

WEST SONOMA COUNTY UNION HIGH SCHOOL DISTRICT

TO: Ted Walker, Board President

FROM: Steven Kellner, Superintendent

DATE: June 14, 2017

ITEM: CONSIDERATION OF APPROVAL FOR THE EXPLORATION AND FEASIBILITY OF A FACILITY BOND MEASURE FOR THE WEST SONOMA COUNTY UNION HIGH SCHOOL DISTRICT.

Background Information:

The West Sonoma County Union High School District is committed to providing classrooms and infrastructure to allow students a safe and successful learning experience. WSCUHSD needs to explore ways to improve facilities, improve technology, construct and/or modernize and renovate classrooms and school facilities at all of our campuses. There are numerous options for districts to fund these items including Federal dollars, State-matching grants, local G.O. Bonds, and joint-use monies. In 2010, voters approved Measure I to address our most immediate needs. Today, the District is looking to finish all facility improvements with the master plan and as well as our deferred maintenance items. Our financial advisor, Greg Isom, will be present to walk through the process and answer any questions.

Current Consideration:

If a local bond program is unsuccessful or does not make the ballot, there is no cost associated with the financial advisor as Isom Advisors works on a contingent basis. If the measure is successful, financial advisor fees would be paid from bond proceeds, and the planning fees would be paid out of the general fund or other legally allowable sources. Modernized, renovated and/or improved facilities are beneficial to the learning environment for all students.

Recommendation:

The administration recommends that Isom Advisors be authorized to conduct a survey, and explore the feasibility of a local school improvement measure to determine if this is something the communities would support.

Attachments:

Yes

West Sonoma County Union High School District

District Financial Analysis

by

Isom Advisors,
a Division of Urban Futures, Inc.

May 10, 2017



About the Firm

2016 Bond Program Successes

There was a lot of support for CA school bonds in 2016

West Sonoma County Union HSD

- ❖ Isom Advisors worked on **over 70** successful K-12 bond measures in June and November 2016, which was approximately 1/3rd of all bond programs.

District	County	Amount (1)
Albany USD	Alameda	\$25.0
Albany USD	Alameda	\$70.0
Balko-Cressy ESD	Merced	\$6.5
Black Butte ESD	Shasta	\$4.0
Culler-Orosi USD	Tulare	\$16.0
Cuyama JUSD	Santa Barbara	\$6.0
Fairfield-Suisun USD	Salano	\$249.0
Franklin McKinley ESD	Santa Clara	\$67.4
Gilroy USD	Santa Clara	\$170.0
Hermosa Beach ESD	Los Angeles	\$59.0
Junction ESD	Shasta	\$3.5
Kelseyville USD	Lake	\$30.0
Kingsburg ESD	Fresno	\$10.0
Klamath Trinity USD	Humboldt	\$6.5
Livermore USD	Alameda	\$245.0
Pope Valley ESD	Napa	\$4.0
San Antonio ESD	Monterey	\$2.1
Santa Paula USD	Ventura	\$39.6
Walnut Creek ESD	Contra Costa	\$60.0
Wasco ESD	Kern	\$9.7
Wasco ESD	Kern	\$9.4

(1) In Millions

District	County	Amount (1)
Arcata ESD	Humboldt	\$3.4
Arroyo ESD	Kings	\$6.5
Bayshore ESD	San Mateo	\$7.0
Brawley ESD	Imperial	\$14.0
Burlon	Tulare	\$6.5
Campbell UHSD	Santa Clara	\$275.0
Cardiff ESD	San Diego	\$22.0
Cascade ESD	Shasta	\$8.9
Chico USD	Butte	\$152.0
Chowchilla ESD	Madera	\$13.0
Coalinga-Huron USD	Fresno	\$39.0
Corning HSD	Tehama	\$8.3
Cotati Rohrer Park USD	Sonoma	\$80.0
El Centro ESD	Imperial	\$22.1
Exeter USD	Tulare	\$18.0
Gall HSD	Sacramento & San Joaquin	\$36.0
Garvey ESD	Los Angeles	\$40.0
Guadalupe ESD	Santa Barbara	\$5.8
Guadalupe ESD	Santa Barbara	\$5.6
Guerneville ESD	Sonoma	\$7.0
Hanford ESD	Kings	\$24.0
Hanford HSD	Kings and Tulare	\$33.0
Headlands USD	Sonoma	\$47.0
Huntington Beach ESD	Orange	\$159.8
Imperial USD	Imperial	\$40.0
Jacoby Creek ESD	Humboldt	\$2.7

(1) In Millions

District	County	Amount (1)
Konocili USD	Lake	\$29.6
Lowndale ESD	Los Angeles	\$27.0
Lemoore HSD	Kings	\$24.0
Live Oak USD	Sutter	\$14.0
Lodi USD	San Joaquin	\$281.0
Mariposa County USD	Mariposa	\$24.0
Martinez USD	Contra Costa	\$120.0
Mattile USD	Humboldt	\$2.0
Moraga ESD	Contra Costa	\$33.0
Mountain View SD	Los Angeles	\$57.0
Muroc JUSD	Kern	\$21.0
Navato USD	Marin	\$222.0
Pierce USD	Calusa and Yolo	\$15.0
Pioneer SD	Kings	\$7.0
Reef Sunset USD	Kings	\$12.0
Shasta HSD	Shasta	\$56.9
Simi Valley USD	Ventura	\$239.0
Sonoma Valley USD	Sonoma	\$120.0
Soquel ESD	Santa Cruz	\$42.0
South Bay ESD	Humboldt	\$4.0
South Whittier ESD	Los Angeles	\$29.0
Waugh ESD	Sonoma	\$4.0
Westminster ESD	Orange	\$76.0
Williams USD	Colusa	\$11.0
Windsor USD	Sonoma	\$42.0
Winters USD	Salano and Yolo	\$17.0

(1) In Millions

Source: Isom Advisors

About the District

District Bond & Assessed Value History

District's tax base has grown by 83% since 2004

West Sonoma County Union HSD

West Sonoma County HSD Historical Assessed Value		
Fiscal Year Ending	Total Value	% Change
2004	\$4,811,053,573	
2005	\$5,208,681,623	8.26%
2006	\$5,697,560,305	9.39%
2007	\$6,265,158,480	9.96%
2008	\$6,789,050,617	8.36%
2009	\$7,180,847,744	5.77%
2010	\$7,156,344,325	-0.34%
2011	\$7,072,532,970	-1.17%
2012	\$7,049,386,939	-0.33%
2013	\$7,131,811,353	1.17%
2014	\$7,339,365,701	2.91%
2015	\$7,703,297,855	4.96%
2016	\$8,273,129,973	7.40%
2017	\$8,796,147,003	6.32%
Average		4.82%

Source: California Municipal Statistics

- ❖ In 1996, District voters approved a \$13.9 million bond measure at 73.0% voter support and in 2010, District voters approved a \$23.8 million bond measure at 67.4% support
- ❖ District has no remaining authorization from the Election of 2010
- ❖ Current 2016-17 tax rate for the district is \$17.50 per \$100,000 of assessed valuation

- ❖ District's 2016-17 assessed value is approximately \$8.8 billion; thirteen-year average assessed value growth rate is 4.82%
- ❖ District's gross bonding capacity is approximately \$110.0 million (1.25% x assessed value); District's outstanding G.O. bond debt is approximately \$28.2 million; District's net bonding capacity, or current debt limit, is approximately \$81.8 million

General Obligation Bond Proceeds

District can generate between \$48.1 million and \$76.0 million

West Sonoma County Union HSD

West Sonoma County HSD Bond Proceeds at Varying Tax Rates ⁽¹⁾				
Tax Rate per \$100,000	Series A 2018	Series B 2020	Series C 2023	Total Bond Proceeds
\$19.00	\$16,400,000	\$15,300,000	\$16,400,000	\$48,100,000
\$25.00	\$21,600,000	\$20,200,000	\$21,500,000	\$63,300,000
\$30.00	\$26,000,000	\$24,200,000	\$25,800,000	\$76,000,000

(1) Assumes AV growth of 3.50% and 30 year bond terms; Preliminary – Subject to change
Source: Isom Advisors

- ❖ With projected annual assessed value growth of 3.50%, the District can generate up to \$76.0 million
- ❖ At more aggressive growth rates or a longer bond program, the District could generate up to \$85.0 million
- ❖ Depending on tax rate selected and assessed value assumptions, District can generate significant proceeds

Voter Demographics

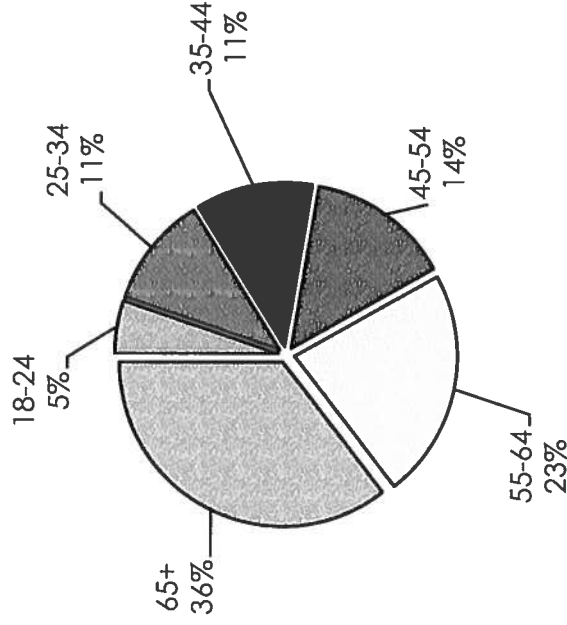
Voter Demographics

Voter demographics are favorable to bond programs

West Sonoma County Union HSD

- ❖ District has 33,064 total voters
- ❖ Majority of voters are Democrats (60%)
- ❖ 72% of voters vote-by-mail
- ❖ District has an older voting population with 59% of voters aged 55 and older

Voter Age Demographics



District Voter Demographics	
	<u>Percent</u>
Republicans	15%
Democrats	60%
Other	25%
VBM Voters	72%

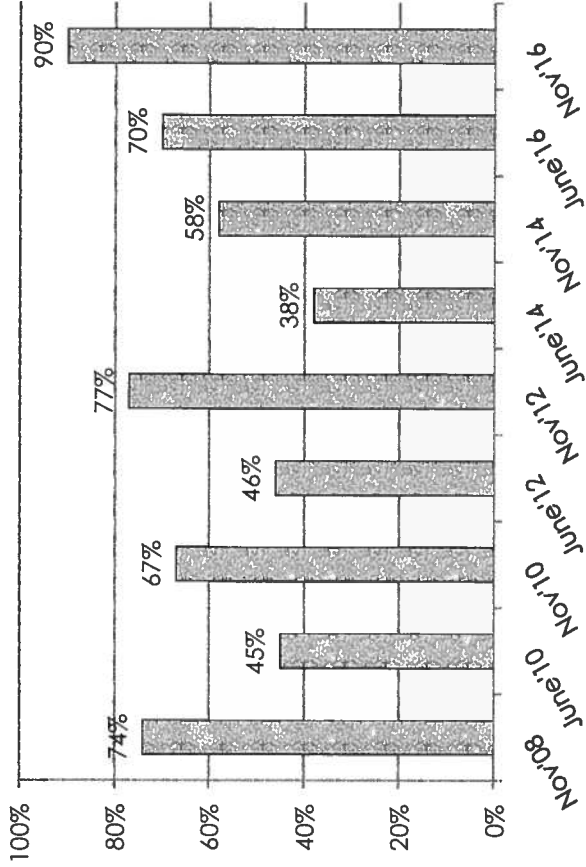
Source: Political Data

Voter Turnout

Turnout can have a significant bearing on success

West Sonoma County Union HSD

Recent District Voter Turnouts



Source: Political Data

- ❖ Historical voter turnout has ranged from a low of 38% in June of 2014 to a high of 90% in November 2016
- ❖ Voter turnout varies considerably by election date and type of election and must be considered as different voters show up for different elections
- ❖ June 2018 turnout is estimated to be 50%

Next Steps

Timeline – June 2018 Election

Following these steps are key to District's success

West Sonoma County Union HSD

Task	Responsible Party	Date
Prepare project list	District/Architect	Ongoing
Board Meeting - approve "exploring" feasibility of a tax measure	District	May
Initiate public information program, speaking with elected officials, large taxpayers, community service groups to discuss proposed tax measure	District	May - July
Conduct Survey	Consultant	June
Board Meeting - Survey Results Presentation	Consultant	August
Finalize Capital and Financing Plan based on Community Outreach	Consultant	October
Prepare Resolution for Calling Election, including Ballot Language, Project List, Tax rate Statement	Consultant/Bond Counsel	November
Board Meeting - Board action to adopt Resolution Calling Election	District	December
Submit Resolution Calling Election and Tax Rate Statement	District	February 2018
Prepare Argument in Favor of Measure	Consultant/District	March 2018
Submit Argument in Favor of Measure	Consultant/District	March 2018
Form campaign committee and conduct campaign kick-off meeting	Campaign Committee	March 2018
Run Campaign	Campaign Committee	March – June 2018
Election Day		June 2018

WEST SONOMA COUNTY UNION HIGH SCHOOL DISTRICT

TO: Ted Walker, Board President

FROM: Steve Charbonneau, Assistant Superintendent –Educational Services

DATE: June 14, 2017

ITEM: **PRESENTATION OF THE EL MOLINO SITE COUNCIL**

BACKGROUND INFORMATION:

The Board allocated LCAP funding to the El Molino Site Council for the 2016-17 school year. The purpose of these funds was to increase student engagement at the site and reduce truancy. El Molino's Site Council was given the discretion to distribute the funds in ways that would be most beneficial for their students and in alignment with existing site-based initiatives.

CURRENT CONSIDERATION:

El Molino Site Council representative, Jolene Johnson, will share with the Board the activities of the EL Molino Site Council during the 2016-17 school year.

RECOMMENDATION:

This is an informational item. No Board action is required.

ATTACHMENTS:

No.

WEST SONOMA COUNTY UNION HIGH SCHOOL DISTRICT

TO: Ted Walker, Board President

FROM: Steve Charbonneau, Assistant Superintendent –Educational Services

DATE: June 14, 2017

ITEM: **PRESENTATION OF THE ANALY SITE COUNCIL**

BACKGROUND INFORMATION:

The Board allocated LCAP funding to the Analy Site Council for the 2016-17 school year. The purpose of these funds was to increase student engagement at the site and reduce truancy. Analy's Site Council was given the discretion to distribute the funds in ways that would be most beneficial for their students and in alignment with existing site-based initiatives.

CURRENT CONSIDERATION:

Analy Site Council representative, Ellen Houlemard, will share with the Board the activities of the Analy Site Council during the 2016-17 school year.

RECOMMENDATION:

This is an informational item. No Board action is required.

ATTACHMENTS:

No.