

Portola Valley School District

Ormondale School (K-3) • Corte Madera School (4-8)

Board of Trustees: Karyn Bechtel, Brooke Day, Jeff Klugman, Gulliver La Valle

Eric Hartwig, Superintendent

PRESS RELEASE

March 8, 2019

PORTOLA VALLEY SCHOOL DISTRICT RECEIVES CREDIT RATING UPGRADE

Portola Valley School District (the “District”) recently received a double upgrade in its bond credit rating from Standard & Poor’s Global Ratings. Standard & Poor’s upgraded the District’s general obligation bond credit rating two levels, from ‘AA-’ to ‘AA+,’ the second highest possible rating an issuer can achieve.

“We are ecstatic to have our rating upgraded two notches,” said Superintendent Eric Hartwig, who participated in the presentation to the rating analysts. “Standard & Poor’s was particularly impressed with the level of support we receive from the community, and we are so proud to report this result back to our constituents.”

Standard & Poor’s generally reviews four factors in assessing an issuer’s creditworthiness: (1) District finances, (2) District management, (3) District debt/pension obligations, and (4) local economy.

Standard & Poor’s noted the following as credit strengths of the District:

- Strong property tax base with very high resident wealth levels
- Robust supplementary revenues bolstering financial position and per pupil resources
- Good financial management practices with formal policies in place
- Low debt burden relative to property values

“It is very rare for a school district to receive a double rating upgrade,” said Chris Hiatt of Keygent, the District’s financial advisor, “We expect this rating upgrade to attract more investors and result in lower taxpayer costs for the upcoming Measure Z bond issuance.”

The District has received a formal credit report from Standard & Poor’s, which has been disseminated to the investment community. The District’s rating was updated as part of its upcoming \$10 million Measure Z general obligation bond issuance to fund projects in the District. A copy of the letter can be found on www.pvsd.net on the Business Services page.