



# Mill Valley School District

## District Financial Analysis

by

Isom Advisors,  
a Division of Urban Futures, Inc.



April 2, 2021

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## District Bond and AV History



# District Bond & Assessed Value History



District's tax base has grown 154% since 2003

Mill Valley School District

## Mill Valley ESD Historical Assessed Value

Year	Total AV	% Change
2003	\$5,140,864,404	--
2004	\$5,535,717,147	7.68%
2005	\$5,933,265,122	7.18%
2006	\$6,492,880,108	9.43%
2007	\$7,004,628,549	7.88%
2008	\$7,497,747,595	7.04%
2009	\$7,980,074,433	6.43%
2010	\$8,257,130,680	3.47%
2011	\$8,111,918,654	-1.76%
2012	\$8,216,112,319	1.28%
2013	\$8,405,920,325	2.31%
2014	\$8,698,184,230	3.48%
2015	\$9,240,855,814	6.24%
2016	\$9,999,060,199	8.20%
2017	\$10,649,419,958	6.50%
2018	\$11,195,757,593	5.13%
2019	\$11,819,184,705	5.57%
2020	\$12,379,884,272	4.74%
2021	\$13,040,036,336	5.33%
<b>Average</b>		<b>5.34%</b>

Source: California Municipal Statistics

- ❖ District voters approved three GO bond measures: an \$18.6 million measure in 1994, a \$7.7 million measure in 1998, and a \$59.8 million measure in 2009
- ❖ All GO bond measures received over 65% voter support
- ❖ The District has no remaining authorization from the 2009 Election
- ❖ Combined 2020-21 tax rate for the District is \$26.20 per \$100,000 of AV

- ❖ District's 2020-21 AV is approximately \$13.0 billion, and the seventeen-year average AV growth rate is 5.34%.
- ❖ The District's gross bonding capacity is \$163.0 million (1.25% x AV); the District's outstanding GO bond debt is approximately \$63.1 million resulting in a net bonding capacity of approximately \$99.9 million.

# District Bonding Capacity



## Bonding Capacity Projection

## Mill Valley School District

- ❖ Elementary school districts are limited to outstanding principal of 1.25% of AV, unless a waiver is granted by the State
- ❖ Isom Advisors has helped several districts apply for and receive such waivers.

Mill Valley ESD  
Bond Capacity Projection

	Outstanding Principal Debt				Total	Projected AV @4.0% Growth	Outstanding Principal	Gross Capacity (AV x 1.25%)	Net Capacity (AV less Principal)	Gross Capacity (AV x 2.00%) <sup>1</sup>	Net Capacity @2.0% <sup>1</sup> (AV less Principal)
	1998, Series A	Election of 2009, Series B	2017 GO Refunding Bonds	2020 GO Refunding Bonds							
2021	\$230,493	\$255,000	\$735,000	\$315,000	\$1,535,493	\$13,040,036,336	\$63,059,520	\$163,000,454	\$99,940,934	\$260,800,727	\$197,741,206
2022	221,996	240,000	\$910,000	\$320,000	\$1,691,996	\$13,561,637,789	\$61,524,028	\$169,520,472	\$107,996,445	\$271,232,756	\$209,708,728
2023	217,032	235,000	1,085,000	\$320,000	\$1,857,032	\$14,104,103,301	\$59,832,032	\$176,301,291	\$116,469,259	\$282,082,066	\$222,250,034
2024			1,275,000	\$555,000	\$1,830,000	\$14,668,267,433	\$57,975,000	\$183,353,343	\$125,378,343	\$293,365,349	\$235,390,349
2025			1,485,000	\$545,000	\$2,030,000	\$15,254,998,130	\$56,145,000	\$190,687,477	\$134,542,477	\$305,099,963	\$248,954,963
2026			1,715,000	\$535,000	\$2,250,000	\$15,865,198,056	\$54,115,000	\$198,314,976	\$144,199,976	\$317,303,961	\$263,188,961
2027			1,965,000	\$520,000	\$2,485,000	\$16,499,805,978	\$51,865,000	\$206,247,575	\$154,382,575	\$329,996,120	\$278,131,120
2028			2,225,000	\$515,000	\$2,740,000	\$17,159,798,217	\$49,380,000	\$214,497,478	\$165,117,478	\$343,195,964	\$293,815,964
2029			2,465,000	\$505,000	\$2,970,000	\$17,846,190,146	\$46,640,000	\$223,077,377	\$176,437,377	\$356,923,803	\$310,283,803
2030			2,725,000	\$490,000	\$3,215,000	\$18,560,037,751	\$43,670,000	\$232,000,472	\$188,330,472	\$371,200,755	\$327,530,755
2031			3,000,000	\$460,000	\$3,460,000	\$19,302,439,261	\$40,455,000	\$241,280,491	\$200,825,491	\$386,048,785	\$345,593,785
2032			3,300,000	\$445,000	\$3,745,000	\$20,074,536,832	\$36,995,000	\$250,931,710	\$213,936,710	\$401,490,737	\$364,495,737
2033			3,615,000	\$435,000	\$4,050,000	\$20,877,518,305	\$33,250,000	\$260,968,979	\$227,718,979	\$417,550,366	\$384,300,366
2034			3,955,000	\$420,000	\$4,375,000	\$21,712,619,037	\$29,200,000	\$271,407,738	\$242,207,738	\$434,252,381	\$405,052,381
2035				\$4,825,000	\$4,825,000	\$22,581,123,799	\$24,825,000	\$282,264,047	\$257,439,047	\$451,622,476	\$426,797,476
2036				\$5,185,000	\$5,185,000	\$23,484,368,751	\$20,000,000	\$293,554,609	\$273,554,609	\$469,687,375	\$449,687,375
2037				\$5,560,000	\$5,560,000	\$24,423,743,501	\$14,815,000	\$305,296,794	\$290,481,794	\$488,474,870	\$473,659,870
2038				\$5,960,000	\$5,960,000	\$25,400,693,241	\$9,255,000	\$317,508,666	\$308,253,666	\$508,013,865	\$498,758,865
2039				\$3,295,000	\$3,295,000	\$26,416,720,971	\$3,295,000	\$330,209,012	\$326,914,012	\$528,334,419	\$525,039,419
2040					0						
<b>Total:</b>	<b>\$669,520</b>	<b>\$730,000</b>	<b>\$30,455,000</b>		<b>\$63,059,520</b>						

# General Obligation Bond Proceeds



District can generate between \$122.5 million and \$162.0 million

Mill Valley School District

Mill Valley ESD Bond Measure Proceeds					
	<u>Option 1</u>	<u>Option 2a</u>	<u>Option 2b</u>	<u>Option 3</u>	<u>Option 4</u>
<b>Authorization</b>	<b>\$122.5 million</b>	<b>\$137.2 million</b>	<b>\$145.7 million</b>	<b>\$152.2 million</b>	<b>\$162.0 million</b>
<b>Sales Schedule</b>	2022: \$19.7 million 2024: \$102.8 million	2022: \$46.3 million 2024: \$44.1 million 2027: \$46.8 million	2022: \$19.7 million 2024: \$62.0 million 2027: \$64.0 million	2022: \$39.1 million 2024: \$36.7 million 2027: \$37.0 million 2030: \$39.4 million	2022: \$34.7 million 2024: \$31.2 million 2027: \$30.8 million 2029: \$31.8 million 2031: \$33.5 million
<b>Repayment Terms</b> <i>(per series &amp; total measure)</i>	30 years final payment 2052	30 years final payment 2056	30 years final payment 2056	30 years final payment 2057	30 years final payment 2058
<b>Total Repayment Amount</b> <i>(debt ratio)</i>	\$221.6 million 1.81 : 1	\$257.7 million 1.88 : 1	\$272.3 million 1.87 : 1	\$283.0 million 1.86 : 1	\$300.1 million 1.85 : 1
<b>Avg. Tax Rate per \$100k AV</b>	\$28.40	\$27.51	\$28.40	\$26.69	\$26.84
Notes: Assumes AV growth of 4.0% and conservative 4.0% interest rates. Preliminary – Subject to change. Source: Isom Advisors					

- ❖ With projected annual assessed value growth of 4.0%, the District can generate up to \$162.0 million.
- ❖ At more aggressive growth rates or a longer bond program, the District could generate up to \$174.5 million.
- ❖ Another option for the District, is to pursue two separate bond measures on the ballot at the same time for different amounts, different tax rates and different projects, i.e. solar, technology teacher/staff housing

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## Next Steps



# Timeline – June 2022 Election



Following these steps are key to District's success

Mill Valley School District

Task	Responsible Party	Date
Prepare project list/needs assessment	District/Architect	ongoing
<b>Board Meeting - exploring feasibility of a bond measure</b>	<b>District</b>	<b>May</b>
Conduct survey	Consultant	May/June
Initiate public information program, speaking with elected officials, large taxpayers, community service groups to discuss proposed tax measure	District	May - August
<b>Board Meeting - Survey Results Presentation</b>	<b>Consultant</b>	<b>August</b>
Finalize Capital and Financing Plan based on Community Outreach	Consultant	Aug. – Nov.
Prepare Resolution for Calling Election, including Ballot Language, Project List, Tax Rate Statement	Consultant/Bond Counsel	January 2022
<b>Board Meeting - Board action to adopt Resolution Calling Election</b>	<b>District</b>	<b>February</b>
Submit Resolution Calling Election and Tax Rate Statement	District	March
Prepare Argument in Favor of Measure	Consultant/District	March
Submit Argument in Favor of Measure	Consultant/District	March
Form campaign committee and conduct campaign kick-off meeting	Campaign Committee	March
Run Campaign	Campaign Committee	March – June
<b>Election Day</b>		<b>June 2022</b>

# Timeline – November 2022 Election



Following these steps are key to District's success

Mill Valley School District

Task	Responsible Party	Date
Prepare project list/needs assessment	District/Architect	ongoing
<b>Board Meeting - exploring feasibility of a bond measure</b>	<b>District</b>	<b>May</b>
Conduct survey	Consultant	June - July
Initiate public information program, speaking with elected officials, large taxpayers, community service groups to discuss proposed tax measure	District	June - August
<b>Board Meeting - Survey Results Presentation</b>	<b>Consultant</b>	<b>August</b>
Finalize Capital and Financing Plan based on Community Outreach	Consultant	Jan. – April
Prepare Resolution for Calling Election, including Ballot Language, Project List, Tax Rate Statement	Consultant/Bond Counsel	May 2022
<b>Board Meeting - Board action to adopt Resolution Calling Election</b>	<b>District</b>	<b>June</b>
Submit Resolution Calling Election and Tax Rate Statement	District	August
Prepare Argument in Favor of Measure	Consultant/District	August
Submit Argument in Favor of Measure	Consultant/District	August
Form campaign committee and conduct campaign kick-off meeting	Campaign Committee	August
Run Campaign	Campaign Committee	Aug. – Nov.
<b>Election Day</b>		<b>November 2022</b>

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# Appendix



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# Voter Demographics



# Voter Demographics

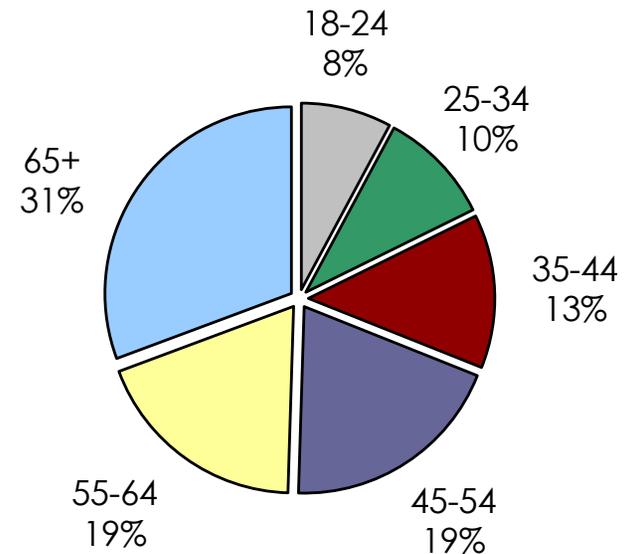


Mill Valley School District

Voter demographics are favorable to bond programs

- ❖ The District has 23,862 total voters.
- ❖ A majority of voters are Democrats (66%).
- ❖ 88% of voters vote-by-mail.
- ❖ The District has an older voting population with 50% of voters aged 55 and older.

## Voter Age Demographics



District Voter Demographics		
	<u>Total</u>	<u>Percent</u>
Republicans	2,014	8%
<b>Democrats</b>	<b>15,716</b>	<b>66%</b>
Other	6,132	26%
VBM Voters	20,962	88%

Source: Political Data

# Voter Turnout

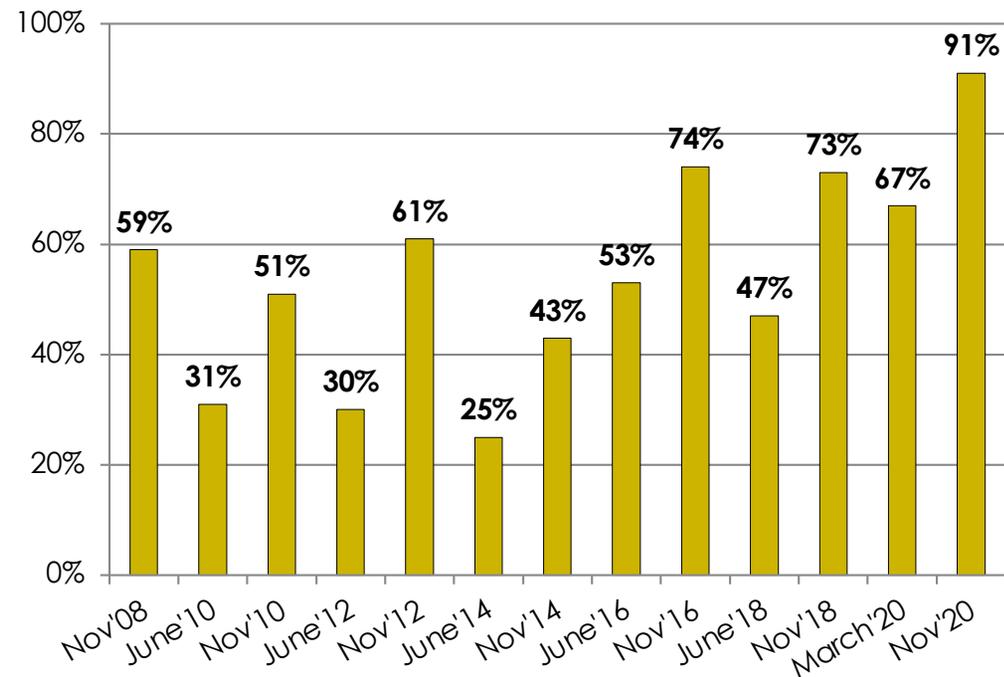


Turnout can have a significant bearing on success

Mill Valley School District

- ❖ Historical voter turnout has ranged from a low of 25% in June of 2014 to a high of 91% in November 2020
- ❖ Voter turnout varies considerably by election date and type of election and must be considered as different voters show up for different elections
- ❖ June 2022 turnout is estimated to be 50%

Recent District Voter Turnouts



Source: Political Data