KernTax Bond Evaluation Process
Updated 180905

Timeline:

6 months before School District places bond measure on ballot
- Meet with district to review plan
- Identify total debt capacity
- Identify existing debt
- Identify available bonding capacity
- Identify Authorized but Unissuable Debt
- Establish district needs and wants
- Review detailed, prioritized project list, including estimated costs
- Discuss funding options
  - General Obligation Bonds
  - State matching funds
  - District Resources
  - Certificates of Participation
  - Lease-Leaseback

Post-Meeting Due Diligence
- Review past 10 years of AV growth
- Estimate future AV growth for the life of issued bonds
- Analyze past bond measure performance, expenditures
- Estimate future payments on existing bonds (County Treasurer)
- Second Meeting with District, a month later to review findings with district and make recommendations

Grade the district's final proposal
✓ Past performance
  - Past promises to taxpayers
    - Authorized, but Unissuable Debt
  - Completion of Project List
    - Financial results (Staying under legal tax rate cap)
  - Completion of Prop 39 requirements
  - Annual Reports
  - Performance & Financial audits
  - Prop 39 webpage

✓ Current Bond Proposal
  - Past performance of financial advisors
  - Detailed Project lists
  - Plans to reduce costs
  - Commitment to Competitive bond sales
  - No CABS or premium

✓ Prioritization of Needs and Wants
✓ Project List
✓ Openness, transparency and communication

Make recommendation to Kerntax Board

Decide appropriate action to take
- Support
- No Position
- Do Not Support
- Appropriate Action
- Ballot Arguments
- Rebuttal Augments
- Political Action: Independent Political Action Committee