Isom Advisors A Division of URBAN FUTURES | Incorporated

Simi Valley Unified School District

District School Facility Funding Workshop

by

Isom Advisors,
a Division of Urban Futures, Inc.

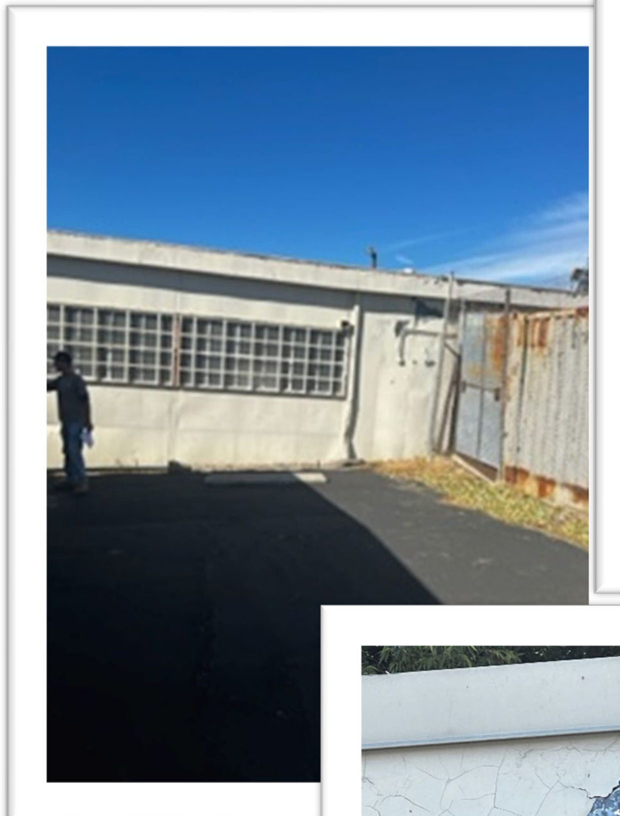
December 7, 2023

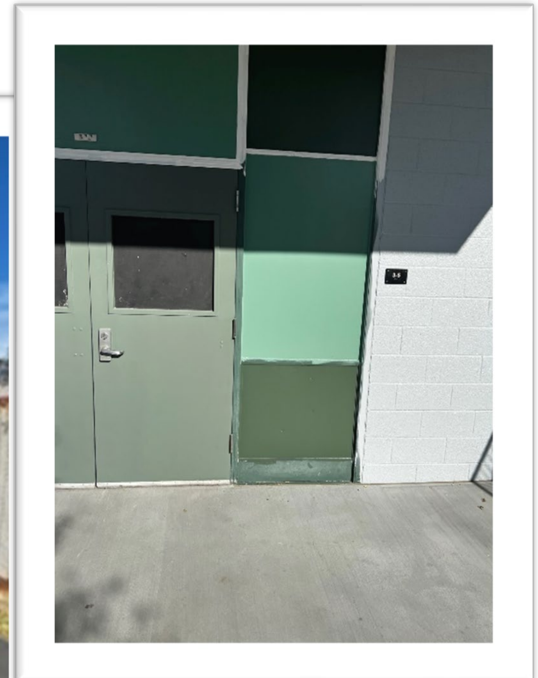
SimiValleySchools
SIMI VALLEY UNIFIED SCHOOL DISTRICT

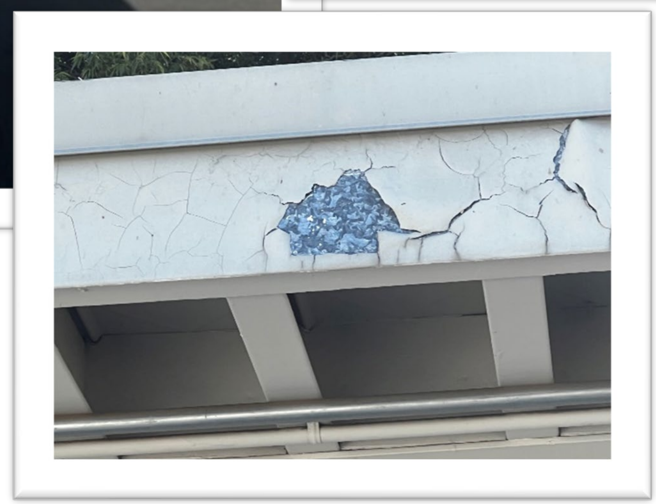
1470 Maria Lane, Ste. 315 - Walnut Creek, CA 94596

While Our Schools Look Good on the Outside…

...the Average Age of our Schools is Nearly 60 Years Old.







Antiques Road Show

Outdated fixtures show just how old the sites are

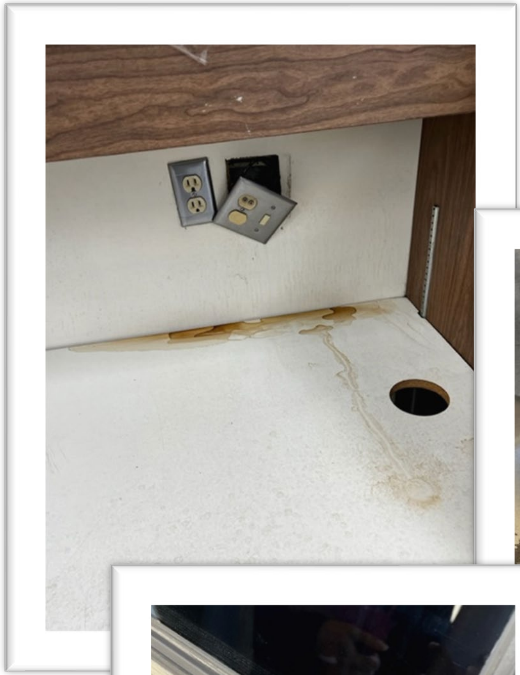
Simi Valley Unified School District

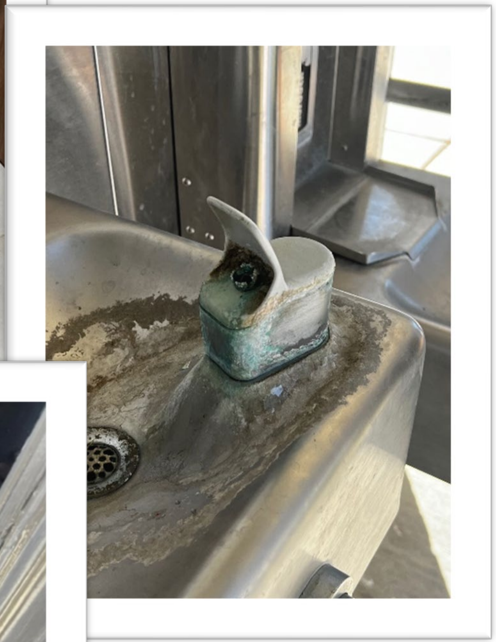
Outdated windows are not energy efficient

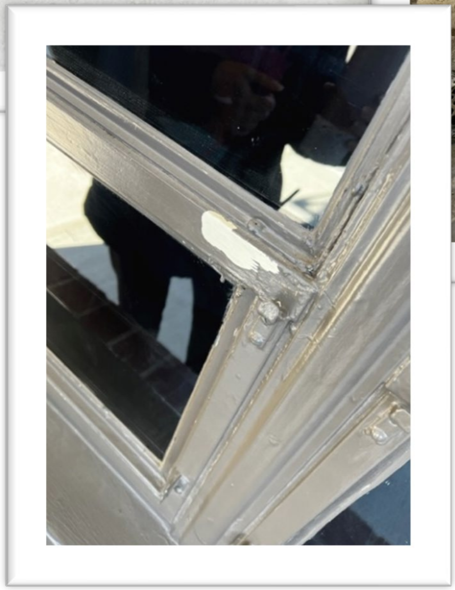
Aging electrical and alarm systems

Facilities from another era

Like our fixtures and equipment, our infrastructure is also old and outdated.







Site Facility Needs

Simi Valley Schools
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Safety and security improvements must be made

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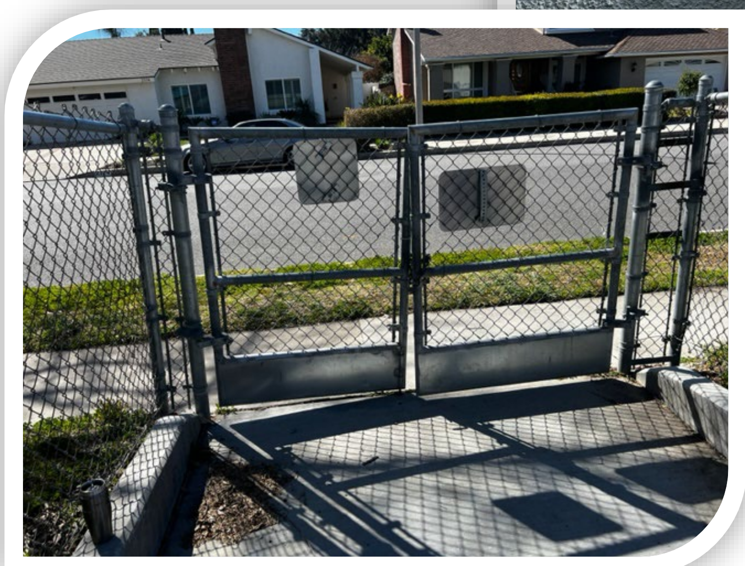


Student security/safety must be improved

Deteriorating facilities need to be repaired or replaced

Site Facility Needs

Aging facilities need to be improved

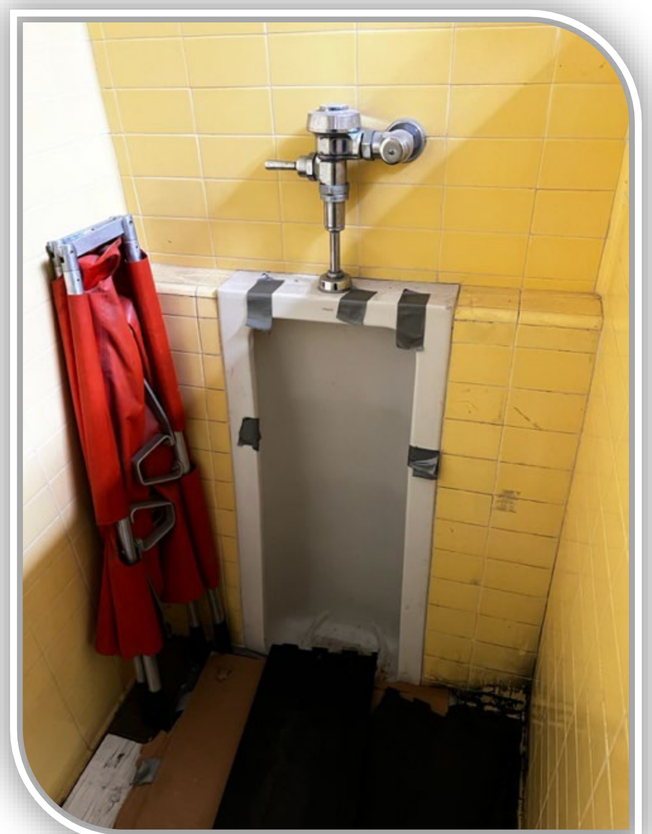
Simi Valley Unified School District

Leaky roofs must be replaced or renovated

Site Facility Needs

Outdated facilities need to modernized

Simi Valley Unified School District



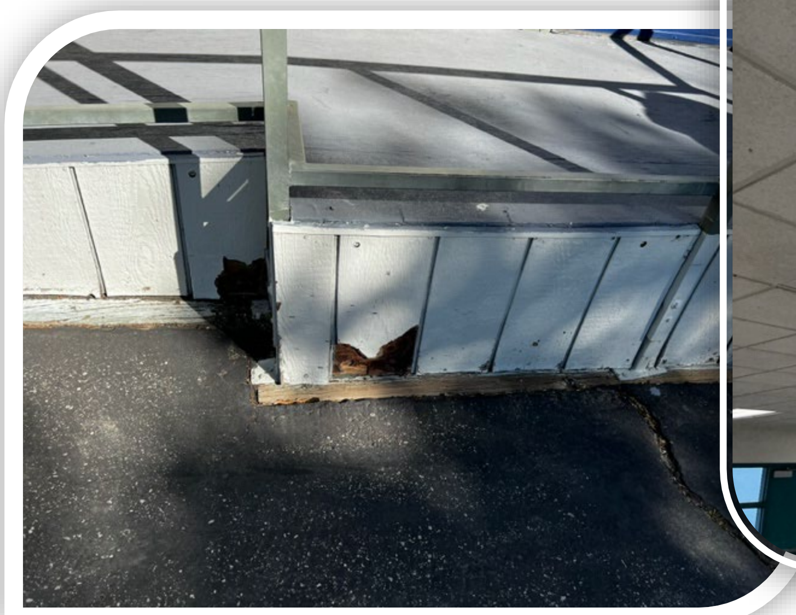
Restrooms need to be modernized

Old and energy inefficient windows need to be replaced

Site Facility Needs

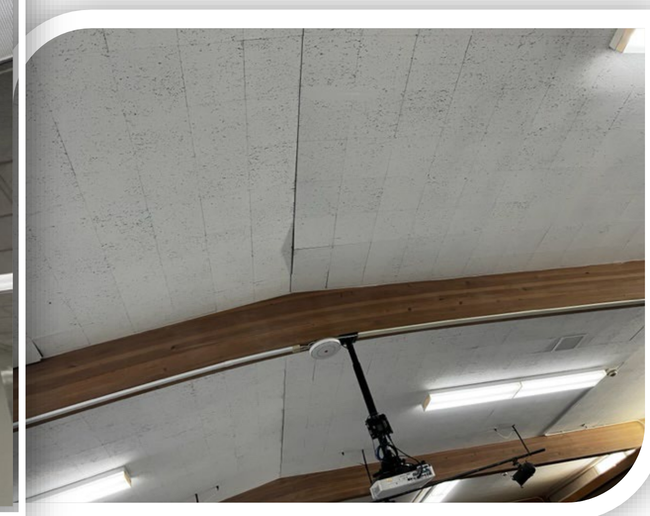
Aging infrastructure needs to be renovated

Simi Valley Unified School District



Dry rot and wood damage needs replacing

Energy inefficient lighting should be upgraded



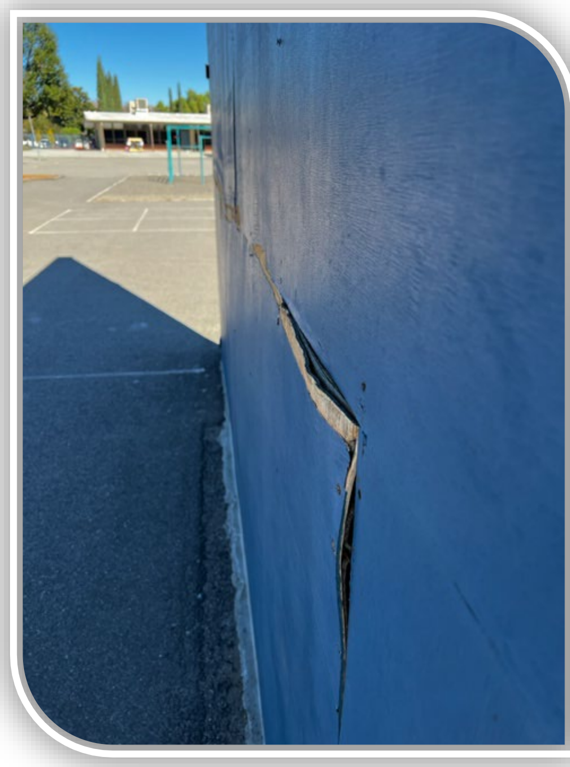
Roofing needs to be replaced or repaired

Site Facility Needs

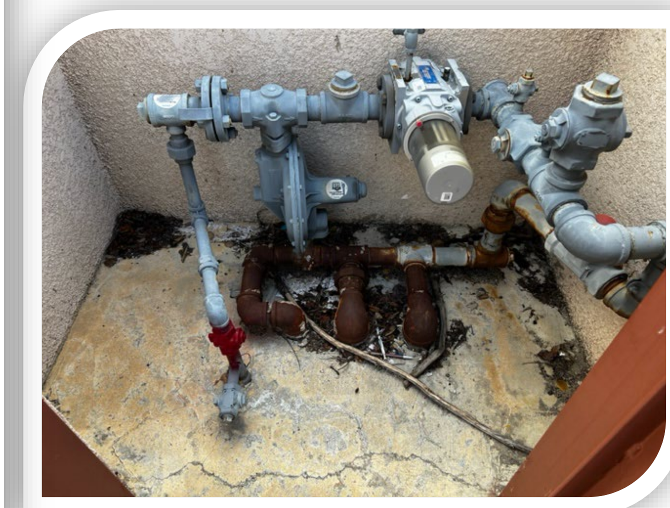
Old buildings needs to be renovated or replaced

Simi Valley Unified School District

Aging portables should be replaced with permanent classrooms



Crumbling exteriors need more than simple patching



Deteriorating plumbing and sewer systems

Site Facility Needs

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District has extensive facility needs

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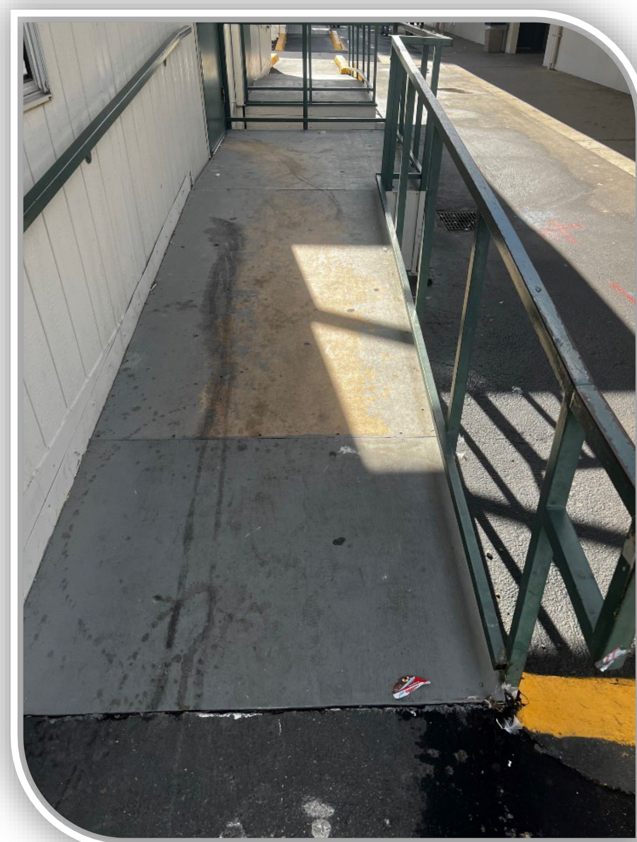
Electrical systems must be upgraded



Health, safety and handicapped accessibility improvements need to be made

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Site Facility Needs

Playgrounds and athletics facilities

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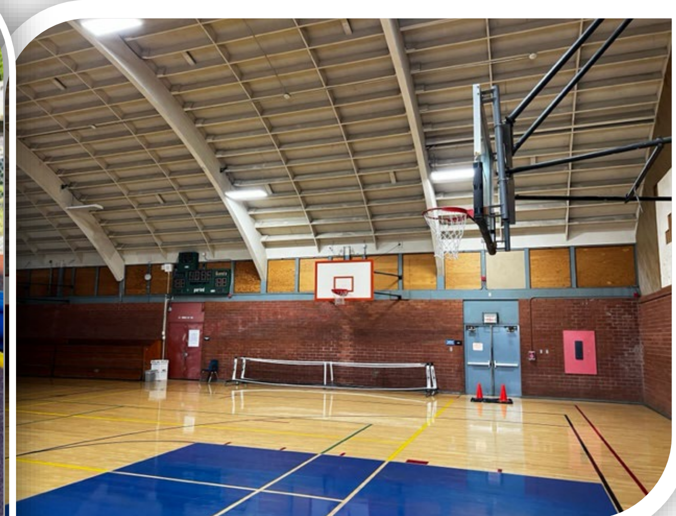

Athletic fields and facilities need to be upgraded

Playgrounds and playfields need to be improved

Site Facility Needs

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Student learning areas must be improved

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Classrooms and labs need modernization

How do School Districts address Major Classroom and Facilities Needs? – Local School Improvement Measures

2020 Bond Program Successes

Strong support for school bonds despite the COVID-19 pandemic

Simi Valley Unified School District

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- A continued leader in new bond election programs, even during the COVID-19 pandemic.

March 2020 Isom Advisors G.O. Bond Successes		
City	**County**	**Amount (1)**
Bellevue ESD	Sonoma	$28.0
Bridgeville ESD	Humboldt	$1.2
Brisbane SD	San Mateo	$27.0
Burlingame ESD	San Mateo	$97.0
El Nido ESD	Merced	$3.2
El Nido ESD	Merced	$3.4
Fort Bragg USD	Mendocino	$35.0
Franklin-McKinley ESD	Santa Clara	$80.0
Geyeserville USD	Sonoma	$22.0
Hope ESD	Santa Barbara	$47.4
Lawndale ESD	Los Angeles	$33.8
Mcfarland USD	Kern	$30.0
Mendocino USD	Mendocino	$31.0
Mountain View ESD	Los Angeles	$56.0
Roseland ESD	Sonoma	$9.4
San Lorenzo Valley USD	Santa Cruz	$75.0
Sebastapool ESD	Sonoma	$17.5
Ukiah USD	Mendocino	$75.0
Waukena Joint ESD	Tulare	$1.65
Westside Union ESD	Sonoma	$7.5

(1) *In Millions*

November 2020 Isom Advisors G.O. Bond Successes		
City	**County**	**Amount (1)**
La Mesa Spring Valley ESD	San Diego	$136.0
Legrand HSD	Merced	$6.0
Oakland USD	Alameda	$735.0
Ojai USD	Ventura	$45.0
South Bay ESD	Humboldt	$5.0
Sunnyside ESD	Tulare	$2.0
Washington USD	Fresno	$46.0
Winters USD	Yolo	$19.0

(1) *In Millions*

Source: Isom Advisors

2022 Bond Program Successes

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There was a lot of support for CA school bonds in 2022

Simi Valley Unified School District

- Isom Advisors worked on 33 successful K-12 bond measures in June and November 2022; over 40% of all successful bond measures.
- Statewide, there were 120 school bond elections with 87 successes, or 72.5%

June 2022 Isom Advisors G.O. Bond Successes		
District	**County**	**Amount (1)**
Fremont HSD	Santa Clara	$275.00
Hillsborough SD	San Mateo	$140.00
Mill Valley SD	Marin	$194.00
Muroc USD	San Bernardino	$21.00
San Rafael ESD	Marin	$152.00
San Rafael HSD	Marin	$216.00
Westmorland ESD	Imperial	$3.75
Westmorland ESD	Imperial	$3.75

(1) In Millions

Source: Isom Advisors

November 2022 Isom Advisors G.O. Bond Successes		
District	**County**	**Amount (1)**
Buellton ESD	Santa Barbara	$8.80
Calistoga USD	Napa	$41.00
Coalinga-Huron JUSD	Fresno	$39.20
El Centro ESD "C"	Imperial	$17.00
El Centro ESD "E"	Imperial	$18.00
Fairfield-Suisun USD	Solano	$249.60
Farmersville USD	Tulare	$8.60
Gridley USD	Butte	$16.30
Guadalupe ESD "V"	Santa Barbara	$8.50
Guadalupe ESD "W"	Santa Barbara	$8.50
Kenwood ESD	Sonoma	$18.00
La Honda Pescadero USD	San Mateo	$15.00
Mupu ESD "J"	Ventura	$0.80
Mupu ESD "K"	Ventura	$0.80
Orange Center ESD	Fresno	$6.00
Rio ESD	Ventura	$72.00
San Luis Coastal USD	San Luis Obispo	$349.00
Santa Rosa ESD	Sonoma	$125.00
Santa Rosa HSD	Sonoma	$398.00
Seqouia HSD	San Mateo	$591.50
South San Francisco USD	San Mateo	$436.00
Sunol Glen USD	Alameda	$10.90
Ventura USD	Ventura	$434.50
Wheatland HSD "P"	Yuba	$16.00
Walnut Creek ESD	Contra Costa	$134.00

(1) In Millions

District AV History & G.O. Bond Analysis

Bond & Assessed Value History

Tax base has grown by 122% since 2005

Simi Valley Unified School District

Simi Valley USD Historical Assessed Value		
Fiscal Year Ending	**Total Value**	**% Change**
2005	$11,312,972,652	
2006	$12,595,726,792	11.34%
2007	$14,561,410,706	15.61%
2008	$15,804,665,361	8.54%
2009	$16,099,386,859	1.86%
2010	$15,369,621,104	-4.53%
2011	$15,282,969,579	-0.56%
2012	$15,153,848,637	-0.84%
2013	$15,056,610,632	-0.64%
2014	$15,566,089,099	3.38%
2015	$16,414,749,981	5.45%
2016	$17,120,053,902	4.30%
2017	$17,877,072,682	4.42%
2018	$18,675,718,484	4.47%
2019	$19,487,658,551	4.35%
2020	$20,331,579,220	4.33%
2021	$21,172,303,169	4.14%
2022	$21,999,264,836	3.91%
2023	$23,749,496,460	7.96%
2024	$25,118,869,860	5.77%
	Average	**4.38%**

- District voters approved a $239.0 million bond measure in 2016 at 65.4% voter support and a $145.0 million bond measure in 2004 at 61.8% voter support
- District also passed a $35.0 million bond measure in 1989 at 70.4% voter support
- District has no remining authorization from Election of 2016
- Current 2023-24 tax rate for the district is $43.60 per $100,000 of assessed valuation

- District's 2023-24 assessed value is approximately $25.1 billion; nineteen-year average assessed value growth rate is 4.38%
- District's gross bonding capacity is approximately $628.0 million (2.50% x assessed value); District's outstanding G.O. bond debt is approximately $282.5 million; District's net bonding capacity, or current debt limit, is approximately $345.5 million

General Obligation Bond Proceeds

District can generate between $365.6 million and $487.5 million

Simi Valley Unified School District

Simi Valley USD Bond Proceeds at Varying Tax Rates (1)				
Tax Rate per $100,000 of A.V.	Series A 2025	Series B 2027	Series C 2030	Total Bond Proceeds
$36.00	$122,700,000	$116,300,000	$126,600,000	$365,600,000
$48.00	$136,300,000	$129,200,000	$140,700,000	$406,200,000
$60.00	$163,600,000	$155,000,000	$168,900,000	$487,500,000

(1) Assumes AV growth of 3.50% and 30 year bond terms; Preliminary – Subject to change

Source: Isom Advisors

- With projected annual assessed value growth of 3.50%, the District can generate up to $487.5 million
- At more aggressive growth rates or a longer bond program, the District could generate up to $564.0 million
- Depending on tax rate selected and assessed value assumptions, District can generate significant proceeds

Voter Demographics

Voter Demographics

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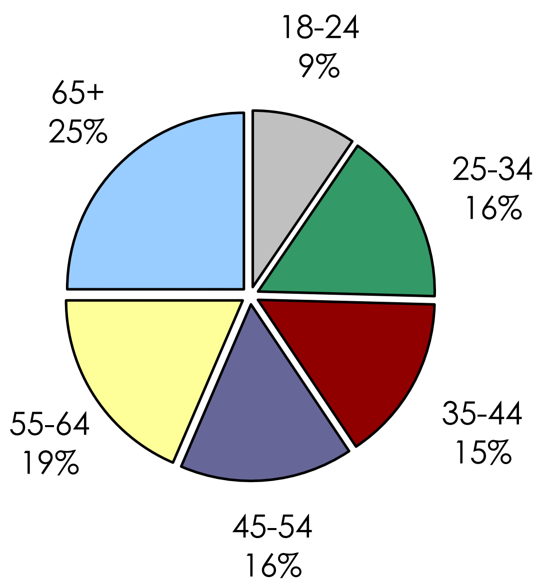
Voter demographics are conservative

Simi Valley Unified School District

- District has 85,808 total voters
- Plurality of voters are Democrats (37%)
- District has an older voting population with 44% of voters aged 55 and older

Voter Age Demographics



District Voter Demographics

	Total	**Percent**
Republicans	**31,363**	**37%**
Democrats	30,109	35%
Other	24,336	28%

Source: Political Data

Voter Turnout

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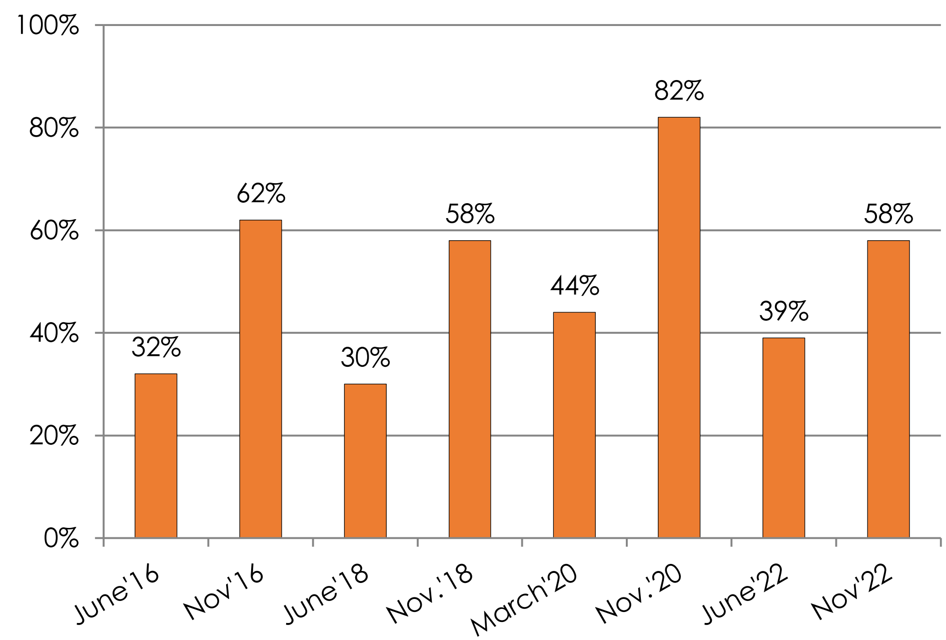
Turnout can have a significant bearing on success

Simi Valley Unified School District

- Historical voter turnout has ranged from a low of 30% in June of 2018 to a high of 82% in November 2020
- Voter turnout varies considerably by election date and type of election and must be considered as different voters show up for different elections
- November 2024 turnout is estimated to be 85%

Recent District Voter Turnouts



Source: Political Data

Next Steps

November 2024 Timeline*

Following these steps are key to District's success

Simi Valley Unified School District

Task	Responsible Party	Date
Update needs list/master plan	District	Ongoing
Board Meeting - Approve "exploring" feasibility of a Bond	**District**	**December 2023**
Prepare and Conduct Survey	Consultant	January 2024
Board Meeting – Survey Results Presentation	**Consultant**	**February 2024**
Initiate public information program, speaking with elected officials, stakeholders, teachers/staff, community service groups to discuss proposed tax measure	District	March – June
Prepare Resolution for Calling Election, including Ballot Language, and Project List to reflect community feedback	Consultant/ Attorneys	April
Finalize Capital and Financing Plan based on Community Outreach	Consultant	June
Board Meeting – Adopt Resolution Calling Election	District	June
Deadline to Submit Resolution Calling Election	**District**	**July 2024**
Prepare and Submit Argument in Favor of Measure	Consultant/District	July
Form campaign committee and conduct campaign kick-off meeting	Campaign Committee	August
Run Campaign	Campaign Committee	August – November
Election Day		**November 5, 2024**

If District decides not to pursue a November 2024 election, then 2026 would be the next opportunity.

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