

MARCH 8, 2023

Thinking forward for
schools and
communities.



DS&C

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

CBOC MEASURE H GO BOND WORKSHOP



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Critical Steps: Pre-Election

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Select Election Date

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Initial Debt Structure Analysis

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Voter Survey

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Finalize Debt Structure

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Resolution/ Ballot Language/ Project List/ TRS

Critical Steps: Post-Election

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Sale of Bonds

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Appointment of CBOC

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Filing of Continuing Disclosure

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Additional Reference



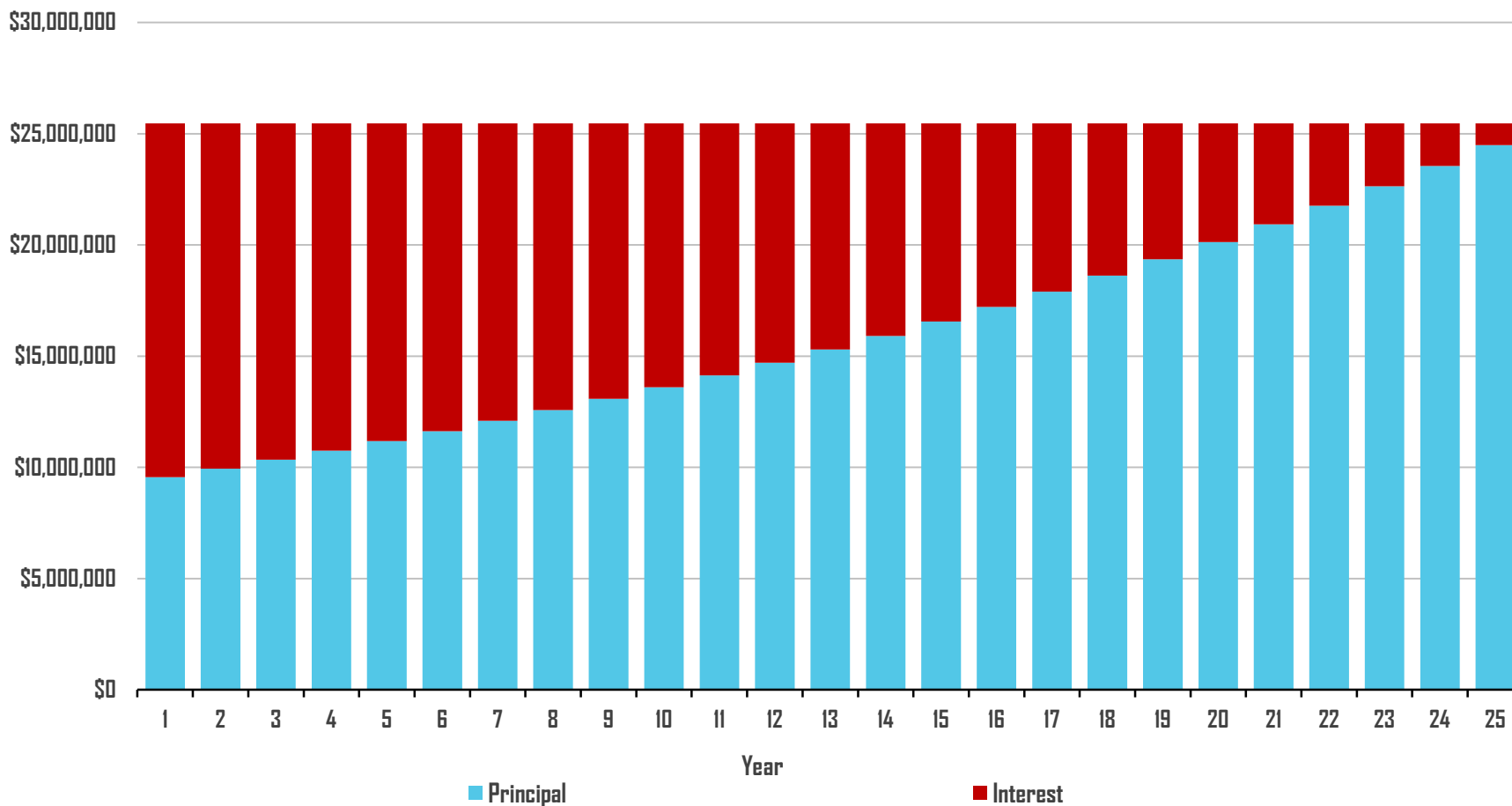
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INITIAL DEBT STRUCTURE ANALYSIS

Initial Debt Structure Analysis: How Bonds are Structured

BONDS STRUCTURED WITH LEVEL DEBT SERVICE

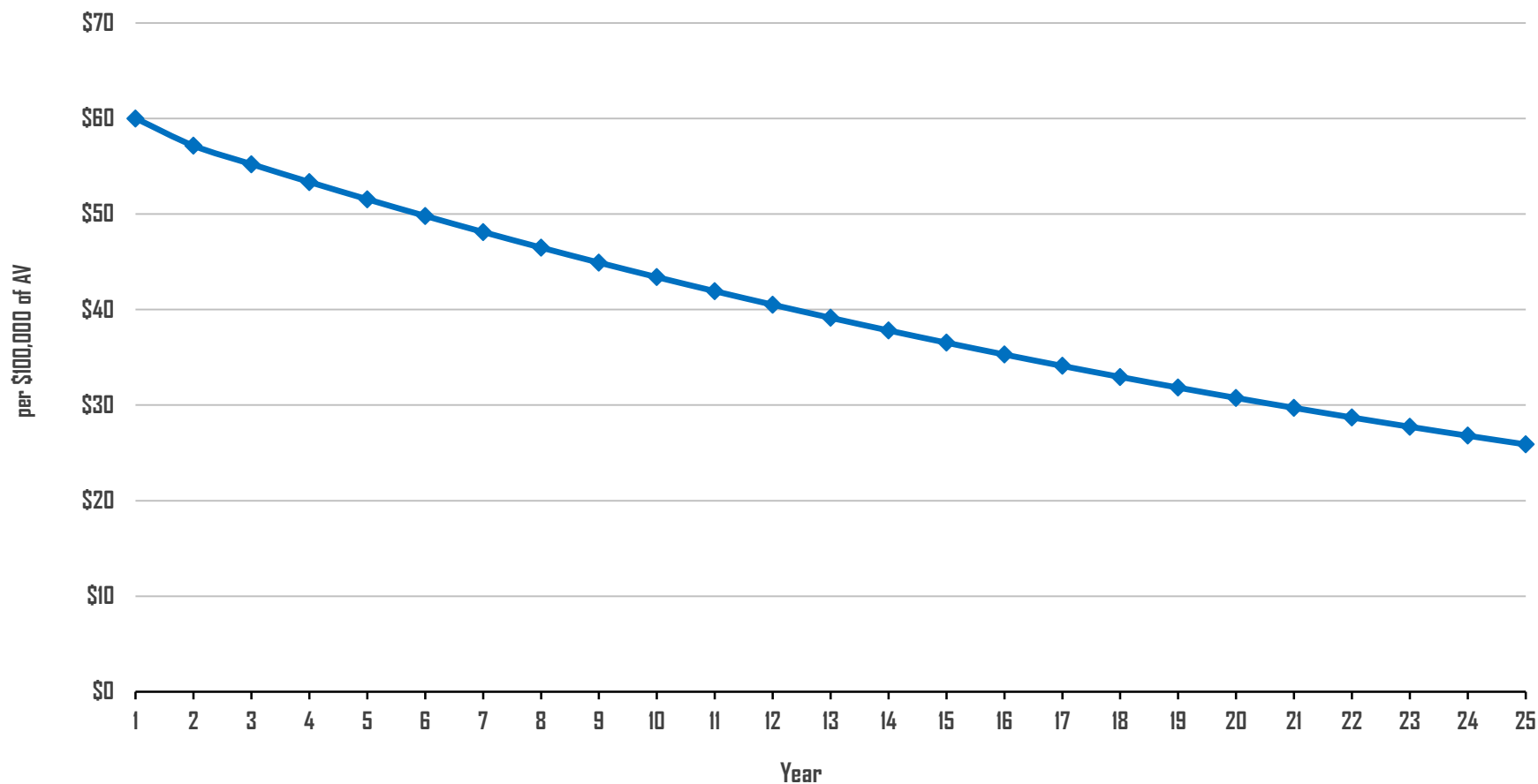
Level Debt Service



Initial Debt Structure Analysis: How Bonds are Structured

LEVEL DEBT SERVICE PRODUCES DESCENDING TAX RATES

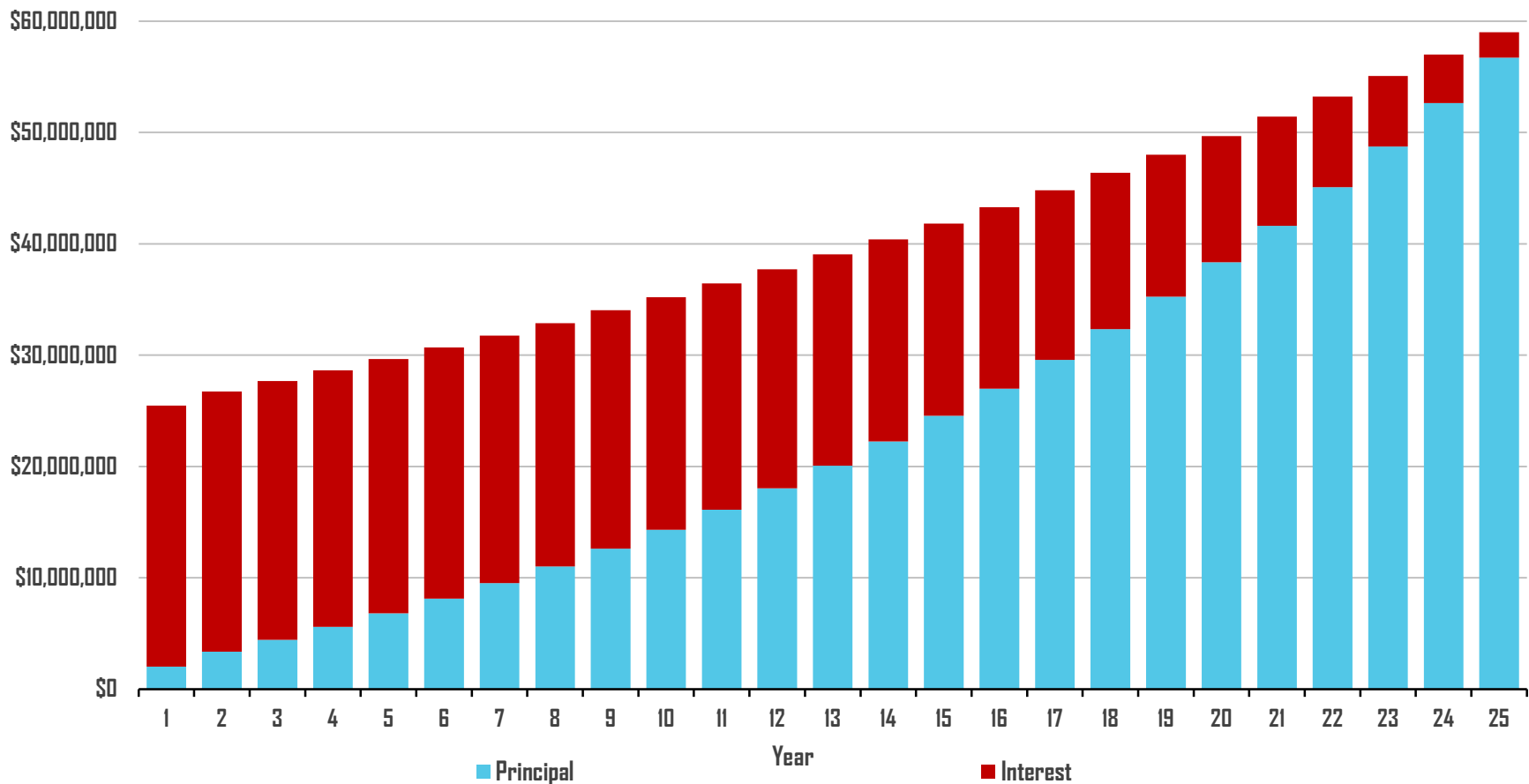
Annual Tax Rates



Initial Debt Structure Analysis: How Bonds are Structured

BONDS STRUCTURED WITH ASCENDING DEBT SERVICE

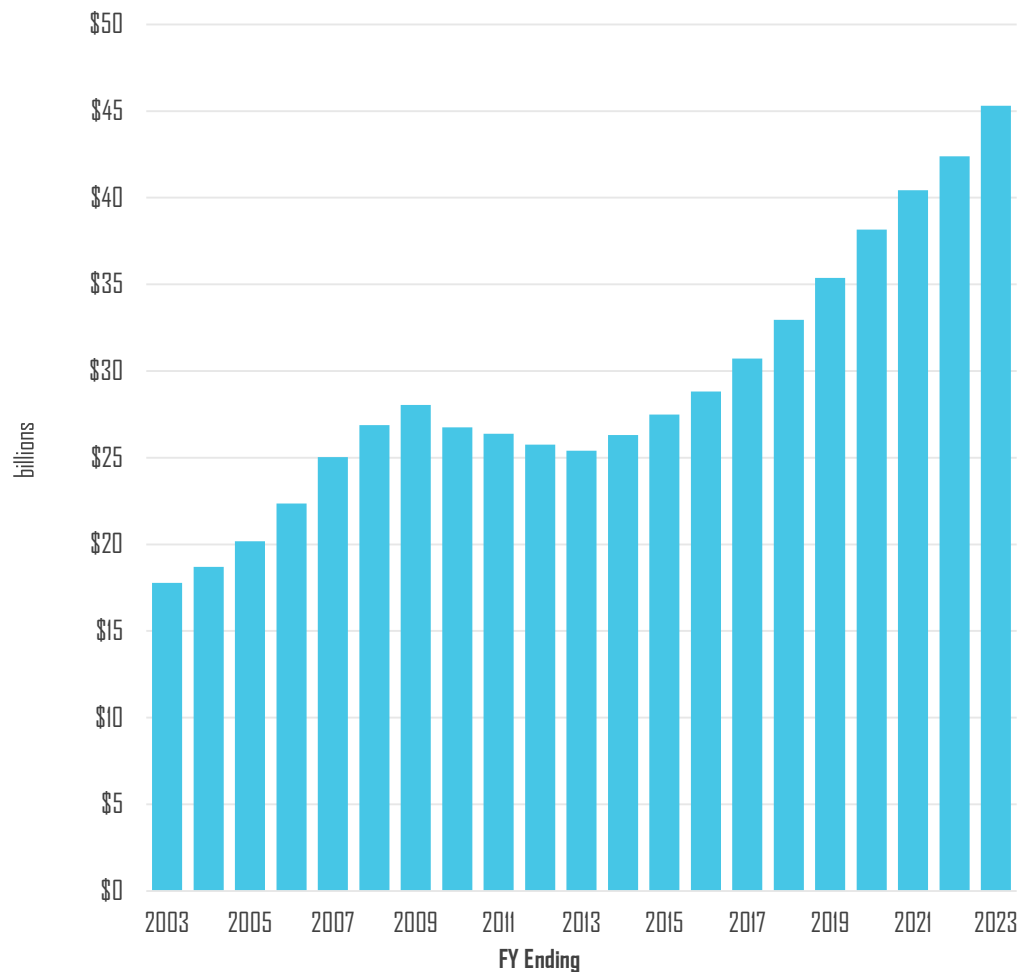
Ascending Debt Service



Initial Debt Structure Analysis: Assessed Valuation

DISTRICT AV HAS GROWN MORE THAN 19% OVER THE PAST THREE YEARS

Assessed Valuation

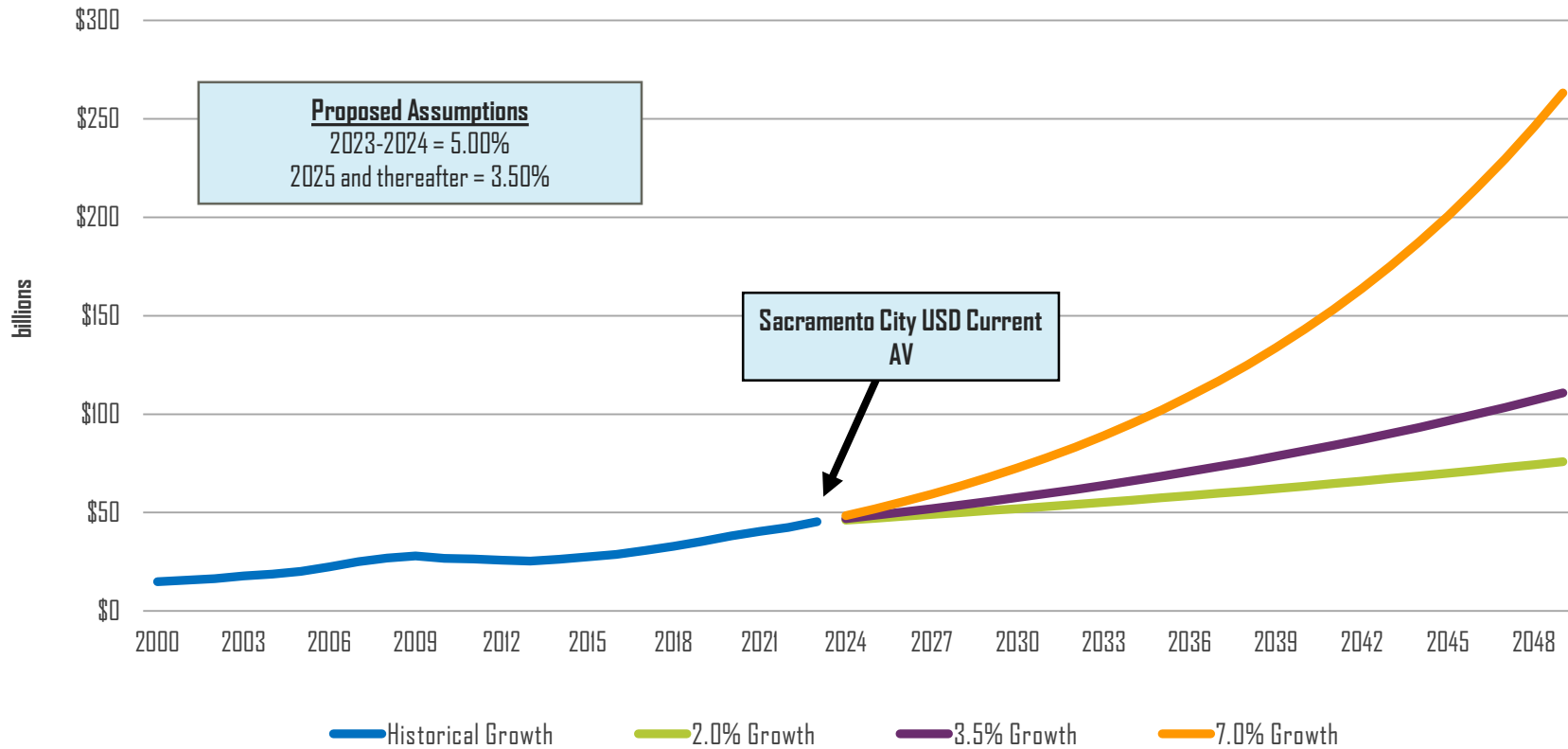


Assessed Valuation: 2003 to 2023

FY Ending	(billions)	% change
2003	\$17.8	7.9%
2004	\$18.7	5.2%
2005	\$20.2	7.9%
2006	\$22.4	10.9%
2007	\$25.0	11.9%
2008	\$26.9	7.4%
2009	\$28.0	4.3%
2010	\$26.7	-4.6%
2011	\$26.4	-1.3%
2012	\$25.7	-2.4%
2013	\$25.4	-1.3%
2014	\$26.3	3.6%
2015	\$27.5	4.5%
2016	\$28.8	4.8%
2017	\$30.7	6.6%
2018	\$33.0	7.3%
2019	\$35.4	7.3%
2020	\$38.2	7.9%
2021	\$40.4	5.9%
2022	\$42.4	4.8%
2023	\$45.3	6.9%
5 Year Average		6.6%
10 Year Average		6.0%
20 Year Average		4.8%

Initial Debt Structure Analysis: AV Growth Projections

Assessed Valuation Projections

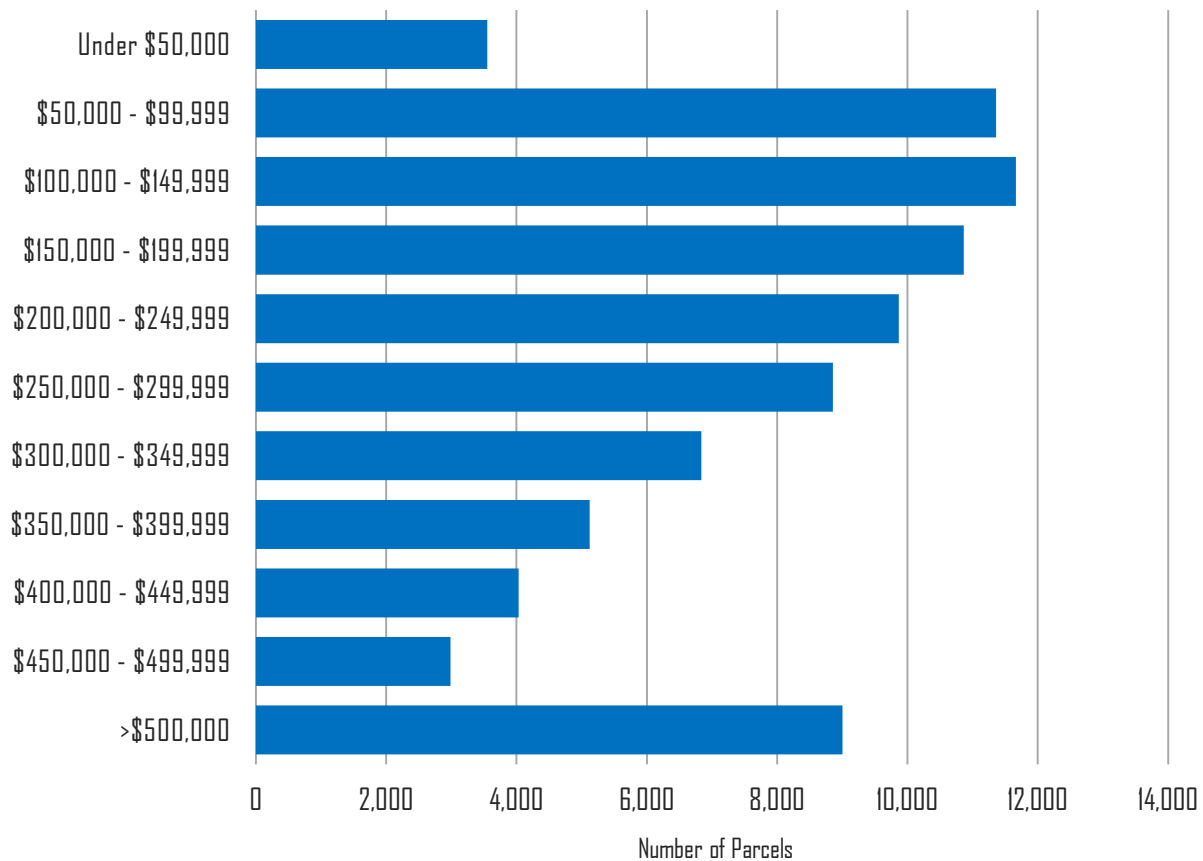


Initial Debt Structure Analysis: Single-Family Home AV

PER PARCEL 2021-22 AV OF SINGLE-FAMILY HOMES

Sacramento City USD AV of Single-Family Homes

Sacramento City USD 2021-22 Single-Family Homes	
<u>No. of Parcels</u>	84,137
<u>2021-22 SFH Assessed Valuation</u>	\$22,520,329,493
<u>Average Assessed Valuation</u>	\$267,663
<u>Median Assessed Valuation</u>	\$223,293



Source: California Municipal Statistics

Select Election Date: Bond Authorizations

SACRAMENTO CITY USD HAS HAD FIVE SUCCESSFUL BOND ELECTIONS

Sacramento City USD Bond Authorizations

Election Date	Measure	Type of Election	% of Yes Votes	Result	Par Amount	Proposed Highest Tax Rate	Amount Unissued
10/19/1999	E	Two-Thirds	78.7%	Pass	\$195 million	\$76.00	\$0
11/5/2002	I	Prop 39	67.2%	Pass	\$225 million	\$59.70	\$0
11/6/2012	R	Prop 39	67.86%	Pass	\$68 million	\$10.00	\$0
11/6/2012	Q	Prop 39	70.16%	Pass	\$346 million	\$44.00	\$0
3/3/2020	H	Prop 39	62.46%	Pass	\$750 million	\$50.00	\$525 million

Source: DS&C Internal Data

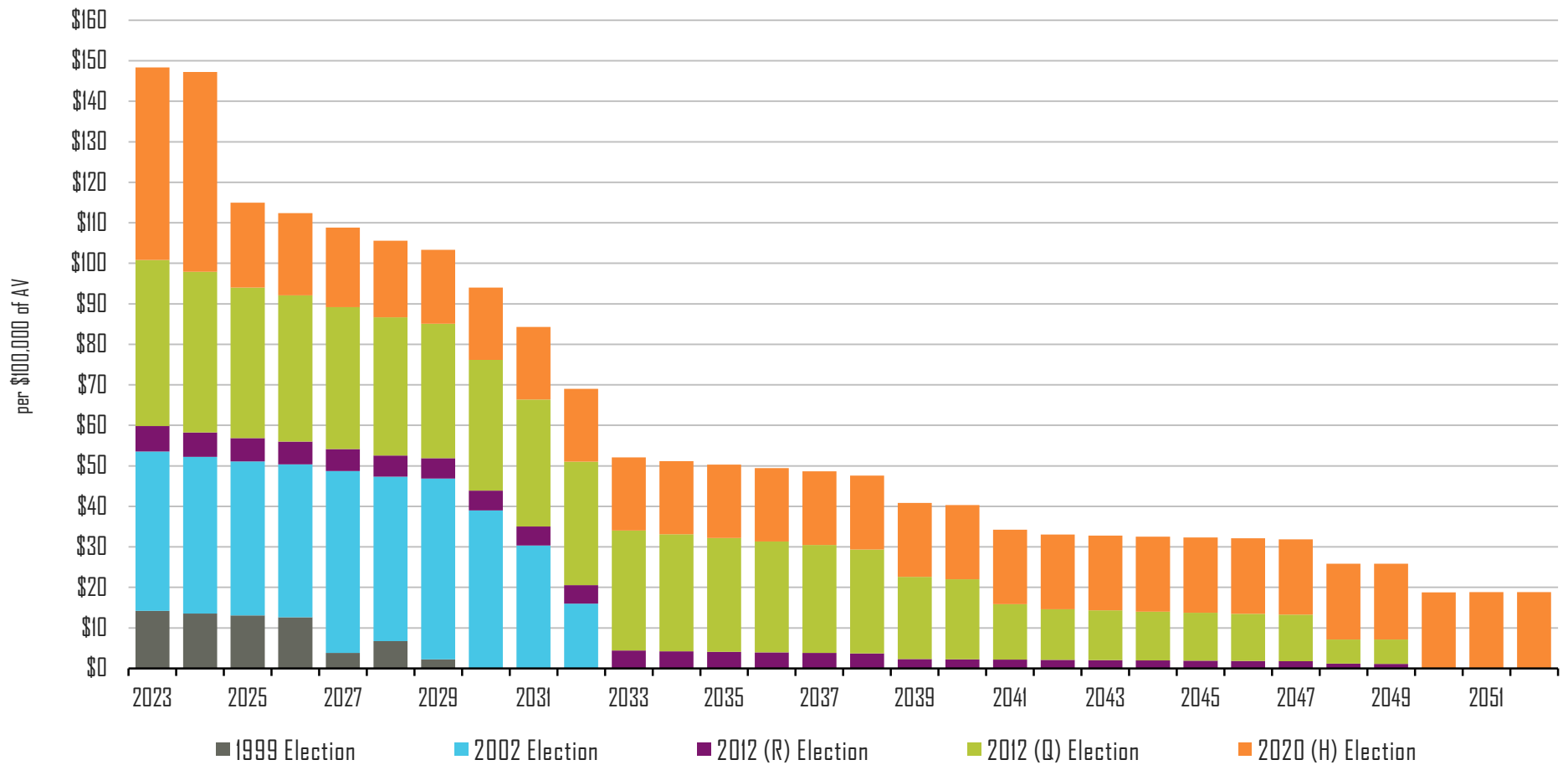
Currently Outstanding Bonds

Sacramento City Unified School District Outstanding GO Bonds

Series	Issuance Date	Original Principal	Outstanding Principal	Final Maturity	First Optional Prepayment Date
Election of 2002, Series 2007	11/14/2007	\$64,997,966	\$26,077,966	7/1/2032	non-callable
Election of 2012 (Q&R) 2013 Series A	7/16/2013	\$30,000,000	\$10,420,000	8/1/2038	8/1/2023
Election of 2012 (Q&R) 2013 Series B	7/16/2013	\$40,000,000	\$26,666,667	8/1/2038	non-callable
2014 Refunding	1/30/2014	\$44,535,000	\$24,860,000	7/1/2027	7/1/2024
2015 Refunding	1/28/2015	\$32,740,000	\$18,580,000	7/1/2030	7/1/2024
Election of 2012 (Q) 2015 Series C	6/4/2015	\$90,000,000	\$57,045,000	8/1/2040	8/1/2025
Election of 2012 (Q) 2016 Series D	6/8/2016	\$14,000,000	\$1,260,000	8/1/2041	8/1/2026
Election of 2012 (Q) 2017 Series E	5/25/2017	\$112,000,000	\$87,795,000	8/1/2047	8/1/2027
Election of 2012 (R) 2017 Series C	5/25/2017	\$10,000,000	\$9,220,000	8/1/2047	8/1/2027
Election of 2012 (Q) 2017 Series F	7/25/2018	\$10,000,000	\$1,150,000	8/1/2024	non-callable
Election of 2012 (R) 2019 Series D	12/12/2019	\$30,900,000	\$22,320,000	8/1/2049	8/1/2029
Election of 2012 (Q) 2021 Series G	7/8/2021	\$77,100,000	\$65,905,000	8/1/2049	8/1/2030
2021 Refunding	7/8/2021	\$33,355,000	\$28,350,000	7/1/2029	non-callable
2022 Refunding	7/21/2022	\$55,845,000	\$55,845,000	7/1/2031	non-callable
Election of 2020 (H) 2022 Series A	7/21/2022	\$225,000,000	\$225,000,000	8/1/2052	8/1/2030

PROJECTED TAX RATES FOR ALL CURRENTLY OUTSTANDING GO BONDS

Projected Tax Rates⁽¹⁾

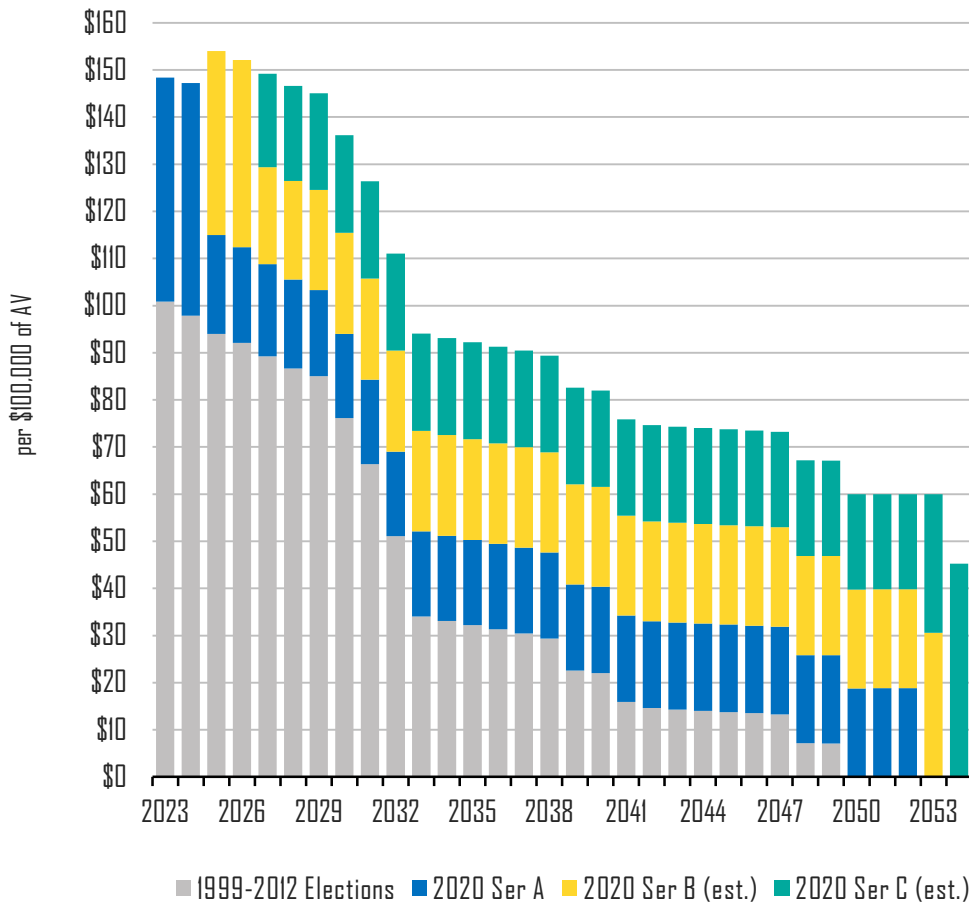


⁽¹⁾ Assumes 5.00% annual AV growth through 2024; 3.50% thereafter

Measure H (2020) Bonds

\$525 MILLION MEASURE H BONDS CURRENTLY REMAIN UNISSUED

Projected Tax Rates⁽¹⁾



Measure H Projected Issuance Schedule		
Year Issued	Series	Principal Amount
2022 (issued)	Series A	\$225,000,000
2024	Series B	\$262,500,000
2026	Series C	\$262,500,000
Total		\$750,000,000

⁽¹⁾ Assumes 5.00% annual AV growth through 2024; 3.50% thereafter

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RESOLUTION/BALLOT LANGUAGE/PROJECT LIST/TRS

MARCH 2020 MEASURE H GO BOND BALLOT LANGUAGE

Ballot Language

"To upgrade student classrooms, labs, libraries, and learning technology for quality instruction in math, science, arts and engineering, provide modern career training centers, update schools to meet current academic/safety standards, and acquire/repair/construct/equip school facilities shall Sacramento City Unified School District issue \$750,000,000 in bonds at legal rates, levying 5¢ per \$100 assessed value (\$35,000,000 annually) while bonds are outstanding, with citizen oversight/audits and all funds locally controlled?"

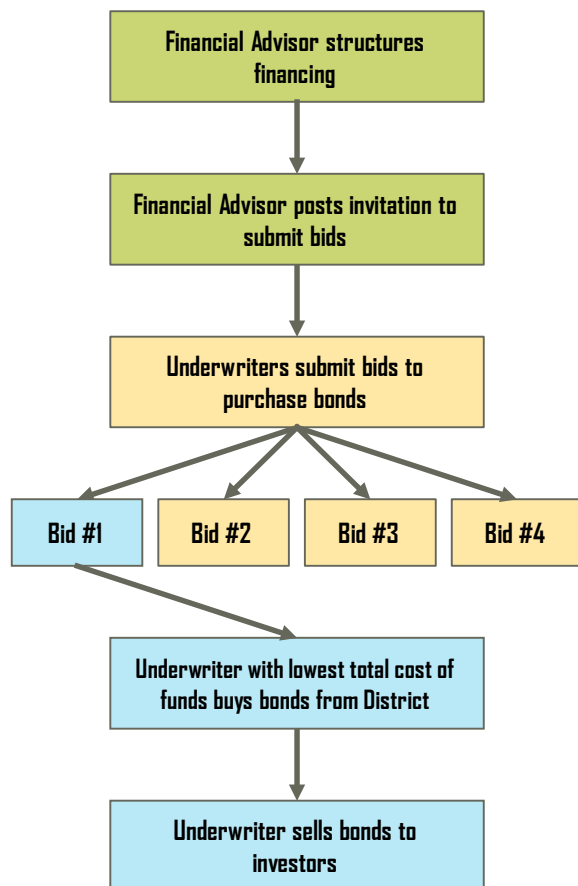
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SALE OF BONDS

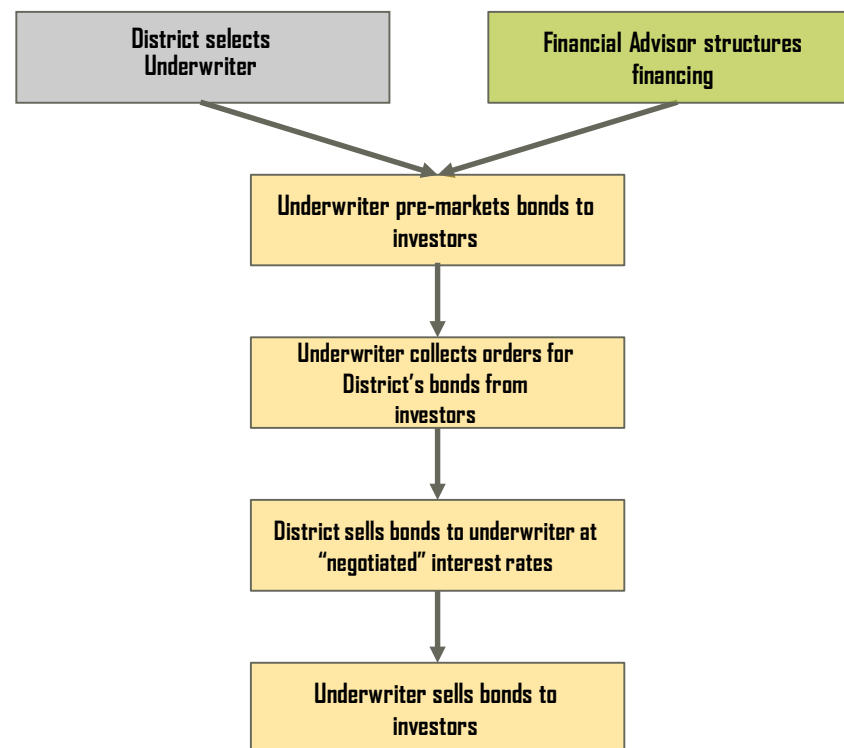
Sale of Bonds: Competitive vs. Negotiated Sale

DS&C STRONGLY RECOMMENDS USING COMPETITIVE SALE WHENEVER POSSIBLE

Competitive Sale Process



Negotiated Sale Process



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ADDITIONAL REFERENCE

With insight and humor, *Win-Win* demystifies the complex but often transformative process of using bonds to fund improvements for California public schools and community colleges.

This updated and expanded third edition is a must-read for school administrators, school board members, and those involved with public school financing.

Gain insight on

- ▶ Laying the groundwork to place a bond measure on the ballot
- ▶ How to hold a successful bond election
- ▶ Effective voter communication and strategies
- ▶ Alternative bond structures to save taxpayers' money



For over 30 years, Dale Scott has been a financial advisor and bond campaign manager to California's K-14 public school districts. His efforts have repeatedly resulted in schools successfully meeting their goals while protecting taxpayers. Dale worked on Wall Street as an investment banker and managed Wells Fargo Bank's Public Finance Department. He was recently recognized by The Bond Buyer for developing the nation's first Teacher-Staff Housing GO Bond.

"An important and timely book that makes school and college bond finance interesting and understandable. If there is a school bond in your future, I strongly encourage you to read this book to increase your chance for success."

— BRICE HARRIS, CHANCELLOR (retired)
California Community Colleges

"Win-Win is the definitive guide for school administrators on how to garner community-wide support to obtain the long-term funding that is essential to building and maintaining quality schools. My district benefited from the strategies and expertise in this book, successfully pass parcel tax in the toughest of times. It's truly a Win-Wi."

— TRUDY ARRIAGA, ED.D.
Former Superintendent, Ventura Unified School District

dalescott.com



WIN-WIN : AN INSIDER'S GUIDE TO SCHOOL BONDS 3rd Edition

DALE SCOTT

NEW CHAPTER ON FINANCING TEACHER-STAFF HOUSING

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An Insider's Guide to School Bonds

Improve Your Schools and Protect Local Taxpayers

3rd
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