



Building Schools for Tomorrow Committee Consensus Report February 15, 2022

Preamble

We came together at the invitation of the Sierra Sands Unified School District to serve as the Building Schools for Tomorrow Committee. Over the course of four meetings held on Tuesday evenings from January 25 to February 15, 2022, topics covered were: district facilities, school funding, school vision, public information research, and our consensus. Participants live and/or work in the community, and many who are or were at one time, parents, teachers, and staff. Collectively, we dedicated over 300 hours to learning about classroom and facilities needs and coming to consensus. This report describes how our Committee came together, what was learned and discussed, and the consensus reached from our efforts.

Meeting Format

At each Committee meeting, participants studied the issues, shared thoughts in discussion groups, and came back to the Committee to report out their discussions. Question cards were provided to allow for participants to submit questions that were then addressed at the beginning of the next meeting by the appropriate District staff member. This report reflects what the Committee agreed upon.

The Committee divided its working time into meeting with all participants together, and meeting in smaller discussion groups called:

- Energy Costs/Savings
- Facilities and Outdoor Spaces
- Safety and Security
- Student Learning / Accountability and Finance
- Technology and College-Career Readiness

Some Committee members also participated in optional opportunities to tour schools within the District.

What We Learned

Each of our four meetings had a main area of focus. The first meeting focused on the District's facilities needs, the second on school funding and a potential bond measure financial plan, the third on public information research, and the fourth, the development of our consensus report.

I. Introduction to District Facilities

Our first meeting was an introduction to the District's facilities. The District manages 10 school sites and four other sites.

We learned:

- The age of the District's classrooms have a broad range, with the oldest sites being built in 1935 and the newest in 2017
- A Facilities Condition Assessment was completed in 2019 (prior to the recent earthquakes)
 - Each site was given a Facilities Condition Index (FCI) which is a ratio of an estimate of total cost to repair compared to the total cost to replace
 - A FCI of 50% or higher indicates that it is often more cost-effective to construct a new building than to renovate
 - Four school sites and all four other sites received a FCI of 50% or higher
- Current funding mechanisms are insufficient to cover facilities needs based on the 2019 Facilities Master Plan
- The impact of the mandated Universal TK offering on facilities is unknown
- The District has completed several projects over the past 15 years using various funding sources, including DoD grants, Measure A, and Cal OES
- Public school construction is highly regulated; over 60 State and Federal agencies have some form of oversight over school construction; this results in school construction being more expensive than private construction

II. Introduction to School Funding and Budget

School funding is mostly based on the average daily attendance and the demographics of the students. Average daily attendance is influenced by total enrollment that has experienced a decline in recent years and is expected to continue to decline over the next several years.

We learned:

- Approximately 72% of expenditures are for salaries and benefits in the 2021-22 fiscal year
- Books, supplies, utilities, services, and operations account for about 19%, leaving only about 9% for capital outlay and debt service
- The District has been deficit spending for several years, resulting in the development of a Fiscal Recovery Plan in Fiscal Year 2020-21
- The District has received Federal and State grants for construction; however, it is uncertain when future funding may be available
 - Both Federal and State grants require a local match

Beyond Federal and State grants, the District has limited funds for facilities that are mostly utilized for ongoing maintenance. The main sources of funds are developer fees and a small portion of the General Fund. With limited funds for capital projects, it is evident that other sources of funds should be considered.

General obligation bonds can be approved by a 2/3 voter approval measure or a 55% voter approval measure. The differences between the measures include the types of projects that can be funded, the timing of elections, tax rates, and other factors. A 55% voter approval general obligation bond measure requires a maximum projected tax levy limitation of \$60 per \$100,000 of assessed value and includes citizens' oversight and accountability requirements. Tax levies are determined roughly by dividing the debt service of the bond by the total assessed value within the District.

We learned:

- The District could fund about \$51.4 million of projects with a general obligation bond measure, and remain below the \$60 maximum projected tax levy limitation
- Current total property taxes in the District for all governmental purposes are \$1.09 per \$100 of assessed value
- \$60 per \$100,000 would be adding another \$0.06 (6¢), such that tax rates would total \$1.15
- 45% of the District's tax base is made of single-family parcels, but these parcels comprise 69% of the total assessed value in the District
- In 2019-20 the median single-family parcel had an assessed value of approximately \$137,000
- About 67% of the property tax bills are sent within Kern and San Bernardino Counties
- The top 20 taxpayers are mostly commercial properties that are mostly owned outside the Counties

III. Public Information Research

A bond measure feasibility survey of 300 voters was conducted October 19 through October 26, 2021 and was conducted in a scientific manner; the District also conducted a similar survey in January 2020. The voters surveyed generally had positive views of the District and these views have improved from January 2020 to October 2021.

We learned:

- Most registered voters are concerned with expanding STEAM and CTE programs and keeping schools clean and well-maintained
- About 56%, with a margin of error of $\pm 5.7\%$, would vote for a proposed ballot measure for a bond of \$52.8 million prior to hearing any additional information
 - Support increased to about 57% after hearing additional information and positive arguments
 - Support decreased to approximately 46% after hearing arguments against
- Approximately 69% of registered voters feel that the District needs additional funding for schools, and about 60% felt that maintaining the quality of schools should be a top priority, even if it means raising taxes
- However, about 60% of those surveyed said that taxes are already too high and that they would never vote for a tax increase, regardless of how it may be used

IV. Consensus Recommendations

We agreed to report the following from our efforts:

Facilities

The District should:

- Identify and focus on projects that will benefit both students and the community
- Prioritize student learning environment and facilities to encourage staff, student, and community growth and retention

Facilities Funding

The District should:

- Pursue a 55% voter approval general obligation bond with a projected rate of \$60 per \$100,000 of assessed value which is controlled locally and spent locally
- When available, seek matching funds from the State and Federal programs
- Continue to pursue grants and other sources of funds

Community Engagement and Information

The District should:

- Work toward raising awareness in the community about:
 - The need for school facilities improvements and additional funds
 - The purpose and limitation on the general obligation bond
 - The minimal increase in property tax for the majority of homeowners
 - Academic studies showing that school bonds have a return on investment of \$1.50 for every \$1 spent
 - Funds stay local and are used only for facilities
- Involve students, parents, staff, and administrators in promoting the District's successes as well as informing the community about facilities needs
- Collaborate, cooperate, and partner with other public agencies in the community

Accountability

The District should:

- Establish a citizens' oversight committee for the general obligation bond measure

Sierra Sands Unified School District Staff and Consultants

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Unified School District
Engaging All Learners

Building Schools for Tomorrow Committee

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