BOND FEASIBILITY STUDY

CONDUCTED FOR THE
ORANGE UNIFIED SCHOOL
DISTRICT

PRESENTED BY
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1/22/2016



PURPOSE OF STUDY

- Determine if a bond measure is feasible
- Identify how to create a measure consistent with community priorities
- Gather information needed for communications & outreach



METHODOLOGY OF STUDY

- o Telephone survey
 - Conducted December 1st to December 15th, 2015
 - o 18 minute average
- 800 District voters (200 from each High School attendance area) likely to participate in November 2016 election, with June 2016 subset
- Overall margin of error ± 3.4%, within each attendance area approximately ± 6.9%



IMPORTANCE OF ISSUES

Maintaining the quality of education in our local public schools

Improving public safety

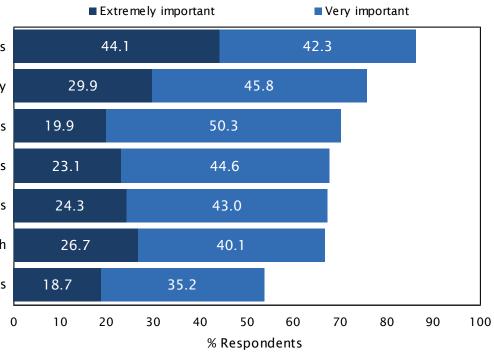
Maintaining local streets and roads

Repairing and upgrading aging school facilities

Maintaining local property values

Upgrading outdated schools to accommodate 21st Century tech

Preventing local tax increases





INITIAL BALLOT TEST

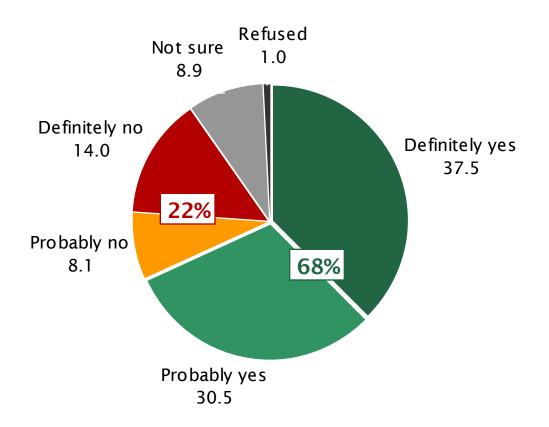
In order to:

- Repair and modernize classrooms and school facilities, including repairing deteriorating roofs, plumbing and electrical systems
- o Retrofit old buildings to meet earthquake safety standards
- Improve student safety and campus security systems
- And upgrade career-training facilities, classrooms, science labs, libraries, and instructional technology to support student achievement in math, science, engineering and skilled trades

Shall the Orange Unified School District issue 340 million dollars in bonds at legal interest rates, with independent citizen oversight and all money staying local? If the election were held today, would you vote yes or no on this measure?

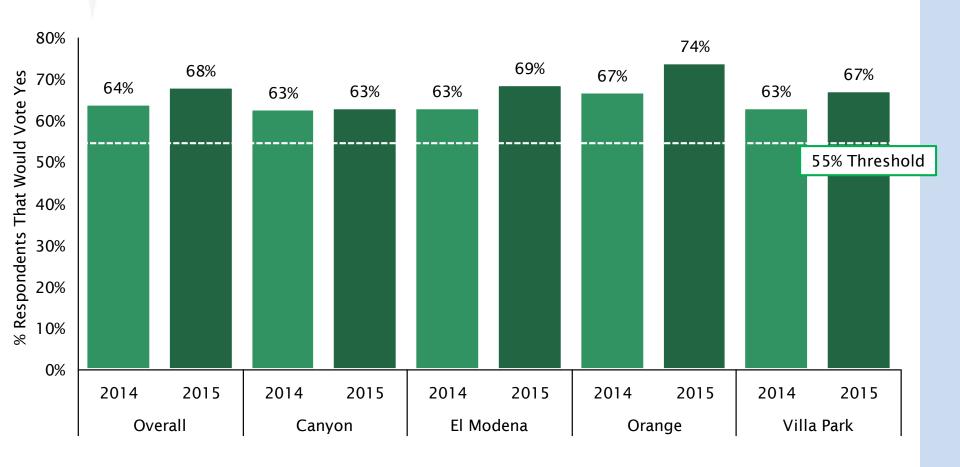


INITIAL BALLOT TEST



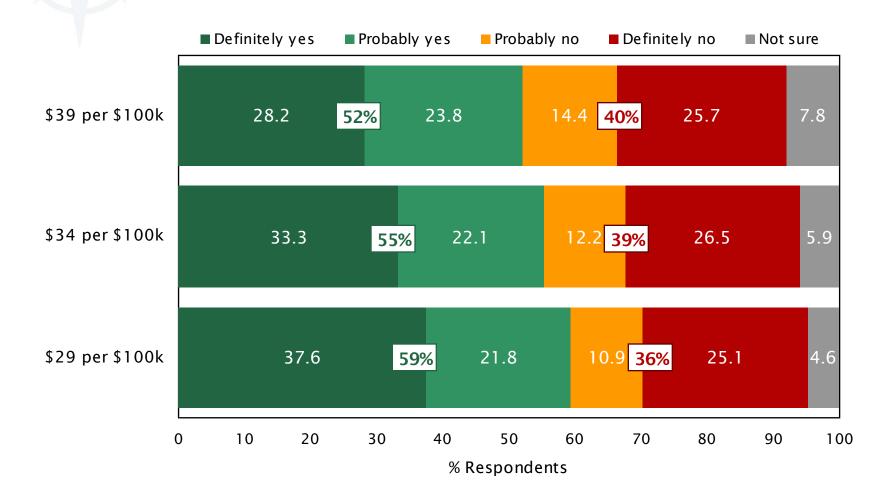


INITIAL BALLOT TEST BY ATTENDANCE AREA, 2014 & 2015



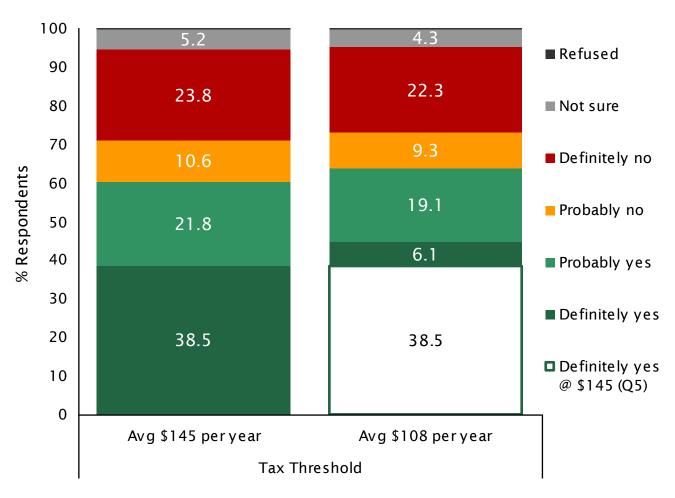


TAX THRESHOLD



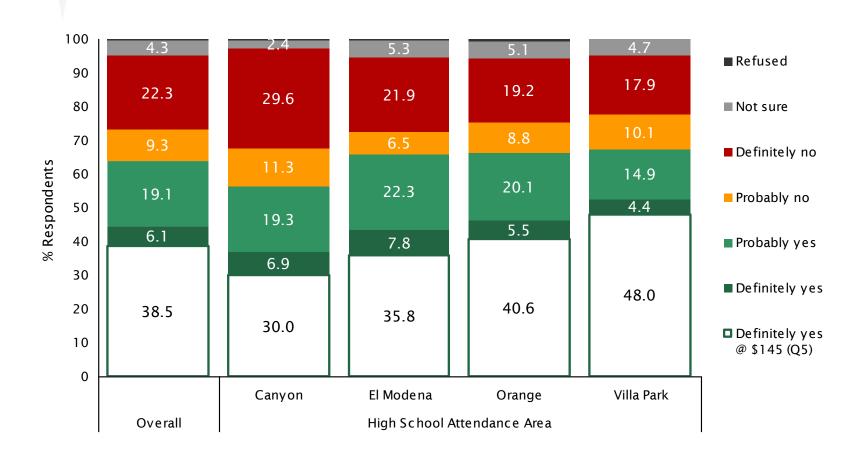


SUPPORT: AVERAGE OF \$145/\$108 PER YEAR





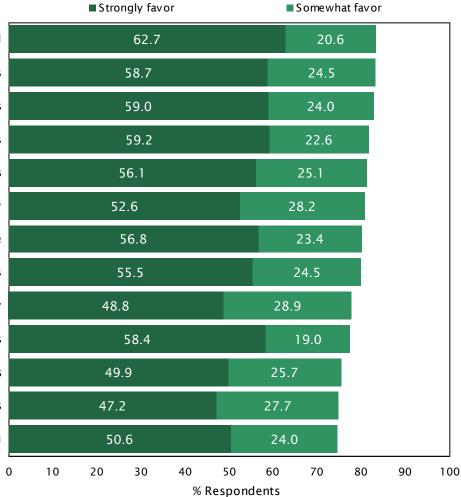
SUPPORT: AVERAGE OF \$145/\$108 BY OVERALL & HIGH SCHOOL ATTENDANCE AREA





PROJECTS & PROGRAMS

Repair leaky roofs, plumbing, electrical systems where needed Provide classrooms, labs, tech classes to prepare students for college, jobs Improve access to school facilities for students with disabilities Provide modern labs, so HS can teach advanced courses required by colleges Update instructional tech to improve learning in core subjects Upgrade classrooms, career facilities, labs to keep pace with technology Retrofit older school buildings so they are earthquake safe Improve safety, campus security, lighting, cameras, fencing, alarms systems Improve HVAC to increase energy efficiency, save money Remove hazardous materials, asbestos, lead paint from older schools Provide modern, safe classrooms, school facilities Upgrade facilities to support instruction in music and performing arts Provide modern, safe classrooms, facilities using locally controlled funding





POSITIVE ARGUMENTS

Protecting schools, quality of life a wise investment even with no children 51.1 32.2 53.4 Money raised will be spent on improving schools, not for admin salaries, pensions 29.7 51.3 31.1 Schools 40+ yrs, need updated tech, equip so students have same opportunities as others 47.7 There will be a clear system of fiscal accountability 34.1 49.8 31.8 Money raised will stay local to support students, can't be taken away Children must be skilled in 21st Century tech to succeed in college, careers 45.5 35.2 Schools 40+ yrs, need repairs, upgrades to serve community for decades to come 47.7 30.6 38.9 38.3 Measure will be written to guarantee local HS receives its fair share of funds The entire cost of this measure is deductible on your state and federal income taxes 43.4 33.2 Approving measure will ensure schools receive fair share of state matching money 38.8 37.0 Money raised will be spent on improving schools, not for admin, teacher salaries, pensions 43.2 31.6 Modernizing schools will help attract, retain best teachers to work in community 30.3 43.0 Up-to-date classrooms, labs, school facilities will help attract best teachers to schools 30.9 41.7

■ Very convincing

10

20

30

Somewhat convincing

50

% Respondents

70

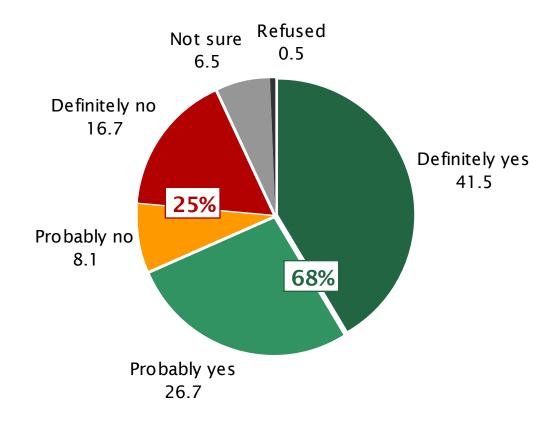
80

90



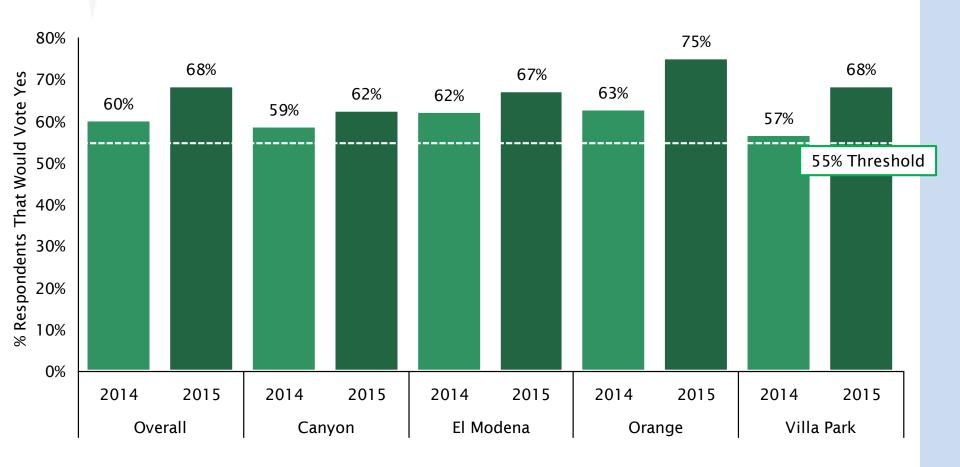
100

INTERIM BALLOT TEST



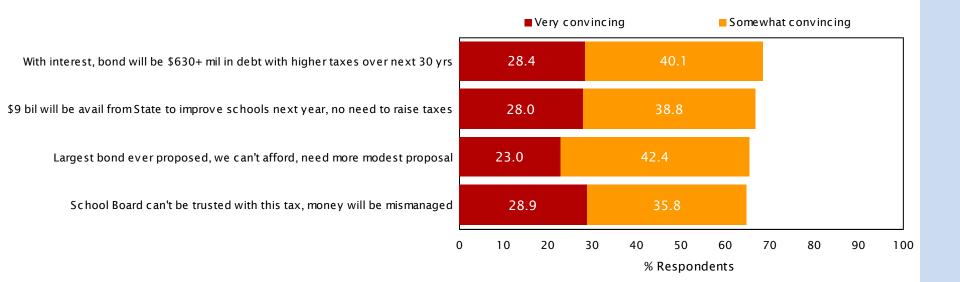


INTERIM BALLOT TEST BY ATTENDANCE AREA, 2014 & 2015



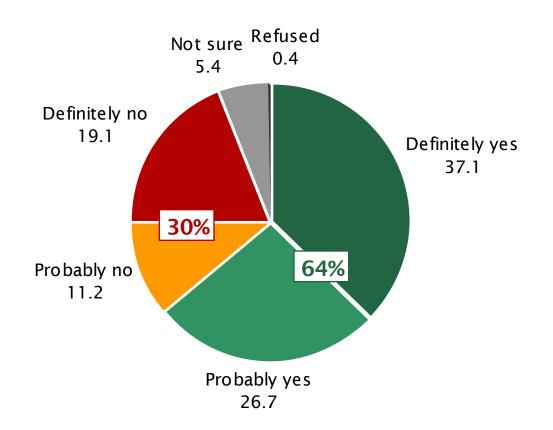


NEGATIVE ARGUMENTS



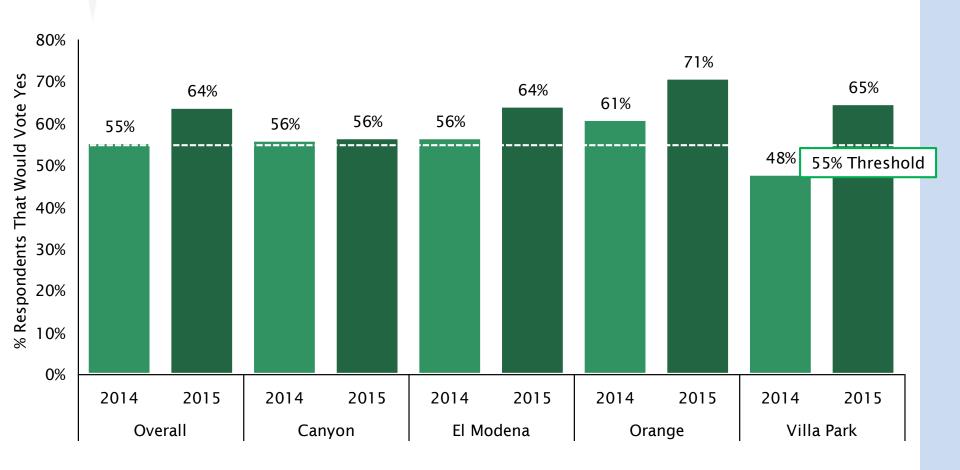


FINAL BALLOT TEST





FINAL BALLOT TEST BY ATTENDANCE AREA, 2014 & 2015





KEY CONCLUSIONS

- Is it feasible to move forward with a bond measure?
 Yes.
 - Voters perceive that maintaining the quality of education is the most important issues facing the community
 - Strong natural support for bond (68%)
 - Popular projects
 - Strong positive arguments
 - All ballot tests are above the 55% required for passage of Prop. 39
 bond
- Support is stronger among November 2016 electorate for the proposed bond when compared to 2014 survey



CONSIDERATIONS & RECOMMENDATIONS

- Election Date: November 2016 is recommended
- Tax rate: \$34 to \$39 per \$100K AV
- SFIDs or Districtwide bond?: Districtwide bond is recommended
 - ODistrictwide support ranged from 64% to 69% at key ballot tests
 - OAt no point did support dip below 55% in HS attendance areas
 - OSupport did not increase under condition that money raised would be spent in local HS attendance area
 - Tax rate variability within HS attendance areas under SFID approach would be problematic



Orange Unified School District

School Board Update #2

Facilities Assessment & Funding Project January 21, 2016



Track 1

District Due Diligence

Facilities, Technology, Finance, etc...

Track 2

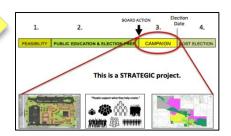
Board Briefings, Education & Updates

Process, Facilities, Finance, Research, Consensus, etc...

Track 3

Stakeholder & Opinion Leader Engagement

"People Support What They Help Create."





Track 1

District Due Diligence

Facilities, Technology, Finance, etc...

To Date: Hired Election Consultant, Pollster, Bond

Counsel, Fiscal Advisor SFID Consultant

Construction Managers (CMs) and Architects.

• January: Poll Results / 2016 Feasibility Update

February: Form Superintendent's Advisory Council

March: Community Meetings – Facility NEEDS & Solutions

Spring: Begin Citizen Oversight Committee Process

April: Bond Plan Review - Board

May: Community Consensus

• June-Aug 12th: Board Package Review, Action

and Filing for the Election

Board Briefings, Education & Updates

Track 2

Process, Facilities, Finance, Research, Consensus, etc...

November: Listening Tour Findings & Timeline Overview

December: Finance Update

TONIGHT: Poll / 2016 Feasibility Update

February: Spring Communications Update

March: Facilities 1 - Issues

April: Facilities 2 - Bond Plan Review

Spring: Briefing - Citizen Oversight Committee Process

May: Tracking Poll + Listening Work Culminates in

Reaching Community Consensus

June – Aug 12th: Board Package Review, Action & Filing

Stakeholder Engagement

"People Support What They Help Create."

Listening -

1. 2

BOARD ACTION 3.

Election Date

4.

ASSESS & LISTEN

FEASIBILITY

LISTENING - Cont. + EDUCATION & PREP

CAMPAIGN

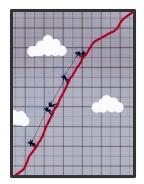
POST ELECTION

6 months

6 months

88 days to Election

On the Horizon



Spring Communications Plan: Rigorous <u>2-Way</u> Conversation



Expect to See:

- Superintendent's Advisory Committee Launch
- Direct Mail, Featuring 2-way Listening Communications
- Another Round of School Site Stakeholder Meetings
- Continuing Opinion Leader Conversations
- Public meetings at Neighborhood Schools
- Online 2-way Listening Activities web, email, social media



Wrap Up

Board Q&A Discussion

Next...

Feb: Spring Communications

Update

Ongoing: Monthly Board Updates

