



February 2023 Board Work Session

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STIFEL | Public Finance

Long Range Finance and Facilities Planning

- ▶ **01** Learning Objective 1: District Goals and Objectives
- 02** Learning Objective 2: Near Term Planning
- 03** Learning Objective 3: Long Range Plan Potential

District Goals and Objectives

Operational Goals

- Address Staff Recruitment and Retention
- Keep Operational Budget Healthy as new buildings come online/district-wide growth continues
- Maintain Healthy Reserve Balances
- Create and maintain long-range plan that provides continuity, improves communication and increases public transparency

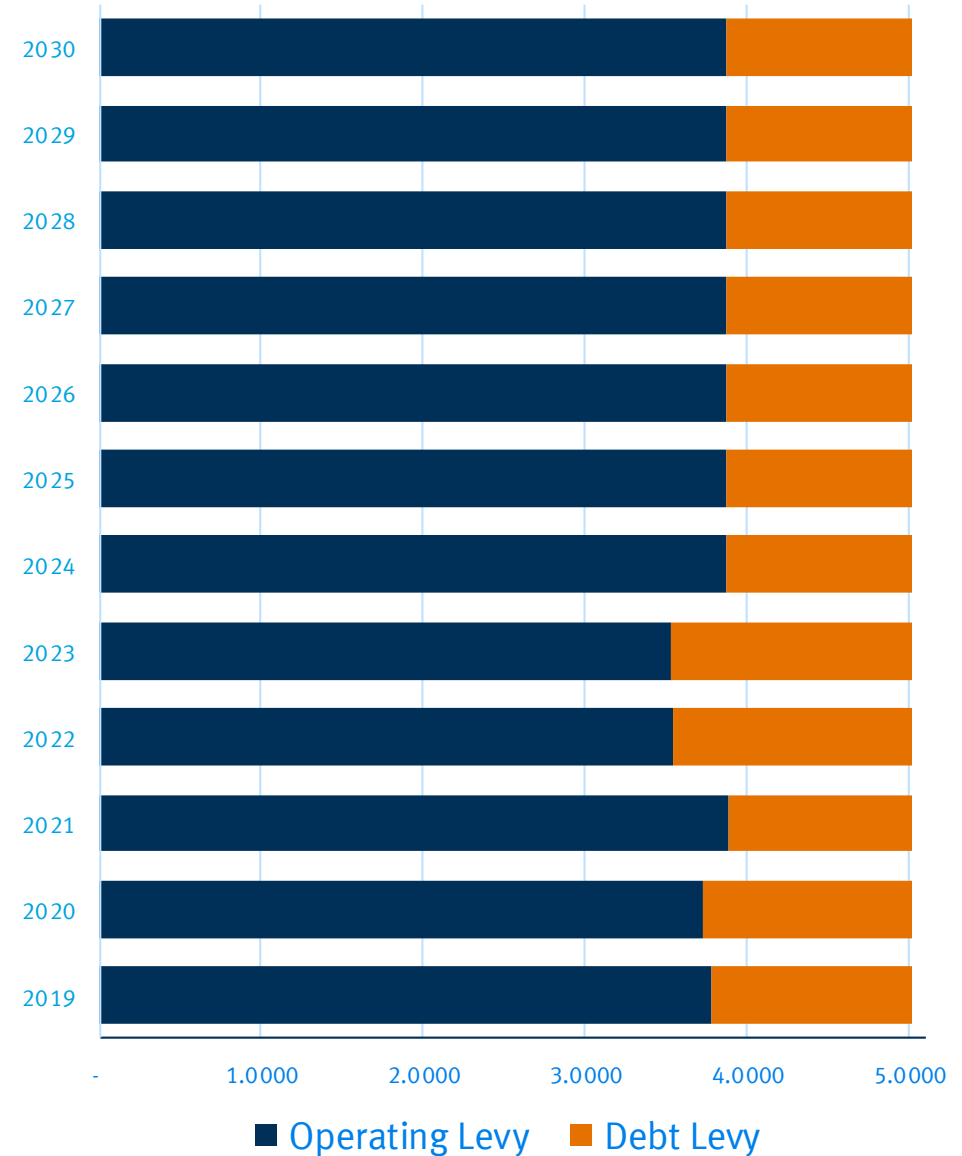
Debt Service Goals

- Continue to aggressively pay down debt
- Maintain Healthy Reserve Balances
- Preserve ability to address facility needs through “no tax increase” bond issues

Local Taxation Goals

- Continue to maximize revenues to provide quality education within levy authorized by taxpayers
- Address all current goals within current local tax levy if possible
- If not possible, address as many current goals as possible in priority order and begin strategic planning as to how to address other objectives

Levy Data Past, Present and Potential Future



01 Learning Objective 1: District Goals and Objectives

▶ **02** Learning Objective 2: Near Term Planning

03 Learning Objective 3: Long Range Plan Potential

Near Term Finance and Facilities Planning

Short Term Goals

- Address Staff Recruitment and Retention
- Complete Phase 2 of Building Projects

Actionable Steps

- Increase Operational Revenues without Increasing Tax Rate
- Use Unrestricted Reserves in the Debt Service Fund strategically to increase State Constitutional Capacity while preserving future “no tax increase” bond issue ability
- Complete long range finance and facilities plan with community input

Near Term Potential Plan

1. Shift levy allocation to increase available operating revenues available to address staff retention/recruitment;
 - a. Prop C Waiver/Debt Levy Reduction
 - b. Levy Transfer
 - c. April 2024
2. “No Tax Increase” Bond Issue to address Phase 2 of current building project;
 - a. Bonding Capacity vs Building Projects
 - b. Take into account future needs and capacities

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Long Range Finance and Facilities Plan Option

Prop C Waiver with Debt Service Rollback

- No Tax Increase
- Reallocation of Revenues to Focus more on Operations
- Benefits versus standard levy transfer
 - Easier Budgeting
 - Easier Long Range Planning
 - Prop C can easily be repealed

Long Range Planning Potential

- 2024 No Tax Increase Prop C Waiver (~\$3,500,000 additional operational revenues available annually based on FY25 Projected Assessed Value)
- 2025 Bond Issue – ~\$52,000,000
- 2030 Bond Issue – ~\$50,000,000
- 2033 Capital Projects Levy Extension Funds Lease for ~\$50,000,000
- 2035 Bond Issue – ~\$63,000,000
- 2040 Bond Issue – ~\$75,000,000
- 15 Year Capital Expenditure Potential Approximately \$290,000,000 under current assumptions

Actions and Outcomes

2024 Prop C Waiver

- Address near term recruitment/retention goals
- Potential for over 20% to total operational revenues in 10 years (60% growth in local revenues)

4 Bond Issues over 15 years

- Beginning in 2025 (or when capacity is optimized)
- Potentially \$240,000,000 available for facilities improvements
- No Increase in tax rate needed

Extend Temporary Capital Projects Levy

- In 2033, could provide additional funds for facilities improvements in the future if needed
- Current projected amount is approximately \$50,000,000
- Total Potential dollars available \$290,000,000 for facilities improvements

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