

# Sierra Sands Unified School District

## Securing Funding for Facilities Needs through a General Obligation Bond Measure



**SIERRA SANDS**  
Unified School District  
Engaging All Learners



Government  
Financial  
Strategies

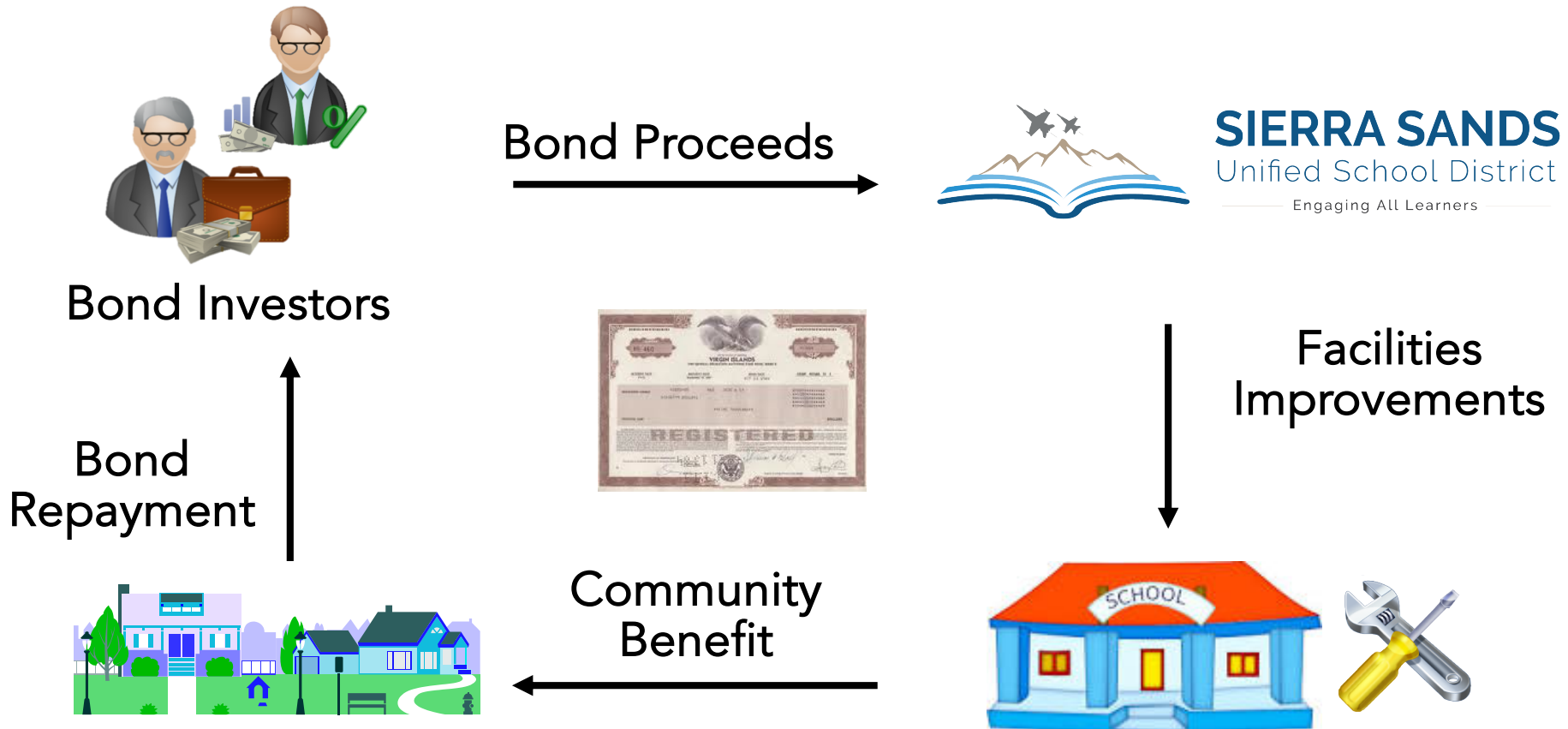
Presented by Matt Kolker  
February 25, 2020

# Our Agenda for Tonight

- ◆ Brief Review of General Obligation Bonds
- ◆ General Obligation Bond Election History and Issuance Portfolio
- ◆ Status of 2006 Bond Measure ("A")
- ◆ Pro Forma Bond Financial Plan for a November 2020 Bond Measure
- ◆ For Reference



# A Bond is a Loan



- ◆ A bond is a loan. Just like a home mortgage, a general obligation bond allows the taxpayers to buy and receive the benefit of the facilities now, and pay for them over time.

# General Obligation Bonds

- ◆ Common in California since the early 20<sup>th</sup> Century
  - ▶ In 1978, Proposition 13 superseded authority
  - ▶ In 1986, restored at 2/3 voter approval level
  - ▶ In 2000, 55% voter approval measures allowed with additional accountability requirements
    - Maximum projected tax levy and specified citizens' oversight
- ◆ "Full Faith and Credit Bond" - Unlimited taxing authority
- ◆ "Ad Valorem" taxation
- ◆ Bonding capacity limited to 2.50% of AV for unified districts (1.25% of AV for union districts)
- ◆ County is responsible for ongoing administration
- ◆ No political discretion

# GO Bond Election History and Issuance Portfolio

## Election History, General Obligation Bonds

<i>Election Date</i>	<i>Measure Amount</i>	<i>Vote Required</i>	<i>Vote in Favor</i>	<i>Bonds Issued</i>	<i>Remaining Authorization</i>
June 1991	\$38,500,000	66.7%	56.8%	n/a	n/a
June 1993	\$13,100,000	66.7%	57.5%	n/a	n/a
June 2006	\$50,500,000	55%	61.2%	\$24,869,500	\$25,630,500
				\$24,869,500	\$25,630,500

## General Obligation Bonds, June 2006 Election - Measure A, \$50,500,000

<i>Series</i>	<i>Issue Date</i>	<i>Type</i>	<i>Issuance - New Money</i>	<i>Issuance - Refinancing</i>	<i>Total Issuance</i>	<i>Net Debt Service</i>	<i>Debt Service to Principal at Issuance</i>	<i>Principal Paid &amp; to be Paid as of Feb 1, 2020</i>	<i>Debt Service Paid &amp; to be Paid as of Feb 1, 2020</i>	<i>Outstanding Principal as of Feb 1, 2020</i>	<i>Final Maturity</i>	<i>Able to Call?</i>	<i>Next Call Date</i>	<i>Callable Principal</i>	<i>Weighted Average Callable Coupon</i>	<i>Next Call Premium</i>
2006A	Aug - 2006	CIBs	\$14,715,000	\$0	\$14,715,000	\$23,344,523	1.59 : 1	\$5,450,000	\$11,881,138	\$0	Nov 1, 2017	n/a	n/a	\$0	n/a	n/a
		CABs	\$4,752,868	\$0	\$4,752,868	\$13,620,000	2.87 : 1	\$4,752,868	\$13,620,000	\$4,752,868	May 1, 2031	No	n/a	\$0	n/a	n/a
2008	Dec - 2008	CIBs	\$1,975,000	\$0	\$1,975,000	\$4,058,400	2.05 : 1	\$0	\$814,688	\$0	n/a	n/a	n/a	\$0	n/a	n/a
		CABs	\$3,426,532	\$0	\$3,426,532	\$14,215,763	4.15 : 1	\$3,426,532	\$14,215,763	\$3,137,497	Nov 1, 2033	No	n/a	\$0	n/a	n/a
2017 Rfg	Sep - 2017	CIBs	\$0	\$11,668,508	\$11,668,508	\$12,984,437	1.11 : 1	\$11,668,508	\$12,984,437	\$9,072,965	Nov 1, 2029	Yes	May 1, 2027	\$1,691,795	2.14%	0.00%
			<u>\$24,869,401</u>	<u>\$11,668,508</u>	<u>\$36,537,909</u>	<u>\$68,223,122</u>		<u>\$25,297,909</u>	<u>\$53,516,025</u>	<u>\$16,963,331</u>						

### Debt Service to Principal Ratios

Debt service of new money issuances to new money principal: 2.22 : 1

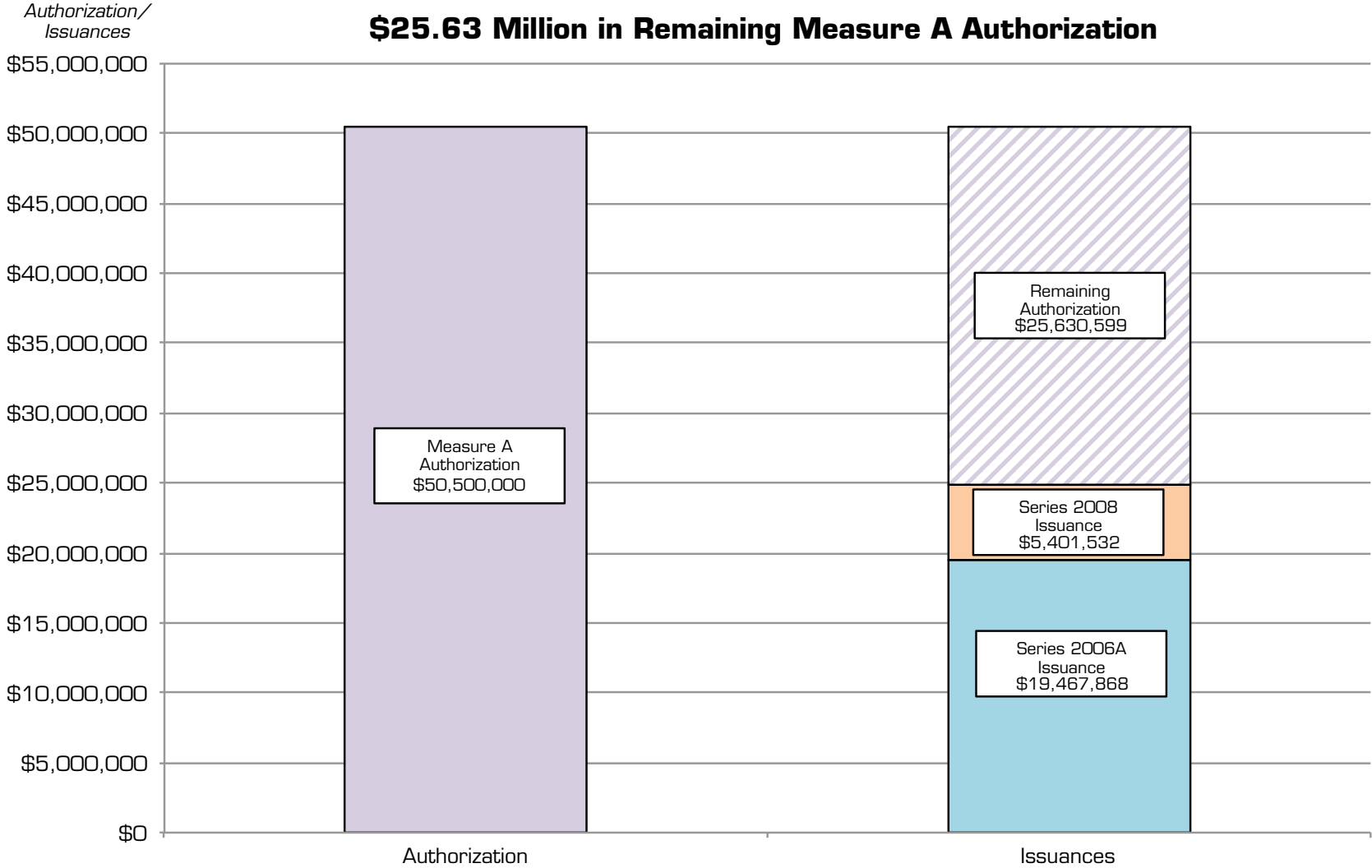
Total debt service after refinancings to new money principal: 2.15 : 1

- (1) Series 2006A CIB net debt service reflects deposit of \$88,945 to Debt Service Fund;  
 (2) Series 2008 CIB net debt service reflects deposit of \$94,443 to Debt Service Fund;  
 (3) 2006A CIBs and 2008 CIBs refinanced by 2017 Refunding Bonds, saving taxpayers \$1,722,660;



✓ Portfolio will continue to be monitored for stewardship and compliance

# There is Unused Measure A Authorization



# Issuing Bonds - Key Legal Constraints

◆ Bonding Capacity: limit on amount of outstanding bonds  
(this is for all bond measures combined)

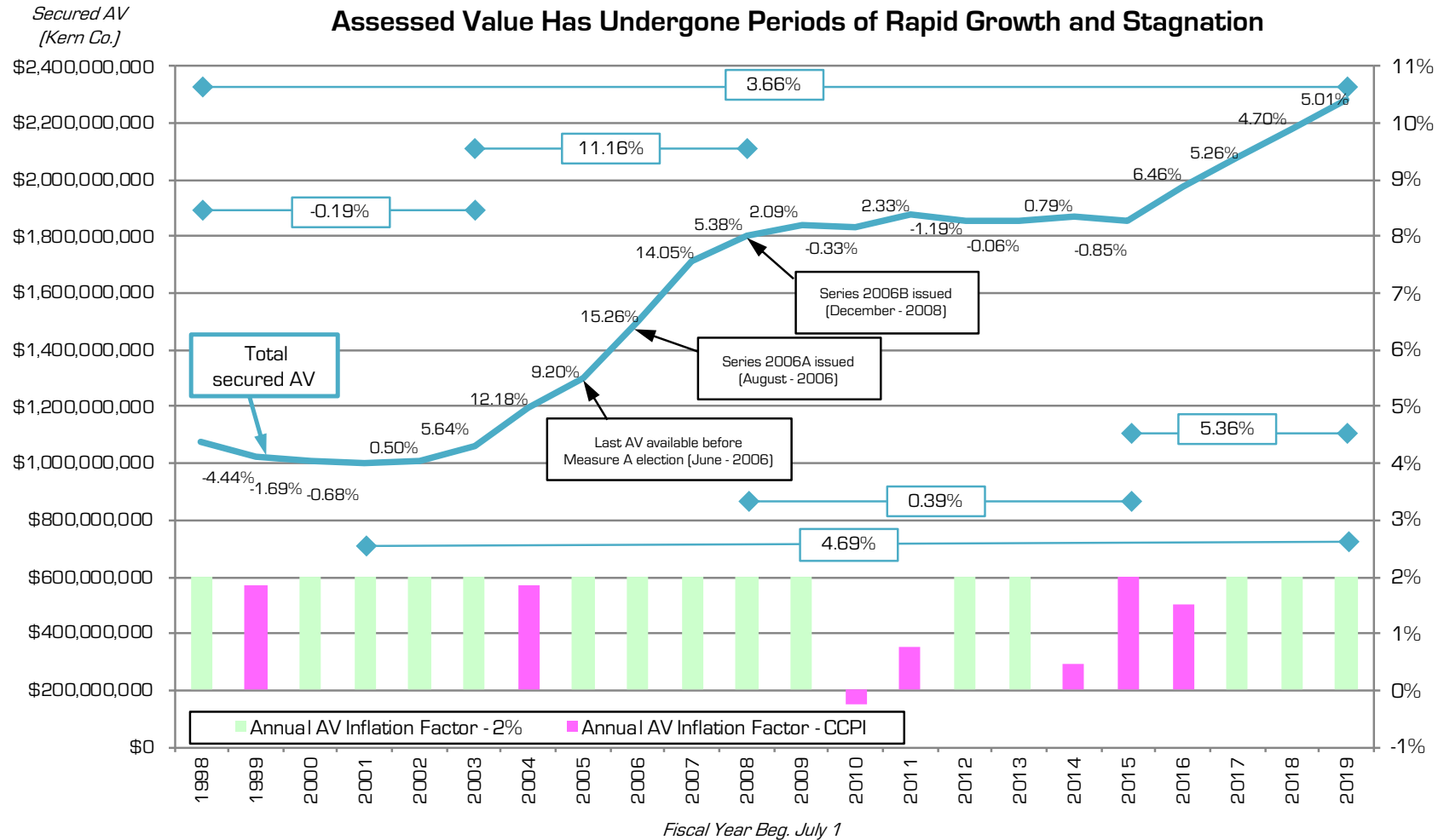
- ▶ 1.25% of total assessed value for union districts
  - Education Code 15268
- ▶ 2.50% of total assessed value for unified districts
  - Education Code 15270(a) ✓



◆ Taxing Capacity: limit on maximum projected tax levies  
(this is for 55% voter approval bond measures only)

- ▶ \$30 per \$100,000 of assessed value for union districts
  - Education Code 15268
- ▶ \$60 per \$100,000 of assessed value for unified districts
  - Education Code 15270(a) ✓

# Historical Assessed Value



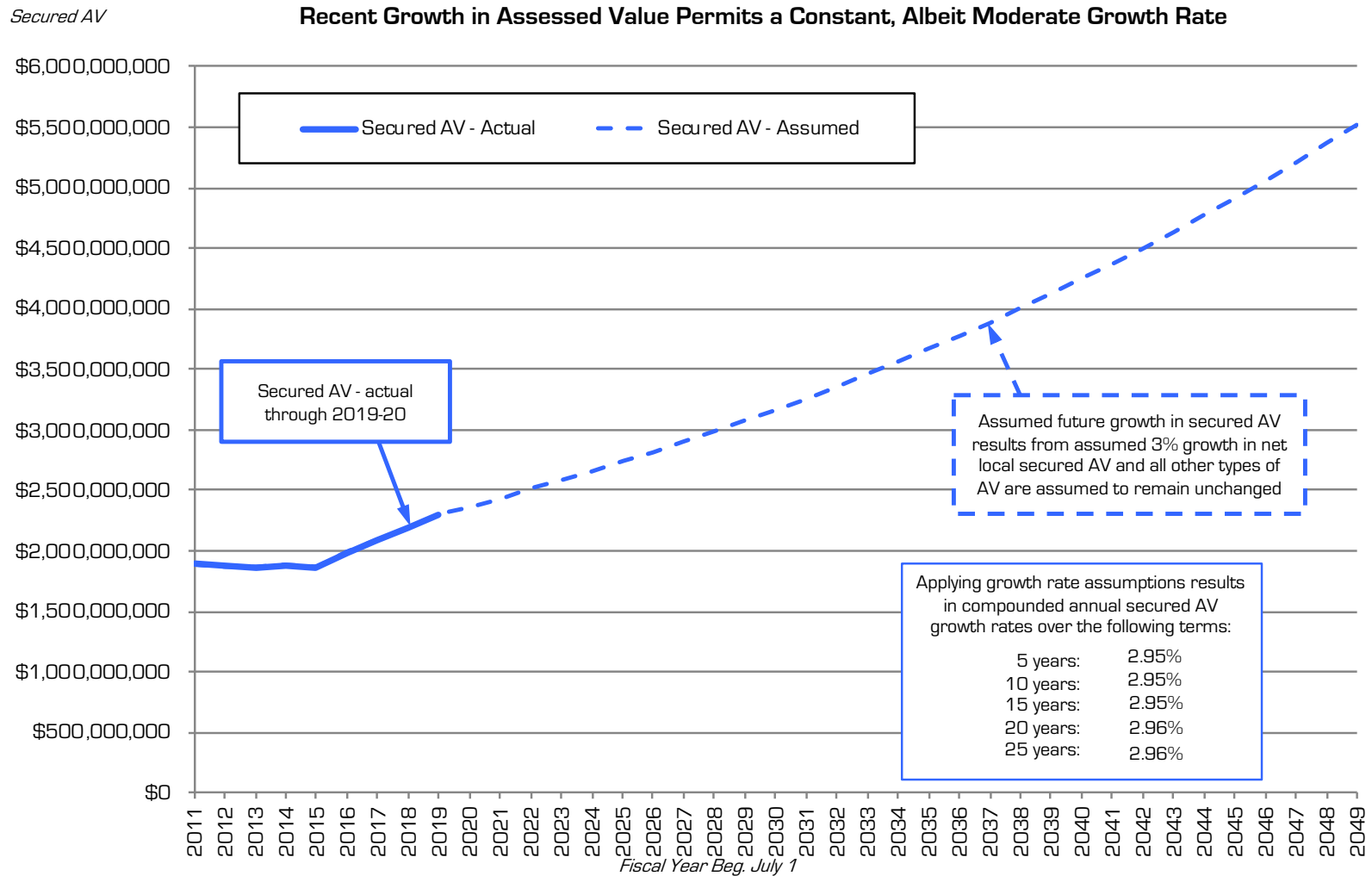
Sierra Sands USD is situated primarily within Kern Co., historically, approximately 0.7% of the District's assessed value is in San Bernardino Co. Kern Co. assessed value obtained from Kern County Auditor-Controller's department. For San Bernardino Co., no AV available for 1998-99 - 2000-01; therefore only Kern Co. data is shown above. (The Kern Co. portion of the District averaged 4.69% growth since 2001-02, while the San Bernardino Co. portion average 3.34%.) AV from 2001-02 - 2003-04 from District's 2006A Bonds official statement citing California Municipal Statistics. Date ranges show compounded annual growth rates while other changes shown are annual changes. Annual California AV inflation factor provided by the California State Board of Equalization, and is the lesser of the annual change in the CA CPI or 2%.



# Reasons Secured Assessed Value Can Change

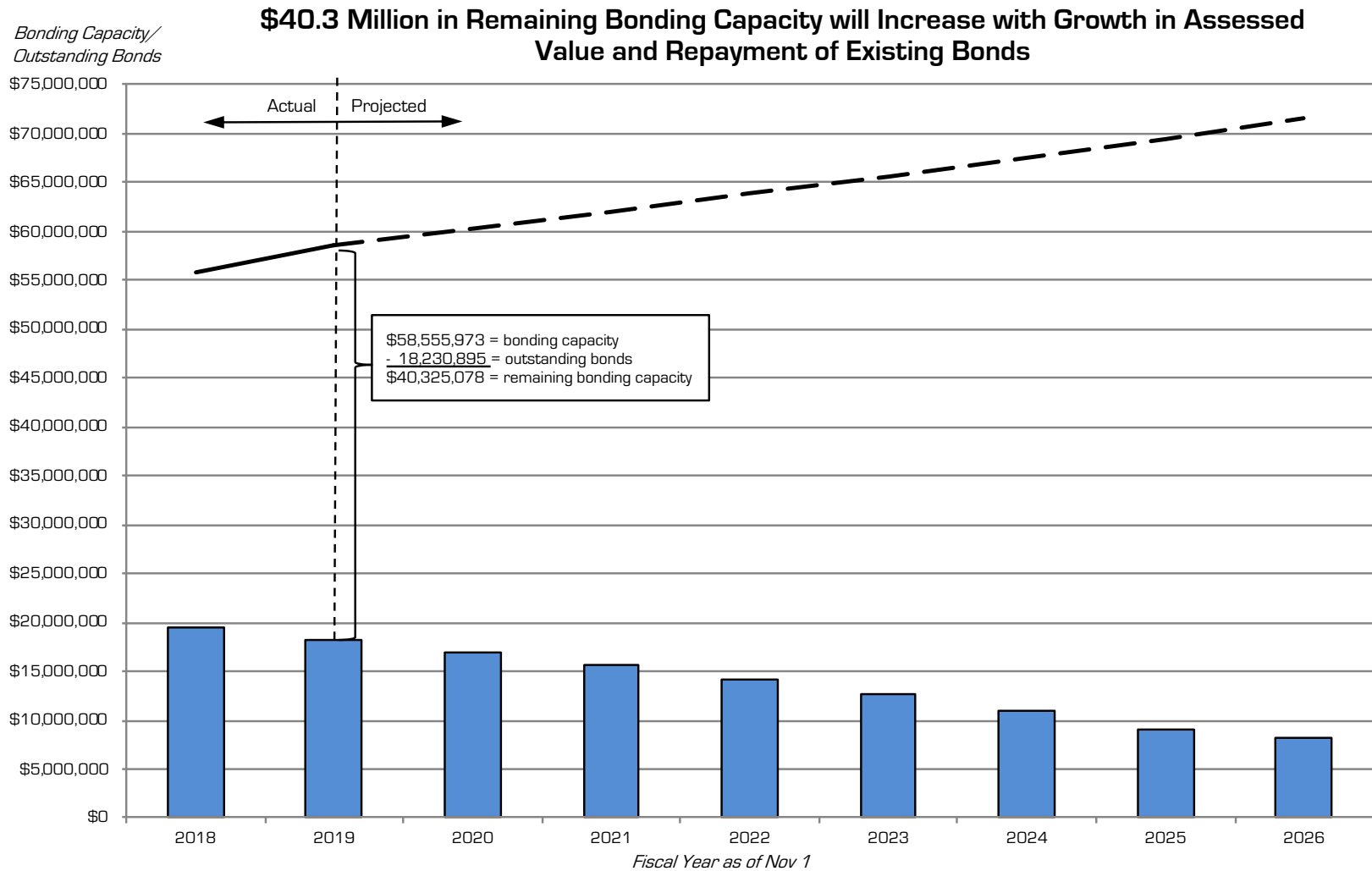
- ◆ Pursuant to Proposition 13 (and embodied in Article 13A of the California Constitution), a school district's property tax base can change for four reasons:
  - ▶ Properties are sold (and reassessed at the sale price).
  - ▶ Properties are improved (and reassessed with the value of the improvement).
  - ▶ A year passes (each property's assessed value increases by the lesser of 2% or the change in the California Consumer Price Index).
  - ▶ Market value of one or more properties declines below assessed value - assessed value can be adjusted downward to the market value. If market value subsequently increases, assessed value can "catch up" to pre-decline AV plus allowable adjustments (e.g. 2% annual increase).

# Currently Assumed Future Assessed Value



Actual assessed value obtained from Auditor-Controller's departments from Kern and San Bernardino Counties. All other types of assessed value are assumed to remain unchanged.

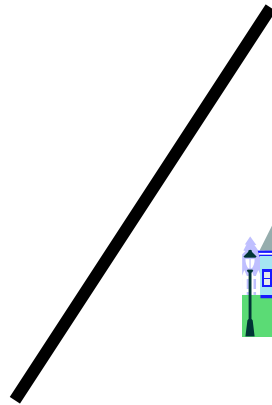
# Bonding Capacity Sufficient



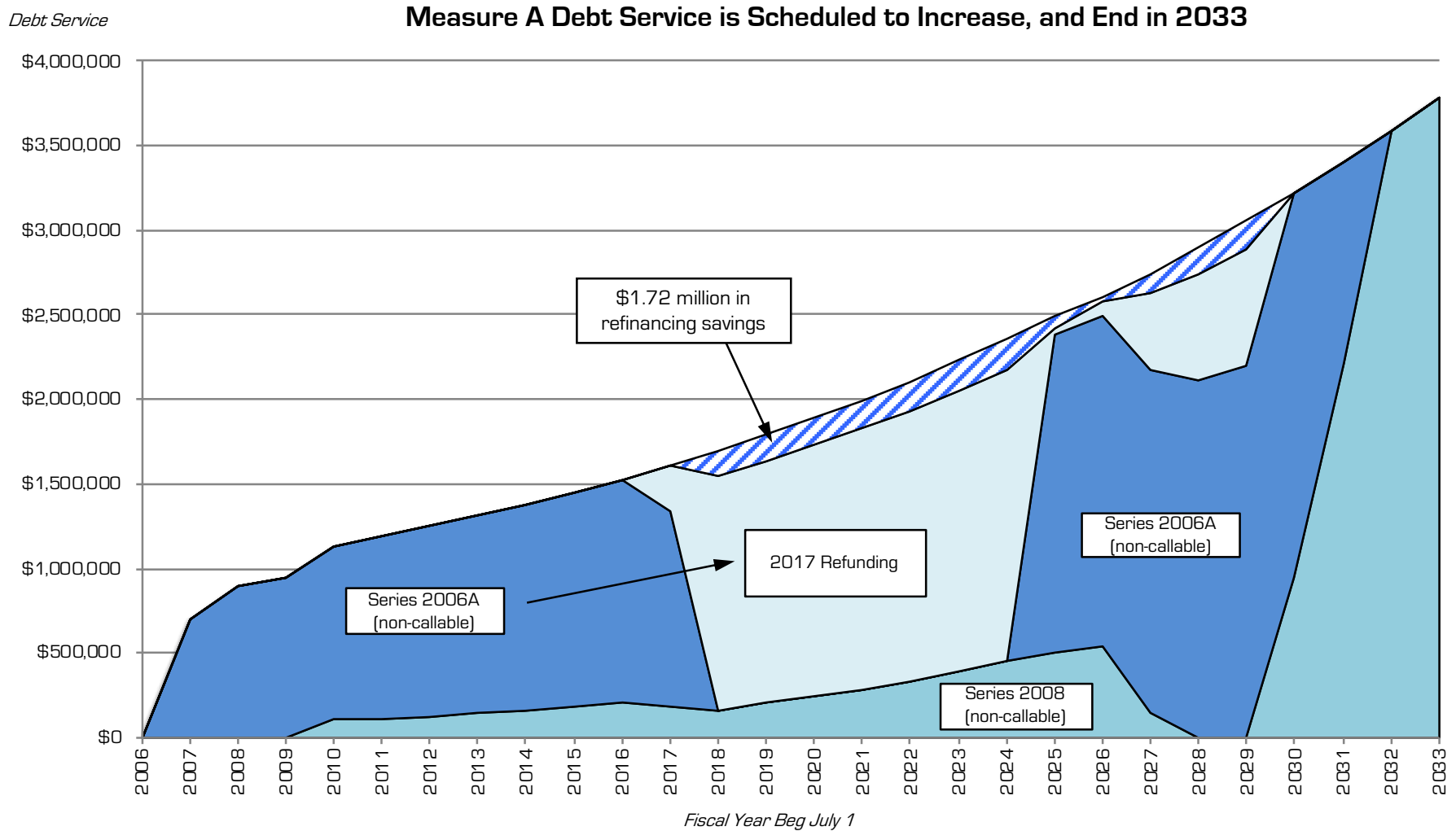
AV through 2019-20 is actual, provided by Kern and San Bernardino Auditor-Controller's Departments. Net local secured AV is assumed to grow 3% annually, while all other types of AV are assumed to remain unchanged. Bonding capacity utilizes "equalized values." AV is equalized on August 20 each year.

# Analyzing Tax Levy Limitation

- ◆ Bond tax rate  $\approx$  debt service  $\div$  assessed value
- ◆ Each property in the District pays its pro rata share, based on its individual assessed value (not market value)

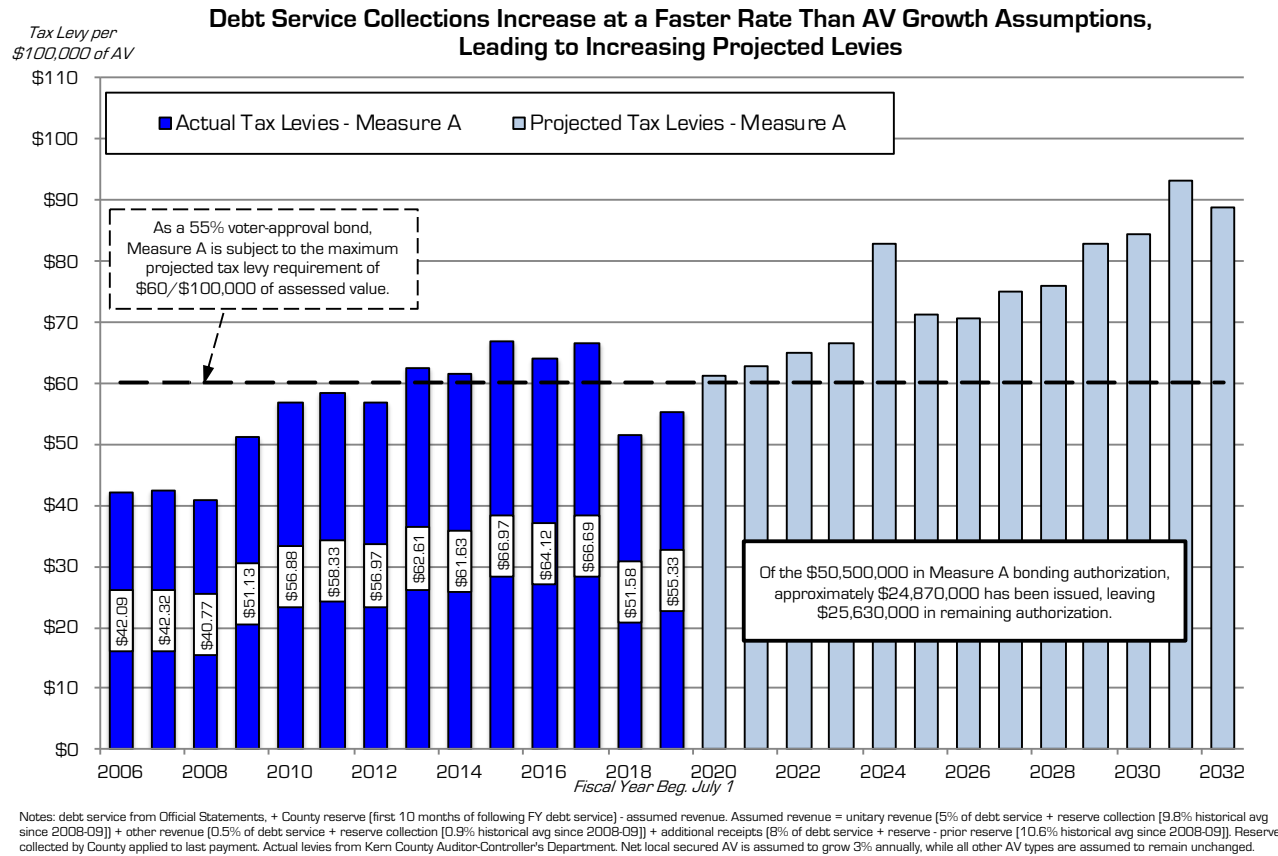


# Existing Measure A Debt Service



Debt service from *Official Statements*. Values rounded.

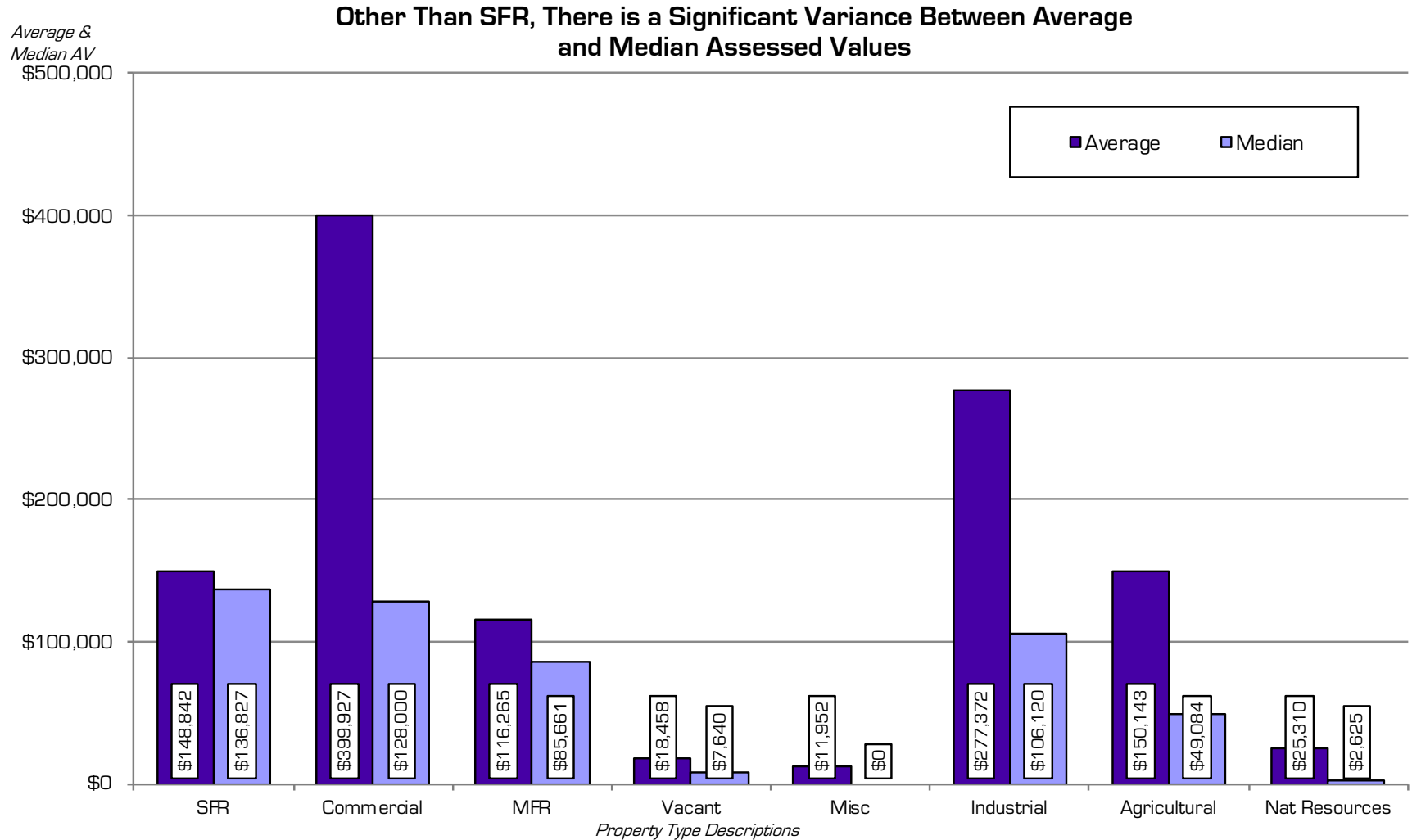
# Proj. Tax Levies for Existing Measure A Bonds > \$60



- ✓ Based on AV growth assumptions herein, not practical to issue additional Measure A Bonds within \$60 projected tax levy.
- ✓ Net Local Secured AV growth assumption of at least 10% would be needed for projected tax levies to be ≤ \$60 and to issue remaining authorization (primarily using CABs).

# Understanding Who Pays What

(Additional Tax Base Demographics in "Reference" Section)

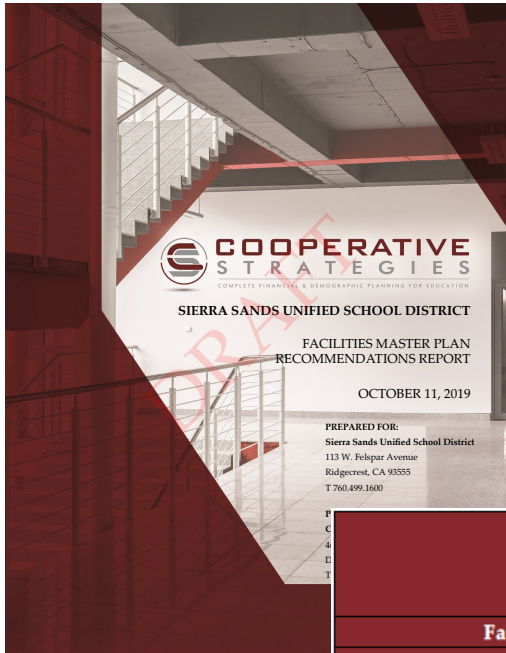


Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Misc comprised of County categories: Miscellaneous, Exempt, Institutional, None, Unknown, & parcels with \$0 AV. Percentages rounded.





# We Have Significant Facilities Needs



Total Renovation Costs = \$260 million

Total Replacement Costs = \$487 million

	Year Built	Permanent Program Capacity	Capacity w/ portables	Enrollment	Utilization	Square Footage	SqFt per Student	Renovation Cost	Replacement Cost	FCI
Faller ES	1966	448	560	481	86%	43,108	96	\$6,125,012	\$27,483,936	22.3%
Gateway ES	1991	392	448	398	89%	39,708	101	\$9,391,192	\$25,316,232	37.1%
Inyokern ES	1949	224	224	187	83%	25,918	116	\$5,087,307	\$16,524,280	30.8%
Las Flores ES	1960	532	532	476	89%	37,436	70	\$7,103,324	\$23,867,696	29.8%
Pierce ES	1959	336	420	392	93%	40,279	120	\$11,643,885	\$25,680,279	45.3%
Richmond ES	1953	508	564	448	79%	52,615	104	\$23,418,162	\$33,545,219	69.8%
James Monroe MS	1950	364	514	485	94%	55,606	153	\$33,732,238	\$35,452,161	95.1%
Murray MS	2017	550	550	657	119%	82,436	150	\$131,619	\$5,557,896	0.3%
Burroughs HS	1958	1,500	1,633	1,523	93%	215,429	144	\$64,216,897	\$137,348,913	46.8%
Mesquite Cont. HS	1978	-	-	-	-	14,506	-	\$5,784,641	\$9,248,445	62.5%
Burroughs HS Stadium	1958	-	-	-	-	4,500	-	\$6,792,186	\$2,869,020	236.7%
District Office	1945	-	-	-	-	10,144	-	\$5,015,782	\$5,281,717	95.0%
Maintenance Yard	1945	-	-	-	-	27,775	-	\$17,744,877	\$11,383,862	155.9%
Sierra Vista Center	2000	-	-	-	-	119,188	-	\$48,922,240	\$62,058,097	78.8%
Vieweg	1952	-	-	-	-	34,618	-	\$14,646,946	\$18,024,693	81.3%

# Facilities Matter



# Development of Bond Financing Plan for New Bond Measure

## ◆ Elements of Plan

- ▶ Tax Base Analysis
  - Historical and projected assessed value
- ▶ Bonding capacity (maximum bonds outstanding)
- ▶ Taxing capacity (maximum projected tax levy)
- ▶ Interest rate assumptions
- ▶ Facilities funding cash flow needs
- ▶ 3-year Expenditure Reasonable Expectations Test

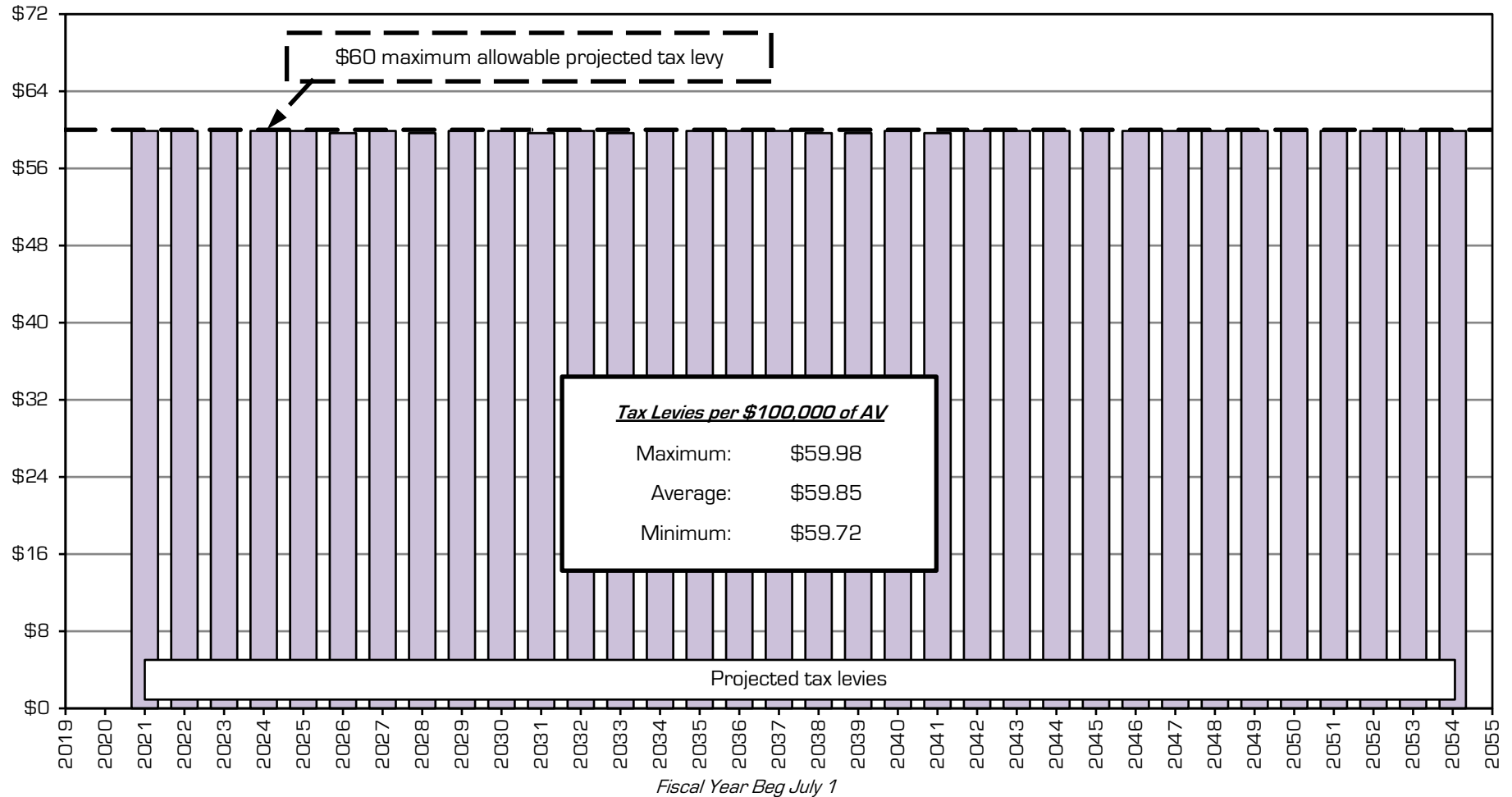


✓ *Sound pre-election planning maximizes chances of successful post-election implementation.*

# Projected Tax Levies ≤ \$60 / \$100,000 AV

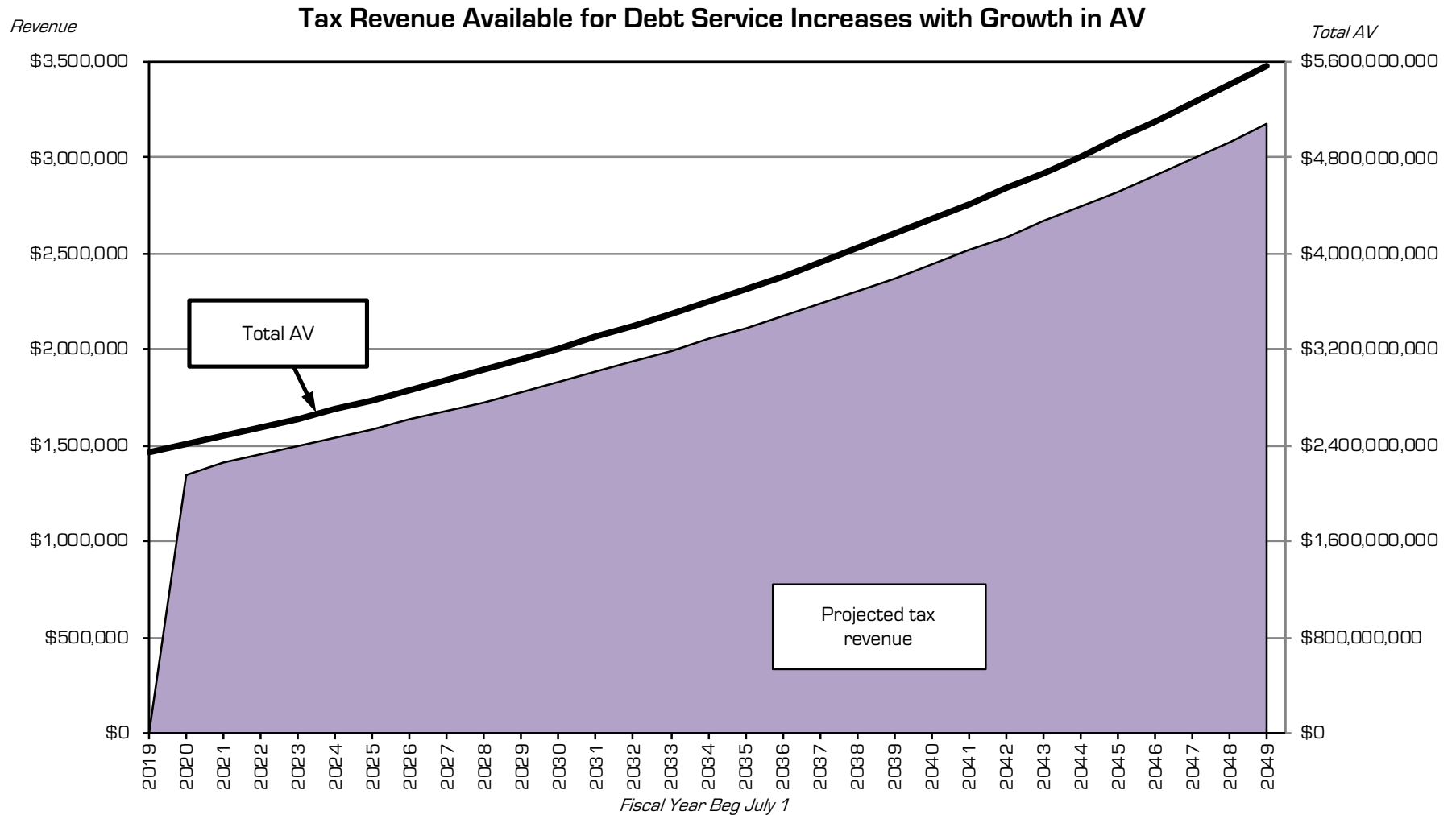
Tax Levies per \$100,000 of AV

Bond Plan Structured So Projected Levies Do Not Exceed \$60



Notes: debt service is assumed based on "AAA" MMD rates as of Jan 6, 2020, plus 75bp for assumed "A+" rating of bonds, plus adjustments for possible rate increases prior to issuances (+125bp for 2021, +150bp for 2023, & +200bp for 2025). Net local secured AV is assumed to increase 3% annually, while all other AV types are assumed to remain unchanged. Net collection assumes County reserve policy (first 10 months of following FY debt service) less assumed revenue. Assumed revenue = unitary revenue 5% of debt service + reserve collection [9.8% historical avg since 2008-09]] + other revenue [0.5% of debt service + reserve collection [0.9% historical avg since 2008-09]] + additional receipts [8% of debt service + reserve - prior reserve [10.6% historical avg since 2008-09]]. Reserve collected by County applied to last payment.

# Stable Tax Rate → Payments Grow w/Proj. AV

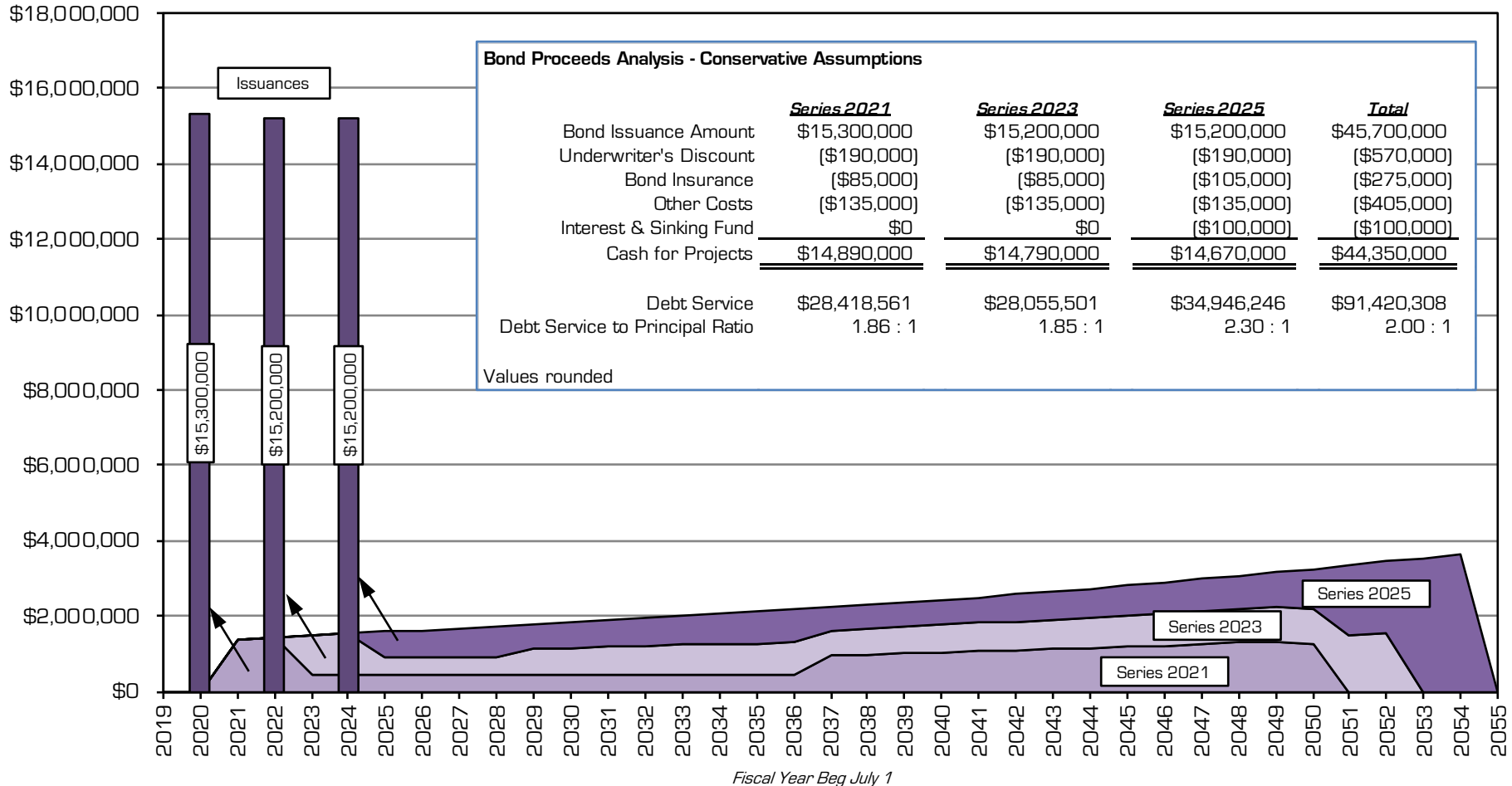


Notes: 2019-20 AV is actual. Tax revenue based on assumed net local secured growth rate of 3% annually, while all other types of AV are assumed to remain constant, and assumes a \$60 annual tax levy per \$100,000 of AV.

# \$45.7 Mil. Nets \$44.35 Mil. For Facilities

Issuance/Net  
Debt Service

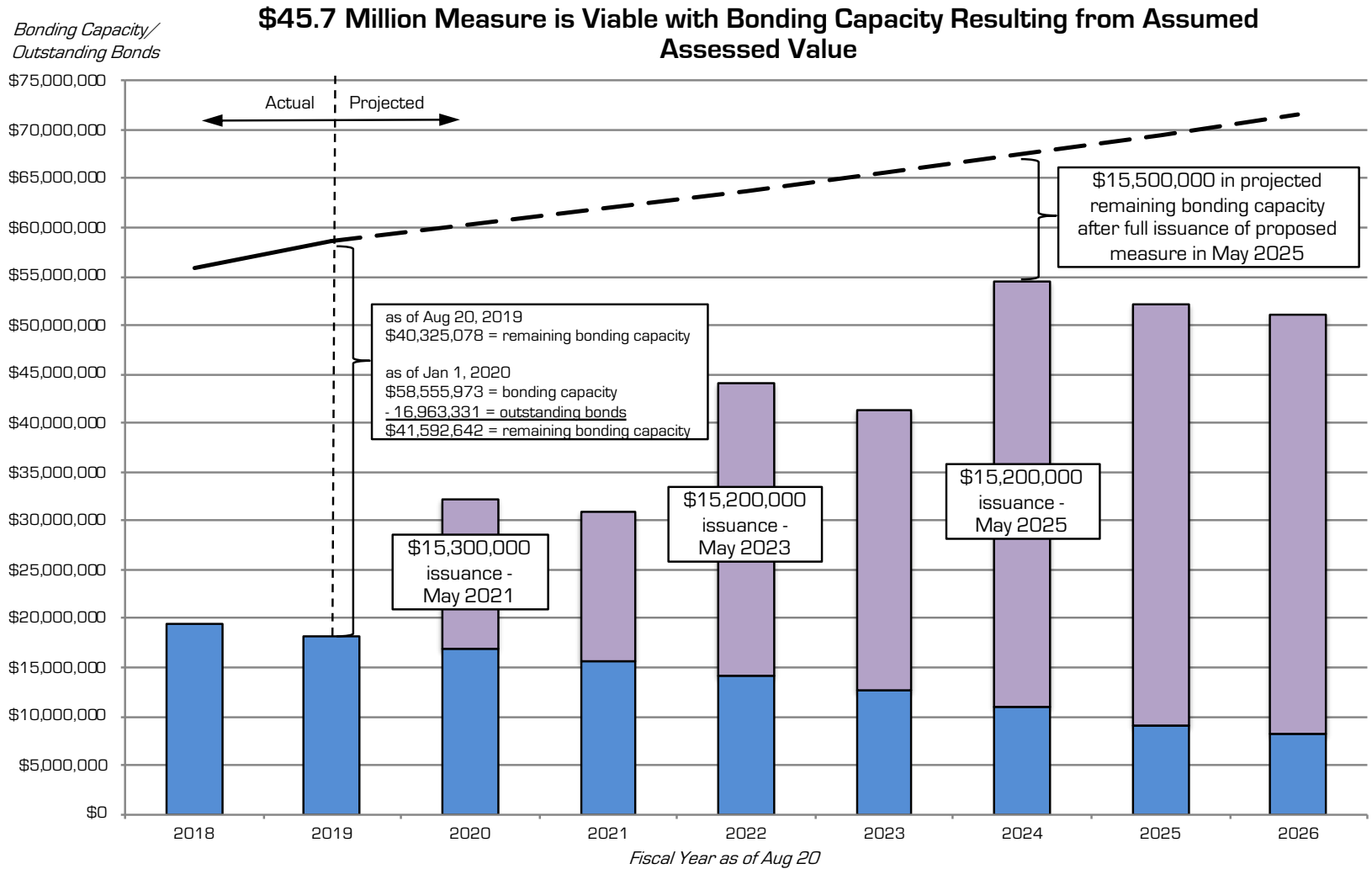
## \$45.7 Million Issuance Supported by Projected Tax Revenue



Notes: debt service is assumed based on "AAA" MMD rates as of Jan 6, 2020, plus 75bp for assumed "A+" rating of bonds, plus adjustments for possible rate increases prior to issuances (+125bp for 2021, +150bp for 2023, & +200bp for 2025). Net local secured AV is assumed to increase 3% annually, while all other AV types are assumed to remain unchanged. Net collection assumes County reserve policy (first 10 months of following FY debt service) less assumed revenue. Assumed revenue = unitary revenue 5% of debt service + reserve collection [9.8% historical avg since 2008-09]] + other revenue [0.5% of debt service + reserve collection [0.9% historical avg since 2008-09]] + additional receipts [8% of debt service + reserve - prior reserve [10.6% historical avg since 2008-09]]. Reserve collected by County applied to last payment.



# Bonding Capacity Sufficient



AV through 2019-20 is actual, provided by Kern and San Bernardino Auditor-Controller's Departments. Net local secured AV is assumed to grow 3% annually, while all other types of AV are assumed to remain unchanged. Bonding capacity utilizes "equalized values." AV is equalized on August 20 each year.

# Alternate Bond Financial Plan Scenarios Based on Tax Levies

## Issuance Scenario Comparison

		<i>\$60 Levy Scenario</i>	<i>\$40 Levy Scenario</i>
Issuance Amount	Series 2021	\$15,300,000	\$10,200,000
	Series 2023	\$15,200,000	\$10,200,000
	Series 2025	\$15,200,000	\$10,100,000
		<b>\$45,700,000</b>	<b>\$30,500,000</b>
Underwriter's Discount:	Series 2021	(\$190,000)	(\$130,000)
	Series 2023	(\$190,000)	(\$130,000)
	Series 2025	(\$190,000)	(\$130,000)
		<b>(\$570,000)</b>	<b>(\$390,000)</b>
Bond Insurance:	Series 2021	(\$85,000)	(\$55,000)
	Series 2023	(\$85,000)	(\$55,000)
	Series 2025	(\$105,000)	(\$70,000)
		<b>(\$275,000)</b>	<b>(\$180,000)</b>
Other Costs:	Series 2021	(\$135,000)	(\$135,000)
	Series 2023	(\$135,000)	(\$135,000)
	Series 2025	(\$235,000)	(\$215,000)
		<b>(\$505,000)</b>	<b>(\$485,000)</b>
Projected Proceeds	Series 2021	\$14,890,000	\$9,880,000
	Series 2023	\$14,790,000	\$9,880,000
	Series 2025	\$14,670,000	\$9,685,000
		<b>\$44,350,000</b>	<b>\$29,445,000</b>
Projected Tax Levies	Maximum	\$59.98	\$39.97
	Average	\$59.85	\$39.84
	Minimum	\$59.72	\$39.65
	Term of Taxation	34 years	34 years

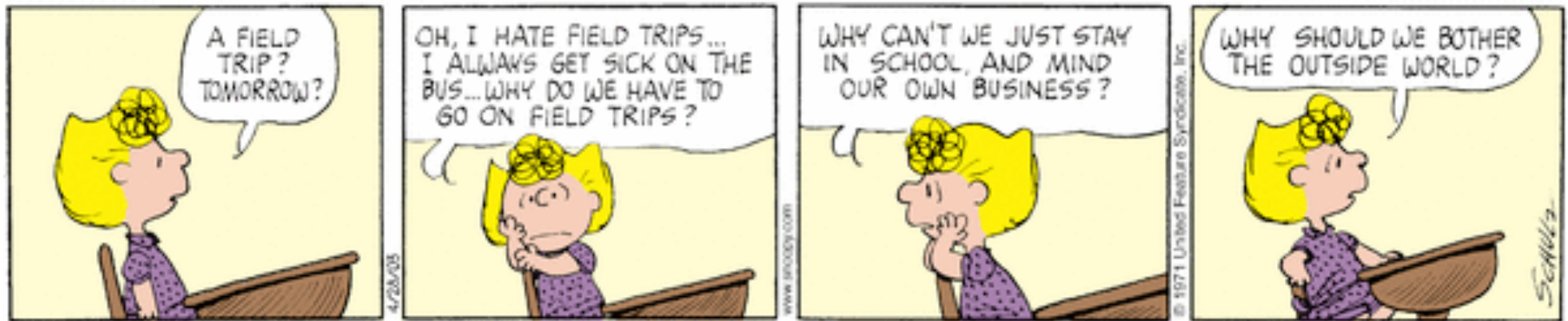
- ◆ Estimated \$29.5 million in proceeds from a projected tax levy ≤ \$40
  - ▶ Which is roughly 2/3 of the estimated proceeds of \$44.4 million, from a \$60 levy



\* Other costs includes costs of issuance (e.g. financial advisor, bond counsel, credit rating) and deposits to the interest and sinking fund.



# A School Bond is a Community Endeavor



# Thank You, Any Questions?

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# For Reference

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- ◆ Schedule for a November 2020 Measure
- ◆ Certificates of Participation and Lease Revenue Bonds Portfolio
- ◆ Combined Levies
- ◆ Additional Information Regarding General Obligation Bonds
- ◆ Additional Data Regarding Assessed Value
- ◆ Assessed Value Growth Assumptions - Historical Tests
- ◆ Tax Base Demographics

# Schedule for a Nov 2020 Measure

DATE	ITEM	RESPONSIBILITY
No later than Friday, May 1, 2020	Development of bond measure facilities and financial plan.	Govt. Financial Strategies District
Friday, May 8, 2020	<b>Board Agenda Deadline:</b> Presentation of proposed bond measure facilities and financial plan delivered for Board Agenda packet.	District Govt. Financial Strategies
Thursday, May 21, 2020	<b>Board Meeting:</b> Presentation of proposed bond measure facilities and financial plan.	District Govt. Financial Strategies
No later than Friday, June 5, 2020	Development of bond resolution and ballot statement.	Govt. Financial Strategies Parker & Covert District
Friday, June 5, 2020	<b>Board Agenda Deadline:</b> Bond resolution and related documents delivered for Board Agenda packet.	Govt. Financial Strategies Parker & Covert District
Thursday, June 18, 2020	<b>Board Meeting:</b> Board considers resolution calling for election.	School Board Parker & Covert
Friday, August 7, 2020	Statutory deadline for filing election resolution & tax rate statement with Counties of Kern and San Bernardino (88 days prior to election).	District
<b>Tuesday, November 3, 2020</b>	<b>Election Day.</b>	<b>District Voters</b>

# Certificates of Participation and Lease Revenue Bonds Portfolio

## Certificates of Participation

Series	Issue Date	Type	Issuance - New Money	Issuance - Refinancing	Total Issuance	Net Debt Service	Debt Service to Principal at Issuance	Principal Paid & to be Paid as of Feb 1, 2020	Debt Service Paid & to be Paid as of Feb 1, 2020	Outstanding Principal as of Feb 1, 2020	Final Maturity	Able to Call?	Next Call Date	Callable Principal	Weighted Average Callable Coupon	Next Call Premium
2010A	Jun - 2010	CIBs	\$14,150,000	\$0	\$14,150,000	\$16,663,932	1.18 : 1	\$14,150,000	\$17,168,519	\$10,850,000	Jun 1, 2026	Yes	Jun 1, 2020	\$9,750,000	1.76%	0.00%
2010B	Jun - 2010	CIBs	\$2,115,000	\$0	\$2,115,000	\$2,330,319	1.10 : 1	\$2,115,000	\$2,330,319	\$0	May 10, 2015	n/a	n/a	\$0	n/a	n/a
			<u>\$16,265,000</u>	<u>\$0</u>	<u>\$16,265,000</u>	<u>\$18,994,251</u>		<u>\$16,265,000</u>	<u>\$19,498,838</u>	<u>\$10,850,000</u>						

### Debt Service to Principal Ratios

Debt service of new money issuances to new money principal: 1.17 : 1  
 Current total debt service to new money principal: 1.20 : 1

## Inyo-Kern Schools Financing Authority - Lease Revenue Bonds

Issue	Issue Date	Type	Issuance - New Money	Issuance - Refinancing	Total Issuance	Net Debt Service	Debt Service to Principal at Issuance	Principal Paid & to be Paid as of Feb 1, 2020	Debt Service Paid & to be Paid as of Feb 1, 2020	Outstanding Principal as of Feb 1, 2020	Final Maturity	Able to Call?	Next Call Date	Callable Principal	Weighted Average Callable Coupon	Next Call Premium
2007	Mar - 2007	CIBs	\$4,500,000	\$0	\$4,500,000	\$7,065,646	1.57 : 1	\$1,270,000	\$2,940,943	\$0	May 1, 2017	n/a	n/a	\$0	n/a	n/a
2017 Rfg	Oct - 2017	CIBs	\$0	\$3,087,684	\$3,087,684	\$3,630,474	1.18 : 1	\$3,087,684	\$3,630,474	\$2,680,720	May 1, 2031	Yes	May 1, 2027	\$978,827	2.38%	0.00%
			<u>\$4,500,000</u>	<u>\$3,087,684</u>	<u>\$7,587,684</u>	<u>\$10,696,120</u>		<u>\$4,357,684</u>	<u>\$6,571,417</u>	<u>\$2,680,720</u>						

### Debt Service to Principal Ratios

Debt service of new money issuances to new money principal: 1.57 : 1  
 Current total debt service to new money principal: 1.46 : 1

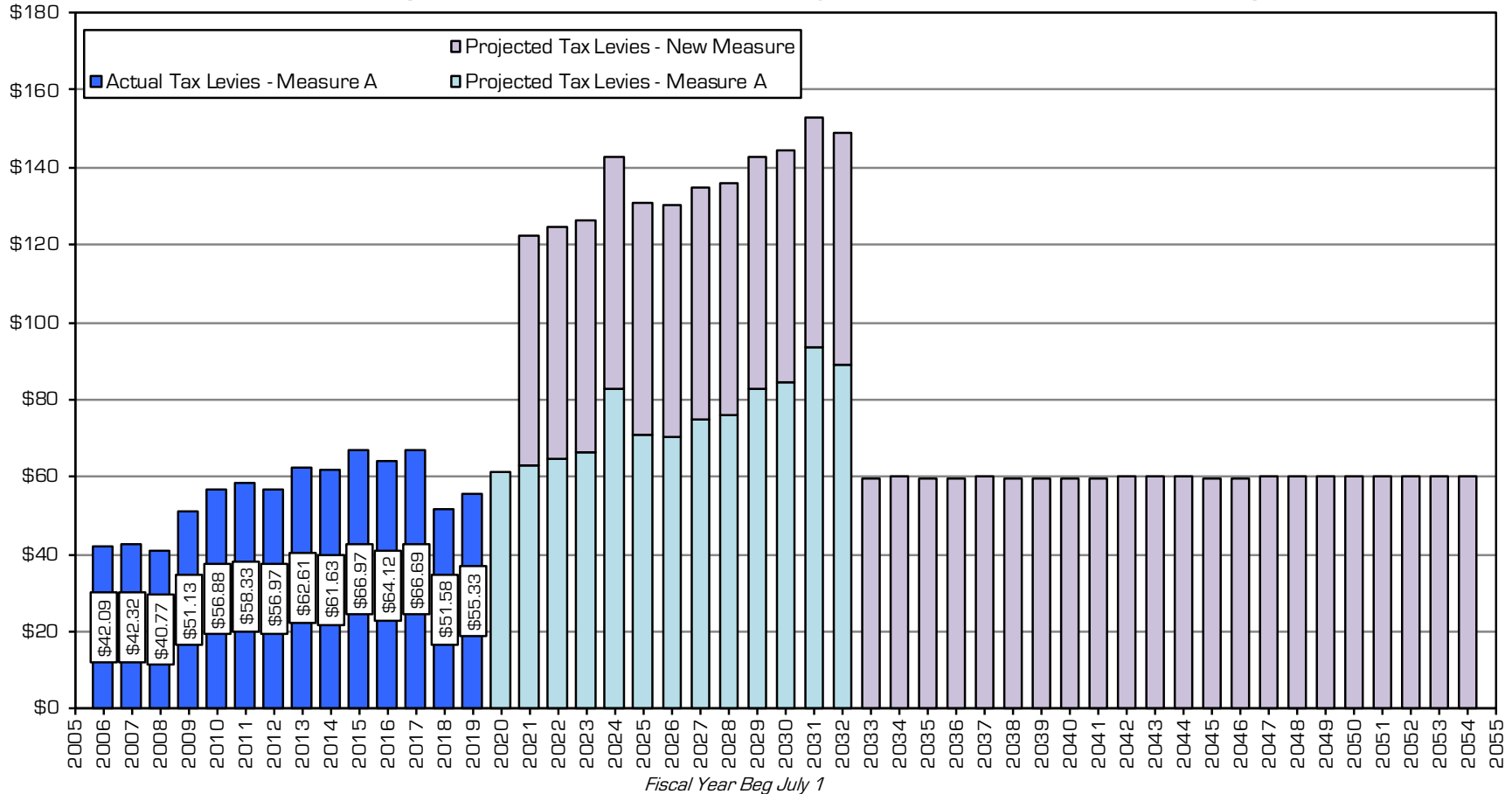
- (1) Net debt service shown reflects federal subsidy rate of 5.32%, resulting in net borrowing rate of 1.43% (6.75% - 5.32%). However, sequestration has reduced subsidy by \$504,587 (currently a reduction of 6.2% of the subsidy amount);  
 (2) 2010 B COP net debt service reflects deposit of \$304,619 to Capitalized Interest Fund;  
 (3) Net debt service reflects application of \$297,112 deposited to reserve;  
 (4) 2007 Lease Revenue Bonds refinanced by 2017 Refunding, saving District \$471,945 (assumes 0.5% interest earnings on reserve account, totaling \$21,541).

*Portfolio will continue to be monitored for stewardship and compliance*

# Combined Levies

Tax Levies per  
\$100,000 of AV

**Combined Tax Levies Projected to Continue Increasing Before Peaking at Less Than \$160 per \$100,000 & Then Stabilizing Near \$60 after Measure A is Repaid**



Notes: debt service for Measure A is actual, and projected for new measure, which is assumed based on "AAA" MMD rates as of Jan 6, 2020, plus 75bp for assumed "A+" rating of bonds, plus adjustments for possible rate increases prior to issuances (+125bp for 2021, +150bp for 2023, & +200bp for 2025). Net local secured AV is assumed to increase 3% annually, while all other AV types are assumed to remain unchanged. Net collection assumes County reserve policy (first 10 months of following FY debt service) less assumed revenue. Assumed revenue = unitary revenue 5% of debt service + reserve collection [9.8% historical avg since 2008-09]) + other revenue [0.5% of debt service + reserve collection [0.9% historical avg since 2008-09]] + additional receipts [8% of debt service + reserve - prior reserve [10.6% historical avg since 2008-09]]. Reserve collected by County applied to last payment.

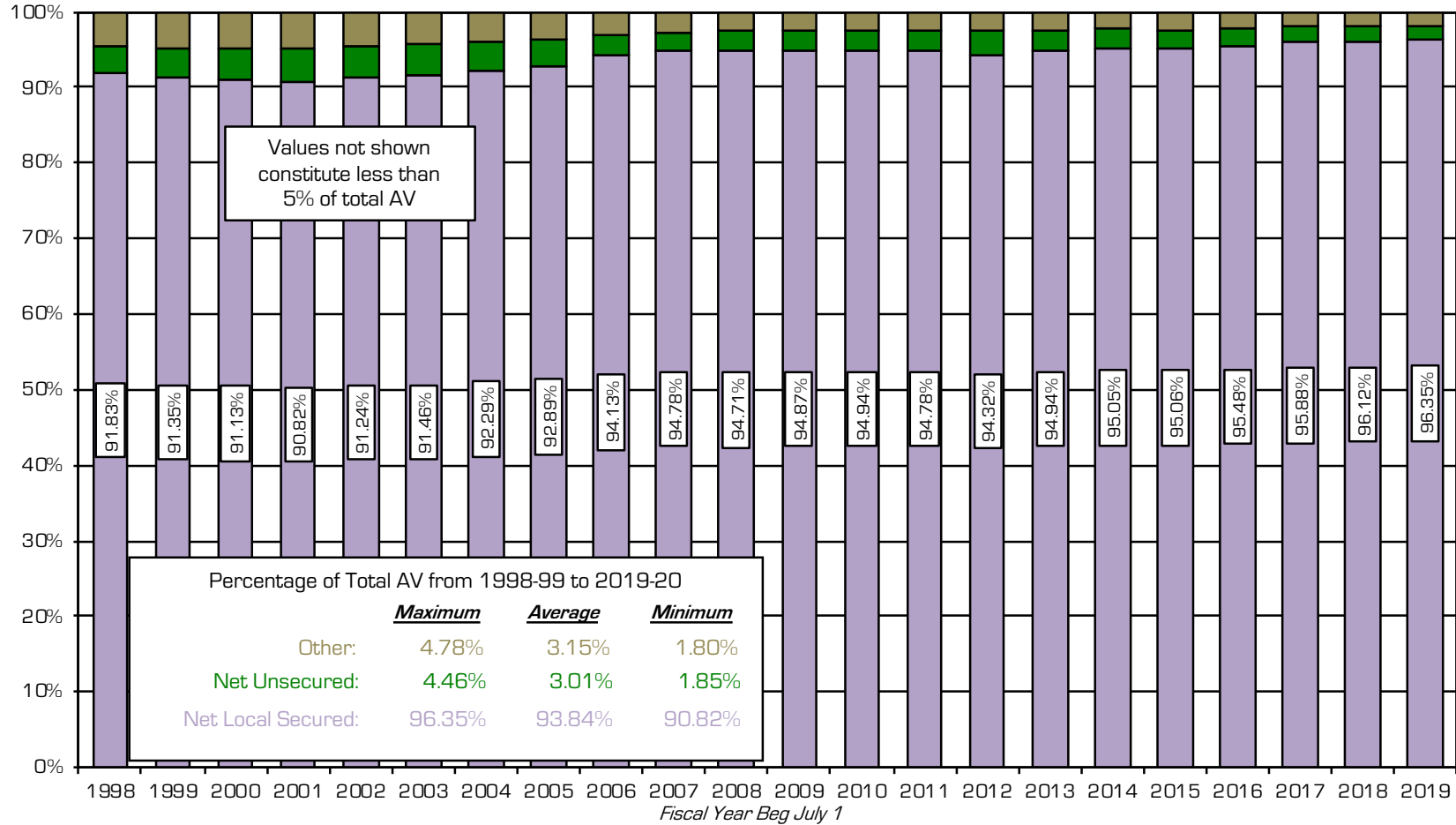
# 2/3 vs. 55% Voter Approval G.O. Bonds

Subject	55% Voter Approval	Two-Thirds Voter Approval
Board Approval Required To Place Measure on Ballot	Two-thirds	Majority
Allowable Election Dates	Primary or general election, regularly scheduled local election, or statewide special election	Any Tuesday that is not the day before or the day after a State holiday, or within 45 days of a regularly scheduled election
Maximum Projected Tax Rates/Levies	For unified district, \$60 per \$100,000 of assessed value; for union district, \$30 per \$100,000 of assessed value	No projected maximum tax rate
Bonding Capacity (i.e. Maximum Bonds Outstanding)	2.5% of assessed value for unified districts and 1.25% of assessed value for union districts	2.5% of assessed value for unified districts and 1.25% of assessed value for union districts
Audits	Independent financial and performance audits must be conducted annually	None specifically required
Oversight Committee	If election is successful, Board must establish independent citizens oversight committee within 60 days of Board adoption of resolution declaring election results	None specifically required
Allowable Expenditures	Construction, reconstruction, rehabilitation, or replacement of school facilities, including furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities	Acquisition or improvement of real property
Facilities List	State Constitution requires a list of the specified school facilities project(s) to be funded	No requirement for a specific facilities list

# Components of Assessed Value

Assessed Value

Since 2003-04, Secured AV has Become a Greater Component of Total AV



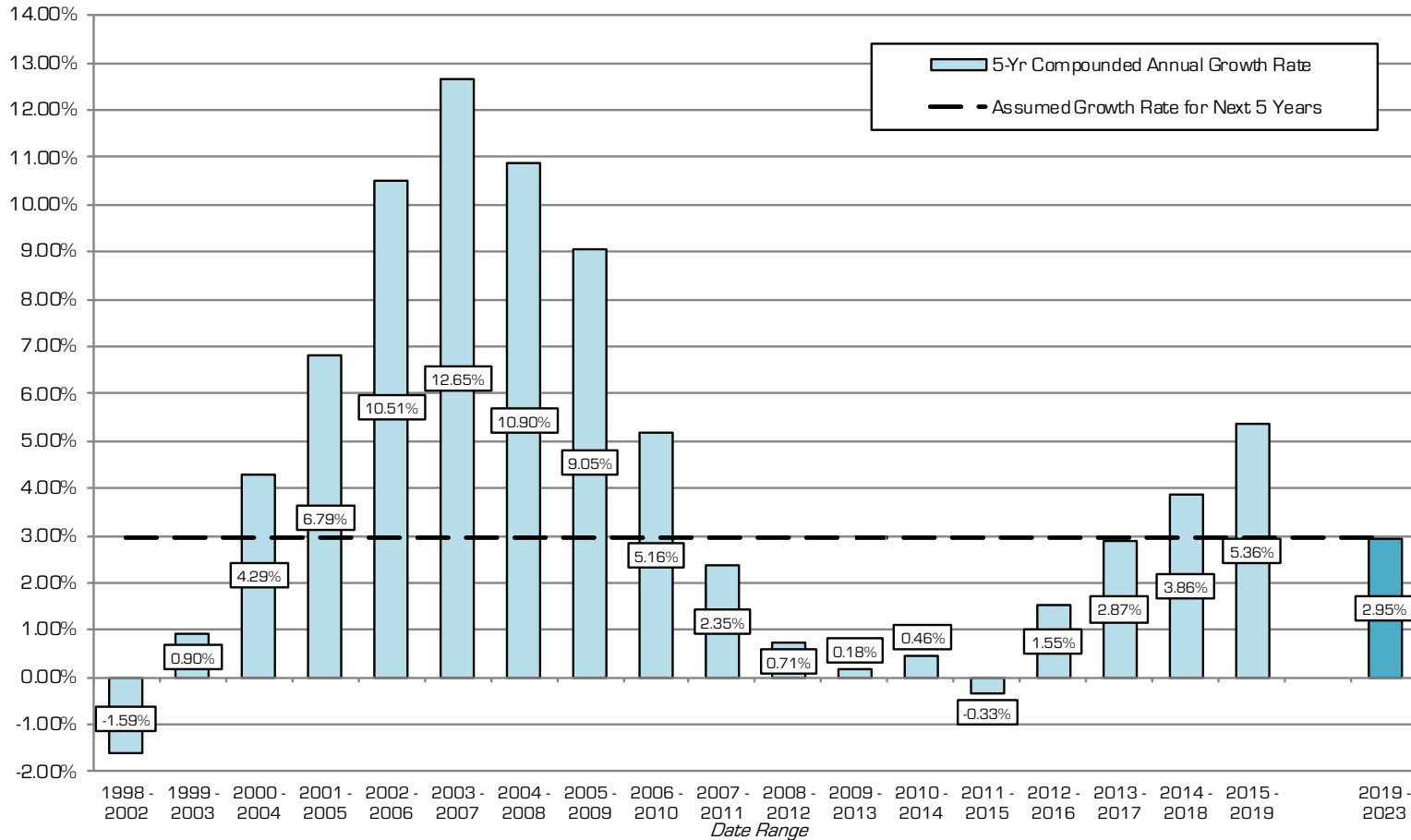
Sierra Sands USD is situated primarily within Kern Co., historically, approximately 0.7% of the District's assessed value is in San Bernardino Co. Kern Co. assessed value obtained from Kern County Auditor-Controller's department. For San Bernardino Co., no AV available for 1998-99 - 2000-01; therefore only Kern Co. data is shown above. [The Kern Co. portion of the District averaged 4.69% growth since 2001-02, while the San Bernardino Co. portion average 3.34%.] AV from 2001-02 - 2003-04 from District's 2006A Bonds official statement citing California Municipal Statistics.



# Historical AV Analysis - 5 Year Periods

Compounded Annual Growth Rate - Secured AV (Kern Co)

**Assumptions Used Result in 2.95% Annual Total Secured AV Growth Rate Over 5 Years**

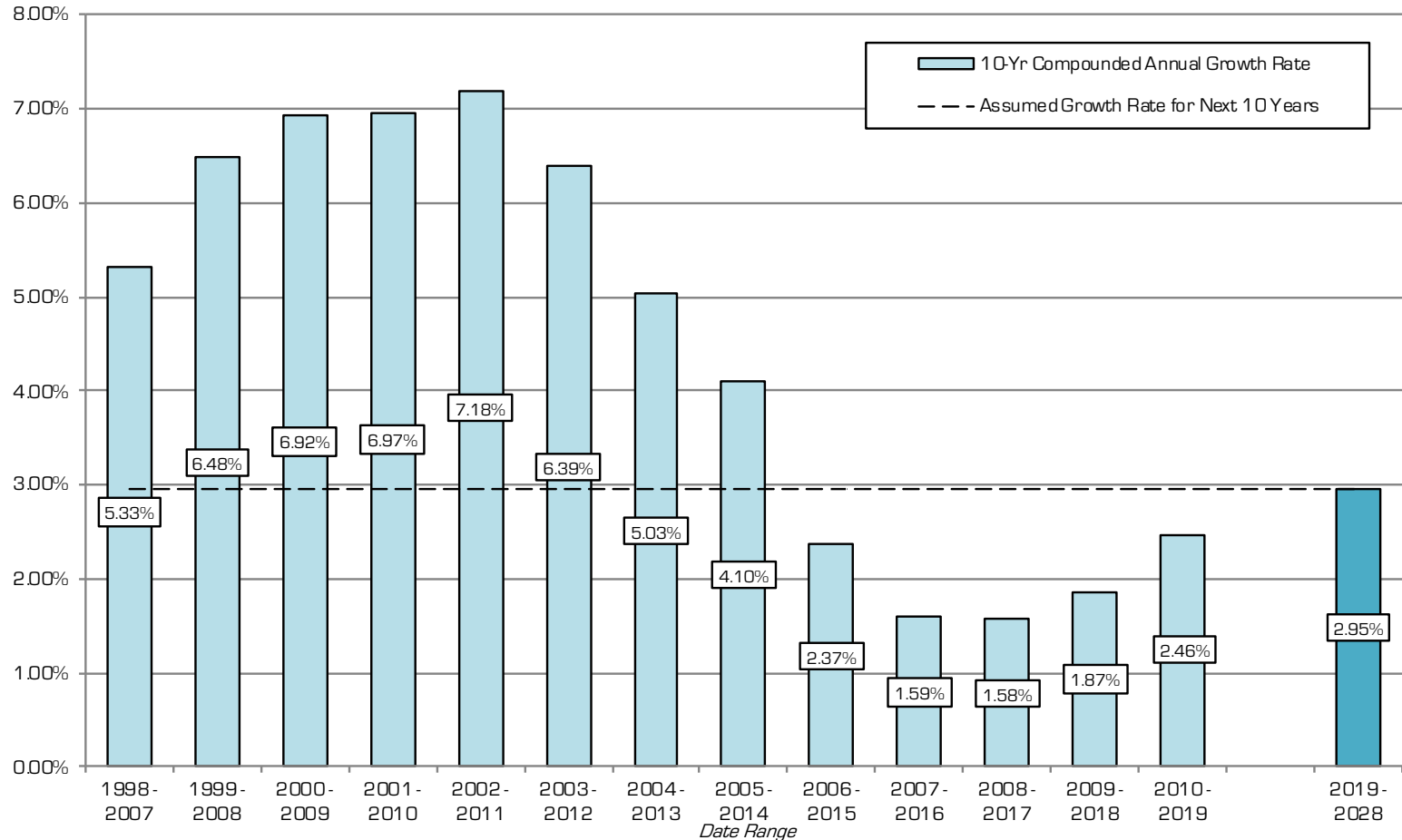


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# Historical AV Analysis - 10 Year Periods

Compounded Annual Growth Rate - Secured AV (Kern Co)

## Assumptions Used Result in 2.95% Annual Total Secured AV Growth Rate Over 10 Years

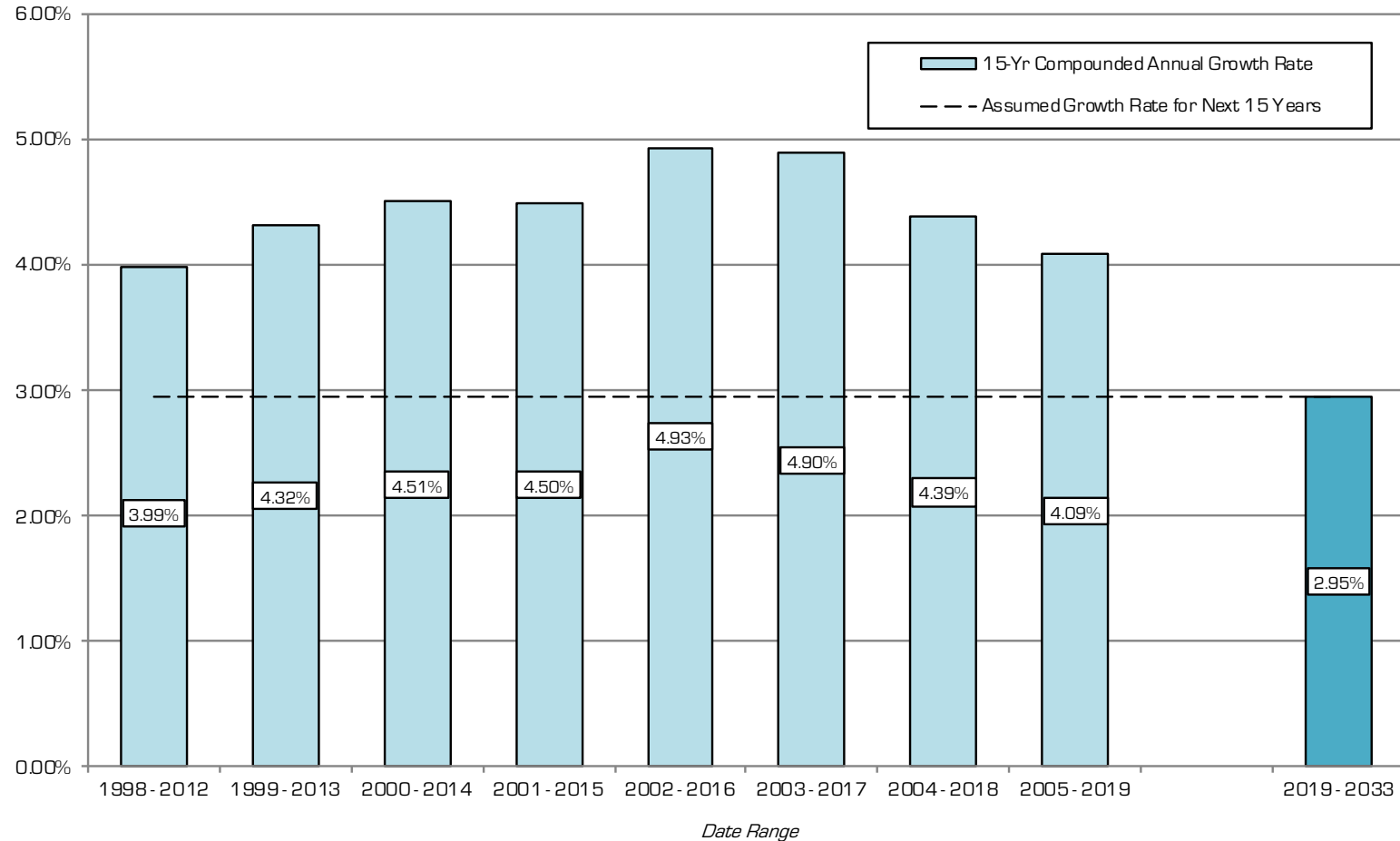


Sierra Sands USD is situated primarily within Kern Co., historically, approximately 0.7% of the District's assessed value is in San Bernardino Co. Kern Co. assessed value obtained from Kern County Auditor-Controller's department. For San Bernardino Co., no AV available for 1998-99 - 2000-01; therefore only Kern Co. data is shown above. [The Kern Co. portion of the District averaged 4.69% growth since 2001-02, while the San Bernardino Co. portion average 3.34%.] AV from 2001-02 - 2003-04 from District's 2006A Bonds official statement citing California Municipal Statistics.

# Historical AV Analysis - 15 Year Periods

Compounded Annual  
Growth Rate -  
Secured AV (Kern Co)

## Assumptions Used Result in 2.95% Annual Total Secured AV Growth Rate Over 15 Years



Sierra Sands USD is situated primarily within Kern Co., historically, approximately 0.7% of the District's assessed value is in San Bernardino Co. Kern Co. assessed value obtained from Kern County Auditor-Controller's department. For San Bernardino Co., no AV available for 1998-99 - 2000-01; therefore only Kern Co. data is shown above. [The Kern Co. portion of the District averaged 4.69% growth since 2001-02, while the San Bernardino Co. portion average 3.34%.] AV from 2001-02 - 2003-04 from District's 2006A Bonds official statement citing California Municipal Statistics.

# Differences Among Taxpayers: Tax Base Demographics

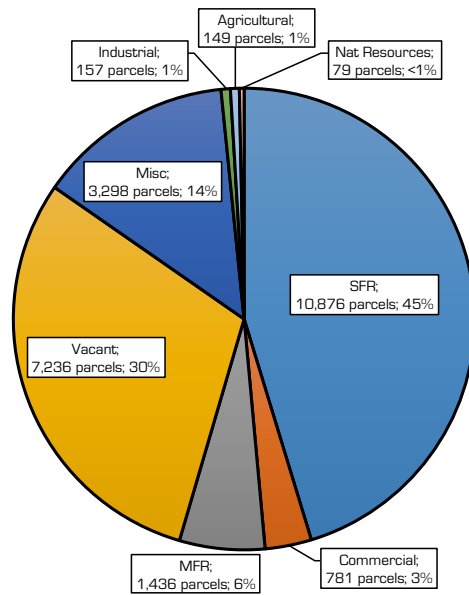


**SIERRA SANDS**  
Unified School District  
— Engaging All Learners —



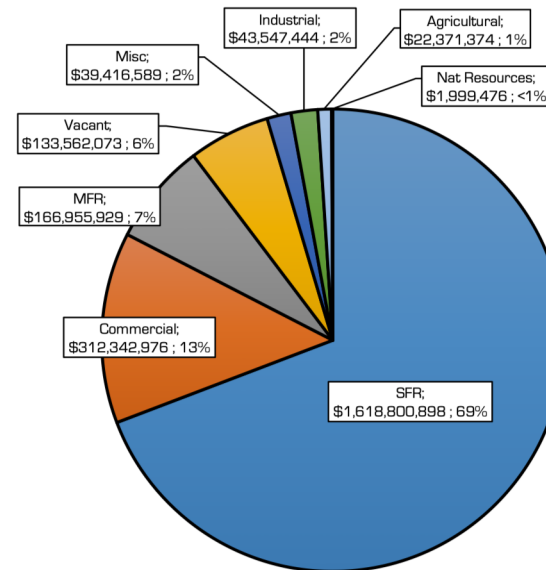
# SFR Are 45% of Total Parcels, but 69% of Total AV

45% of District Parcels are SFR



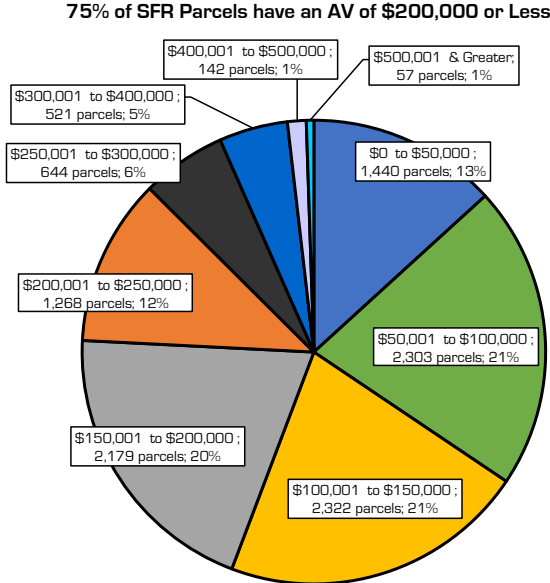
Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Misc comprised of County categories: Miscellaneous, Exempt, Institutional, None, Unknown, & parcels with \$0 AV. Percentages rounded.

69% of AV in District is SFR

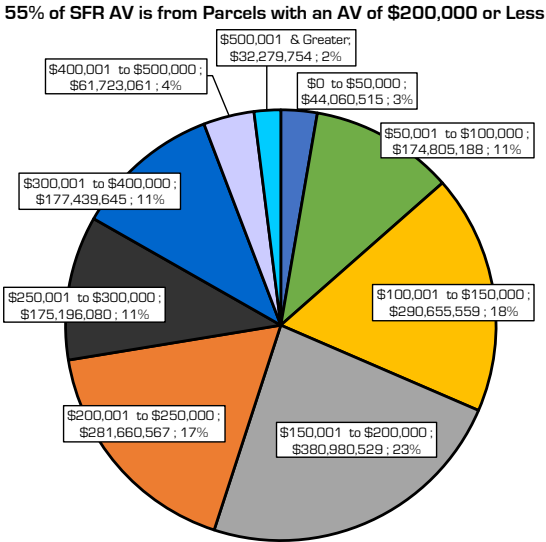


Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Misc comprised of County categories: Miscellaneous, Exempt, Institutional, None, Unknown, & parcels with \$0 AV. Percentages rounded.

# 75% of SFR Parcels Assessed ≤ \$200k; Comprise 55% of SFR Total Assessed Value



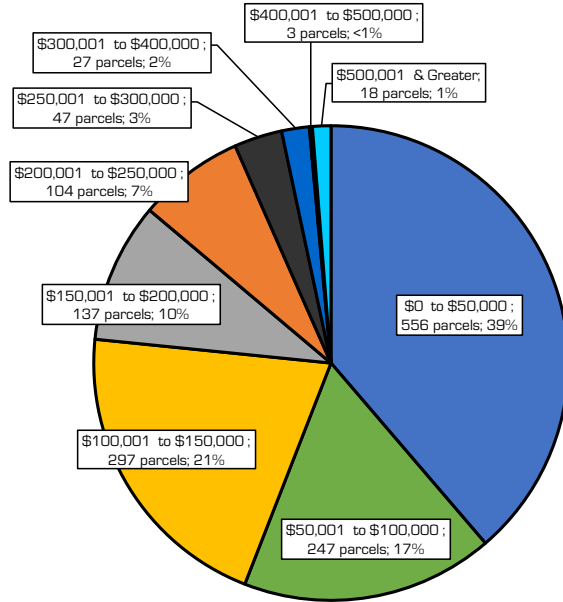
Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.



Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

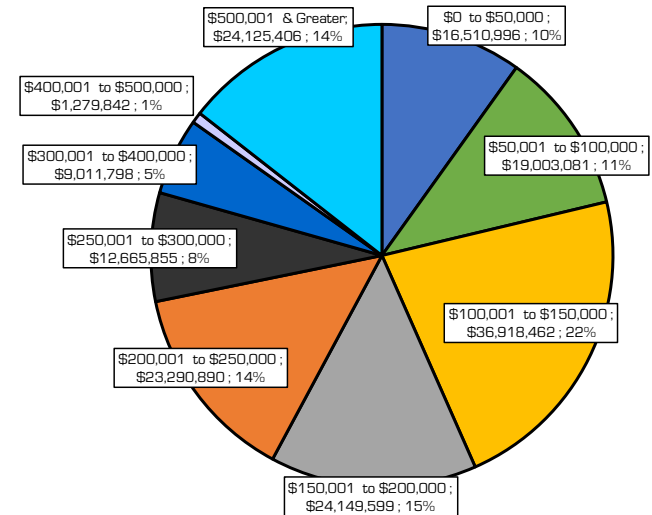
# 87% of MFR Parcels Assessed ≤ \$200k; Comprise 58% of MFR Total Assessed Value

87% of MFR Parcels Have an AV of \$200,000 or Less



Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

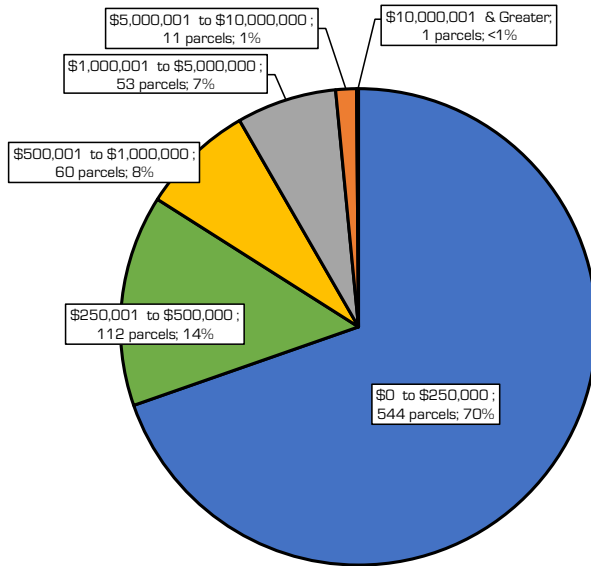
58% of MFR AV is from Parcels with an AV of \$200,000 or Less



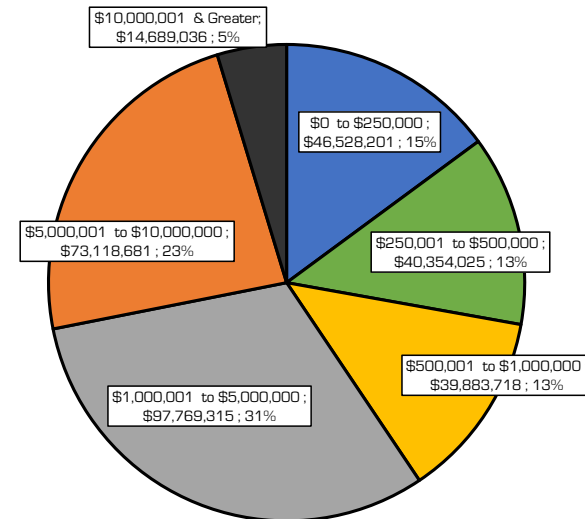
Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

# 84% of Commercial Parcels Pay 28% of Commercial Taxes

84% of Commercial Parcels Have an AV of \$500,000 or Less



28% of Commercial AV is from Parcels with an AV of \$500,000 or Less



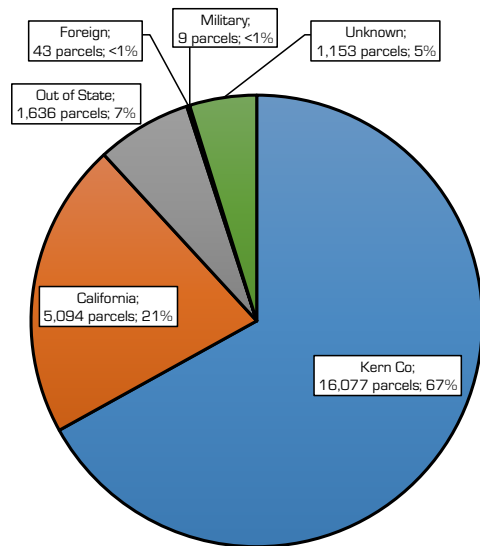
Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

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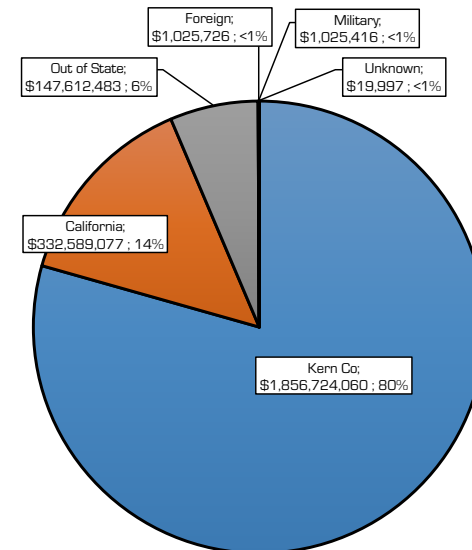
# Majority of Parcels Locally Owned

67% of Tax Bills are Sent Within Kern County



Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

80% of District's AV Have Billing Address in Kern County



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# Top 20 Taxpayers

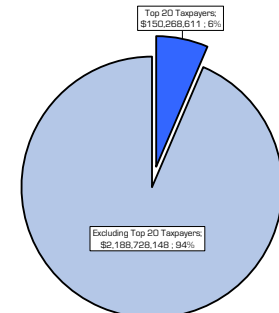
(by billing address)

## Top 20 Taxpayers by Billing Address

<u>Mailing Address</u>	<u>Owners</u>	<u>Net Value</u>	<u>% of District's AV</u>	<u># of Parcels</u>	<u>Owner/Mailing Location</u>
PO Box 8050 Bentonville AR	Wal Mart Stores	\$20,933,940	0.9%	3	Out of State
18818 Teller Av # 277 Irvine CA	Springhill Suites & Hampton Inn	\$18,897,346	0.8%	2	California
4831 Calloway Dr Ste 102 Bakersfield CA	Mojave Pistachios	\$8,213,055	0.4%	71	Kern Co
PO Box 105842 Atlanta GA	Home Depot	\$8,103,064	0.3%	2	Out of State
PO Box 1209 Ridgecrest CA	AltaOne Federal Credit Union	\$7,988,566	0.3%	10	Kern Co
977 Huntington Wy Perris CA	Clarion Inn	\$7,181,713	0.3%	1	California
8558 Chalmers Dr # 401 Los Angeles CA	La Mirage Condos	\$6,857,524	0.3%	231	California
710 N China Lake Bl Ridgecrest CA	Misc commercial properties	\$6,763,820	0.3%	28	Kern Co
25 Via Diamante Newport Coast CA	Ridgecrest Town Center	\$6,417,801	0.3%	1	California
1047 N Inyo St Ridgecrest CA	Tharp Trust - misc commerical/industrial properties	\$6,210,177	0.3%	39	Kern Co
7978 Cooper Creek Bl University Park FL	Kmart	\$6,000,000	0.3%	1	Out of State
PO Box 3165 Harrisburg PA	Rite Aid	\$5,900,000	0.3%	1	Out of State
317 W Inyokern Rd Ridgecrest CA	Misc commerical/industrial properties	\$5,807,706	0.2%	39	Kern Co
930 N Norma St Ridgecrest CA	Froehlich Trust - commercial property	\$5,661,000	0.2%	1	Kern Co
PO Box 1159 Deerfield IL	Walgreens	\$5,300,000	0.2%	1	Out of State
PO Box 990 Minneapolis MN	Albertsons/Staples	\$5,179,523	0.2%	1	Out of State
4615 Island Dr Bakersfield CA	College Heights Apartments	\$5,118,037	0.2%	1	Kern Co
7239 Topanga Canyon Bl Canoga Park CA	Ridgecrest Villa Apts, misc commercial properties	\$4,623,834	0.2%	8	California
709 Meadowood Dr Woodland CA	Demarais Family Trust - commercial property	\$4,560,130	0.2%	4	California
155 N Eucalyptus Dr Anaheim CA	American Inn & Suites, America's Best Value Inn & Suites etc	\$4,551,375	0.2%	6	California
		<b>\$150,268,611</b>	<b>6.4%</b>	<b>451</b>	

Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

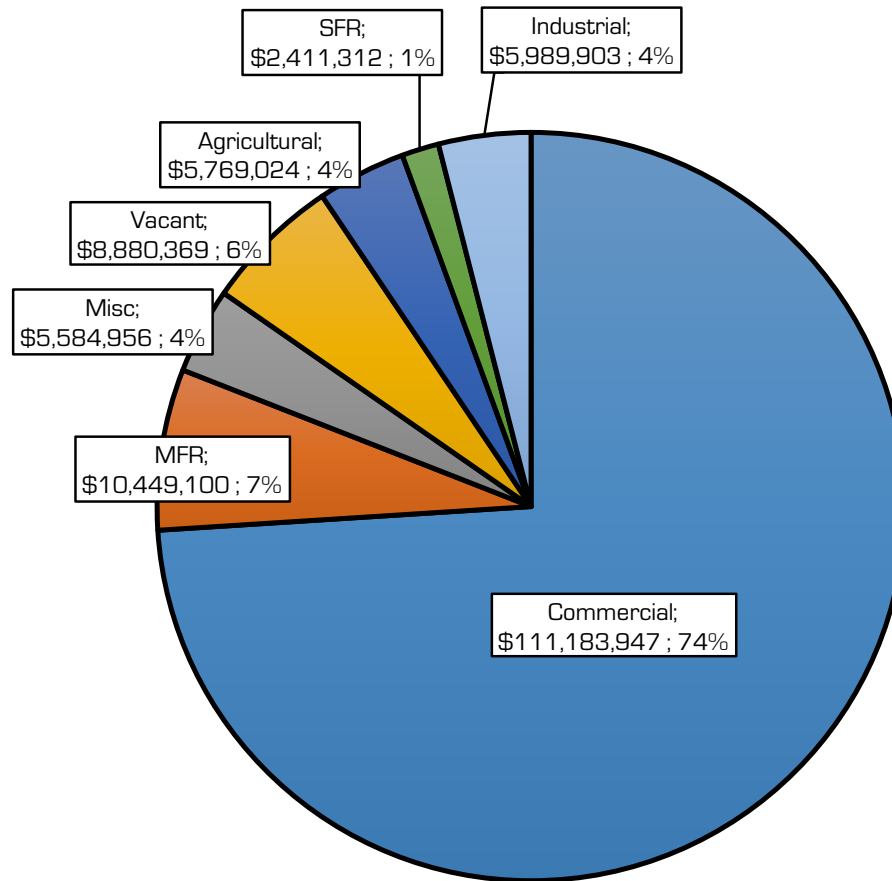
Top 20 Taxpayers (by Billing Address) Comprise 6% of Total District AV



Note: District located in Kern & San Bernardino counties, but as Kern accounts for approximately 99.4% of total AV, only Kern Co data is shown. 2019-20 assessment roll as provided by Kern County Assessor's Department. Percentages rounded.

# Top 20 Taxpayers Mostly Commercial

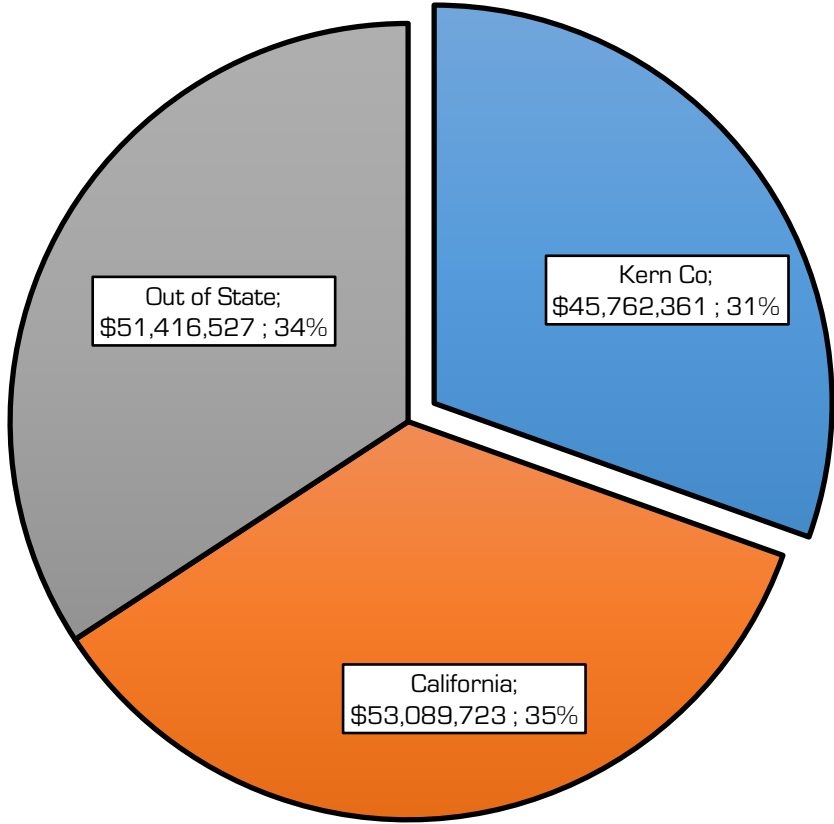
**Commercial Property Accounts for 74% of the AV for the Top 20 Taxpayers  
(by Billing Address)**



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# Minority of "Top 20" AV Locally Owned

For Top 20 Taxpayers (by Billing Address), 69% of AV is Owned Outside of Kern County



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