
April 18, 2018

**Paso Robles Joint Unified School District
School Facilities Improvement District No. 1**

General Obligation Bonds, 2016 Election, Series A

Rating Agency Presentation

Prepared by:



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Participants

Participants

Paso Robles Joint Unified School District

Paso Robles Joint Unified School District

Paso Robles Joint Unified School District

Chris Williams
Superintendent

Financial Advisor

Mark Farrell
Dale Scott & Company

Stephen Zhang
Dale Scott & Company

Alexander Dunn
Dale Scott & Company

Bond Counsel

Marilyn Jacobs
Dannis Wolliver Kelley

Jocelyn Pietsch
Dannis Wolliver Kelley

District Overview

District Overview

Paso Robles Joint Unified School District

District Profile

- Paso Robles Joint Unified School District was founded in 1887 and covers an area of approximately 800 square miles, which represents 22% percent of the total area of San Luis Obispo County.
- The District is made up of 6 elementary schools, 2 middle schools, 1 high school, 1 continuation high school, 1 community school, and an independent study center
- Serves approximately 6,800 students

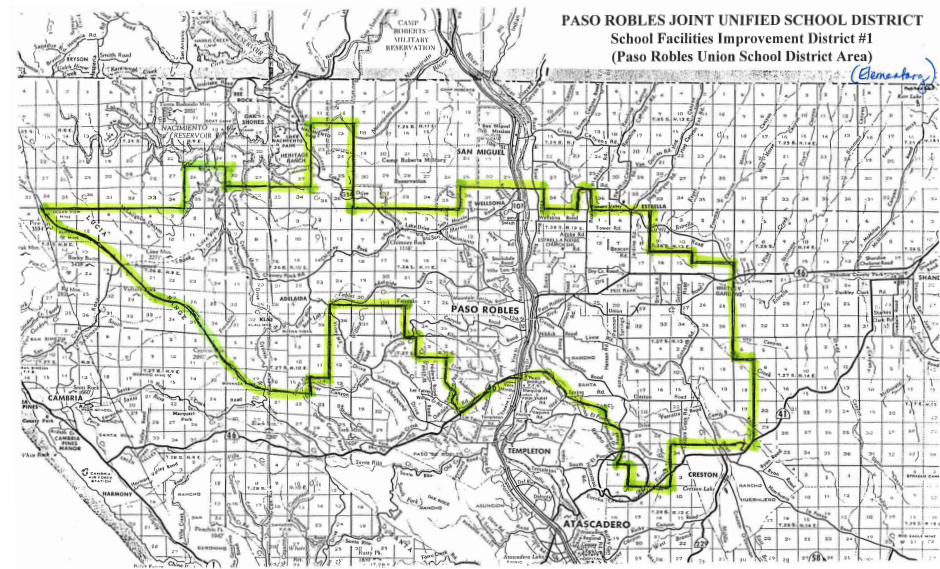


District Overview

Paso Robles Joint Unified School District

School Facilities Improvement District No. 1

- Measure M will fund elementary and middle school projects
- SFID #1 boundaries exclude Pleasant Valley and San Miguel Elementary school districts
- Approximately 84% of District's AV located in SFID #1
- SFID #1 located solely within San Luis Obispo County



District Overview

Paso Robles Joint Unified School District

District Governance and Management



Field Gibson
Board Member



Chris Bausch
Board Member



Dr. Kathleen Hall
Board Member



Joan Summers
President



Matt McClish
Board Member



Tim Gearhart
Board Member



Joel Peterson
Clerk

Chris Williams
Superintendent



Jennifer Gaviola
Deputy Superintendent

Carol Kenyon
Chief Academic Officer



OPEN
Chief Business Officer



Laura Becker
Director of Fiscal Services

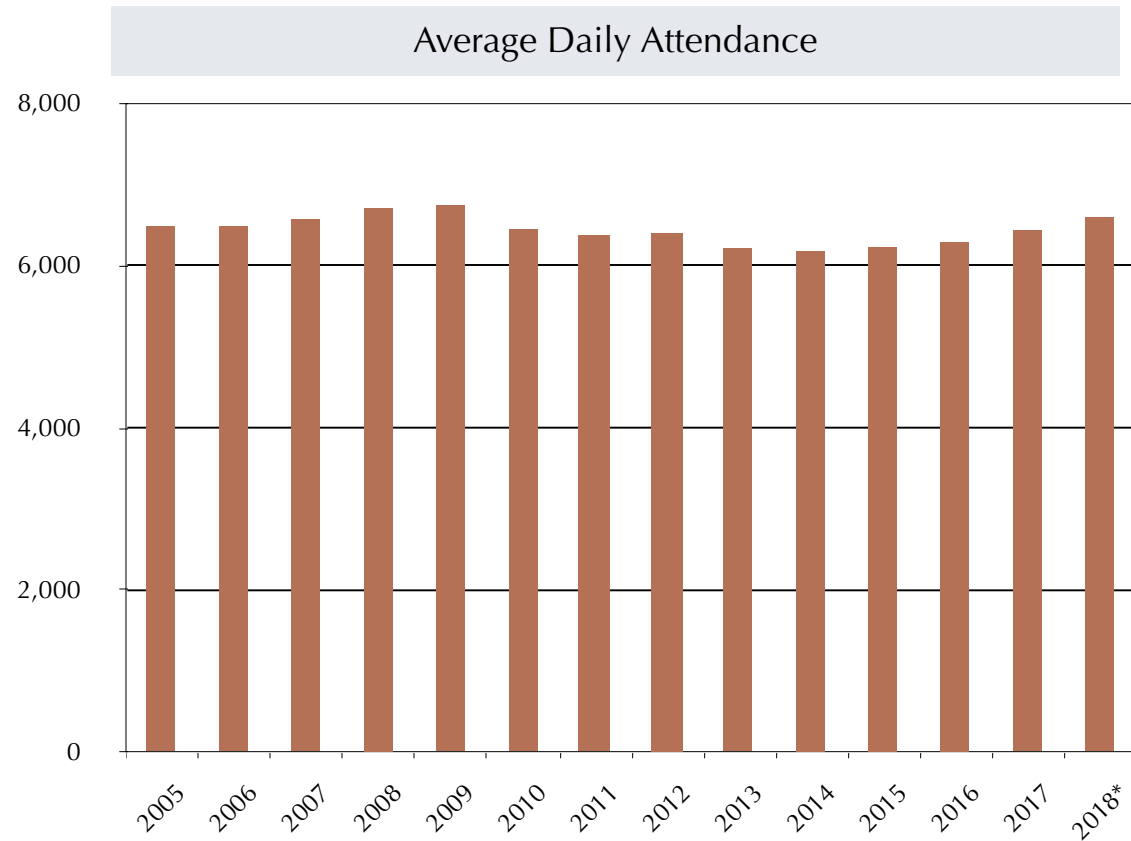
District Finances

District Finances

Paso Robles Joint Unified School District

Average Daily Attendance

Fiscal Year	ADA	% Change
2004-05	6,481	
2005-06	6,481	0.00%
2006-07	6,572	1.40%
2007-08	6,710	2.10%
2008-09	6,741	0.46%
2009-10	6,449	-4.33%
2010-11	6,375	-1.15%
2011-12	6,401	0.41%
2012-13	6,212	-2.95%
2013-14	6,182	-0.48%
2014-15	6,231	0.79%
2015-16	6,293	1.00%
2016-17	6,434	2.24%
2017-18*	6,592	2.46%



* Projection

District Finances

Paso Robles Joint Unified School District

2013-14 to 2016-17 Audited Actuals

	2013-14 Audited Actuals	2014-15 Audited Actuals	2015-16 Audited Actuals	2016-17 Audited Actuals
Revenue				
Revenue Limit / LCFF Sources	\$44,187,941	\$48,608,887	\$54,467,895	\$57,552,695
Federal Revenue	\$2,938,221	\$3,909,318	\$3,211,116	\$4,253,490
Other State Revenue	\$3,951,733	\$2,770,280	\$8,402,592	\$7,058,173
Other Local Revenue	\$4,173,123	\$4,241,389	\$2,544,764	\$4,134,988
Total Revenue	\$55,251,018	\$59,529,874	\$68,626,367	\$72,999,346
Expenditures				
Certificated salaries	\$24,432,402	\$26,140,193	\$29,682,669	\$32,077,883
Classified salaries	\$9,279,225	\$10,000,408	\$11,903,110	\$12,254,386
Employee benefits	\$10,410,359	\$11,258,576	\$14,715,645	\$17,645,415
Books and supplies	\$2,443,094	\$2,739,682	\$4,648,919	\$4,025,653
Services and other operating expenditures	\$5,897,585	\$6,041,137	\$7,766,340	\$8,431,442
Other Outgo	\$1,042,139	\$780,159	\$1,057,739	\$906,507
Capital Outlay	\$549,338	\$346,543	\$288,414	\$126,431
Total Expenditures	\$54,054,142	\$57,306,698	\$70,062,836	\$75,467,717
Other Financing Sources & (Uses)	(\$1,074,013)	(\$921,676)	\$2,108,216	\$117,559
Beginning Balance	\$5,546,020	\$5,668,883	\$6,970,383	\$6,780,941⁽¹⁾
Increase (Decrease) in Fund Balance	\$122,863	\$1,301,500	\$671,747	(\$2,350,812)
Ending Balance	\$5,668,883	\$6,970,383	\$7,642,130	\$4,430,129

(1) Restated beginning fund balance due to accounts receivable carryover balance that will not be recognized
Source: Paso Robles Joint Unified School District

District Finances

Paso Robles Joint Unified School District

2017-18 Adopted Budget, and 2017-18 Second Interim

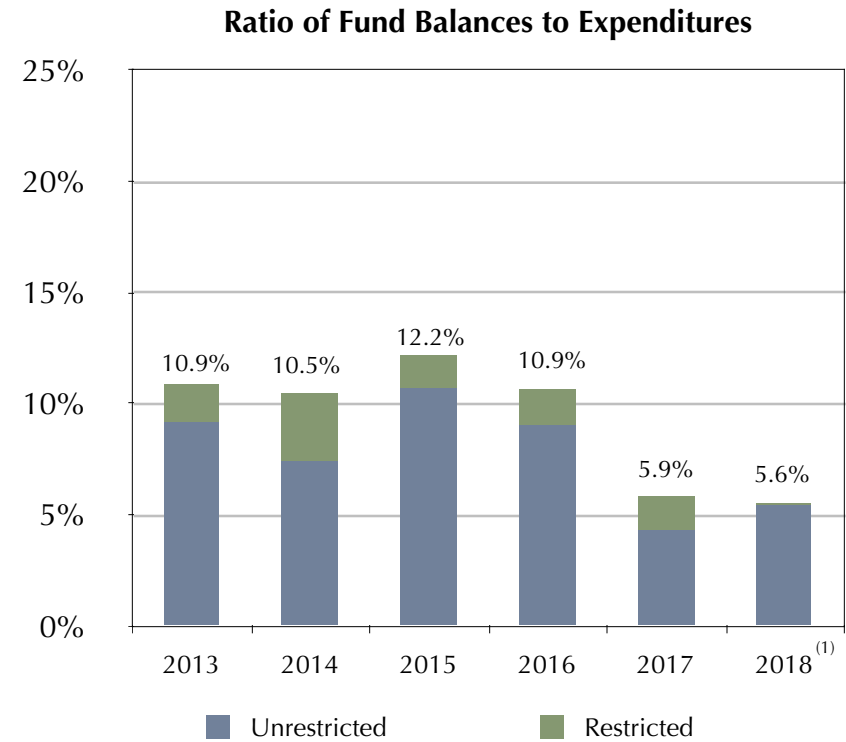
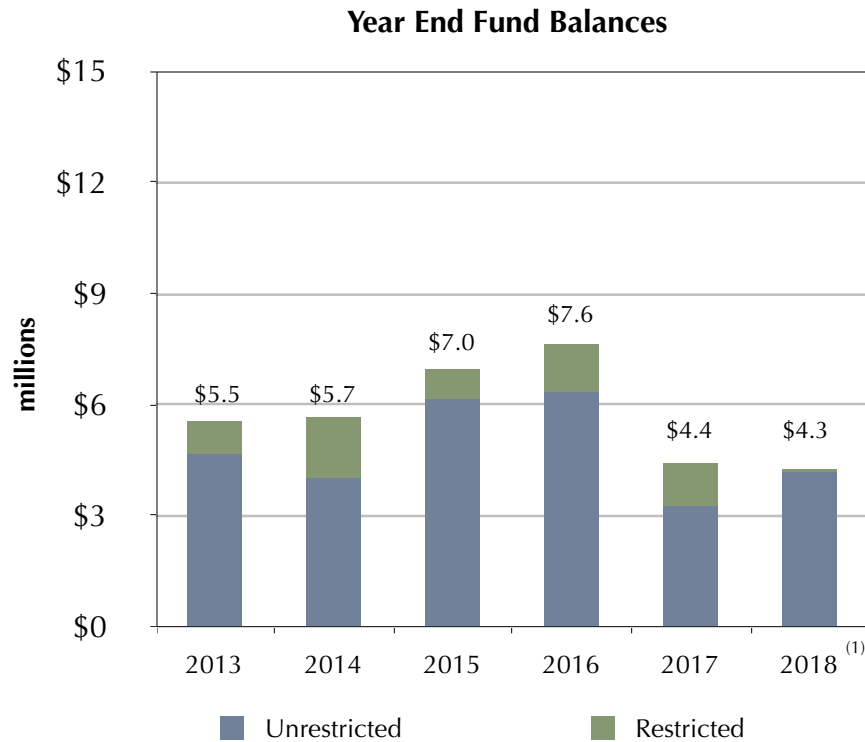
	2017-18 Adopted Budget	2017-18 Second Interim
Revenue		
LCFF Sources	\$60,775,839	\$59,946,891
Federal sources	\$3,353,272	\$4,327,138
Other State sources	\$3,639,262	\$8,045,993
Other local sources	\$3,298,474	\$4,735,145
Total Revenue	\$71,066,847	\$77,055,167
Expenditures		
Certificated salaries	\$31,767,597	\$32,448,954
Classified salaries	\$12,169,276	\$11,823,362
Employee benefits	\$16,761,281	\$18,663,769
Books and supplies	\$2,486,704	\$3,117,145
Services and other operating expenditures	\$6,551,972	\$7,647,044
Capital outlay	\$729,481	\$2,002,189
Other outgo	\$27,810	\$852,605
Total Expenditures	\$70,494,121	\$76,555,068
Other Financing Sources & (Uses)	\$80,000	\$80,000
Beginning Balance	\$5,648,890	\$5,648,890
Audit Adjustments	(\$1,975,975)	(\$1,975,975)
Increase (Decrease) in Fund Balance	\$652,726	\$580,099
Ending Balance	\$4,325,641	\$4,253,014

Source: Paso Robles Joint Unified School District.

District Finances

Paso Robles Joint Unified School District

Unrestricted and Restricted General Fund Balance



(1) 2017-18 Second Interim Budget
Source: Paso Robles Joint Unified School District

District Finances

Labor Relations

- During fiscal year 2017-18, the District employs 347 full-time equivalent certificated employees and 332 full-time equivalent classified employees.
- The teachers of the District have selected Paso Robles Public Educators (PRPE) as their bargaining agents. The District's contract with the teachers expires June 30, 2019. The classified personnel of the District are represented by the California School Board Employees Association. The District's contract with the classified personnel expires June 30, 2019. The management and confidential employees are not represented by a bargaining unit.

<u>Salary Increases</u>				<u>2017-18</u>
<u>Above Step & Column</u>	<u>PRPE</u>	<u>CSEA</u>		<u>Salary Range</u>
2014-15	3.0%	3.0%	Beginning Teacher's Salary	\$46,923
2015-16	5.5%	5.5%	Highest Teacher's Salary	\$89,218
2016-17	2.5%	2.5%	Average Teacher's Salary	\$64,857
2017-18	2.5%	2.5%		
2018-19	1.5%	1.5%		

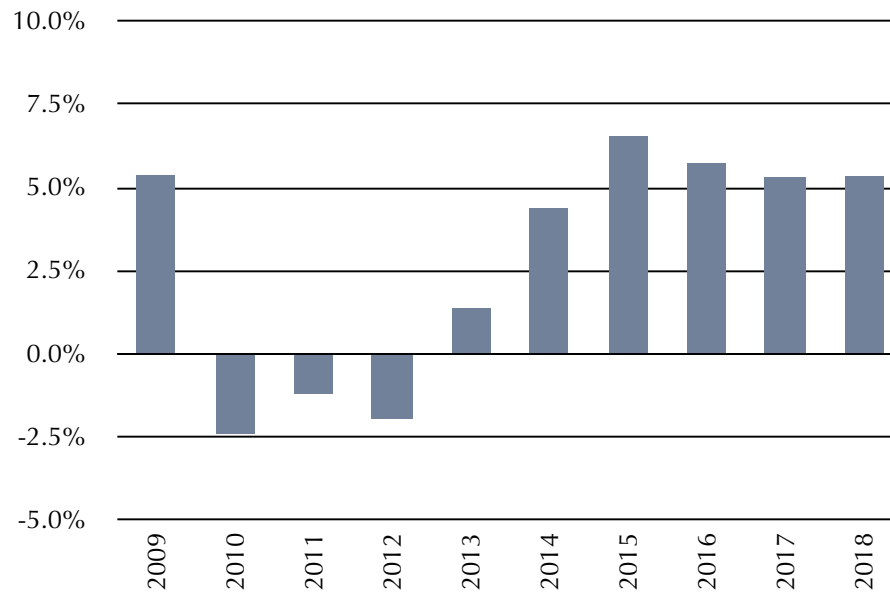
Property Tax Base

Property Tax Base

Paso Robles Joint Unified School District

Annual assessed value growth of 2.9% over the past 10 years

% Increase in Assessed Valuation



Assessed Valuation History

2007-08	5,611,102,483
2008-09	5,913,224,532
2009-10	5,771,686,535
2010-11	5,703,191,104
2011-12	5,592,338,937
2012-13	5,669,147,471
2013-14	5,917,613,146
2014-15	6,304,763,427
2015-16	6,665,765,023
2016-17	7,020,259,878
2017-18	7,395,144,992

Source: California Municipal Statistics

Property Tax Base

Paso Robles Joint Unified School District

SFID #1 Largest District Taxpayers

Property Owner	Land Use	2017-18 AV	% of Total ⁽¹⁾
1. Treasury Wine Estates Americas Co.	Winery/Vineyards	\$75,849,424	1.06 %
2. Firestone Walker LLC	Brewery	69,100,450	0.97
3. Ayres – Paso Robles LP	Hotel/Resort	40,128,862	0.56
4. Justin Vineyards & Winery LLC	Winery/Vineyards	37,816,945	0.53
5. Nine Wine Estates LLC	Winery/Vineyards	36,050,824	0.51
6. Halter Real Estate LLC	Winery/Vineyards	32,928,789	0.46
7. Paso Golden Hill LLC	Shopping Center	31,146,039	0.44
8. Estate Vineyards LLC	Winery/Vineyards	29,363,720	0.41
9. Vina Robles Inc.	Winery/Vineyards	25,421,859	0.36
10. Indeck-Paso Robles LLC	Vineyards	22,757,443	0.32
11. Dry Creek Apartments LP	Apartments	22,507,087	0.32
12. J. Lohr Winery Corporation	Winery/Vineyards	20,805,069	0.29
13. Law Family Vineyards LP	Winery/Vineyards	19,371,052	0.27
14. Arciero & Sons Inc.	Hotel	19,343,639	0.27
15. Erich Russell	Winery/Vineyards	19,205,547	0.27
16. John Stephenson, Trustee	Industrial	19,018,896	0.27
17. Franciscan Vineyards Inc.	Winery/Vineyards	18,818,356	0.26
18. Paso Robles Vineyards Inc.	Vineyards	16,910,590	0.24
19. Sunshine Agriculture Incorporated	Vineyards	16,784,356	0.24
20. Century Park LLC	Industrial	15,750,000	0.22
		\$589,078,947	8.27%

(1) 2017-18 Local Secured Assessed Valuation: \$7,137,019,449
Source: California Municipal Statistics

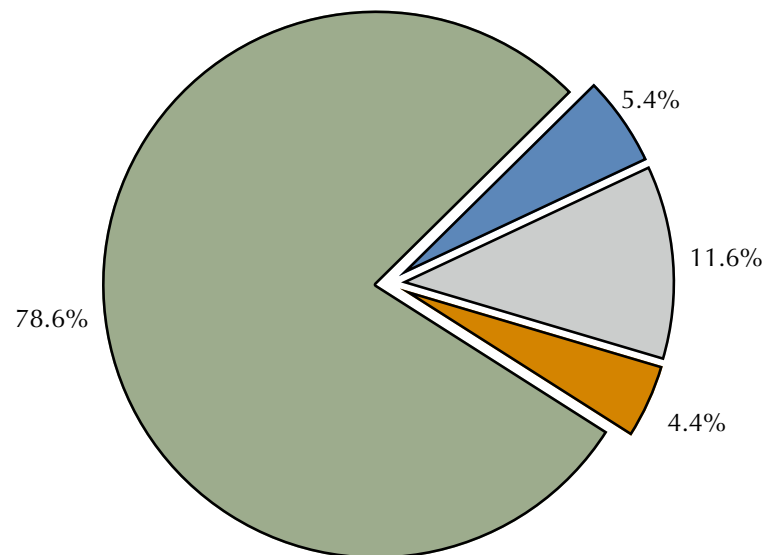
Property Tax Base

Paso Robles Joint Unified School District

Assessed Valuation by Land Use

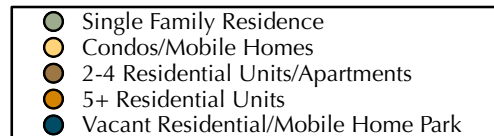
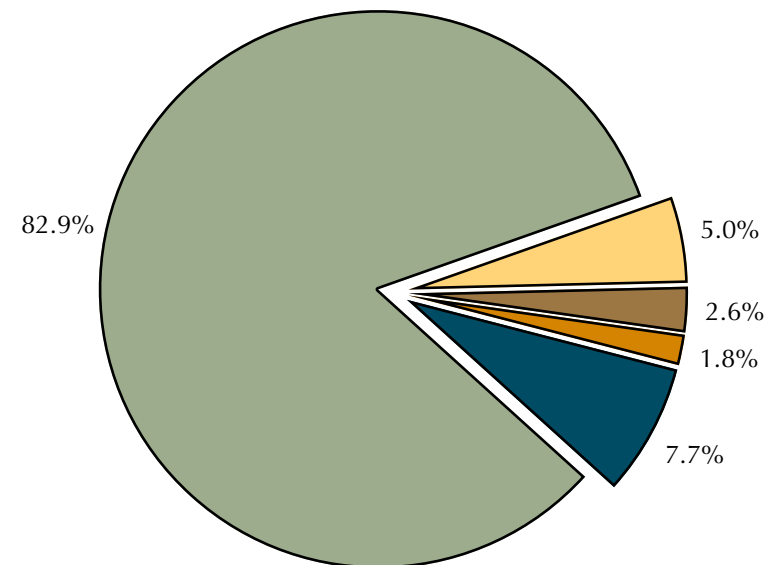
Total Land Use

- 78.6% of total Assessed Valuation is from Residential Use



Residential Land Use

- 82.9% of Residential Land Use is Single Family Residences



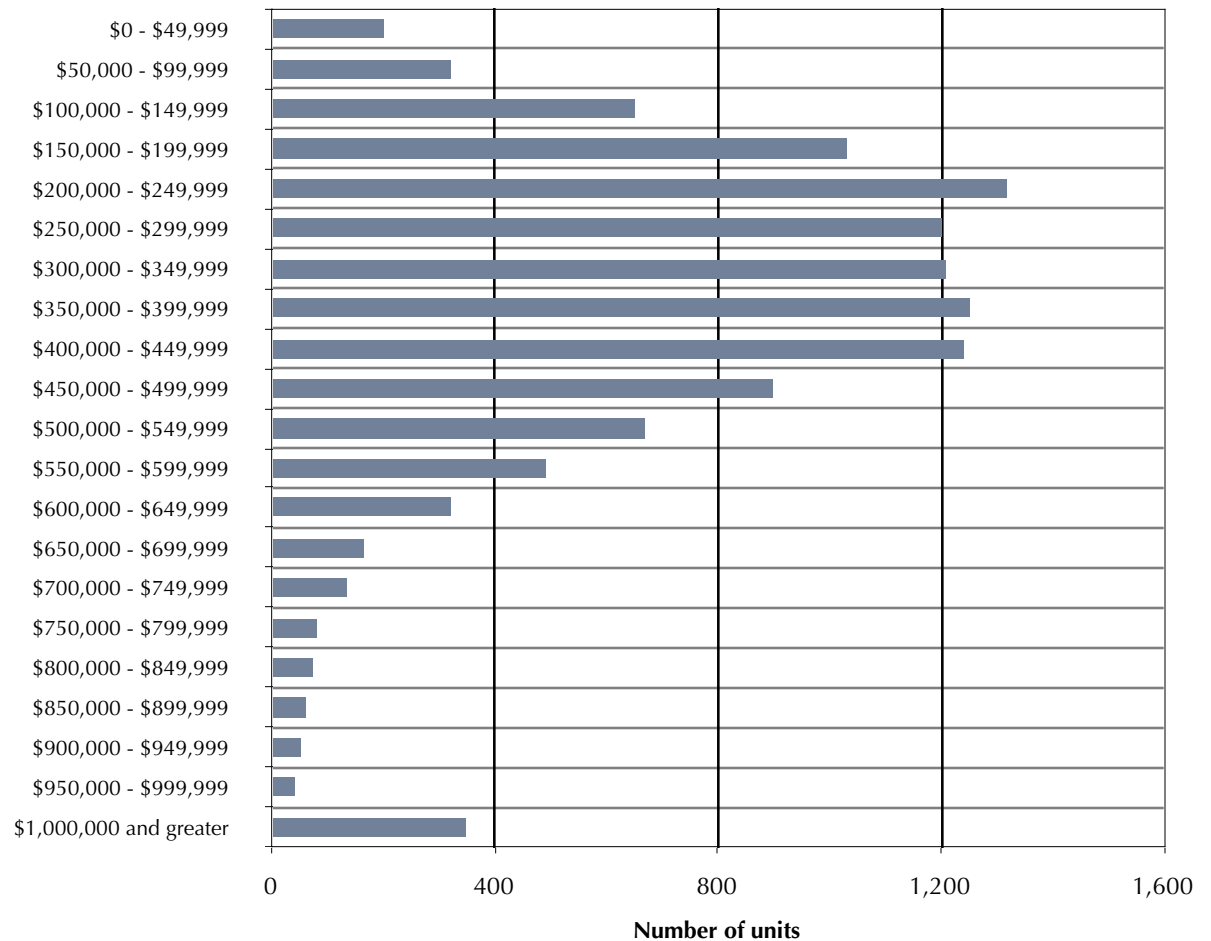
Source: California Municipal Statistics

Property Tax Base

Paso Robles Joint Unified School District

SFID #1 Assessed Value of Single Family Homes 2017-18

- Average single-family home assessed valuation is approximately \$394,169.
- Median AV of single-family homes of \$347,436.
- In December 2017, the median sale price of a single family home in the city of Paso Robles was \$500,000.



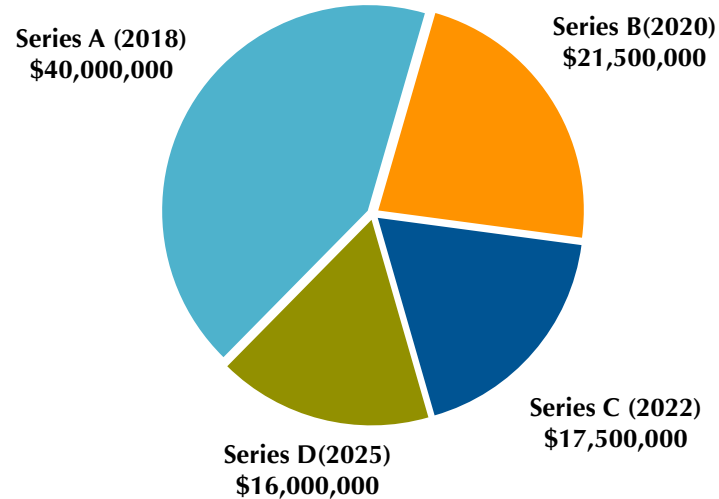
Source: California Municipal Statistics, DQ News

Financing Details and Timetable

Financing Details

Measure M-2016 Overview

Preliminary Issuance Schedule



Measure M-2016

Election Date:

November 8, 2016

% Yes Vote:

57.60%

"To repair, acquire, upgrade, equip and construct school classrooms and facilities including science, technology, engineering, arts, and math classrooms; expand career technical education; replace aging portables, leaky roofs; and upgrade buildings to withstand earthquakes, shall the School Facilities Improvement District No. 1 of Paso Robles Joint Unified School District be authorized to issue \$95,000,000 of bonds with legal rates, independent citizens' oversight, annual audits, all funds spent on local schools and not for administrator salaries or taken by the State?"

Financing Timetable

Paso Robles Joint Unified School District

Timetable

May 2, 2018	Receive Rating
May 7, 2018	Mail and Post POS
May 15, 2018	Competitive Sale
May 23, 2018	Mail OS
May 31, 2018	Close