



Measure S Update on Tax Rates and Debt Issuances

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DISTRICT ADVISORY COUNCIL (DAC)



Presentation Overview

Section 1: Current Status of Measure S
(Series A Issuance \$188,000,000)

Section 2: Measure S Analysis

An architectural rendering of a modern, multi-story building with large glass windows and a flat roof. A large, leafy tree is in the foreground on the right, casting a shadow on the building. To the left, there are more trees, including a weeping willow. In the background, a paved path with a circular design leads towards the building, where a group of people is walking. The sky is blue with some clouds. A white banner with green text is overlaid on the bottom left of the image.

Section I

Current Status of Measure S

Ballot Language



- ▶ **Measure S** – *“To repair and modernize aging high school classrooms, labs, and school facilities, including deteriorated roofs, plumbing, and electrical systems, complete earthquake safety retrofits, improve campus safety/security, and upgrade career training facilities, science labs, libraries, and technology that support student achievement in math, science, engineering, and skilled trades, shall Orange Unified School District issue \$288,000,000 in bonds, at legal interest rates, with independent citizen oversight, ensuring expended revenues meet the bond guidelines and that no money is used for teacher or administrators’ salaries, or other school operating expenses ”.*



Orange High School STEM Center –
Completed November 2020



El Modena High School STEM Center –
Summer 2021 Completion





Villa Park High School STEM Center –
Summer 2021 Completion



Canyon High School STEM Center –
Fall 2021 Completion





Excerpts from Tax Rate Statement

1. The **best estimate of the tax rate** which would be required to be levied to fund this bond issue during the **first fiscal year after the sale of the first series of bonds**, based on estimated assessed valuations available at the time of filing of this statement, is 2.90 cents per \$100 (**\$29 per \$100,000**) of assessed valuation in **fiscal year 2017-18**.
2. The **best estimate of the tax rate** which would be required to be levied to fund this bond issue during the **first fiscal year after the sale of the last series of bonds**, based on estimated assessed valuations available at the time of filing of this statement, is 2.90 cents per \$100 (**\$29 per \$100,000**) of assessed valuation in **fiscal year 2022-23**.
3. The **best estimate of the highest tax rate** which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 2.90 cents per \$100 (**\$29 per \$100,000**) of assessed valuation and is **expected to remain approximately the same in each year during the term of repayment of the bonds**.
4. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all of the bonds are issued and sold is \$590,400,000. Pursuant to California Education Code Section 15144.1, the ratio of total debt service to principal for each bond series shall not exceed 4 to 1, and the **best estimated ratio of total estimated debt service to principal if all of the bonds are issued is 2.05 to 1**.

Summary of Measure S General Obligation Bond Program

Measure S (Election of 2016)



1. Approved by Voters on November 8, 2016
2. Passage Rate: 62.5%
3. \$288,000,000 Bond Program Size
4. Series A Bonds: \$188,000,000 Issued in June 2018
(Repayment Ratio: 1.82:1)
5. Series B Bonds: \$100,000,000 issued date To Be Determined
6. Tax Rates have been below \$29.00 Per \$100,000 of Assessed Valuation.
7. Final Year of Tax Levy for Series A Bonds : FY 2046-47

Summary of Measure S Tax Savings Delivered to the Community Thus Far

Measure S Tax Savings Realized to Date

Tax Year	“Ballot Language” Proposed Tax Rate	Actual Tax Rate Levied	Tax Rate Savings Per \$100,000 of Assessed Valuation	Tax Rate Savings to Delivered to Entire OUSD Community
2017-18	\$29.00 / \$100,000	\$0.00	\$29.00	\$10,048,840
2018-19	\$29.00 / \$100,000	\$26.85 / \$100,000	\$2.15	\$779,621
2019-20	\$29.00 / \$100,000	\$22.88 / \$100,000	\$6.12	\$2,333,866
2020-21	\$29.00 / \$100,000	\$16.64 / \$100,000	\$12.36	\$4,871,576

\$18,033,903

An architectural rendering of a modern, multi-story building with a green-tinted facade and large windows. A large, mature pine tree stands in the foreground on the left, partially obscuring the building. The building features a covered entrance area with a wooden ceiling. The scene is set against a blue sky with white clouds, and a green lawn and a paved path are visible in the foreground.

Section II

Measure S Analysis

2020-21 Assessed Valuation for Orange Unified



Year	Assessed Evaluations	Annual % Change
2000	\$ 15,409,525,117	8.88%
2001	\$ 16,597,662,928	7.71%
2002	\$ 17,723,489,960	6.78%
2003	\$ 18,793,818,430	6.04%
2004	\$ 19,985,449,794	6.34%
2005	\$ 21,420,374,760	7.18%
2006	\$ 23,308,734,152	8.82%
2007	\$ 25,378,248,083	8.88%
2008	\$ 27,309,125,732	7.61%
2009	\$ 28,536,462,843	4.49%
2010	\$ 28,023,466,959	-1.80%
2011	\$ 27,636,013,478	-1.38%
2012	\$ 27,923,280,855	1.04%
2013	\$ 27,975,902,675	0.19%
2014	\$ 28,886,875,779	3.26%
2015	\$ 30,369,591,805	5.13%
2016	\$ 31,897,492,312	5.03%
2017	\$ 32,888,003,819	3.11%
2018	\$ 34,651,173,838	5.36%
2019	\$ 36,261,455,981	4.65%
2020	\$ 38,135,061,279	5.17%
2021	\$ 39,414,047,000	3.35%
10-year average		3.63%
Annual Average Since 2000		4.81%

Comparison of Actual and Projected Future Tax Rates for Series A Bonds Under Alternative Assessed Valuation Growth Assumptions

Fiscal Year	1		2		3		4	
	Original 2016		Conservative		Moderate		Aggressive	
	AV Growth Assumption	Actual/Projected Tax Rate	AV Growth Assumption	Actual/Projected Tax Rate	AV Growth Assumption	Actual/Projected Tax Rate	AV Growth Assumption	Actual/Projected Tax Rate
2018-19	4.65%	\$26.85	4.65%	\$26.85	4.65%	\$26.85	4.65%	\$26.85
2019-20	5.17%	\$22.88	5.17%	\$22.88	5.17%	\$22.88	5.17%	\$22.88
2020-21	3.35%	\$16.64	3.35%	\$16.64	3.35%	\$16.64	3.35%	\$16.64
2021-22	4.00%	\$18.12	-1.75%	\$19.18	0.00%	\$18.85	2.00%	\$18.48
2022-23	4.00%	\$18.36	-1.25%	\$20.46	0.00%	\$19.85	2.00%	\$19.08
2023-24	4.00%	\$18.36	1.00%	\$21.07	2.00%	\$20.24	2.00%	\$19.46
2024-25	4.00%	\$18.35	1.00%	\$21.69	2.00%	\$20.64	2.00%	\$19.83
2025-26	4.00%	\$18.34	4.00%	\$21.68	4.00%	\$20.62	4.00%	\$19.82
2026-27	4.00%	\$18.34	4.00%	\$21.67	4.00%	\$20.62	4.00%	\$19.82
2027-28	4.00%	\$18.34	4.00%	\$21.68	4.00%	\$20.62	4.00%	\$19.82
2028-29	4.00%	\$18.33	4.00%	\$21.67	4.00%	\$20.61	4.00%	\$19.81
2029-30	4.00%	\$18.33	4.00%	\$21.66	4.00%	\$20.61	4.00%	\$19.81
2030-31	4.00%	\$18.33	4.00%	\$21.66	4.00%	\$20.61	4.00%	\$19.81
2031-32	4.00%	\$18.32	4.00%	\$21.65	4.00%	\$20.60	4.00%	\$19.80
2032-33	4.00%	\$18.32	4.00%	\$21.66	4.00%	\$20.60	4.00%	\$19.80
2033-34	4.00%	\$18.32	4.00%	\$21.65	4.00%	\$20.60	4.00%	\$19.80
2034-35	4.00%	\$18.31	4.00%	\$21.65	4.00%	\$20.59	4.00%	\$19.79
2035-36	4.00%	\$18.31	4.00%	\$21.65	4.00%	\$20.59	4.00%	\$19.79
2036-37	4.00%	\$18.31	4.00%	\$21.65	4.00%	\$20.59	4.00%	\$19.79
2037-38	4.00%	\$18.31	4.00%	\$21.64	4.00%	\$20.59	4.00%	\$19.79
2038-39	4.00%	\$18.31	4.00%	\$21.64	4.00%	\$20.58	4.00%	\$19.78
2039-40	4.00%	\$18.30	4.00%	\$21.64	4.00%	\$20.58	4.00%	\$19.78
2040-41	4.00%	\$18.30	4.00%	\$21.63	4.00%	\$20.58	4.00%	\$19.78
2041-42	4.00%	\$18.30	4.00%	\$21.63	4.00%	\$20.57	4.00%	\$19.77
2042-43	4.00%	\$18.30	4.00%	\$21.63	4.00%	\$20.58	4.00%	\$19.78
2043-44	4.00%	\$18.30	4.00%	\$21.63	4.00%	\$20.57	4.00%	\$19.78
2044-45	4.00%	\$18.30	4.00%	\$21.63	4.00%	\$20.57	4.00%	\$19.77
2045-46	4.00%	\$18.29	4.00%	\$21.62	4.00%	\$20.57	4.00%	\$19.77
2046-47	4.00%	\$18.29	4.00%	\$21.62	4.00%	\$20.57	4.00%	\$19.77

**Comparison of
Actual and
Projected Future Tax
Rates
After the Issuance of
\$100 Million Series B
Bonds in School
Year 2020 -21
Under Alternative
Assessed Valuation
Growth Assumptions
Each Series of Bonds
Limited to 30 Year
Term**

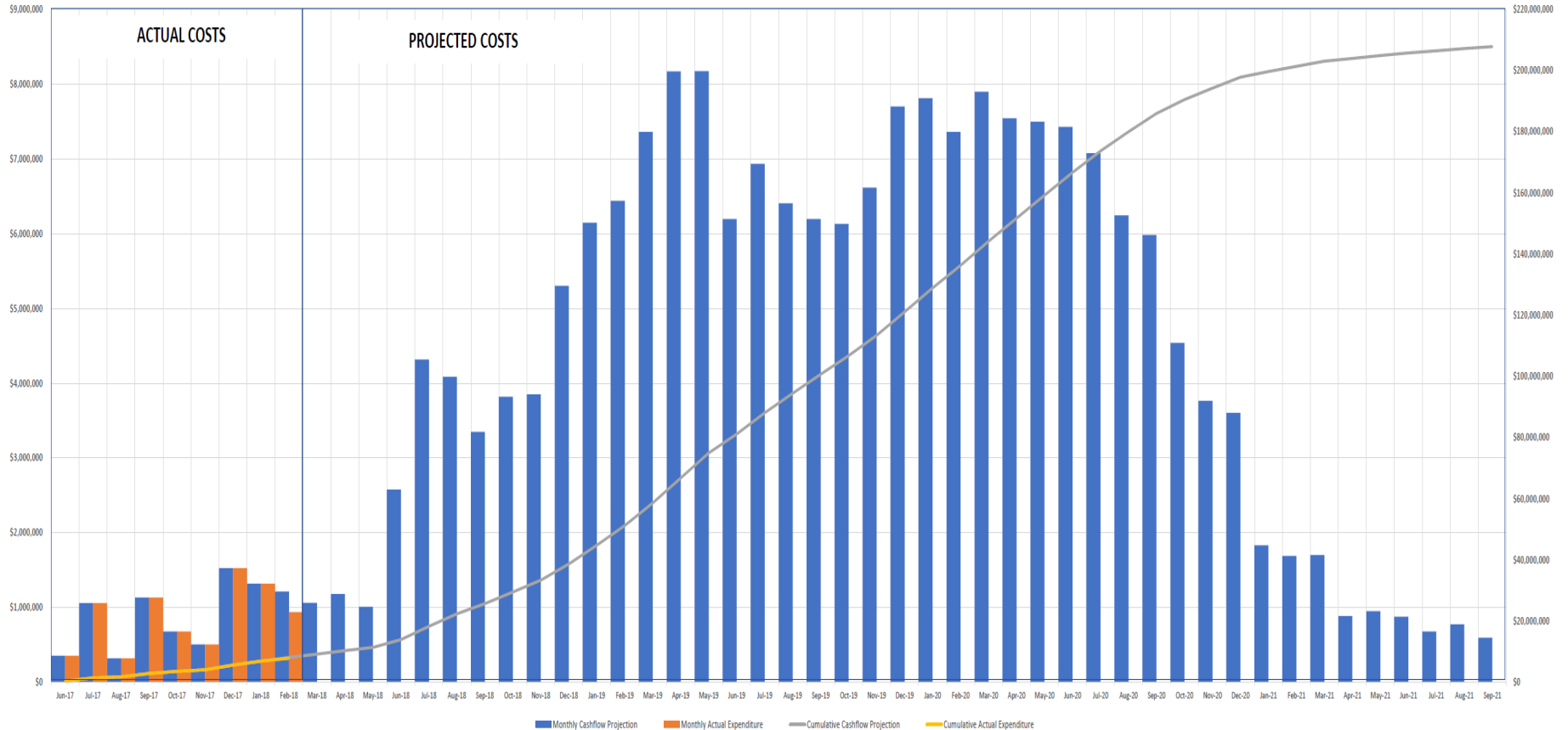
Fiscal Year	1 Original 2016		2 Conservative		3 Moderate		4 Aggressive	
	AV Growth Assumption	Actual/Projected Tax Rate	AV Growth Assumption	Actual/Projected Tax Rate	AV Growth Assumption	Actual/Projected Tax Rate	AV Growth Assumption	Actual/Projected Tax Rate
2018-19	4.65%	\$26.85	4.65%	\$26.85	4.65%	\$26.85	4.65%	\$26.85
2019-20	5.17%	\$22.88	5.17%	\$22.88	5.17%	\$22.88	5.17%	\$22.88
2020-21	3.35%	\$16.64	3.35%	\$16.64	3.35%	\$16.64	3.35%	\$16.64
2021-22	4.00%	\$27.54	-1.75%	\$28.94	0.00%	\$28.95	2.00%	\$28.41
2022-23	4.00%	\$26.85	-1.25%	\$30.56	0.00%	\$29.71	2.00%	\$28.60
2023-24	4.00%	\$27.41	1.00%	\$31.07	2.00%	\$29.90	2.00%	\$28.78
2024-25	4.00%	\$27.06	1.00%	\$31.59	2.00%	\$30.10	2.00%	\$28.98
2025-26	4.00%	\$26.71	4.00%	\$31.20	4.00%	\$29.73	4.00%	\$28.61
2026-27	4.00%	\$26.38	4.00%	\$30.83	4.00%	\$29.37	4.00%	\$28.27
2027-28	4.00%	\$26.20	4.00%	\$30.48	4.00%	\$29.04	4.00%	\$27.95
2028-29	4.00%	\$26.19	4.00%	\$30.13	4.00%	\$28.70	4.00%	\$27.63
2029-30	4.00%	\$26.19	4.00%	\$29.80	4.00%	\$28.39	4.00%	\$27.32
2030-31	4.00%	\$26.19	4.00%	\$29.49	4.00%	\$28.09	4.00%	\$27.07
2031-32	4.00%	\$26.18	4.00%	\$29.18	4.00%	\$27.90	4.00%	\$27.07
2032-33	4.00%	\$26.19	4.00%	\$28.92	4.00%	\$27.91	4.00%	\$27.08
2033-34	4.00%	\$26.19	4.00%	\$28.93	4.00%	\$27.90	4.00%	\$27.08
2034-35	4.00%	\$26.18	4.00%	\$28.93	4.00%	\$27.91	4.00%	\$27.07
2035-36	4.00%	\$26.18	4.00%	\$28.93	4.00%	\$27.90	4.00%	\$27.07
2036-37	4.00%	\$26.18	4.00%	\$28.92	4.00%	\$27.90	4.00%	\$27.07
2037-38	4.00%	\$26.18	4.00%	\$28.93	4.00%	\$27.91	4.00%	\$27.08
2038-39	4.00%	\$26.18	4.00%	\$28.93	4.00%	\$27.90	4.00%	\$27.07
2039-40	4.00%	\$26.17	4.00%	\$28.92	4.00%	\$27.91	4.00%	\$27.07
2040-41	4.00%	\$26.17	4.00%	\$28.93	4.00%	\$27.91	4.00%	\$27.07
2041-42	4.00%	\$26.17	4.00%	\$28.93	4.00%	\$27.91	4.00%	\$27.06
2042-43	4.00%	\$26.18	4.00%	\$28.92	4.00%	\$27.90	4.00%	\$27.07
2043-44	4.00%	\$26.17	4.00%	\$28.92	4.00%	\$27.91	4.00%	\$27.07
2044-45	4.00%	\$26.17	4.00%	\$28.92	4.00%	\$27.90	4.00%	\$27.07
2045-46	4.00%	\$26.17	4.00%	\$28.92	4.00%	\$27.90	4.00%	\$27.07
2046-47	4.00%	\$26.17	4.00%	\$28.92	4.00%	\$27.90	4.00%	\$27.07
2047-48	4.00%	\$14.84	4.00%	\$28.73	4.00%	\$25.25	4.00%	\$22.94
2048-49	4.00%	\$14.84	4.00%	\$28.73	4.00%	\$25.25	4.00%	\$22.94
2049-50	4.00%	\$14.84	4.00%	\$28.73	4.00%	\$25.25	4.00%	\$22.94



MEASURE S BOND PROGRAM - SCIENCE CENTER CASH FLOW PROJECTION

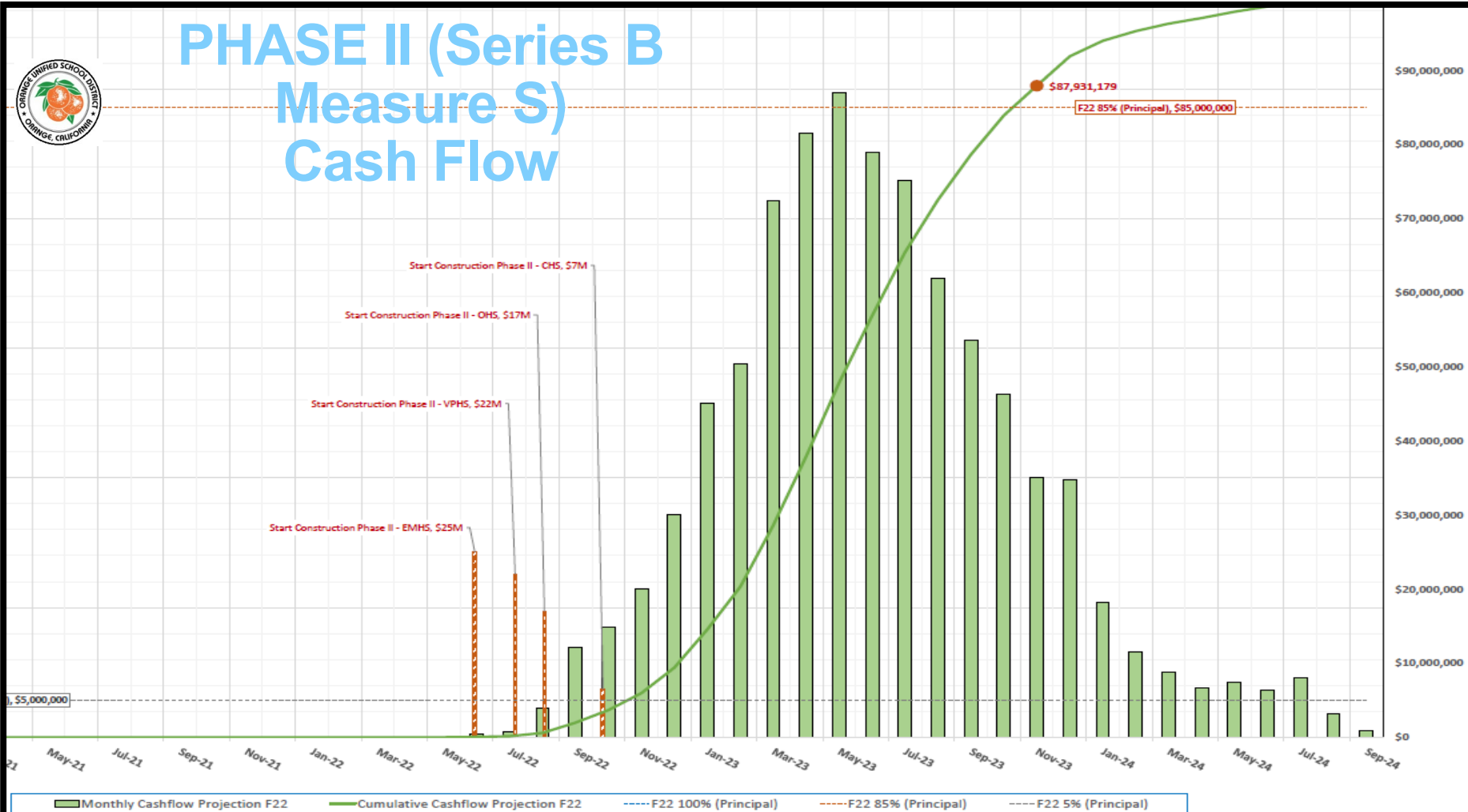
Actual Costs thru February 28, 2018

Projected Costs thru September 30, 2021





PHASE II (Series B Measure S) Cash Flow



Next Steps



Staff Recommendations
preparing for Series B Issuance

Target \$100 Million Issuance
for later part of 2021 or
beginning of 2022

Continue monitoring Bond
Market and Interest Rates
with our Debt Advisor,
Piper Sandler



Board Members Comments or Questions

