000.00	1,075,112.50	2,875,112.50
2032	1,500,000.00	985,112.50	2,485,112.50
2033	1,650,000.00	938,237.50	2,588,237.50
2034	1,850,000.00	885,437.50	2,735,437.50
2035	2,000,000.00	825,312.50	2,825,312.50
2036	2,150,000.00	760,312.50	2,910,312.50
2037	2,300,000.00	687,750.00	2,987,750.00
2038	2,400,000.00	607,250.00	3,007,250.00
2039	2,400,000.00	523,250.00	2,923,250.00
2040	2,450,000.00	439,250.00	2,889,250.00
2041	2,450,000.00	353,500.00	2,803,500.00
2042	2,500,000.00	267,750.00	2,767,750.00
2043	2,550,000.00	180,250.00	2,730,250.00
2044	<u>2,600,000.00</u>	<u>91,000.00</u>	<u>2,691,000.00</u>
Total	<u>\$40,000,000.00</u>	<u>\$29,985,297.60</u>	<u>\$69,985,297.60</u>

<sup>(1)</sup> Interest payments on Bonds will be made semiannually on February 1 and August 1 of each year, commencing August 1, 2015.

See "BERRYESSA UNION SCHOOL DISTRICT – District Debt Structure" herein for a complete debt service schedule of all of the District's outstanding general obligation bond debt.

## Application and Investment of Bond Proceeds

The Bonds are being issued to repair, upgrade, acquire, construct, and equip certain District property and facilities and to pay the costs of issuing the Bonds.

# FIS SPACE FEEDBACK FROM STUDENT / TEACHER

March 1, 2017

LOCATION	COMMENTS FROM	PROS	CONS
NOBLE SCHOOL	Teachers/Staff	<p>"There are so many possibilities..."</p> <p>"I can't stop thinking of all the things I can do in here."</p> <p>"It was such a great space for our entire 5th grade group to use."</p> <p>"This is so cool."</p> <p>"I like that I can pick how I sit."</p> <p>"Wait... I don't have to sit like in the class."</p> <p>"I wish this was my class everyday."</p>	
NORTHWOOD SCHOOL	Teachers/Staff	<p>"...space is great for collaborating with other classes."</p> <p>"The room with the standing table is great."</p> <p>"Students have been enjoying the mini field trip...and really work well in there."</p> <p>"We enjoy working with other classes in the FIS."</p> <p>"It is a good space for the students to be working."</p>	<p>"Difficult to think ways to use for pre-k SpED population because it's not soundproof..."</p> <p>"Glass Wall is delicate..."</p> <p>"Can't use it for social skills cooking lessons because no food allowed..."</p> <p>"...only use it for parent meetings once a month. Even during parent meetings, it is distracting with students/faculty passing."</p> <p>"It would be great to have more storage than one box per teacher."</p> <p>"Looking out for students and glass wall was distracting."</p> <p>"Lack of paper towels and soap was also distraction as some projects can be messy."</p> <p>"...worry about the noise level..."</p>
	Students	<p>"The students are excited to create in a new space."</p> <p>"They love working with another class."</p> <p>"Students enjoyed working in the FIS because it was a change from the classroom environment."</p> <p>"Students like the freedom to move around in a larger space."</p> <p>"Furniture is enjoyable. They like the different types of chairs."</p>	<p>"It can be a little too loud if too many students are talking at once."</p>
SUMMERDALE SCHOOL	Teachers/Staff	<p>"Kids really enjoy time in the FIS!"</p> <p>"Great for group work!...science activities, performance practices...etc."</p> <p>"Great flexibility within the space!... Nice variety of furniture options, easy to move/rearrange..."</p> <p>"My student LOVE the FIS..."</p> <p>"It has worked as motivator in my class...and I am able to complete lessons that take up more space which I wouldn't be able to do without it."</p> <p>"It encourages me to think outside the box while planning."</p>	<p>"...still having difficulty with the lighting..."</p> <p>"...stools on wheels. Students have a hard time controlling themselves on them."</p>
	Students	<p>"The FIS space is like having our own museum."</p> <p>"It's cool!"</p> <p>"It is a fun"</p> <p>"I am glad that people paid taxes so that we can have this room."</p>	
SIERRAMONT MIDDLE SCHOOL	Teachers/Staff	<p>"Love the open space."</p> <p>"Flexibility use of the entire space and the theater."</p> <p>"Love the writable walls."</p>	