LINCOLN COUNTY SCHOOL DISTRICT

Dr. Majalise Tolan
Superintendent

District Office | Teaching & Learning Center
1212 NE Fogarty Street, Newport, OR 97365
PO Box 1110, Newport, OR 97365
T 541-265-9211 | F 541-265-3059
www.lincoln.k12.or.us

Board of Directors
NOTICE OF A BOARD MEETING
Lincoln County School District Board Work Session November 2022

Date	**Tuesday, November 22, 2022**
Time	**Work Session Via Zoom - https://us06web.zoom.us/j/84596700319?pwd=VkFHdUhFanRRNW10eUZGZWJVZDBWQT09**
Place	**Zoom, Online, Newport, OR 97365**

The Lincoln County School District Board of Directors has scheduled a Lincoln County School District Board Work Session November 2022 of the Board beginning at Work Session Via Zoom - https://us06web.zoom.us/j/84596700319?pwd=VkFHdUhFanRRNW10eUZGZWJVZDBWQT09.

Public comment will only be heard if a specific public comment time is designated on the agenda. Not all meetings of the Board have public comment.
If you are a member of the community and wish to speak before the Board, please email the following information to eddie.symington@lincoln.k12.or.us by **12:00 pm on the business day prior to the meeting: Name, address and phone number (optional), and topic.** Once your request is received, you will be contacted with details regarding making the comment during the meeting. Public comment cards will also be available at the door and must be completed and given to the Board Secretary. All public comment will follow Board Policy BDDH – "Public Comment at Board Meetings."

The session will be streamed and can be accessed by visiting our website.

The agenda is attached.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting.

THIS NOTICE SATISFIES THE REQUIREMENTS OF ORS 192.630, 192.640 AND 332.045.
For further information or to request accommodations, please contact:
Eddie Symington, Assistant to the Superintendent and School Board
Lincoln County School District | 1212 NE Fogarty | Newport, OR 97365

LINCOLN COUNTY SCHOOL DISTRICT
Board of Directors – Lincoln County School District Board Work Session
November 2022
Tuesday, November 22, 2022 - Work Session Via Zoom - https://us06web.zoom.us/j/84596700319?pwd=VkFHdUhFanRRNW10eUZGZWJVZDBWQT09
Zoom, Online, Newport, OR 97365

Agenda

1. Call to Order & Reading of Land Acknowledgment

Land Acknowledgement Statement

We ask that you take a moment to stop what you are doing, to listen to these words as we recognize the land that we currently inhabit. No matter where each of us is physically located in Lincoln County, we must understand that we are on traditional homelands and unceded territories of indigenous peoples. Where we live in Lincoln County, these are the ancestral homelands for the Confederated Tribes of Siletz Indians.

Lincoln County School District acknowledges the Confederated Tribes of Siletz Indians that consists of over 30 bands originating from Northern California to Southern Washington. The Confederated Tribes of Siletz Indians currently occupy and manage 9,310 acres located here in Lincoln County but is a mere fraction of their original 1855 1.1 million-acre Siletz coastal reservation. We must remember the people of the Confederated Tribes of Siletz Indians are and will forever be the first stewards of this land, water, and fish.

We acknowledge and recognize the continued sovereignty of the Confederated Tribes of Siletz Indians and honor their ancestral homelands. We are committed to bringing awareness to their history and the existence of the Confederated Tribes of Siletz Indians since time immemorial.

2. LCSD Synergy Data Dashboard Presentation
3. Bond Presentation by Piper Sandler & Co

PIPER | SANDLER

November 22, 2022

Lincoln County School District: General Obligation Bond & Levy Rate Analysis

LINCOLN COUNTY SCHOOL DISTRICT

Lauren MacMillan
MANAGING DIRECTOR
Tel: +1 503-275-8302
Email: lauren.macmillan@psc.com

Joseph Wilson
ASSOCIATE
Tel: +1 503-275-8304
Email: joe.wilson@psc.com

GENERAL OBLIGATION BONDS GENERALLY

- Issued by municipalities
- Debt service (principal and interest) is secured by a property tax levied on all properties within the Issuer's boundaries and the Issuer's full faith and credit
- The property tax levy is unlimited and dedicated to payment of debt service
  - Levy rate can be set as high as necessary to generate enough revenue to pay debt service
  - Tax collections <u>must</u> be used for GO bond debt service
- GO bonds are considered to be the highest quality credit a school district can offer
- Must be approved by voters

ITEMS TO NOTE

- GO bond levy is not limited by Measure 5 or Measure 50 and is in addition to permanent rate
- State law allows school districts to issue up to 7.95% of Real Market Value
  - For Lincoln County SD, that's $995.2 million!
- 4 elections: March, May, September & November
  - Only November and May not subject to double majority
- Ballot title approves an amount, use of proceeds and maximum years to maturity
  - Estimate of projected levy rate can be included but cannot guarantee rate and voters do not approve the rate

SAMPLE BALLOT TITLE

CAPTION: (10 WORD LIMIT)

SCHOOL BOND FOR REPAIRS, CONSTRUCTION, SECURITY, TECHNOLOGY AND ENERGY EFFICIENCY

QUESTION: (20 WORD LIMIT)

Shall Hood River County Schools improve and construct facilities by issuing $57,175,000 of bonds, estimated to maintain average tax rate? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

SUMMARY: (175 WORD LIMIT)

If approved, bonds are expected to finance the following projects:

- Repairs to schools, including addressing failing roofs, heating and ventilation systems, plumbing, mechanical and electrical systems;
- Energy efficiency improvements to decrease energy use;
- Improvements to address deferred maintenance, worn out finishes, and replace old equipment;
- Technology improvements in every school for student learning opportunities;
- Safety and security updates at every school;
- New state-of-the-art science, engineering and math lab learning space at Wy'east Middle School;
- Replace, equip and furnish May Street Elementary School on the same site, providing maintenance and operational savings;
- Upgrade and improve athletic fields and tracks, including those used most by community members;
- Upgrade school playgrounds at Cascade Locks, Parkdale and Mid Valley Elementary Schools;
- Pay associated furnishing, equipping, demolition, site improvement and bond issuance costs.

Bonds would mature in twenty years or less from issuance, may be issued in multiple series, and are estimated to maintain recent average property tax rate of $1.83 per $1,000 assessed value, which may vary in actuality based on assessed value growth and other factors.

9

Estimate of levy rate impact – NOT a rate limit or guarantee

USE OF PROCEEDS

- Proceeds may be used for "capital costs" with a useful life of 1 year or more

Land and Other Assets	Acquisition	Construction	Deferred Maintenance or Repairs
Furnishing & Equipping	Remodeling	Improvements	

- Weighted average life of bonds may not exceed weighted average life of projects
    - Can't borrow for 30 years and only finance computers
- "Routine" maintenance and supplies are not eligible
- Any interest earnings on proceeds must be used in accordance with ballot title

FEDERAL TAX RULES

Interest on qualifying municipal bonds is exempt from federal taxation, but the issue is subject to federal tax law. Key provisions:

- Use of Proceeds
  - Public purpose projects are OK
  - Certain limitations on 'partnerships,' with, for example, non-profits
- Reimbursement of past expenditures during a limited period with approval of a reimbursement resolution
- Timing of Spending Proceeds
  - Issuer must have a reasonable expectation it will spend 85% of the proceeds in 3 years
  - Includes any premium on proceeds

LINCOLN COUNTY SCHOOLS SPECIFICALLY

- **Last GO authorization approved at May 2011 election**

	Purpose	Date of Issue	Date of Maturity		Amount Issued		Amount Outstanding
General Obligation Bonds:							
Series 1995*	Construct 3 new schools, renovate existing schools & new modular classrooms	07/01/95	06/15/09	$	38,859,050	$	-
Series 2008	Advance Refund 1995 GO Bonds	06/19/08	06/15/12		12,700,000		-
Series 2011A	Construct new high school, new classrooms, site improvements & safety upgrades	07/07/11	06/15/24		48,000,000		10,410,000
Series 2011B	Qualified School Construction Bonds	07/07/11	06/15/26		15,000,000		15,000,000
Total General Obligation Bonds							25,410,000
Pension Obligation Bonds:							
Series 2002	OSBA Pension Bond Pool to fund allocated portion of PERS UAL	11/01/02	06/30/28		21,009,781		12,665,000
Series 2003		04/21/03	06/30/28		26,941,738		14,205,261
Total Pension Obligation Bonds							26,870,261

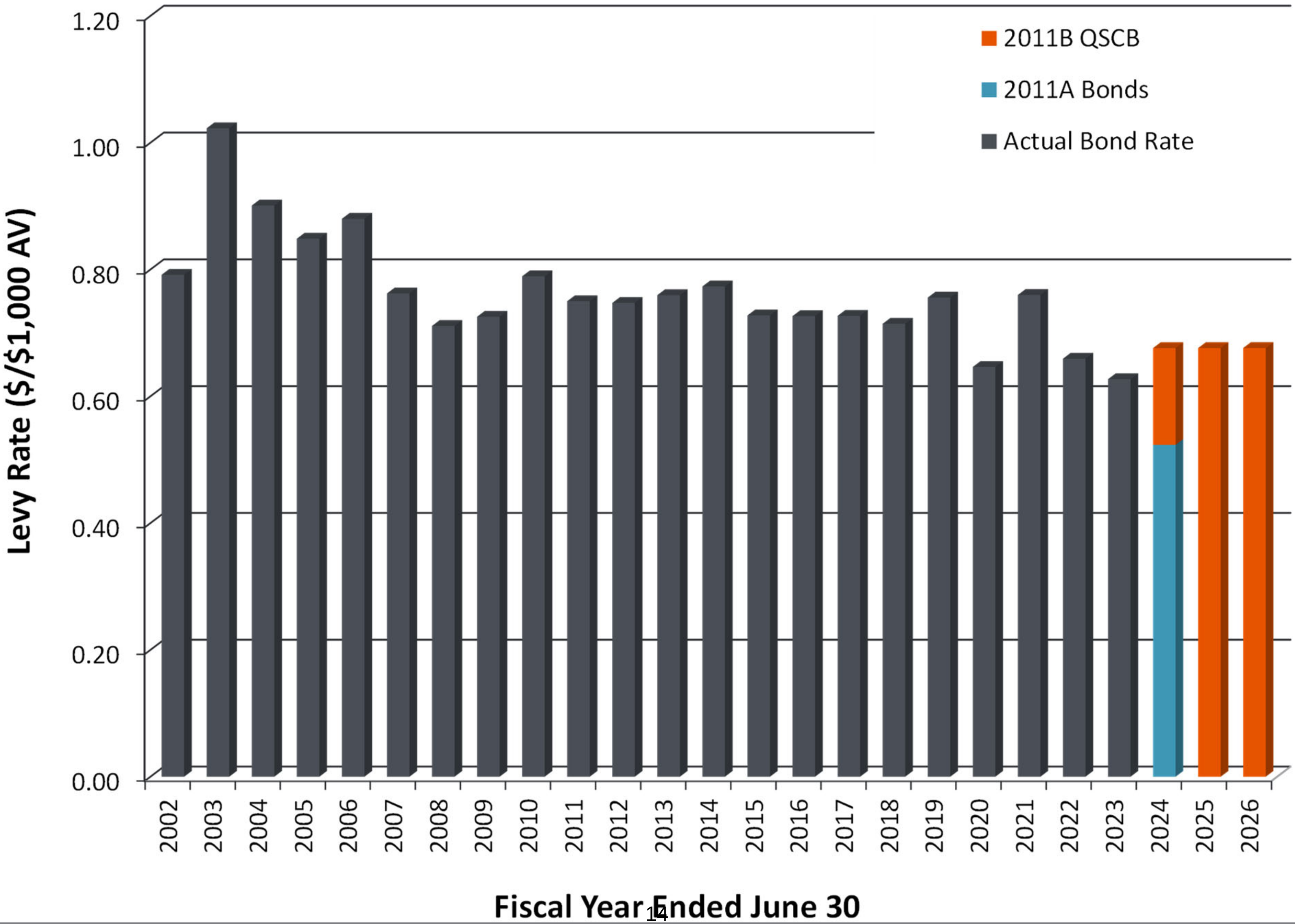
- **Current bond levy $0.63/$1,000**
- **Bonds mature in 2026**

ACTUAL AND PROJECTED LEVY RATES

	Fiscal Year[1]	Outstanding General Obligation Bonds Debt Service 1995 Bonds	2008 Ref	2011A Bonds	2011B QSCB	Total	Total Assessed Value	% Total AV Growth	Actual Bond Rate	Taxes Collected[2]	Projected Bond Rate
Historical	2002	$ 3,524,948	$ -	$ -	$ -	$ 3,524,948	$ 4,542,114,146	---	0.79		
	2003	3,633,588	-	-	-	3,633,588	4,690,572,626	3.27%	1.02		
	2004	3,739,913	-	-	-	3,739,913	4,796,702,054	2.26%	0.90		
	2005	3,854,688	-	-	-	3,854,688	4,947,457,724	3.14%	0.85		
	2006	3,970,188	-	-	-	3,970,188	5,171,194,917	4.52%	0.88		
	2007	4,090,388	-	-	-	4,090,388	5,439,451,179	5.19%	0.76		
	2008	4,214,088	-	-	-	4,214,088	5,735,027,984	5.43%	0.71		
	2009	3,672,900	557,960	-	-	4,230,860	6,031,173,420	5.16%	0.73		
	2010	-	4,358,450	-	-	4,358,450	6,292,977,665	4.34%	0.79		
	2011	-	4,498,625	-	-	4,498,625	6,469,563,816	2.81%	0.75		
	2012	-	4,631,525	-	-	4,631,525	6,617,331,351	2.28%	0.75		
	2013	-	-	4,036,050	358,350	4,394,400	6,726,902,017	1.66%	0.76		
	2014	-	-	4,623,350	-	4,623,350	6,818,780,751	1.37%	0.77		
	2015	-	-	4,853,150	-	4,853,150	6,966,730,186	2.17%	0.73		
	2016	-	-	5,091,775	-	5,091,775	7,152,473,988	2.67%	0.73		
	2017	-	-	5,228,225	-	5,228,225	7,361,888,028	2.93%	0.73		
	2018	-	-	5,375,925	-	5,375,925	7,670,378,307	4.19%	0.71		
	2019	-	-	5,531,525	-	5,531,525	7,976,281,680	3.99%	0.76		
	2020	-	-	5,679,625	-	5,679,625	8,295,612,301	4.00%	0.65		
	2021	-	-	5,839,325	-	5,839,325	8,612,963,617	3.83%	0.76		
	2022	-	-	5,999,600	-	5,999,600	8,942,959,919	3.83%	0.66		
Latest	2023	-	-	6,163,300	-	6,163,300	9,359,732,661	4.66%	0.63		
Projecte	2024	-	-	4,908,800	1,431,650	6,340,450	9,617,125,309	2.75%		97.5%	0.68
	2025	-	-	-	6,515,000	6,515,000	9,881,596,255	2.75%		97.5%	0.68
	2026	-	-	-	6,695,000	6,695,000	10,153,340,152	2.75%		97.5%	0.68

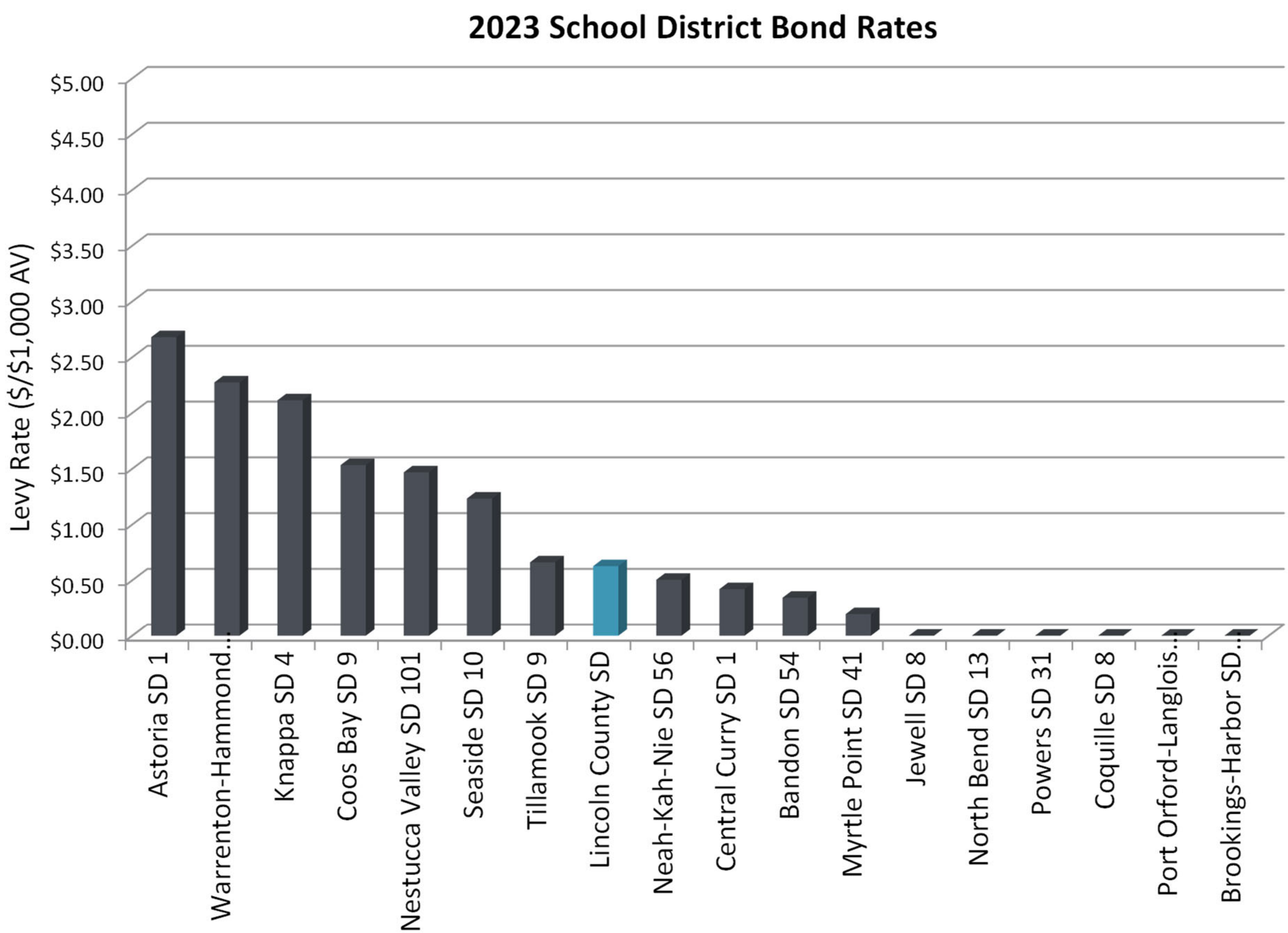
(1) Fiscal years ended June 30.
(2) Assumes collection year delinquencies will be offset by back tax collections.

ACTUAL AND PROJECTED LEVY RATES



14

COMPARABLE LEVY RATES



15

KEY PROPERTY TAX CONCEPTS

Since GO Bonds are repaid with property taxes, it is important to understand a few key concepts:

- Real Market Value (RMV)
  - Amount that a property could reasonably expect to sell for as of January 1
- Assessed Value (AV)
  - Value of property subject to taxation
  - Cannot exceed the RMV
- Bond Levy Rate
  - Tax rate expressed in dollars per $1,000 of AV
  - Calculated annually and set by county assessor
    - Issuers do not set the rate and cannot guarantee a levy rate

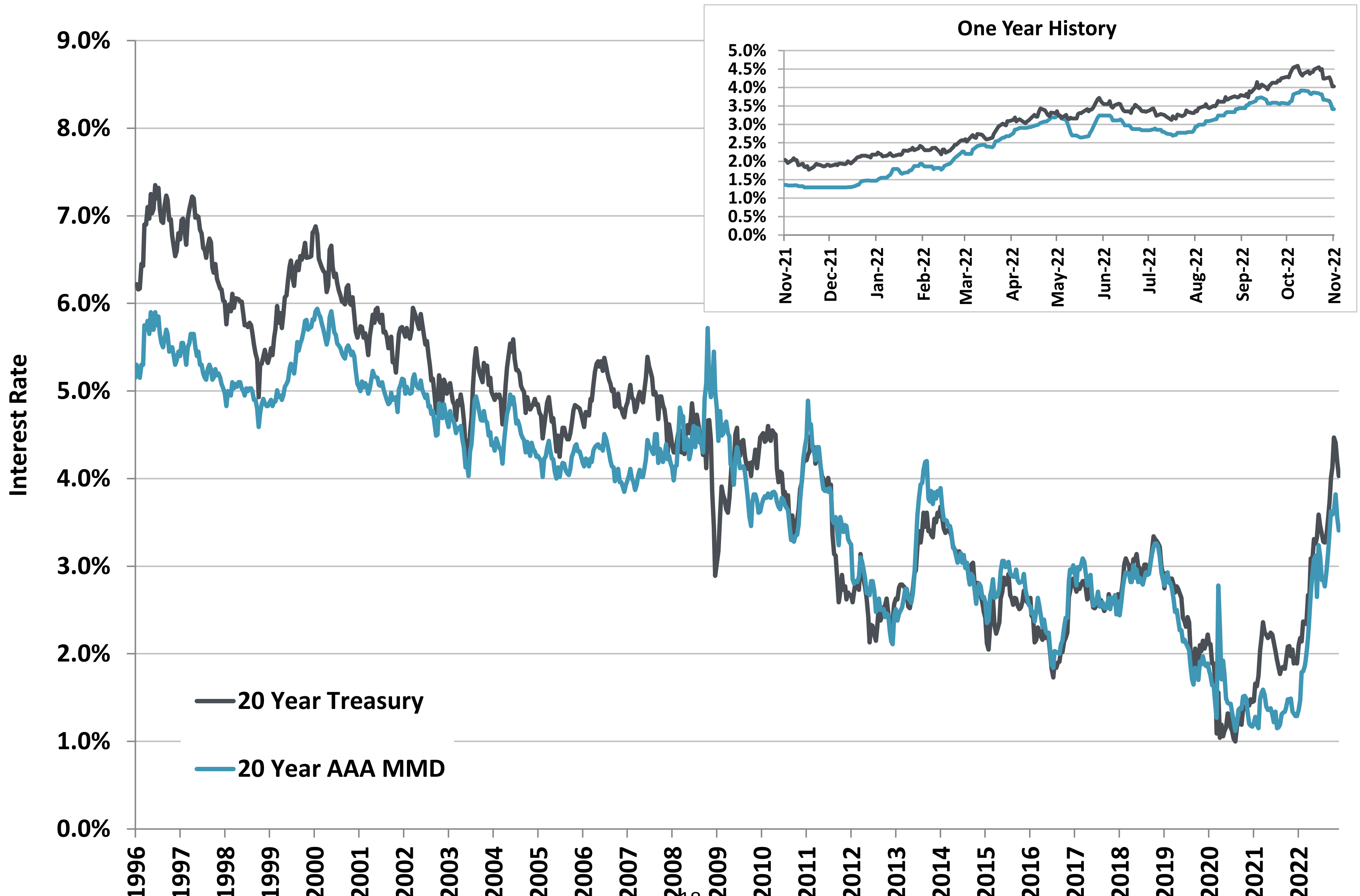
LINCOLN COUNTY SCHOOLS PROPERTY VALUES

- **AV growth for existing properties limited to 3%**
  - **District values grow in excess of 3% due to new construction**

Fiscal Year	M5 Real Market Value	% RMV Growth	Total Assessed Value	Urban Renewal Excess	Net Assessed Value	% Total AV Growth
2023	N/A	N/A	$ 9,359,732,661	$ 426,082,735	$ 8,933,649,926	4.66%
2022	12,518,177,942	12.99%	8,942,959,919	357,189,916	8,585,770,003	3.83%
2021	11,078,596,376	6.16%	8,612,963,617	379,964,053	8,232,999,564	3.83%
2020	10,435,500,910	8.06%	8,295,612,301	349,459,402	7,946,152,899	4.00%
2019	9,656,731,139	6.23%	7,976,281,680	324,361,278	7,651,920,402	3.99%
2018	9,090,243,268	6.95%	7,670,378,307	286,589,572	7,383,788,735	4.19%
2017	8,499,366,109	4.73%	7,361,888,028	261,535,878	7,100,352,150	2.93%
2016	8,115,795,224	1.61%	7,152,473,988	229,131,532	6,923,342,456	2.67%
2015	7,987,424,092	0.59%	6,966,730,186	222,834,140	6,743,896,046	2.17%
2014	7,940,723,495	-4.87%	6,818,780,751	380,977,297	6,437,803,454	1.37%
2013	8,347,416,231	-7.78%	6,726,902,017	379,083,227	6,347,818,790	1.66%
2012	9,052,099,827	-7.16%	6,617,331,351	371,870,207	6,245,461,144	2.28%
2011	9,750,422,558	-8.60%	6,469,563,816	419,193,324	6,050,370,492	2.81%
2010	10,667,793,309	-3.98%	6,292,977,665	539,309,969	5,753,667,696	4.34%
2009	11,109,909,484	7.72%	6,031,173,420	504,078,179	5,527,095,241	5.16%
2008	10,313,860,816	18.87%	5,735,027,984	461,009,789	5,274,018,195	5.43%
2007	8,676,406,590	33.31%	5,439,451,179	411,106,434	5,028,344,745	5.19%
2006	6,508,521,663	12.07%	5,171,194,917	385,750,576	4,785,444,341	4.52%
2005	5,807,626,626	5.78%	4,947,457,724	370,827,875	4,576,629,849	3.14%
2004	5,490,272,846	2.24%	4,796,702,054	358,162,883	4,438,539,171	2.26%
2003	5,369,929,274	1.43%	4,690,572,626	362,362,213	4,328,210,413	3.27%
2002	5,294,076,401	---	4,542,114,146	348,167,787	4,193,946,359	---

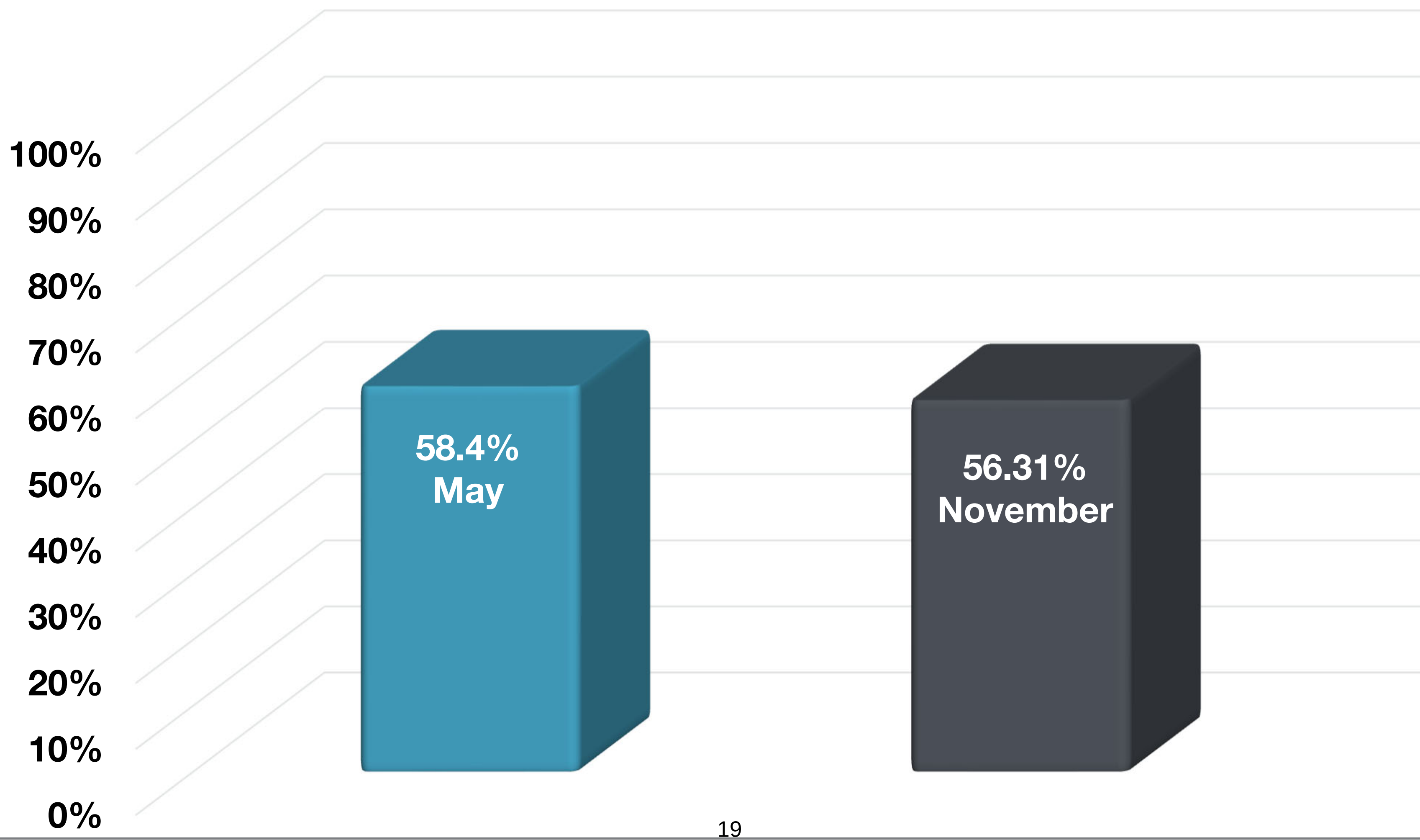
- **Look to historical AV growth to inform future growth assumptions**

INTEREST RATES



WHAT ARE THE ODDS?

57.5% of Oregon school district GO bond issues from May 2010 to November 2022 have been approved



OREGON SCHOOL CAPITAL IMPROVEMENT MATCHING (OSCIM) PROGRAM

- Provides State matching funds for school GO Bonds
- Must be authorized each biennium
  - $142.2 million total for 2021-23
  - ~$66 million available for May 2023 election
- Formula ranks districts & sets maximum grant amount based on property value/ADMw and poverty statistics
- 60% allocated in rank order by priority list & 40% allocated to 'First in Time' lottery
  - Rankings updated each biennium
- For 21-23 biennium, Lincoln County SD is ranked 167 out of 197; max grant is $5,281,620

CURRENT OSCIM SCHEDULE

2021-23 Biennium

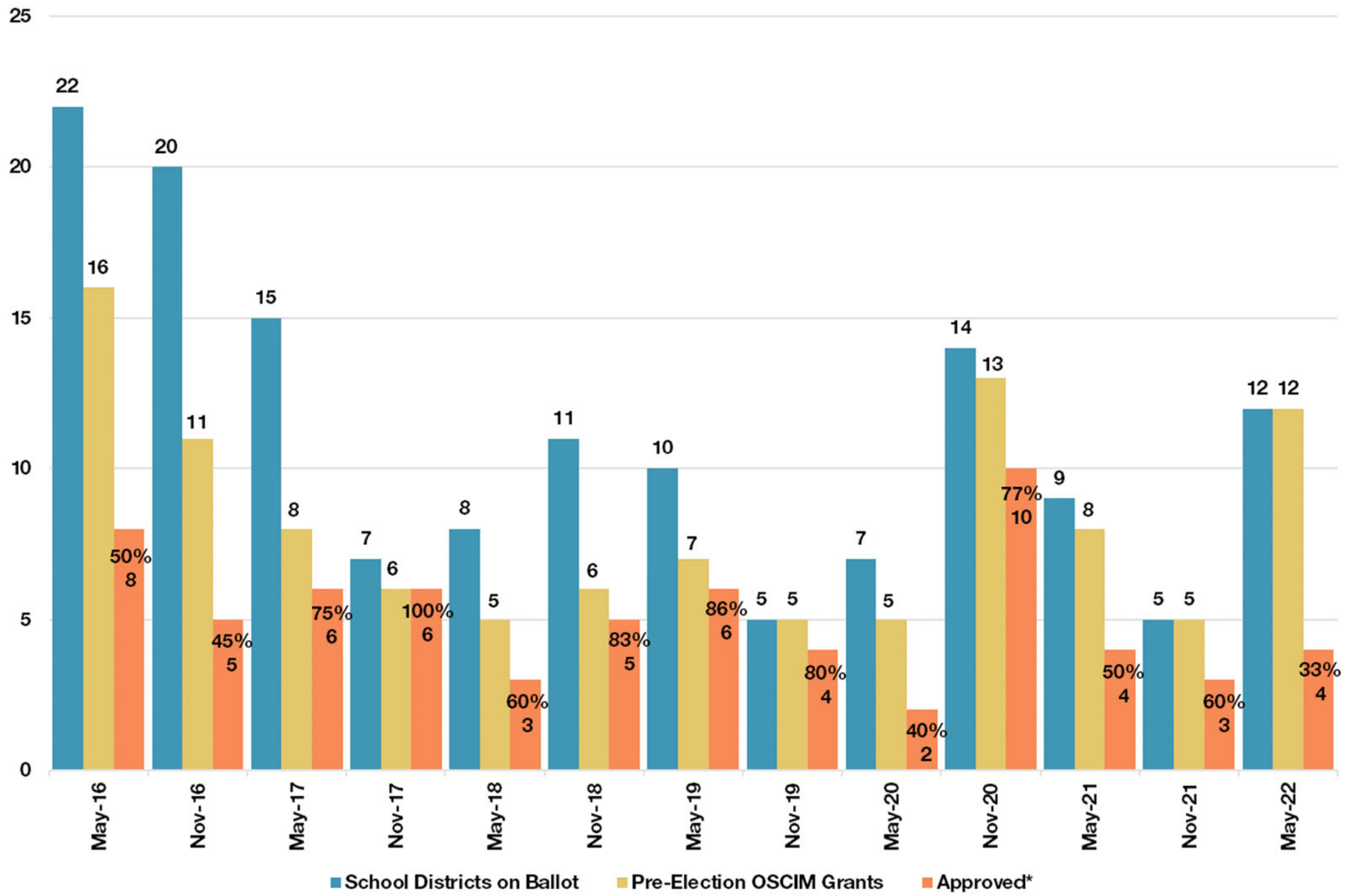
2021						2022												2023					
J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
Nov 2021																							
					May 2022																		
												Nov 2022											
																	May 2023						

- **Application timelines are as follows:**

Requirement	November Election	May Election
Facilities Assessment and Long-Range Plan	July 1	December 1
OSCIM Program Application	July 15	December 15

- **Ballot titles and resolutions due to ODE 81 days prior to the election**

OSCIM PROGRAM HISTORY



- Grant is intended to help increase a district's chance to approve GO bonds
  - Still need to engage community and get voters on board

DISCLOSURE

Piper Sandler is providing the information contained herein for discussion purposes only in anticipation of being engaged to serve as underwriter or placement agent on a future transaction and not as a financial advisor or municipal advisor. In providing the information contained herein, Piper Sandler is not recommending an action to you and the information provided herein is not intended to be and should not be construed as a "recommendation" or "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. Piper Sandler is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act or under any state law to you with respect to the information and material contained in this communication. As an underwriter or placement agent, Piper Sandler's primary role is to purchase or arrange for the placement of securities with a view to distribution in an arm's-length commercial transaction, is acting for its own interests and has financial and other interests that differ from your interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

The information contained herein may include hypothetical interest rates or interest rate savings for a potential refunding. Interest rates used herein take into consideration conditions in today's market and other factual information such as credit rating, geographic location and market sector. Interest rates described herein should not be viewed as rates that Piper Sandler expects to achieve for you should we be selected to act as your underwriter or placement agent. Information about interest rates and terms for SLGs is based on current publicly available information and treasury or agency rates for open-market escrows are based on current market interest rates for these types of credits and should not be seen as costs or rates that Piper Sandler could achieve for you should we be selected to act as your underwriter or placement agent. More particularized information and analysis may be provided after you have engaged Piper Sandler as an underwriter or placement agent or under certain other exceptions as describe in the Section 15B of the Exchange Act.

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank and institutional securities firm driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and FINRA; in Europe through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Sandler Hong Kong Ltd., authorized and regulated by the Securities and Futures Commission. Asset management products and services are offered through separate investment advisory affiliates.

4. Chapter 3 - Fearless Leaders

Board Goals 2024-2029

GOAL ONE: Lincoln County School District will establish and meet high expectations for student achievement.

GOAL TWO: Lincoln County School District will create equitable, diverse, inclusive, and accessible learning environments across the district within a framework of excellence in education.

GOAL THREE: LCSD will provide for the long term health and welfare of our facilities and finances, focusing on accessibility, technological innovation, and purposeful utilization.

GOAL FOUR: Lincoln County School District will strengthen community relationships through communication and engagement with staff, students, families, and community partners.

Lincoln County School District Equity Team
Land Acknowledgement Statement

We ask that you take a moment to stop what you are doing, to listen to these words as we recognize the land that we currently inhabit. No matter where each of us is physically located in Lincoln County, we must understand that we are on traditional homelands and unceded territories of indigenous peoples. Where we live in Lincoln County, these are the ancestral homelands for the Confederated Tribes of Siletz Indians.

Lincoln County School District acknowledges the Confederated Tribes of Siletz Indians that consists of over 30 bands originating from Northern California to Southern Washington. The Confederated Tribes of Siletz Indians currently occupy and manage 9,310 acres located here in Lincoln County but is a mere fraction of their original 1855 1.1 million-acre Siletz coastal reservation. We must remember the people of the Confederated Tribes of Siletz Indians are and will forever be the first stewards of this land, water, and fish.

We acknowledge and recognize the continued sovereignty of the Confederated Tribes of Siletz Indians and honor their ancestral homelands. We are committed to bringing awareness to their history and the existence of the Confederated Tribes of Siletz Indians since time immemorial.

NON-DISCRIMINATION: Lincoln County Schools do not discriminate nor tolerate discrimination on the basis of an individual's race, color, religion, sex, sexual orientation, national origin, disability, gender identity, marital status or age or because of the race, color, religion, sex, sexual orientation, national origin, disability, gender identity, marital status or age of any other persons with whom the individual associates.