



West Contra Costa USD

General Obligation Bond Update

Presentation to the Facilities Subcommittee

August 26, 2014



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.

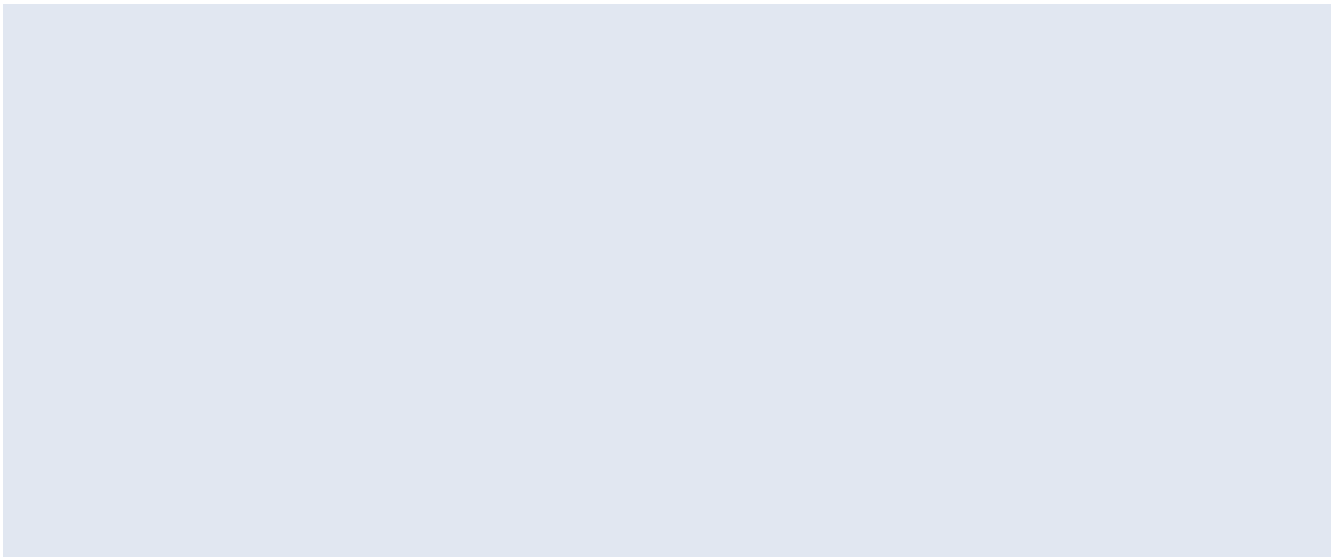
The long-range financing plan has new money bond financings in odd-



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.



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.

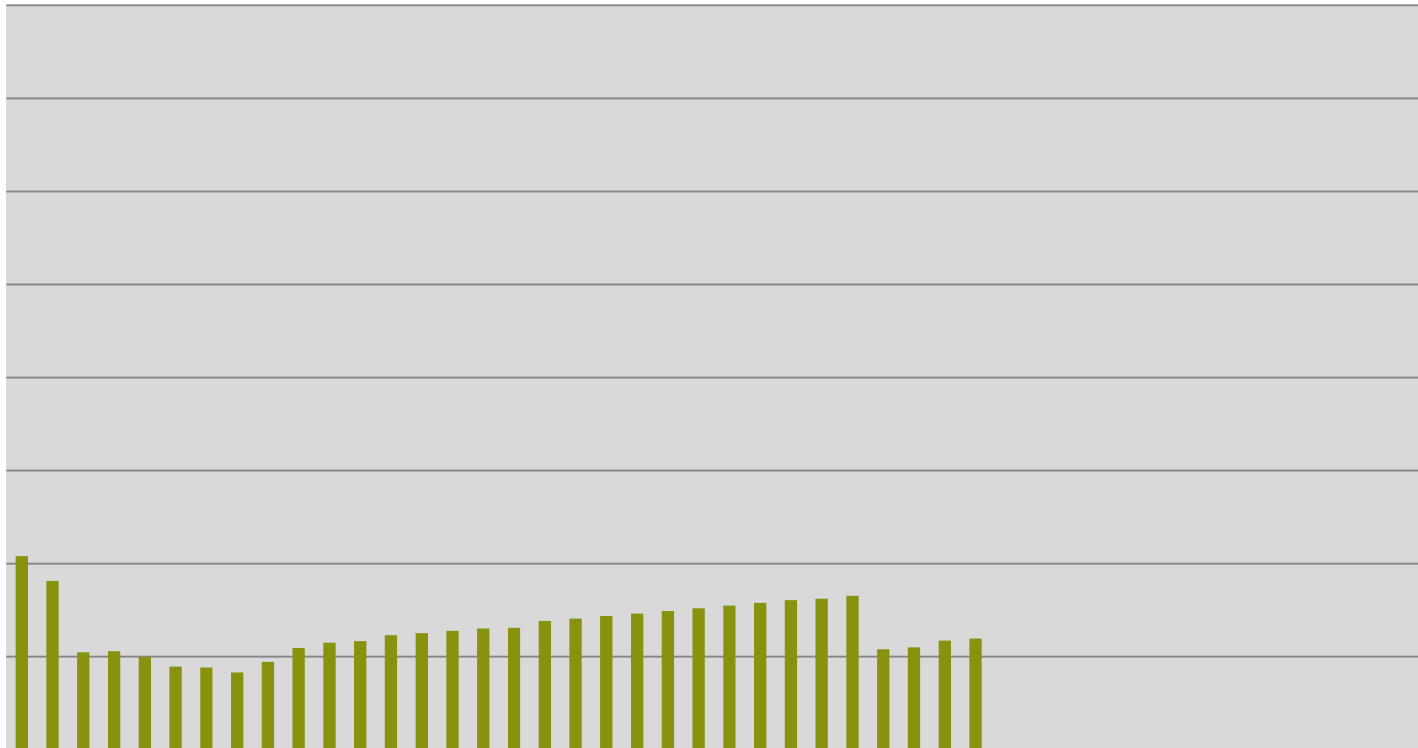


Current 2010D/2012 E Long-Term Financing Plan

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



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 |

