

Scarsdale Community Center

Financing Plan

November 18, 2008

Two Primary Financing Sources

- Bonding Options
 - Village Bond Issue
 - IDA Bond Issue
 - Local Development Corporation Bond Issue
- Private Capital Contributions
- Grants (Secondary)

Proposed Structure = Public + Private Funding

- Bond Issue - \$10 million
- Private Capital Raise - \$6 million

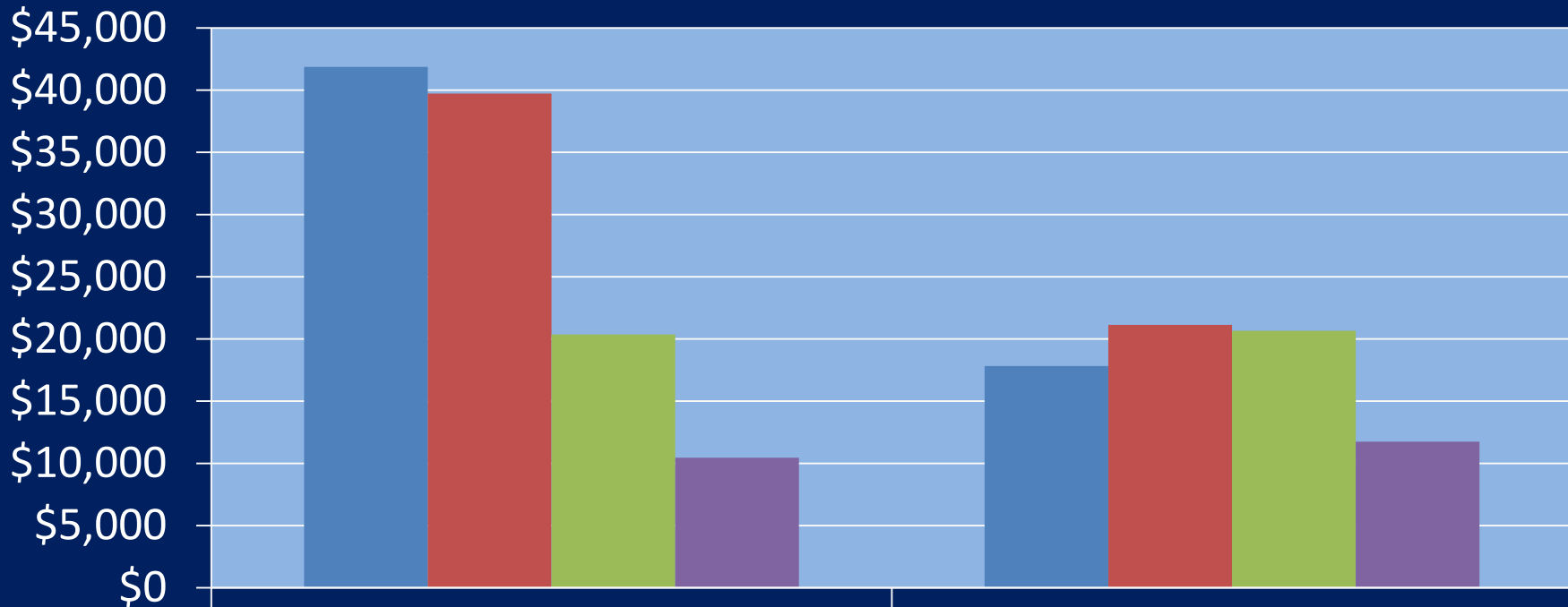
Rationale for Structure = Balance



Protecting Scarsdale's Aaa Rating

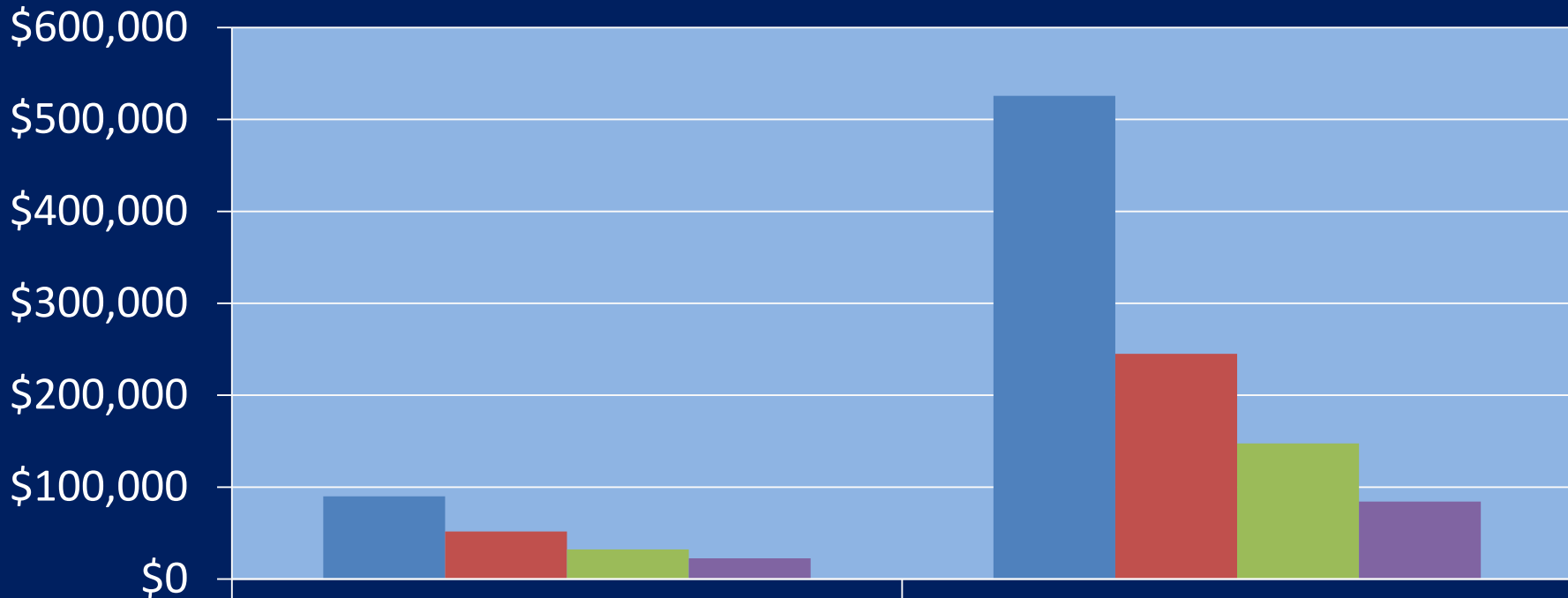
- Examine current key ratios vs. median value ratios for Aaa, Aa and A rated communities of similar size.
- Project potential new bond issues for next five years.
- Examine impact on key ratios vs. median values.

Scarsdale GF Revenue & Population Similar to Aaa Median



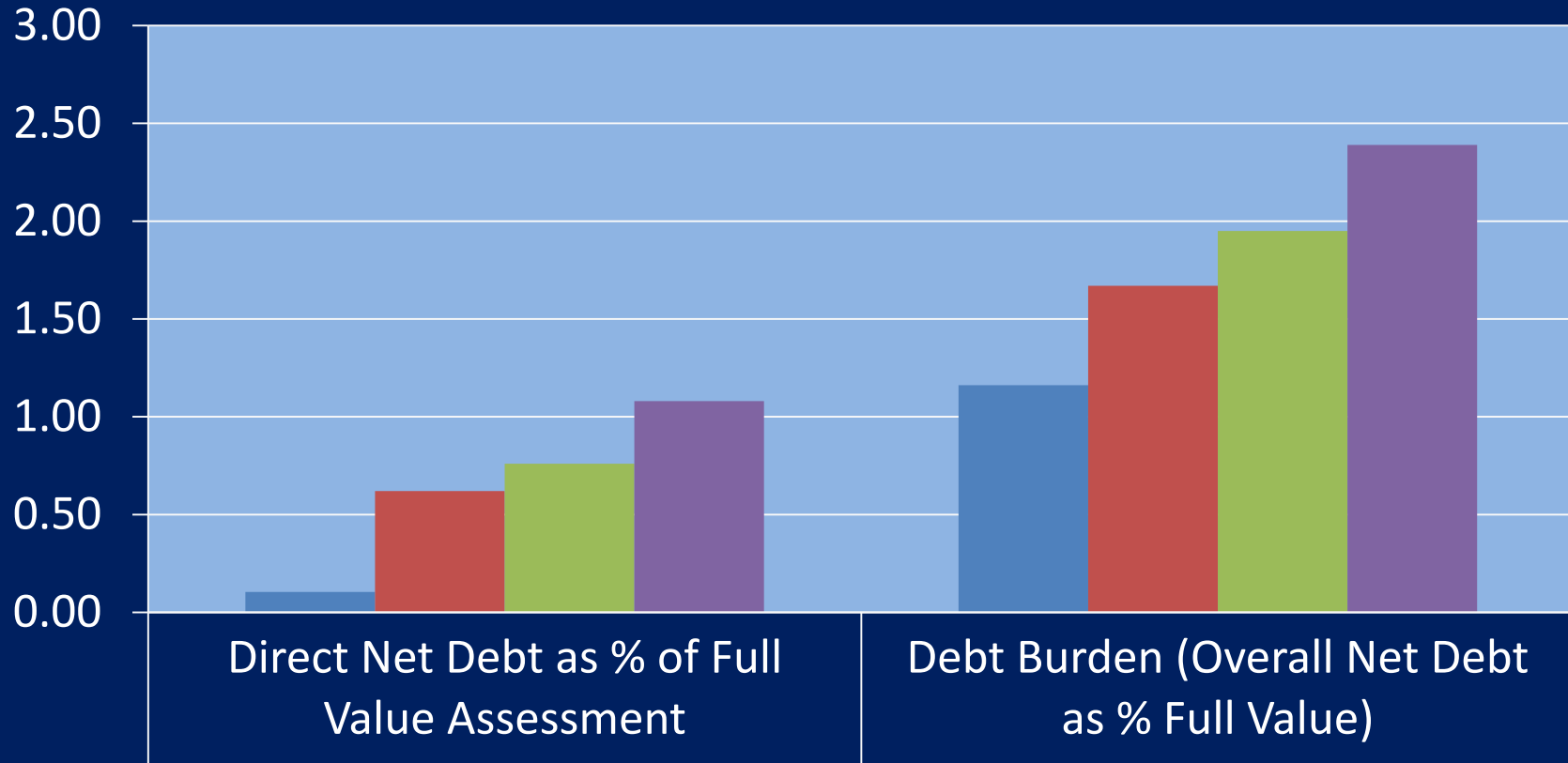
	Total General Fund Revenues (\$000)	Population 2000 Census
■ Scarsdale	\$41,870	17,823
■ Aaa Median	\$39,729	21,131
■ Aa Median	\$20,358	20,662
■ A Median	\$10,455	11,744

Much Higher Income and Assessed Value Per Capita



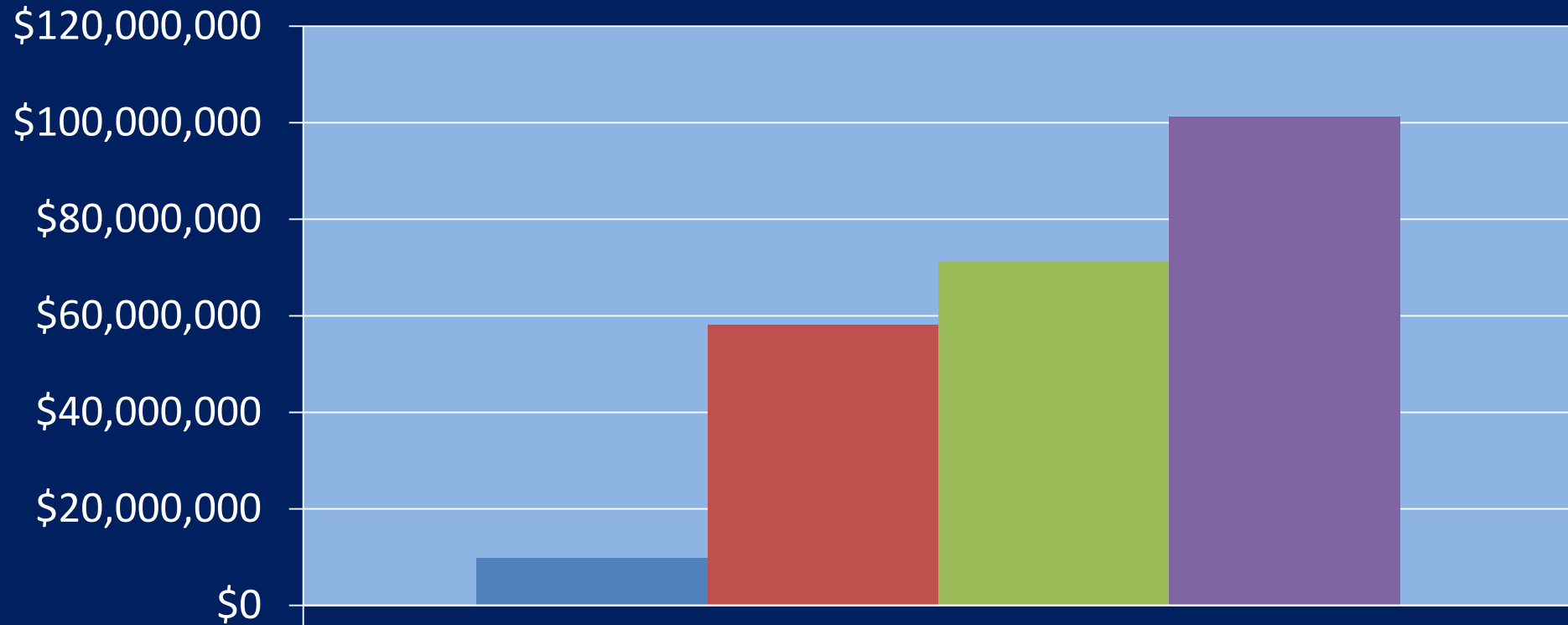
	Per Capita Income (2000 Census)	Full Value Assessment Per Capita (\$)
■ Scarsdale	\$89,907	\$525,745
■ Aaa Median	\$51,795	\$245,040
■ Aa Median	\$32,236	\$147,524
■ A Median	\$22,513	\$84,273

Much Lower Debt than Aaa Median



■ Scarsdale	0.10	1.16
■ Aaa Median	0.62	1.67
■ Aa Median	0.76	1.95
■ A Median	1.08	2.39

Significant Capacity to Issue Debt Before Reaching Aaa Median Ratio



Direct Net Debt

■ Scarsdale	\$9,795,000
■ Aaa Median	\$58,096,238
■ Aa Median	\$71,214,744
■ A Median	\$101,199,899

Scarsdale Debt Ratios Vs. Median Rating Values

	<u>Scarsdale</u>	<u>Aaa Median</u>	<u>Aa Median</u>	<u>A Median</u>
Total General Fund Revenues (\$000)	41,870	39,729	20,358	10,455
Total Full Value (\$000)	9,370,361	5,827,620	2,735,927	1,084,680
Population 2000 Census	17,823	21,131	20,662	11,744
Full Value Per Capita (\$)	525,745	245,040	147,524	84,273
Per Capita Income (2000 Census)	\$89,907	\$51,795	\$32,236	\$22,513
Top 10 Taxpayers as a % Assessed Value	3.58	5.94	7.55	9.81
<u>Key Metrics</u>				
Direct Net Debt as % of Full Value	0.10	0.62	0.76	1.08
Debt Burden (Overall Net Debt as % Full Value)	1.16	1.67	1.95	2.39
Debt Service as a % of Expenditures	3.52	8.62	8.03	7.78

<u>Scarsdale Values</u>	<u>Actuals</u>	<u>Scarsdale Debt and Debt Servicing Capacity at Median Rating Values</u>		
Direct Net Debt	9,795,000	58,096,238	71,214,744	101,199,899
Overall Net Debt (Est)	108,826,147	156,485,029	182,722,040	223,951,628
Debt Service	1,473,041	3,609,194	3,362,161	3,257,486

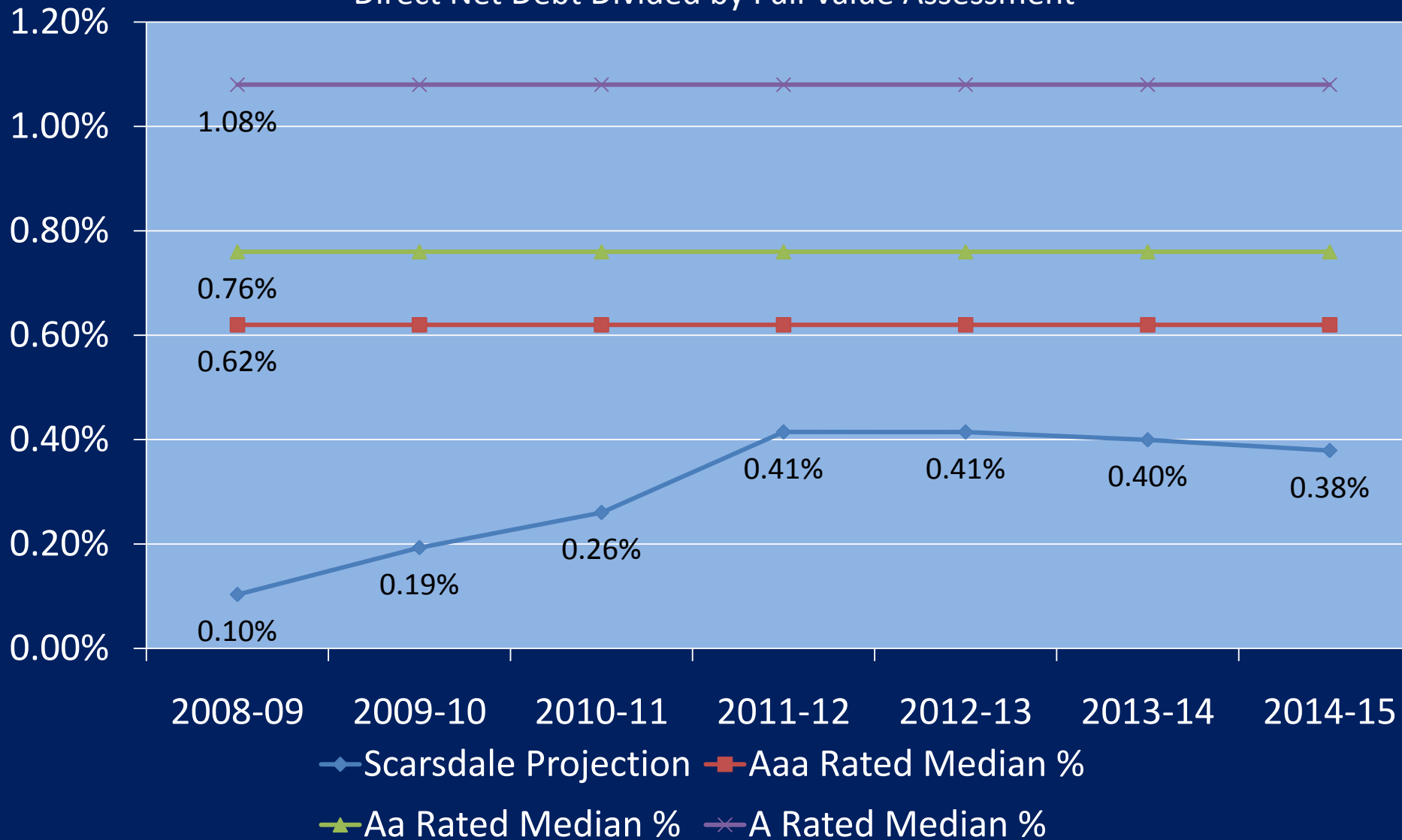
Potential New Bond Issues

<u>Purpose</u>	<u>Fiscal Year</u>	<u>Term</u> (Years)	<u>Size of Issue</u> (\$ Millions)
Public Safety Building	2009-10	20	\$8.00
Storm Water - Fox Meadow	2009-10	20	<u>\$1.50</u>
Sub-Total			\$9.50
Public Safety Building	2010-11	20	\$5.00
Storm Water - Sheldrake	2010-11	20	\$2.00
Garth Road Widening	2010-11	20	<u>\$0.75</u>
Sub-Total			\$7.75
Station #1 Apparatus Floor	2011-12	20	\$1.50
Reeves-Newsome Pump Station*	2011-12	25	<u>\$5.00</u>
			\$6.50
Station #3 Addition	2012-13	20	\$2.20
Freightway Open Lot Rehab	2013-14	10	\$0.40
Scarsdale Avenue Streetscape	2013-14	10	<u>\$0.60</u>
Sub-Total			\$1.00
Total			<hr/> \$26.95

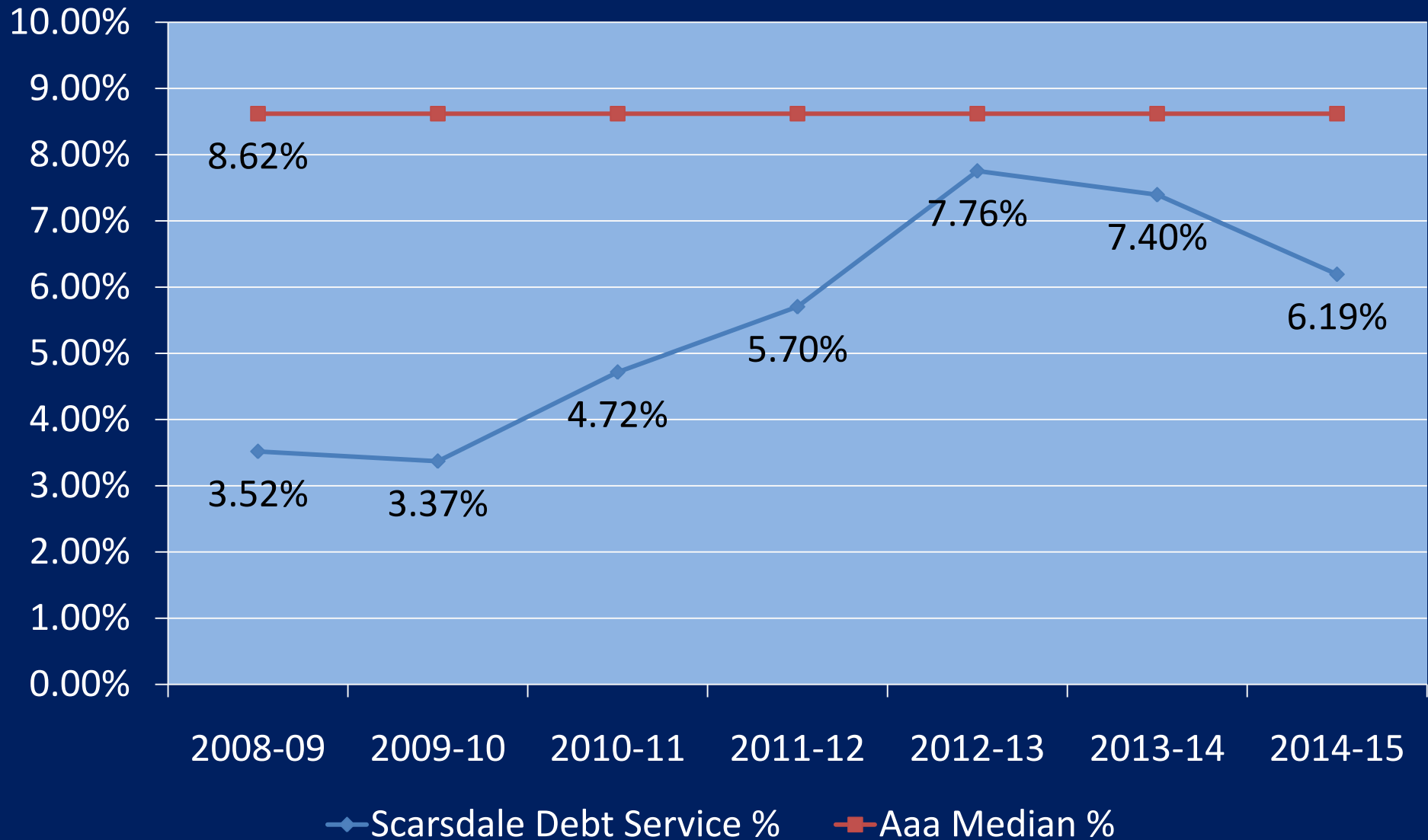
* Non-Tax Supported Issue

Scarsdale Debt Ratio Remains Well Below Aaa Median Including \$10 MM SCC Debt

Direct Net Debt Divided by Full Value Assessment



Debt Service As % of Expenditures Remains Below Aaa Median

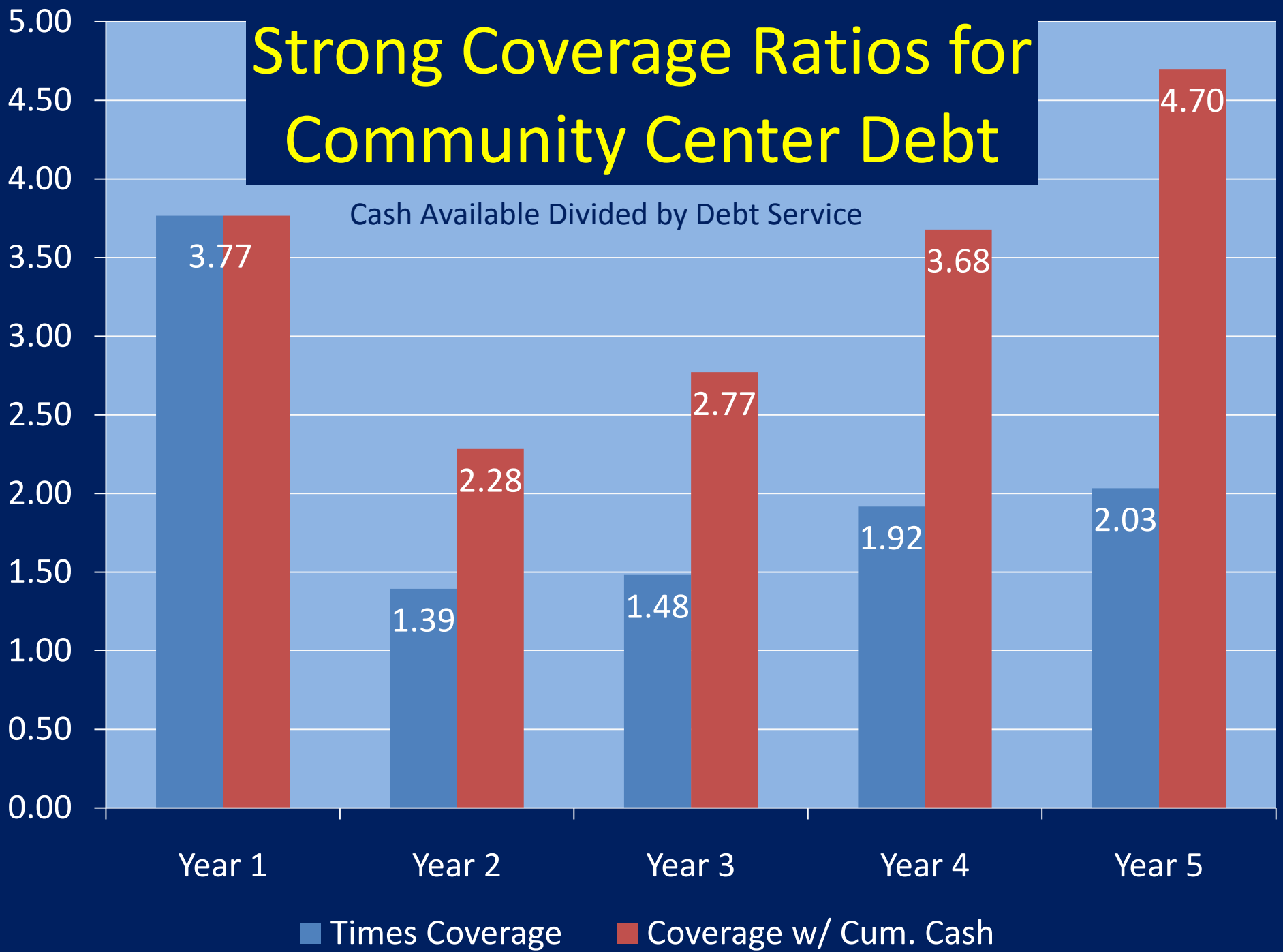


Safety of Community Center Debt Service Coverage

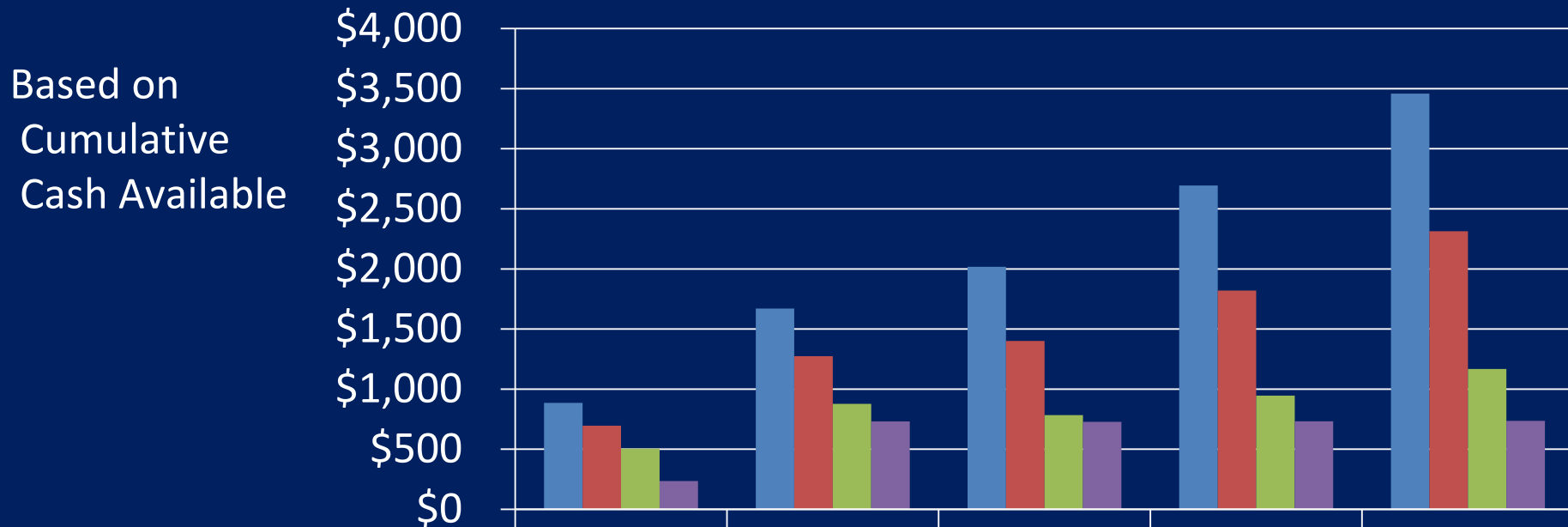
- Cash Available
 - Net Operating Income
 - Interest Income
 - Capital Replacement Reserve
- Debt Service per P&L
- Cumulative Cash Available
 - Prior years cash available less prior years debt svc.
 - Plus current year cash available

Strong Coverage Ratios for Community Center Debt

Cash Available Divided by Debt Service



Debt Service Covered Even With a 20% Revenue Shortfall



	Year 1	Year 2	Year 3	Year 4	Year 5
■ Cumulative Cash (\$000's)	\$885	\$1,671	\$2,018	\$2,694	\$3,458
■ Cum Cash - 10% Rev Shtfall	\$695	\$1,274	\$1,401	\$1,820	\$2,313
■ Cum Cash - 20% Rev Shtfall	\$505	\$877	\$784	\$946	\$1,168
■ Debt Service (\$000's)	\$235	\$732	\$728	\$732	\$736

\$6 MM Capital Campaign Planned

- Consultant discussions validated plan
 - “Clearly a campaign would be feasible.”
- Comfort expressed with \$6 MM target
 - Discomfort evident at higher levels
 - Large gifts determine size of raise
- Process
 - Planning/feasibility study - 3 months
 - Capital campaign - 12-18 months

Financing Plan = No Cost to Taxpayers

- Aaa rating secure after debt issuance
- Center operations cover debt service
- Capital campaign for 40% of cost
- Multiple bonding options may be available after capital campaign
- Facility will enhance everyone's property value with no cost to taxpayers
- Use of public debt capacity appropriate for community benefit derived