



West Contra Costa USD

General Obligation Bond Update

Presentation to the Facilities Subcommittee

August 26, 2014



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A Division of Zions First National Bank

Bond Program Status

- The bond program is moving ahead largely as planned.
 - The District successfully closed its 2014 GO Refunding Bonds, achieving in excess of \$10 million of Net Present Value Savings for taxpayers
 - At this point, the District is turning attention to its new money needs: 2010 Measure D and 2012 Measure E bonds are available to the District to finance capital projects.
 - The long-range financing plan has new money bond financings in odd-numbered years.
 - This presentation discusses the potential sizing and timing of new money bonds based on targeted assumptions.

2010D/2012E Bond Program

- 2010 Measure D and 2012 Measure E bonds are available to the District to finance capital projects.
- Each measure has a 5% of total assessed value statutory debt limit through debt waivers issued by the State Board of Education.

	2010 Measure D	2012 Measure E	Total
Authorization Amount	\$380,000,000	\$360,000,000	\$740,000,000
Amount Issued	140,000,000	85,000,000	225,000,000
Remaining Authorization	240,000,000	275,000,000	515,000,000
Waiver for Bond Capacity Expiration	December 2021	December 2025	

Sizing Decisions

- As in the past, decisions regarding sizing of each issue will be made by the Board of Education at the time of issuance based on a number of competing interests.
 - Consistency with the District's long-term financing plan.
 - District's funds on-hand from prior bond issuances and anticipated future capital expenditure needs.
 - Emphasis on meeting target tax rate of \$48 per \$100,000 of AV for each of the two measures.
 - Structuring debt service at or below 4.0% AV growth assumption.
 - Structuring bond issuances within debt waiver limit and timeframe.
 - Structuring bond issuances to provide flexibility for future issuances.
 - The extent to which projects straddling series of bonds can be avoided or limited to reduce the District's exposure in the event of unexpected developments.

Current 2010D/2012 E Long-Term Financing Plan

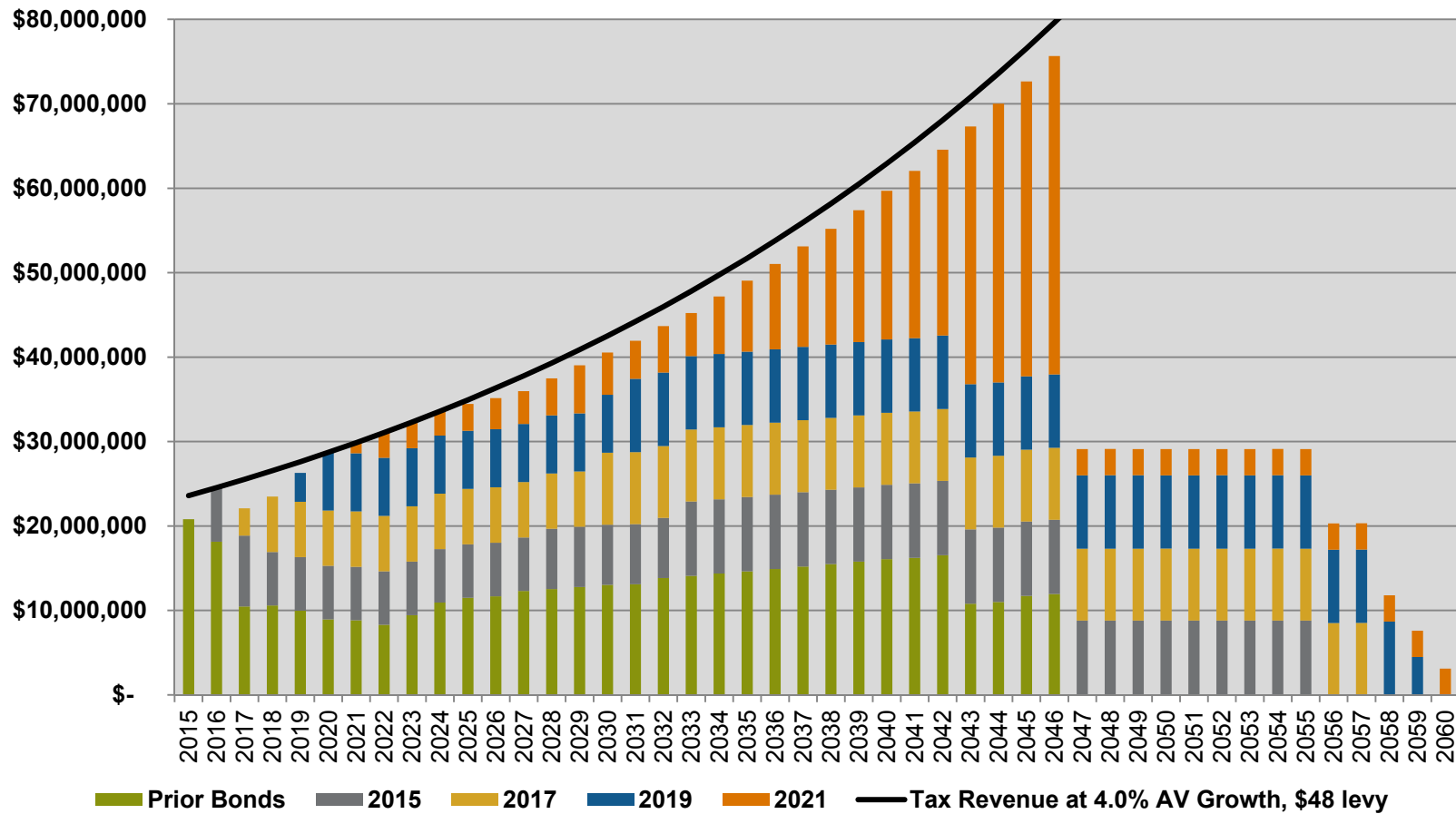
- The District can maintain its target tax rate of \$48 at 4.0% AV growth for 2010 Measure D and 2012 Measure E, assuming the issuance of \$125 million in bonds in alternating years through 2019. With these assumptions a small amount of authorization cannot be accessed until after 2021.

	2010 Measure D	2012 Measure E	Total
Previously Issued	\$140,000,000	\$85,000,000	\$225,000,000
2014-15	50,000,000	75,000,000	125,000,000
2016-17	60,000,000	65,000,000	125,000,000
2018-19	65,000,000	60,000,000	125,000,000
2020-21	42,205,011	71,719,572	113,924,583
After 2021	22,794,989	3,280,428	26,075,417
	\$380,000,000	\$360,000,000	\$740,000,000

Issuance amounts are subject to change based on future A.V. growth, market conditions, interest rates at the time of sale, and structure assumptions. Bonds issued in 2021 and beyond may be required to use AB 182 compliant capital appreciation bonds absent AV growth in excess of the 4.0% assumption.



Current 2010D/2012 E Long-Term Financing Plan



Strategies to Access Remaining Authorization Sooner

- The District may be able to access remaining authorization sooner if:
 - Assessed valuation exceeds the assumed 4.0% annual growth.
 - The District exceeds the \$48 per \$100,000 of assessed value target tax rate.

Financing Plan with 6.0% AV Growth

- At 6% AV growth, the 2015 and 2017 financings can be increased by \$10 million each. Moreover, all remaining authorization can be issued by 2021.

	2010 Measure D	2012 Measure E	Total
Previously Issued	\$140,000,000	\$85,000,000	\$225,000,000
2014-15	60,000,000	75,000,000	135,000,000
2016-17	70,000,000	65,000,000	135,000,000
2018-19	65,000,000	60,000,000	125,000,000
2020-21	45,000,000	75,000,000	120,000,000
	\$380,000,000	\$360,000,000	\$740,000,000

Issuance amounts are subject to change based on future A.V. growth, market conditions, interest rates at the time of sale, and structure assumptions. Bonds issued may be required to use AB 182 compliant capital appreciation bonds.

Financing Plan with \$60 Tax Rate

- A \$60 tax rate allows issuances of approximately \$165 million in 2017 and 2019 and the completion of the bonding program in 2021.

	2010 Measure D	2012 Measure E	Total
Previously Issued	\$140,000,000	\$85,000,000	\$225,000,000
2014-15	60,000,000	75,000,000	135,000,000
2016-17	75,000,000	90,000,000	165,000,000
2018-19	75,000,000	90,000,000	165,000,000
2020-21	30,000,000	20,000,000	50,000,000
	\$380,000,000	\$360,000,000	\$740,000,000

Issuance amounts are subject to change based on future A.V. growth, market conditions, interest rates at the time of sale, and structure assumptions. Bonds issued may be required to use AB 182 compliant capital appreciation bonds.

Sample Bond Issuance Schedule

- The District will need approximately 3 months to complete a bond issuance.

Week	Task
1-2	Kickoff Meeting Document Drafting
3-4	Document Drafting & Editing
5-6	Document Drafting & Editing Rating Agency Presentation Drafting
7-8	Rating Agency Presentation Board Approval of Financing Investor Outreach
9-10	Bond Marketing Pricing
12	Closing