

# VVUHSD Where Students Come First!



Objective of this discussion is to:

- Learn about our projects
- Learn about our financial resources to support projects
- Review debt obligations



Victor Valley Union High School District

Board Update – Facility Funding & Debt Management

August 18, 2022

# Board Update: Facility Funding & Debt Management

01

What are the projects for 2022-23?

02

How are they funded?

03

What are the current debt obligations?

04

What are the potential funding sources?

05

Next Steps

# Facilities Guiding Principles

## District Mission

- ❖ Focus on high quality education in a safe environment
- ❖ Inspire students to reach their full potential and become productive global citizens
- ❖ Eliminate inequity
- ❖ Recruit and retain highly quality staff

## Guiding Principles

- ✓ Provide student safety
- ✓ Build and maintain financially sustainable facilities
- ✓ Incorporate environmentally sustainable facilities

## Facilities Goals

1. Alignment with other VVUHSD planning efforts
2. Identify funding sources for future projects
3. Utilize existing funding to support projects

## Projects In Process: Modernization & Renovation

Project	Amount	Funding Source
Cobalt School Site Repairs	\$1,950,000	Deferred Maintenance, RRMA, ESSER
AHS Football Field Turf Replacement	616,191	Restricted Routine Maintenance Account (RMA)
SHS HVAC Replacement	10,000,000	ESSER
Other Sites – HVAC Replacement	5,000,000	ESSER
SHS Solar	3,997,120	Special Reserve for Capital Facilities
Transportation Security System	36,138	Restricted Routine Maintenance Account (RMA)
VVHS Gym Floor Replacement	300,586	Insurance Claim
AHS Dance Floor/Gym Flood	60,000	Restricted Routine Maintenance Account (RMA)
<b>Total Funding Requirements</b>	<b>\$21,960,035</b>	

# Projects in Planning Process: Modernization & Renovation

Project	Amount	Funding Source
Camera Upgrades – Districtwide	\$550,000	ESSER
VVHS – Replace Cafeteria Flooring	110,000	Restricted Routine Maintenance Account (RMA)
VVHS – Replace Cafeteria Roofing	190,000	State School Building Fund - Excess
Card Readers – Districtwide	3,000,000	Restricted Routine Maintenance Account (RMA)
Multipurpose Room – District Office	3,000,000	Special Reserve for Capital Facilities
SHS - Replacement Football Field Turf	800,000	Restricted Routine Maintenance Account (RMA)
<b>Total Funding Requirements</b>	<b>\$7,650,000</b>	

# Under Consideration: Construction, Modernization & Renovation

Project	Estimated Amount	Funding Source
SHS – Security Upgrades	\$50,000	Restricted Routine Maintenance Account (RMA)
VVHS – Baseball Field Lighting	1,000,000	Special Reserve for Capital Outlay
VVHS – Security Upgrades	1,000,000	Special Reserve for Capital Outlay
Warehouse/Transportation Facility	\$10,000,000	Undecided
New Construction: Jr. High School	\$95,000,000	GO Bond/State Facility Program
<b>Rough Estimate for Funding Requirements</b>	<b>\$107,050,000</b>	

# Available Funding

	From Fund	To Fund
Annual Transfer from General Fund to Special Reserve Fund for Capital Outlay	\$3,000,000	
Special Reserve Fund for Capital Outlay – to make the annual COPs payment		\$1,587,000
Capital Facilities Fund – to make the annual equipment lease for Energy Conservation		\$327,724
*GF transfer leaves approximately \$1,085,000 for other projects		
*Approximately \$2.3 M annually from Developer Fees for projects		
<b>Victor Valley Union High School District - Business Services Division</b>		



# Potential Funding Options: Statewide Tax, Local Tax, Fees

State School Facility Program

Statewide Tax 50% and Local General Obligation Bond 50%

New Construction Grants 50/50 funding – long process dependent on State bonding and eligibility.

Modernization 60/40 funding – District has one project at VVHS that qualifies and is currently “approved and unfunded”. Requires State bonding.

Parcel Tax

Local Tax

Requires a 2/3 voter approval. Can be levied evenly across all property in the District’s boundary, or on only one type of development.

Mello-Roos

Local Tax

Tax that is applied only to a particular development to finance – some segments of the population are excluded from the tax.

# Potential Funding Options: General Obligation Fund (GO Bond) Developer Fees.

General  
Obligation  
Fund (GO  
Bond)

**Districtwide Tax**

Requires 55% passage  
with Proposition 39  
or  
2/3 voter approval  
without Proposition 39

Developer Fees

**Local Fee**

Requires a study to determine if  
the District qualifies for  
increased fees.

Currently, the District levies  
“Level 1 Fees” on new (and  
additions over a 499 sq. ft.)  
residential and commercial  
development.

Last increase was in 2018

# Project Prioritization: Implementing an Equitable Process

01

**Complete deferred maintenance projects**

02

**Promote projects for every school**

03

**Pursue projects that enable VVUHSD to generate revenue or reduce ongoing costs**

## Looking to the Future

The cost of pursuing projects to address future needs will exceed available funding.

### Prioritization & Funding

