



**San Francisco Unified School District  
Presentation to the Budget and Finance Committee  
March 19, 2025**

# San Francisco Unified School District Bond Program

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- The San Francisco Unified School District operates a relatively active bond program.
  - District voters have approved five separate bond measures, totaling more than \$2.8 billion in amount.
  - The District has issued bonds on thirteen separate occasions since 2004, a little more than once every two years.
  - Such issues have allowed the District to expend an average of around \$100 million per year on facilities improvements over the past ten years.
  - The District serves more than 50,000 students, maintains more than 130 facilities, and expects to be issuing bonds on an ongoing basis for the foreseeable future.

# General Obligation Bond Elections

- All five bond elections held by the District have achieved more than 70% yes votes.

GENERAL OBLIGATION BOND ELECTIONS				
Election Date	Name	Amount	Percent Yes Vote	
11/4/03	2003 Proposition A	295,000,000	70.60%	
11/7/06	2006 Proposition A	450,000,000	73.90%	
11/8/11	2011 Proposition A	531,000,000	71.10%	
11/8/16	2016 Proposition A	744,250,000	79.80%	
11/5/24	2024 Proposition A	790,000,000	75.00%	
		2,810,250,000		

# General Obligation Bond Issuance

- The District has sold new money bonds under such authorizations on twelve occasions.

NEW MONEY GENERAL OBLIGATION BOND ISSUES							
No.	Issue Date	Name [1]	Par Amount	Amount Counting Against			
				2003 Proposition A	2006 Proposition A	2011 Proposition A	2016 Proposition A
1	10/28/04	GOBs, Election of 2003, Series A	58,000,000	58,000,000	0	0	0
2	10/27/05	GOBs, Election of 2003, Series B	130,000,000	130,000,000	0	0	0
3	10/26/06	GOBs, Election of 2003, Series C	92,000,000	92,000,000	0	0	0
4	3/15/07	GOBs, Election of 2006, Series A	100,000,000	0	100,000,000	0	0
5	2/5/09	GOBs, Election of 2006, Series B	150,000,000	0	150,000,000	0	0
6A	5/27/10	GOBs, Election of 2006, Series C (QSCBs)	12,955,000	0	12,955,000	0	0
6B	5/27/10	GOBs, Election of 2006, Series D (BABs)	72,370,000	0	72,370,000	0	0
6C	5/27/10	GOBs, Election of 2006, Series E	99,675,000	0	99,675,000	0	0
7A	3/22/12	GOBs, Election of 2011, Series A	115,000,000	0	0	115,000,000	0
8	1/23/14	GOBs, Election of 2011, Series B	205,000,000	0	0	205,000,000	0
10A	10/21/15	GOBs, Election of 2006, Series F [2]	15,000,000	0	15,000,000	0	0
10B	10/21/15	GOBs, Election of 2011, Series C [2]	221,000,000	0	0	2111-000000	0
11A	4/6/17	GOBs, Election of 2016, Series A	180,000,000	0	0	0	180,000,000
12A	8/27/20	GOBs, Election of 2016, Series B	280,000,000	0	0	0	280,000,000
13A	5/26/22	GOBs, Election of 2016, Series C	284,250,000	0	0	0	284,250,000
			<b>2,015,250,000</b>	<b>280,000,000</b>	<b>450,000,000</b>	<b>320,000,000</b>	<b>744,250,000</b>

# General Obligation Bond Expenditures

- Such bond issues have allowed the District to expend more than \$1 billion of bond proceeds over the past ten years.

GENERAL OBLIGATION BOND EXPENDITURES BY YEAR	
Fiscal Year	Bond Fund Expenditures
2014-15	176,846,228
2015-16	183,991,311
2016-17	94,371,923
2017-18	72,549,403
2018-19	63,689,308
2019-20	159,585,281
2020-21	158,712,960
2021-22	84,243,620
2022-23	50,481,678
2023-24	57,089,023
<b>10-Year Total</b>	<b>1,101,560,735</b>
<b>10-Year Average</b>	<b>110,156,074</b>

# General Obligation Bond Refundings

- The District has also taken advantage of low interest rates to refund bonds on five separate occasions, typically in conjunction with new money bonds.

GENERAL OBLIGATION REFUNDING BONDS					
No.	Issue Date	Name	Par Amount	Bonds Refunded	
7B	3/22/12	2012 General Obligation Refunding Bonds	116,140,000	E of 2003, Series A + E of 2003, Series B	
10C	10/21/15	2015 General Obligation Refunding Bonds	63,655,000	E of 2003, Series C + E of 2006, Series A	
11B	4/16/17	2017 General Obligation Refunding Bonds	53,890,000	Election of 2006, Series B	
12B	8/27/20	2020 General Obligation Refunding Bonds	166,285,000	E of 2006, Srs A + E of 2006, Srs B + E of 2011, Srs A + 2012 GO Ref	
13B	5/16/22	2022 General Obligation Refunding Bonds	122,050,000	Election of 2011, Series B	

# Bonds Outstanding

- The District currently has \$943 million in bonds outstanding, or approximately 0.27% of its current assessed value.

GENERAL BONDS OUTSTANDING [1]						
No.	Issue Date	Series	Longest Maturity	Original Issue Amount	Amount Outstanding	
6A	5/19/10	GOBs, Election of 2006, Series C	5/15/27	12,955,000	12,955,000	
6B	5/19/10	GOBs, Election of 2006, Series D	6/15/30	72,370,000	72,370,000	
10A	10/8/15	GOBs, Election of 2006, Series F	6/15/35	15,000,000	9,895,000	
10B	10/8/15	GOBs, Election of 2011, Series C	6/15/26	211,000,000	139,100,000	
10C	10/8/15	2015 GO Refunding Bonds	6/15/24	63,655,000	6,590,000	
11A	3/17/17	GOBs, Election of 2016, Series A	6/15/37	180,000,000	117,200,000	
12A	8/20/20	GOBs, Election of 2016, Series B	6/15/40	280,000,000	193,005,000	
12B	8/20/20	2020 GO Refunding Bonds	6/15/32	166,285,000	69,525,000	
13A	5/13/22	GOBs, Election of 2016, Series C	6/15/42	284,250,000	218,310,000	
13B	5/13/22	2022 GO Refunding Bonds	6/15/33	122,050,000	104,700,000	
					<b>943,650,000</b>	
[1] Amount outstanding as of June 30, 2024						

# History of General Obligation Bond Tax Rates

- Tax rates related to the District’s bond program have averaged around \$40 per \$100,000 of assessed valuation for more than 10 years.

HISTORY OF GO BOND TAX RATES	
Fiscal Year	GO Bond Tax Rates [1]
2014-15	33.26
2015-16	52.46
2016-17	39.82
2017-18	45.17
2018-19	38.69
2019-20	41.60
2020-21	45.10
2021-22	45.03
2022-23	42.16
2023-24	40.25
2024-25	33.45
11-Year Median	41.60
11-Year High	52.46
11-Year Low	33.26



## Election of 2024, Series A, Bonds

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- As the District spends down bond proceeds from its last bond sale, it is preparing to sell its first series of bond against the new authorization.
  - As of June 30, 2024, the District has \$300 million of bond proceeds remaining from prior issuances.
  - Much of the proceeds are encumbered, the money is spending down, and the new authorization comes with new projects.
  - The \$160 million bond sale will fund 2024 Proposition A projects over the next eighteen months.
  - The District is well aware of its obligation to expend bond proceeds within three years of the date of borrowing.

# Upcoming Projects

- Proceeds of the Election of 2024, Series A, Bonds will allow the District to meet planned expenditures over the next eighteen months.

UPCOMING BOND PROJECTS [1]							
	Design Start	Const. Start	Total Budget	2016 Bond	2024 Bond	Series A Bond (next 18 months)	
Denman MS Renovation (package one)	5/30/17	1/15/25	62,800,000	30,000,000	32,800,000	22,750,000	
PA Systems Upgrade (package five)	7/24/24	3/12/25	19,500,000	15,700,000	3,800,000	14,500,000	
Lincoln High School Reroofing Project	9/11/24	4/10/25	10,700,000	6,500,000	4,200,000	9,100,000	
Buena Vista Horace Mann K-8 Modernization	2/11/22	6/11/25	105,000,000	40,000,000	6,500,000	37,850,000	
Lincoln High School Athletic Fields	9/23/24	12/1/25	6,000,000	2,000,000	4,000,000	5,400,000	
Thurgood Marshall HS Gym + Auditorium	5/30/24	4/15/26	25,700,000	3,000,000	22,700,000	9,050,000	
West Portal ES (package two)	6/13/24	4/16/26	20,100,000	2,500,000	17,600,000	7,050,000	
Burton HS - SpEd, STEM, Gym + Kitchen	8/14/24	8/5/26	59,600,000	38,765,000	55,725,000	9,950,000	
SNS Hub + Shops	8/7/23	3/23/27	200,000,000	4,000,000	196,000,000	14,300,000	
Denman MS Renovation (package two)	NA	NA	4,500,000	0	45,000,000	5,750,000	
PA Systems Upgrade (package six)	NA	NA	4,000,000	0	4,000,000	4,600,000	
			517,900,000	142,465,000	392,325,000	140,300,000	

[1] Does not include certain expenditures for SNS, DOT, PPDM, and other administrative costs which will bring the 18 month total to \$160 million.

# Authorizing Resolution

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- As in the past, authorization of the new money bonds will be through resolution of the Board of Supervisors.
  - The California Education Code provides that school district bonds will be issued by authority of the County in which the District is located.
  - In recent years, some counties have passed resolutions allowing school district bonds to be issued without resolution of the county.
  - San Francisco City and County has not passed such a resolution and all twelve new money bonds issued by the District have been authorized by County resolution.
  - In many ways, it makes sense. The District has a close relationship with the City, especially in connection with bonds. Representatives of the City review bond documents, the Treasurer receives and invests bond proceeds, and the County is responsible for establishing and collecting annual tax levies and, as paying agent, for paying debt service on bonds.

# Refunding Bonds

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- Market conditions permitting, the District also plans to issue another series of refunding bonds in conjunction with the Series A sale.
  - Full current refunding of both the remaining Election of 2006, Series F, Bonds and the remaining Election of 2011, Series C, Bonds (total refunded par of approximately \$149 million) for taxpayer savings.
  - Savings threshold of both a minimum of \$1.00 million in net present value savings and 3.00% present value savings on refunded par in accordance with the District's current debt policy.
  - In the current market, the proposed refunding transaction would generate \$7.30 million in net present value savings which is 4.90% of refunded par.
  - If completed, this will be the District's sixth refunding transaction all for taxpayer savings and five of which have been completed in conjunction with new money bonds.

# Schedule



Approval by the full Board at their meeting next week will allow the District to sell bonds on Tuesday, April 8<sup>th</sup>, and receive funds by Thursday, April 24<sup>th</sup>.

TENTATIVE BOND ISSUANCE SCHEDULE	
Date	Activity
Monday, January 13, 2025	District team meeting with the Office of Public Finance to introduce financing plan.
Tuesday, February 11, 2025	District Board of Education meeting. First reading of financing resolutions.
Tuesday, February 25, 2025	SF Board of Supervisors meeting. Introduction of financing resolution.
Wednesday, February 26, 2025	District team presentation to Moody's Ratings.
Friday, February 28, 2025	District team presentation to S&P Global Ratings.
Tuesday, March 11, 2025	District Board of Education meeting. Approval of financing resolutions and POS.
Wednesday, March 19, 2025	SF Budget and Finance Committee meeting.
Friday, March 21, 2025	District receives bond ratings and draft rating reports for review and comment.
Tuesday, March 25, 2025	SF Board of Supervisors meeting. Approval of new money financing resolution.
Tuesday, April 8, 2025	Pricing. Interest rates established. District executes purchase contract.
Friday, April 25, 2025	Closing date. District receives funds.