

OCTOBER 24, 2023

Thinking forward
for schools and
communities.



RESCUE UNION SCHOOL DISTRICT

STUDY SESSION: 2024 BOND EXPLORATION

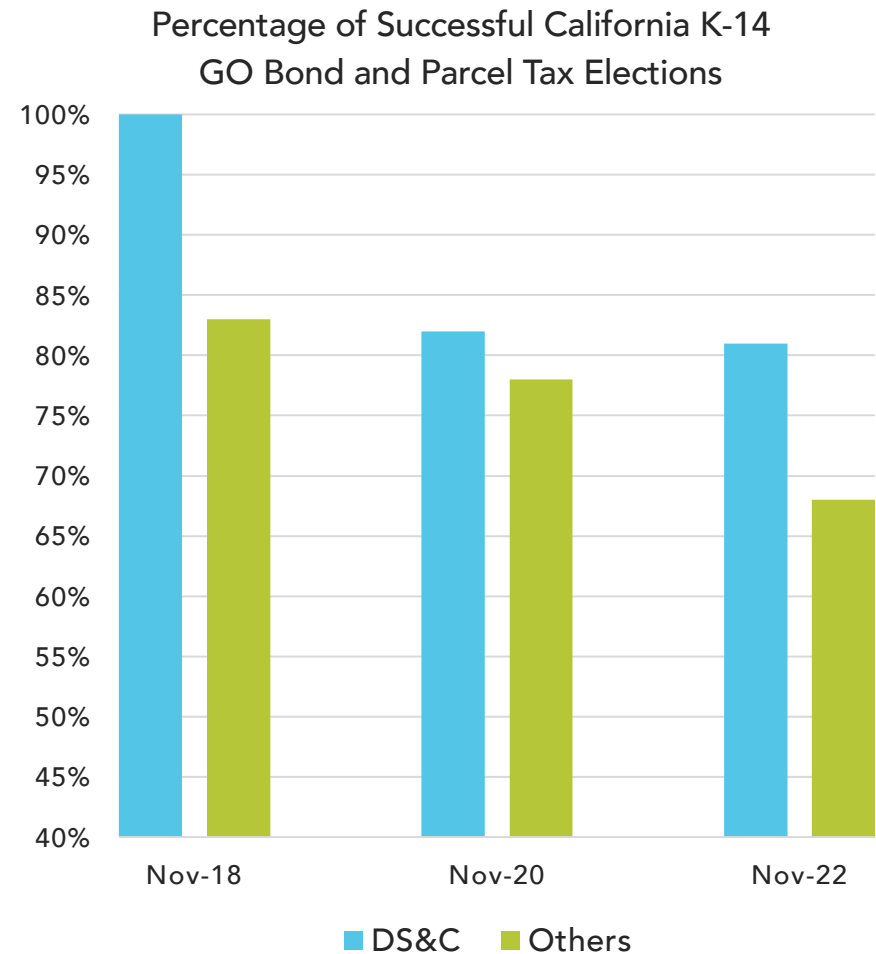


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FINANCIAL ADVISOR ON 46 SUCCESSFUL MEASURES IN LAST THREE GENERAL ELECTIONS

- ▶ **Years in Business:**
36
- ▶ **California K-14 Financings Since 2000:**
1,348
- ▶ **Successful California K-14 Bond/Parcel Tax Measures in Past Decade:**
100+
- ▶ **Recent Successes:**

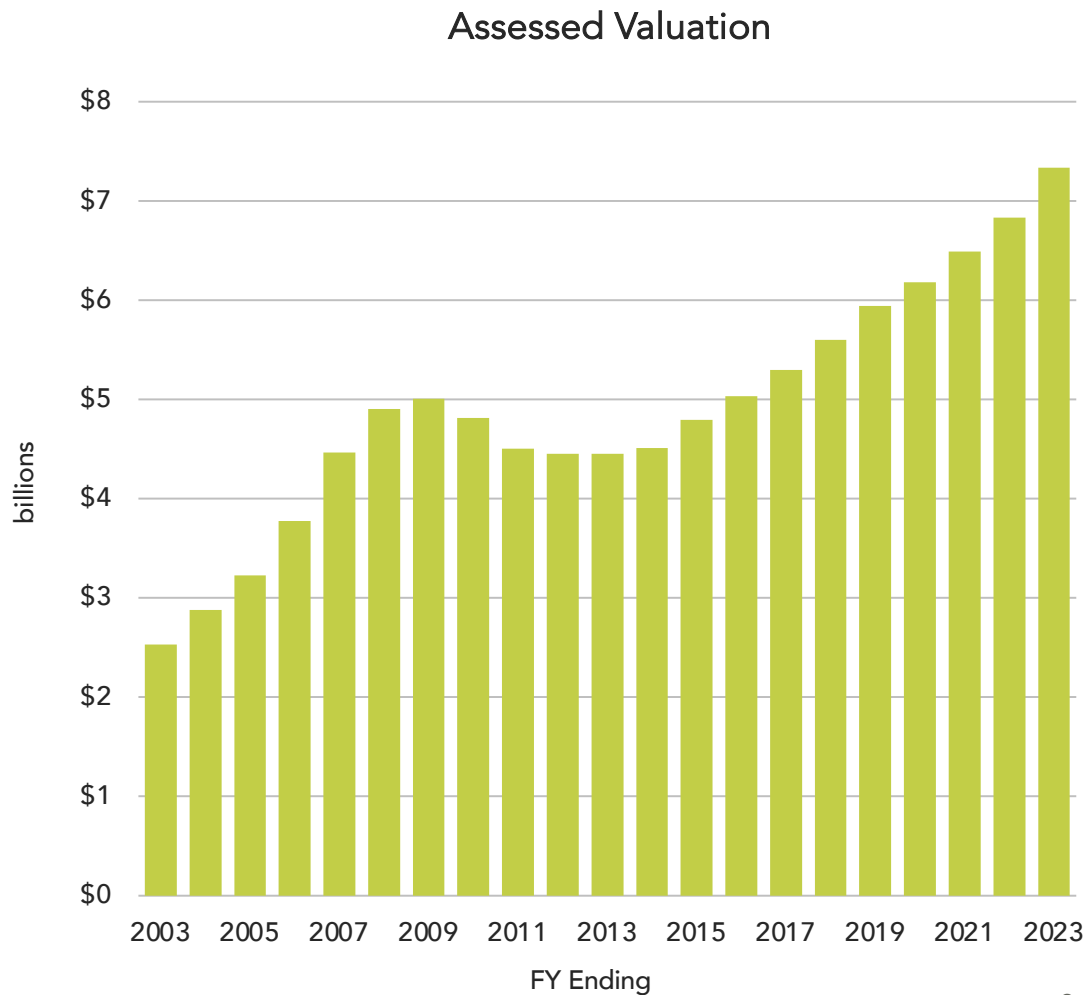
District	% R	Amount
Placer Union HSD	45%	\$82.4 million
Paso Robles Jt. USD	44%	\$95 million
Waterford USD	44%	\$10.65 million
Chowchilla Union HSD	41%	\$25.1 million
Atascadero USD	40%	\$58 million



Sources: California City Finance; CDIAC

Assessed Valuation: Rescue Union School District

DISTRICT ASSESSED VALUATION HAS GROWN BY 19% OVER THE PAST 3 YEARS



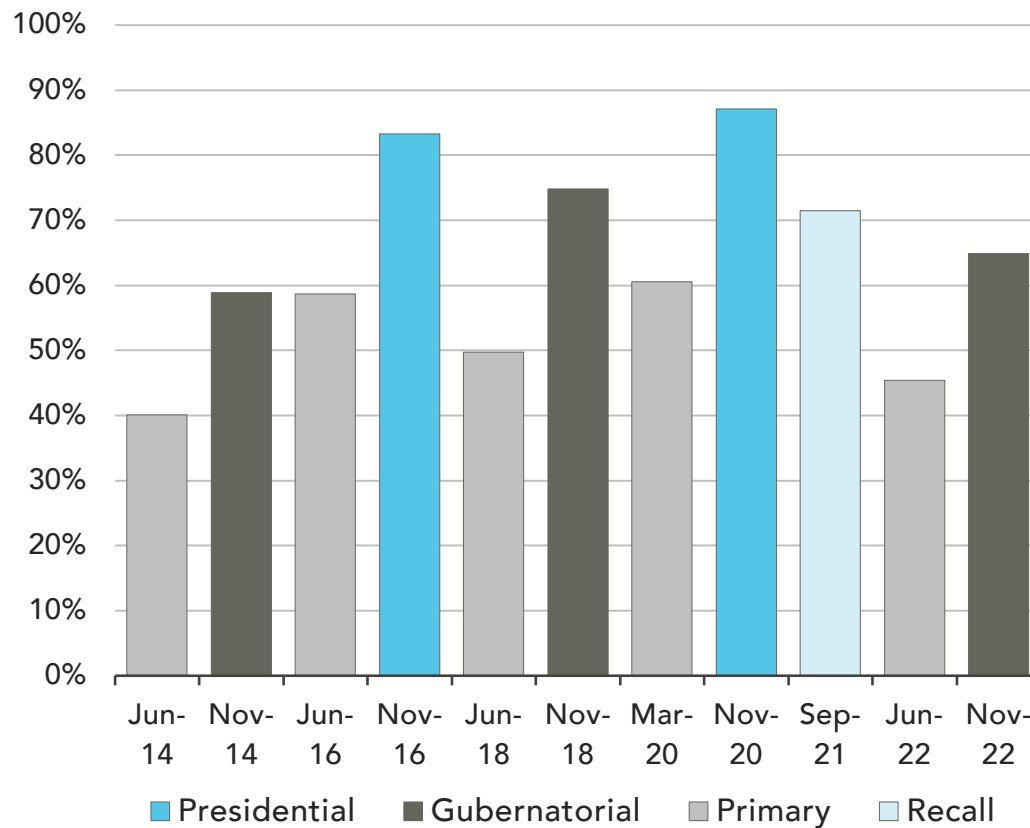
Assessed Valuation: 2003 to 2023		
FY Ending	(billions)	% change
2003	\$2.53	14.1%
2004	\$2.88	13.7%
2005	\$3.23	12.2%
2006	\$3.78	17.1%
2007	\$4.47	18.2%
2008	\$4.90	9.8%
2009	\$5.01	2.1%
2010	\$4.82	-3.8%
2011	\$4.51	-6.4%
2012	\$4.45	-1.2%
2013	\$4.45	0.0%
2014	\$4.51	1.3%
2015	\$4.80	6.3%
2016	\$5.03	5.0%
2017	\$5.30	5.2%
2018	\$5.60	5.7%
2019	\$5.94	6.1%
2020	\$6.18	4.1%
2021	\$6.49	5.0%
2022	\$6.83	5.2%
2023	\$7.33	7.4%
5 Year Average		5.2%
10 Year Average		4.4%
20 Year Average		5.8%

Source: California Municipal Statistics (2003-2022); El Dorado County (2023)

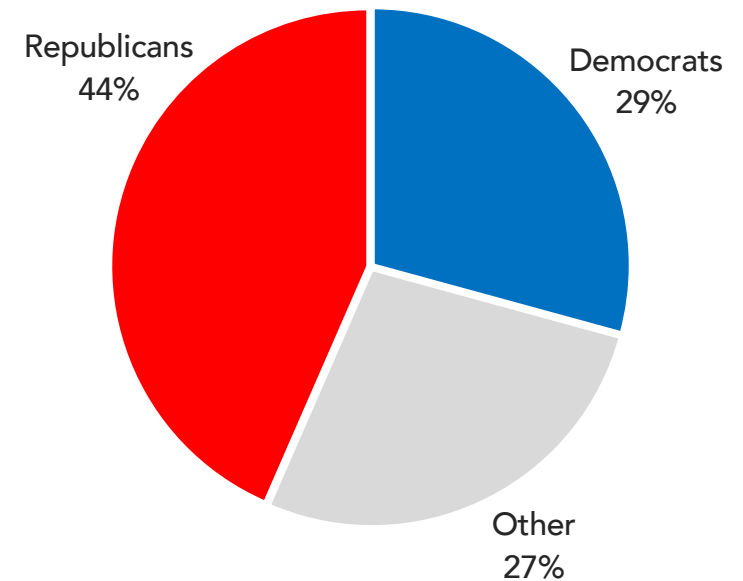
Voter Information

26,079 REGISTERED VOTERS IN THE RESCUE UNION SCHOOL DISTRICT

El Dorado County:
Voter Turnout



Rescue Union SD:
Party Affiliations



Source: CA Secretary of State and Politicaldata.com

GO Bond Elections: Rescue Union School District

RESCUE UNION SD HAS ISSUED ENTIRE MEASURE K AUTHORIZATION

Rescue Union SD GO Bond Election Details						
Election Date	Amount	Measure	Type	%Yes	Pass/Fail	Unissued Bonds
November 7, 1995	\$25,000,000	A	Two-Thirds	54.0%	Fail	N/A
April 14, 1998	\$27,000,000	K	Two-Thirds	75.8%	Pass	\$429
March 3, 2020	\$75,000,000	G	Prop 39	39.8%	Fail	N/A

Source: Ed-Data.org

Outstanding GO Bonds: Rescue Union School District

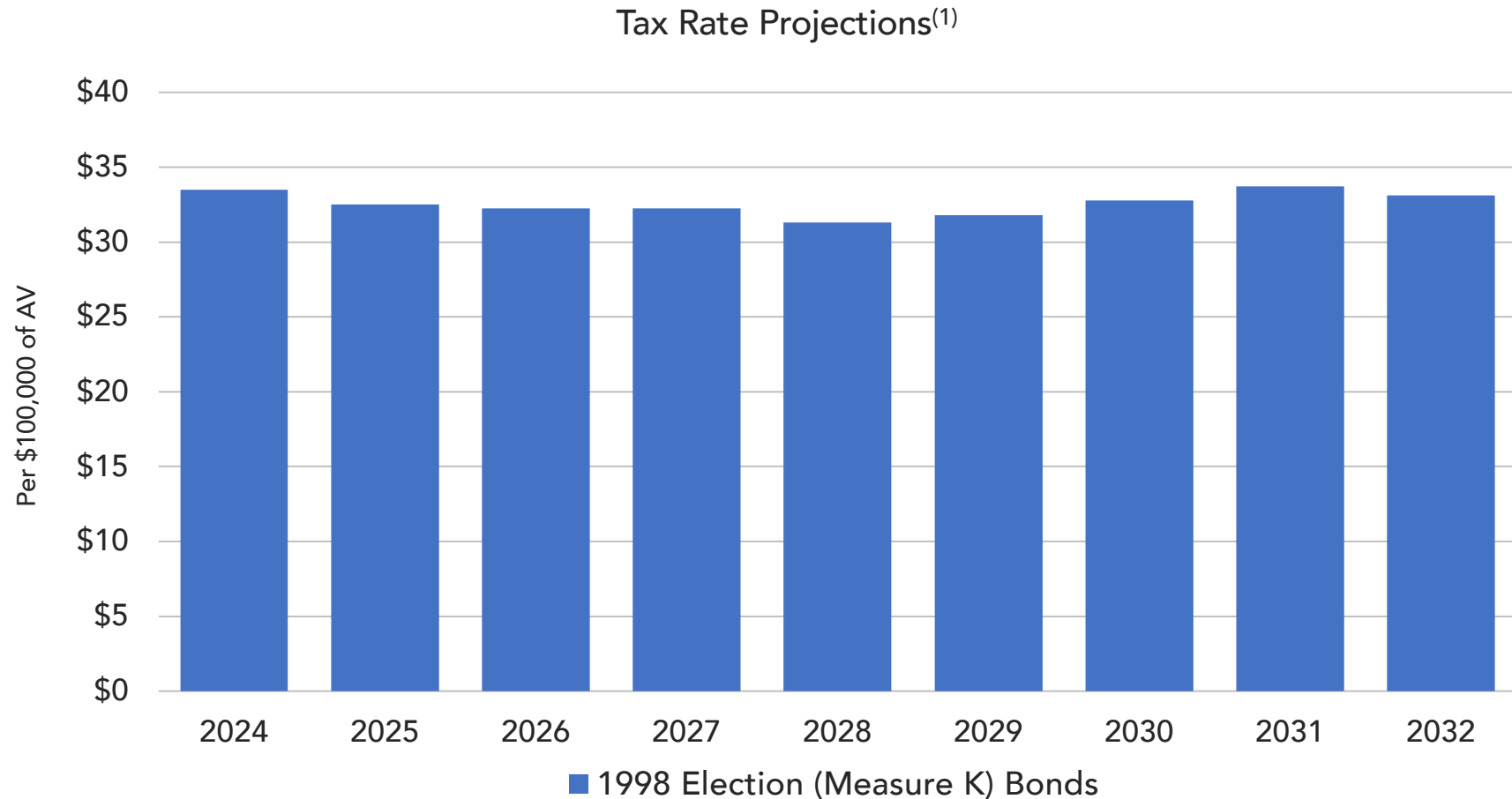
\$14.3 MILLION IN GO BOND PRINCIPAL OUTSTANDING

Rescue Union SD Outstanding GO Bonds					
Series	Date Issued	Original Principal	Outstanding Principal	Final Maturity Date	1st Call Date
1998 Election, Series 2005	9/22/2005	\$14,234,889	\$1,449,487	9/1/2027	non-callable
1998 Election, Series 2007	10/17/2007	\$6,852,070	\$3,802,070	9/1/2032	non-callable
2013 Refunding	5/29/2013	\$7,610,000	\$6,990,000	9/1/2030	9/1/2023 ⁽¹⁾
2016 Refunding	5/11/2016	\$2,719,500	\$2,021,900	9/1/2024	non-callable
Total		\$31,416,459	\$14,263,457		

⁽¹⁾ Refinancing does not generate positive savings at current market rates

Tax Rate Projections: Rescue Union School District

TAX RATE PROJECTIONS FOR CURRENTLY OUTSTANDING BONDS



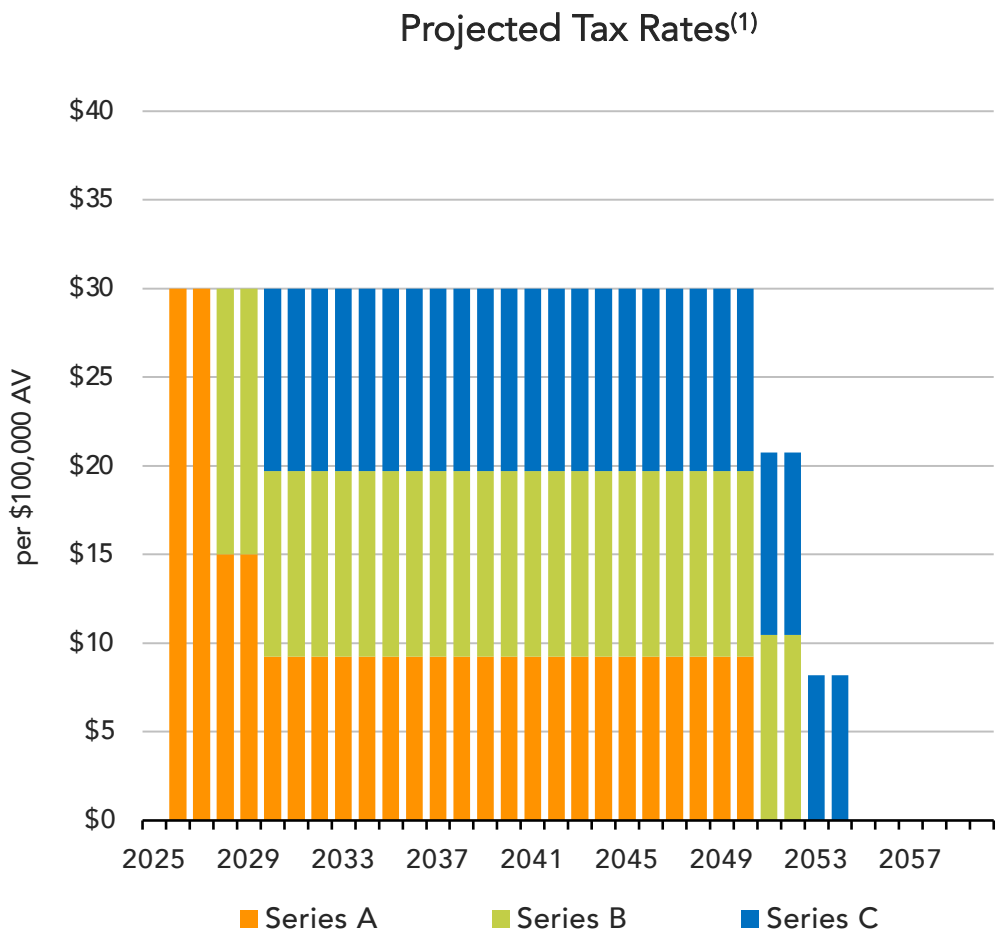
⁽¹⁾ Assumes 5.00% annual AV growth through 2025; 3.75% thereafter

RESCUE UNION SCHOOL DISTRICT

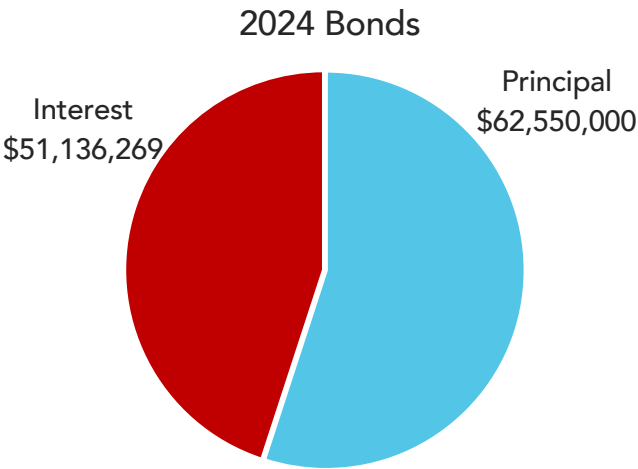
2024 ELECTION GO BONDS

2024 Election Alt. #1: Conventional Bonds

THREE 25-YEAR BONDS CAN GENERATE OVER \$62 MILLION OF FUNDING



Projected Issuance Schedule		
Year Issued	Series	Principal Amount
2025	Series A	\$20,850,000
2027	Series B	\$20,850,000
2029	Series C	\$20,850,000
Total		\$62,550,000

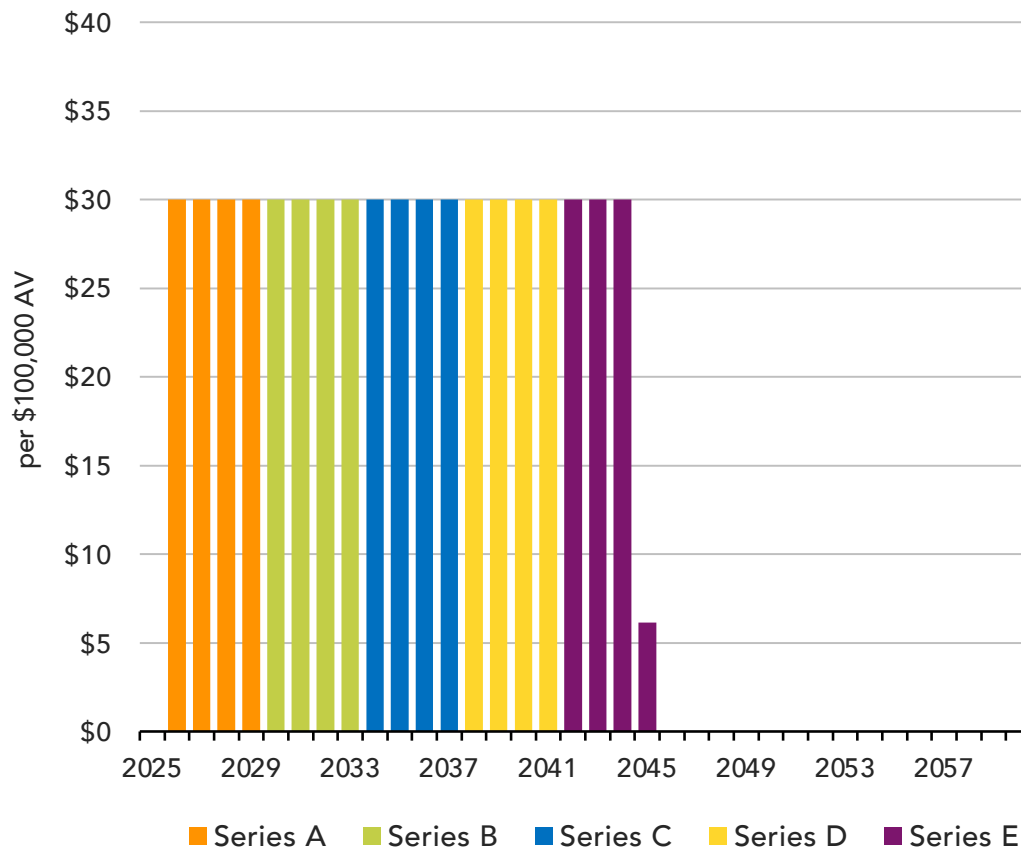


⁽¹⁾ Assumes 5.00% annual AV growth through 2025; 3.75% thereafter

2024 Election Alt. #2: GO Flex-Bonds®

FLEX-BOND STRUCTURE SAVES TAXPAYERS OVER \$43 MILLION IN INTEREST

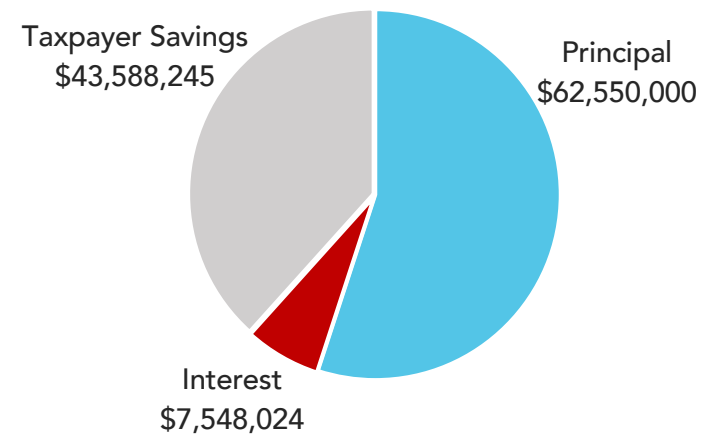
Projected Tax Rates⁽¹⁾



Projected Issuance Schedule

Year Issued	Series	Principal Amount
2025	Series A	\$9,450,000
2029	Series B	\$10,990,000
2033	Series C	\$12,750,000
2037	Series D	\$14,730,000
2041	Series E	\$14,630,000
Total		\$62,550,000

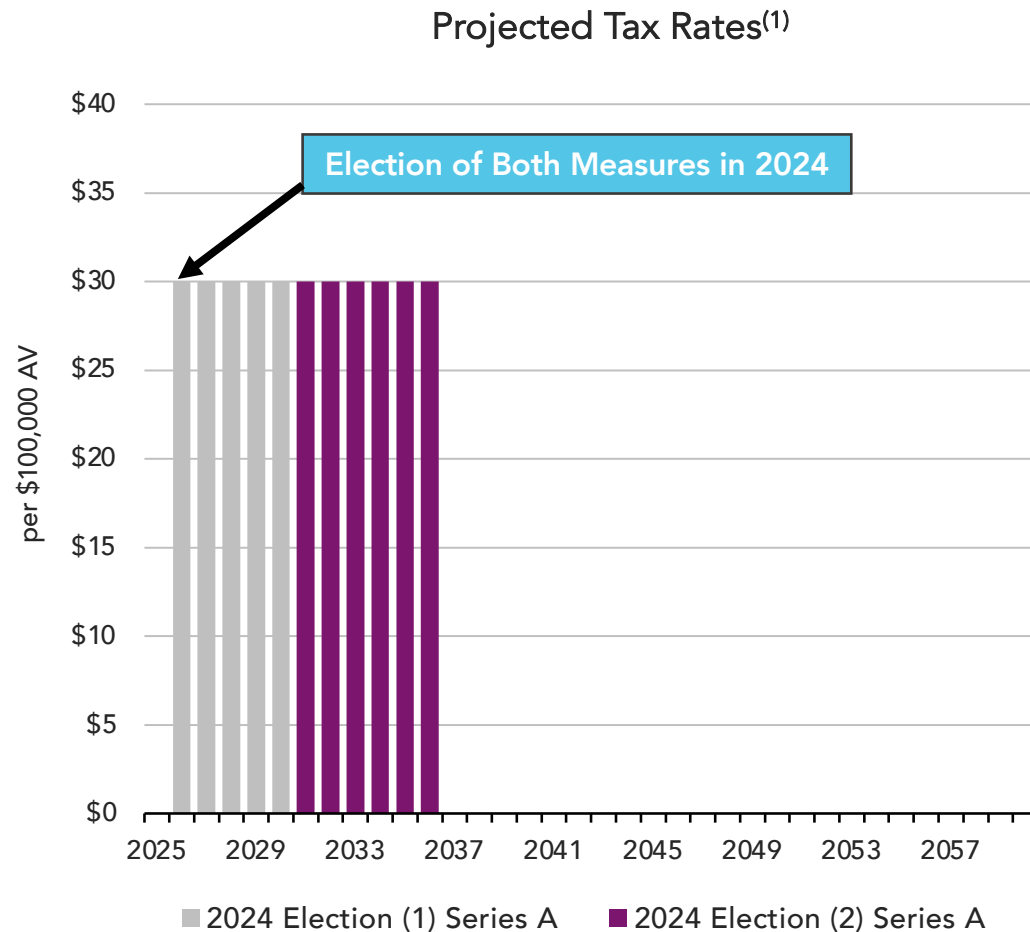
2024 Bonds



⁽¹⁾ Assumes 5.00% annual AV growth through 2025; 3.75% thereafter

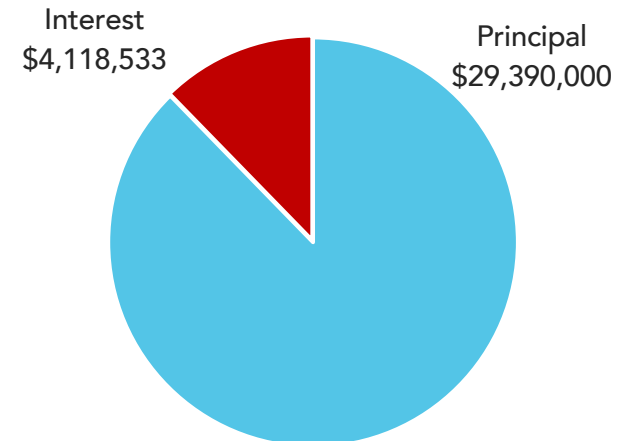
2024 Election Alt. #3: Micro-Bonds (Two Elections)

LIMITED-TERM BOND STRUCTURE SIGNIFICANTLY REDUCES INTEREST COST



Projected Issuance Schedule			
Election	Year Issued	Series	Principal Amount
2024 (1)	2025	Series A	\$12,040,000
2024 (2)	2029	Series A	\$17,350,000
Total			\$29,390,000

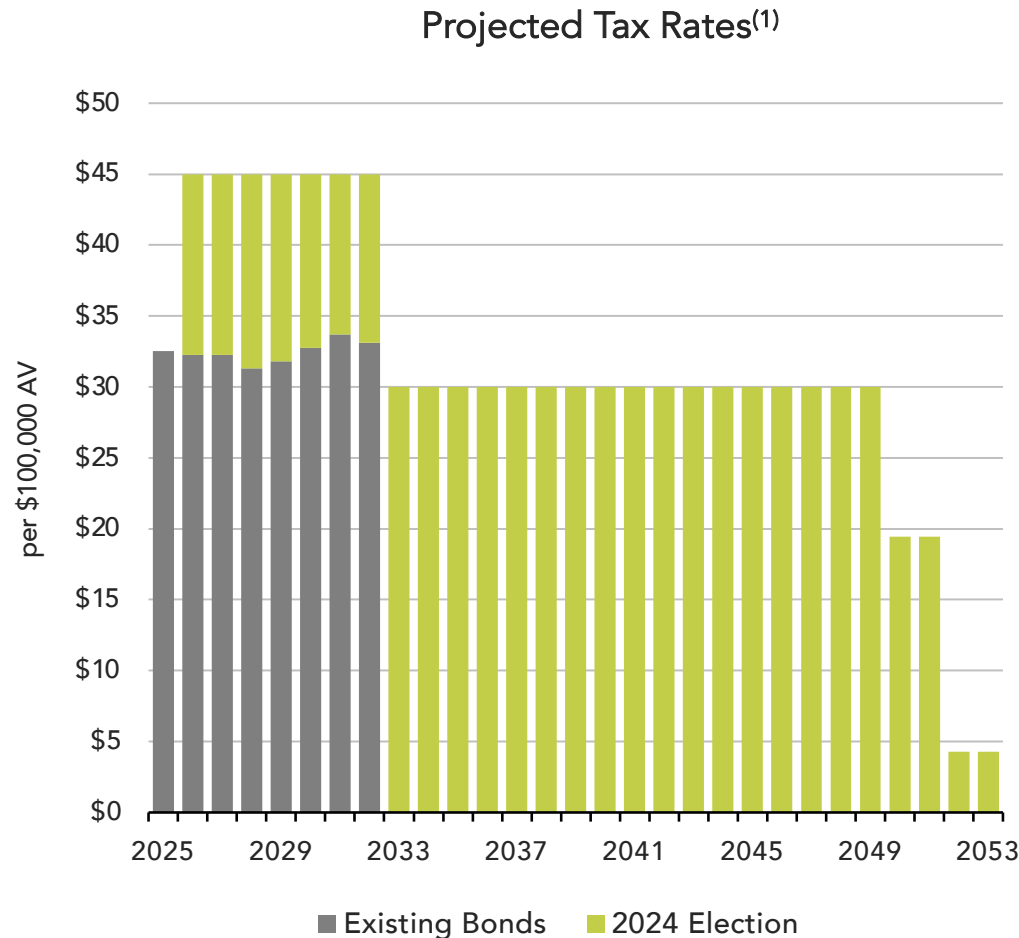
2024 Bonds



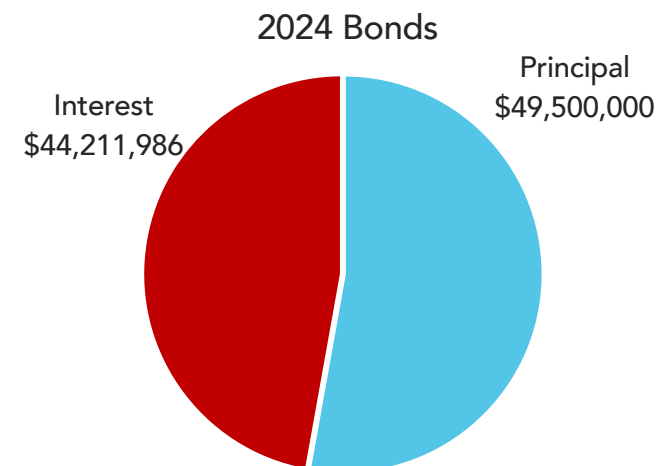
⁽¹⁾ Assumes 5.00% annual AV growth through 2025; 3.75% thereafter

2024 Election Alt. #4: Setting up for 2028 TRX

LOWERING TAX RATES IN EARLY YEARS ALLOWS FOR TAX RATE EXTENSION IN 2028



Projected Issuance Schedule		
Year Issued	Series	Principal Amount
2025	Series A	\$16,500,000
2027	Series B	\$16,500,000
2029	Series C	\$16,500,000
Total		\$49,500,000



⁽¹⁾ Assumes 5.00% annual AV growth through 2025; 3.75% thereafter

Election Timeline

PREPARING FOR 2024

November 5, 2024
(Presidential Election)



Questions:

1. What happens if we do nothing? What are our financing alternatives?
2. What happens if we lose?
3. What will the cost to the district's general fund be if we place a bond measure on the ballot and lose?
4. What actions does the board need to place a bond measure on the ballot?
5. What amount of time and energy will be required of our staff for a bond campaign?

RESCUE UNION SCHOOL DISTRICT

APPENDIX

Three Bond Campaign Methods

ONE SIZE DOES NOT FIT ALL

Keys to our election success rate is our understanding that when it comes to school bond and parcel tax elections, one size does not fit all. Based on factors such as number of registered voters and voter survey research, we recommend one of three bond campaign methods:

1 Third-party Election Consultants

In large or politically complex districts, we often recommend the hiring of a third-party election consultant to guide the District with DS&C serving only as financial advisor for pre-election services.

2 DS&C as Election Consultant

For small- to mid-sized districts with fewer resources to hire third-party consultants, DS&C serves as election consultant.

3 Information-only Campaigns


DS&C has pioneered advising districts with strong voter surveys and demographics to run an information-only campaign and forego an advocacy campaign.

Dale Scott Bio



Dale Scott is the President of DS&C in San Francisco, which has provided municipal advisory and election consulting services for California schools and community colleges for over 35 years. Consistently ranking among the top municipal advisors in California, Dale and his team have helped hundreds of school districts address their funding challenges.

Dale is widely viewed within the bond industry as one of its most innovative thinkers. In partnership with Jefferson Union High School District (San Mateo County), he created the nation's first voter-approved general obligation bond to construct below-market rental housing for teachers and staff in the district. This unique approach went on to receive Bond Buyer's Small-Issuer Deal of the Year award in 2018. Dale and his team have also received Inc. Magazine's Best in Business award, given to companies that have had a "superlative impact on their industries, their communities, the environment, and society as a whole." In 2022, Inc. Magazine also named DS&C one of the 5000 fastest-growing private businesses in the United States. Dale holds two patents from the United States Patent and Trademarks Office for debt financing mechanisms. He is the author of Win-Win: An Insider's Guide to School Bonds. He has appeared before numerous taxpayer organizations and statewide school district symposiums and, in conjunction with the San Diego County Taxpayers Association, has taught bond financing for school district officials at the University of California, San Diego. Dale holds degrees from San Francisco State University and Harvard University.



Needs change. Innovation endures.

Some financial advisors like to brag about the number of deals they've done. We like to talk about the problems we've solved. DS&C delivers innovative, practical solutions that propel schools and communities forward.

DS&C
THINKING FORWARD