
BOND MEASURE D

DEL ORO HIGH SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2

“To repair/upgrade aging classrooms/facilities at Del Oro High School; repair deteriorating roofs/plumbing; upgrade science, math, computer, engineering labs and career education classrooms; maintain safe drinking water; reduce overcrowding; improve safety/security; shall the measure for Del Oro High School Facilities Improvement District No. 2 of Placer Union High School District issuing \$40,300,000 in bonds at legal interest rates, averaging \$2,341,000 raised annually until 2050, rates estimated at \$27 per \$100,000 assessed valuation be adopted, with independent oversight/audits, funding used for Del Oro High School only?”

BONDS – YES _____

BONDS – NO _____

IMPARTIAL ANALYSIS BY PLACER COUNTY COUNSEL

This measure, if approved by fifty-five percent of the voters voting thereon, would authorize the sale of general obligation bonds by the Placer Union School District (herein, the "District") for School Facilities Improvement District No. 2 in the amount of up to \$40,300,000 (forty million three hundred thousand dollars) in aggregate principal amount. The proceeds of the bonds would be used within School Facilities Improvement District No. 2 for the purposes described in the text of Measure D, which precedes this analysis. Principal and interest on the bonds would be paid from a tax placed on the taxable property within the District. The District's estimate of the highest tax rate that would be required to fund this bond issue follows this analysis.

A general obligation bond is a form of borrowing used to fund school facilities. By law, local general obligation bonds, financed through an increase in local property taxes, can be used for renovating, reconstructing, and building new facilities and for acquiring certain new equipment. To authorize such bond issuance, school districts can seek either two-thirds or 55% voter approval. If districts seek the 55% approval, as has been done by the District in this case, they must meet additional accountability requirements.

In order to meet these additional accountability requirements, the District Board of Trustees has committed to the following:

- use of bond proceeds shall be only for the purposes set forth in the ballot measure, and not for administrators' or teachers' salaries or pensions;
- safety, class size reduction, and information technology needs have been evaluated prior to determining that bond issuance was necessary;

- independent performance audits of the expenditure of the bond proceeds will be conducted annually to ensure the bond funds were expended only on the specific identified projects and;
- independent financial audits of the expenditure of the bond proceeds will be conducted annually until all bond proceeds have been expended, and;
- a Citizens' Oversight Committee will be established to monitor expenditure of bond proceeds.

The District has confirmed that the proposed bonds would bear interest at a rate not exceeding the statutory limit per annum and the maturity of the bonds will not exceed the statutory maximum.

A "YES" vote on this Measure would authorize the District to borrow money through the sale of bonds in an amount not exceeding \$40,300,000, such bonds to be repaid by revenue derived from an annual tax levied upon the taxable property within School Facilities Improvement District No. 2.

A "NO" vote on this Measure is a vote against authorizing the sale of bonds by the District.

This analysis is submitted by the Office of the County Counsel of Placer County pursuant to the requirements of Section 9500 of the Elections Code of the State of California.

Gerald O. Carden, County Counsel

By: Brian R. Wirtz, Deputy County Counsel

ARGUMENT IN FAVOR OF MEASURE D

Vote YES on Measure D to repair and update Del Oro High School and provide local funding that cannot be used for any other school.

State budget cuts have slashed local school funding by \$32 million over the last five years, and now Del Oro High School is in urgent need of improvements. Del Oro High School was built 60 years ago and needs updates to continue providing a modern education and repair leaking roofs, decaying walls, deteriorating plumbing and bathrooms.

In order to repair Del Oro High School's aging buildings and upgrade outdated classrooms, we need Measure D. Vote YES on D to help students compete for the best colleges and equip career technical education programs with the classrooms and technology needed to prepare graduates for local jobs.

Vote YES on D: Local Funding for Del Oro High School

- Attract and retain highly-qualified teachers to Del Oro High School by repairing or replacing deteriorating classrooms
- Upgrade safety and security systems, including safety doors, smoke alarms and smoke detectors
- Repair leaky roofs, gas lines, plumbing and bathrooms and upgrade heating and air conditioning systems
- Maintain safe drinking water at Del Oro High School
- Upgrade science, math, computer and engineering labs to prepare students for college

and 21st-century careers in fields like agriculture, business, engineering and technology

Measure D: Local Control and Strict Fiscal Accountability

- Measure D requires that every penny is used only for Del Oro High School and cannot be used for other schools or taken by the State
- Strict fiscal accountability is required, including a Citizens' Oversight Committee and independent annual financial audits
- No funding could ever be used for administrators' salaries or pensions

Measure D would make Del Oro High School eligible for millions in state matching funds for classroom improvements. Without Measure D, this funding will go to other schools.

Even if you do not have school-age children, school improvements from Measure D will protect our property values.

Join parents, teachers and community leaders – **vote YES on D!**

Jim Holmes, Placer County Supervisor

John Bowler, Flower Farm Loomis Owner

Rhonda Morillas, Mayor Town of Loomis

Jacob Hardey, Loomis Union School District Trustee

Ed Bonner, Placer County Sheriff Ret

By: Peter Efstathiu, Assistant Superintendent,
Administrative Services

NO ARGUMENT AGAINST MEASURE D WAS SUBMITTED

FULL TEXT OF MEASURE D SUBMITTED BY THE DISTRICT

INTRODUCTION

The Board of Trustees ("Board") of the Placer Union High School District ("District") is committed to maintaining Del Oro High School's tradition of excellence and of preparing students to be college, career and life-ready by the time they graduate. However, State budget cuts have reduced funding in the District by \$32 Million over the past five years, leaving the District without sufficient funds to adequately maintain Del Oro High School, which was built nearly 60 years ago and is in need of facility repairs and improvements. The types of facility repairs and improvements that are needed at Del Oro High School include fixing leaking roofs and decaying walls; updating broken plumbing and bathrooms; upgrading air conditioning, heating, electrical

systems and wiring for computer technology; making accessibility improvements for students with disabilities; and upgrading equipment, technology and classrooms for the vocational and career education programs.

The District has conducted a project prioritization process with input from parents, teachers, staff and members of the community to identify the upgrades needed at Del Oro High School in order to meet modern safety standards, the District's goals for supporting current academic standards and address specific priorities.

The Board has determined that a local source of funding, such as a school facilities improvement district bond measure, is the only way to provide funds that can then

be used to repair and improve the aging facilities at Del Oro High School and ensure that the high quality of education at Del Oro High School is maintained. The bond proceeds from a school facilities improvement district bond would be used to repair and replace deteriorating classrooms to attract and retain highly qualified teachers; repair leaky roofs, gas lines, plumbing and bathrooms; maintain safe drinking water; upgrade science, math, computer and engineering labs to help prepare students for college and careers; upgrade security and safety systems, including safety doors, smoke alarms and smoke detectors; and provide space and technology to prepare students for available local jobs in fields such as agriculture, business, engineering and law enforcement.

Any such Board-approved local school facilities improvement district bond measure would ensure that bond proceeds are only used for Del Oro High School and not for other schools; would provide bond proceeds that could not be taken away by the State; would include mandatory taxpayer protections, including a Citizens' Oversight Committee and mandatory, independent annual audits to ensure funds are spent as promised; and provide that no bond funds could ever be used for administrators' or teachers' salaries or pensions.

In addition, a local school facilities improvement district bond measure, if approved by the voters, would enable the District to qualify for millions of dollars of State matching funds.

Whether or not the residents of the Del Oro High School enrollment area have school-age children, improving our local high school will help make the community a more desirable place to live, do business and raise a family, all of which will enhance property values and help to keep our community strong.

BOND AUTHORIZATION

By approval of this proposition by at least 55 percent of the registered voters voting on the measure within Del Oro High School Facilities Improvement District No. 2 of the Placer Union High School District ("SFID No. 2"), the Placer Union High School District (the "District") will be authorized to issue and sell bonds on behalf of SFID No. 2 of up to \$40.3 Million in aggregated principal at interest rates not in excess of the legal limit and to provide financing for the specific projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

The Bonds may be issued under the provisions of the California Education Code (starting at Section 15100), under the provisions of the California Government Code (starting at Section 53506), or under any other provision of law authorizing the issuance of general obligation bonds by school districts. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature within the legal limitations set forth in the applicable law under which the Bonds are issued.

FINANCING PLAN

The District intends to use the Bonds to modernize, renovate, construct, upgrade, equip, furnish and otherwise improve Del Oro High School, as set forth on the Bond Project List. No series of Bonds will be issued if such issuance would cause the tax rate levied to pay debt service on all of the outstanding Bonds to exceed the Proposition 39 limits per one hundred thousand dollars (\$100,000) of taxable property, based on projections made by the District at the time of issuance of such series of Bonds.

In preparing this information, the District obtained reasonable and informed projections of assessed property valuation that took into consideration projections of assessed property valuations made by the County Assessor, if any, in accordance with Education Code Section 15100(c).

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers in SFID No. 2 may be assured that their money will be spent wisely. Expenditures to address specific facility needs of the District will be in compliance with the requirements of Article XIII A, Section 1(b)(3), of the State Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following).

Evaluation of Needs. The Board of Trustees of the District (the "Board of Trustees") has identified detailed facility needs of the District and has determined which projects to finance from a local bond at this time. The Board of Trustees hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. The Board of Trustees shall establish an Independent Citizens' Oversight Committee under Education Code Section 15278 and following to ensure that bond proceeds are expended only on the school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the Board of Trustees.

Performance Audits. The Board of Trustees shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects described in the Bond Project List below.

Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects described in the Bond Project List below.

Annual Report. The Assistant Superintendent, Business Services of the District will cause an annual report to be filed with the Board of Trustees, the first report to be filed not later than one year after the issuance of the first

series of the bonds, which report will contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by applicable California law.

Expenditure of Bond Proceeds. The proceeds from the sale of the SFID No. 2's bonds will be used only for the purposes specified in this measure, and not for any other purpose. Such proceeds will be deposited into a Project Fund to be held by the Placer County Treasurer, as required by the California Education Code.

FURTHER SPECIFICATIONS

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the school facilities projects on the Bond Project List below, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Section 15100 of the California Education Code, and all the enumerated purposes shall constitute the specific single purpose of the bonds and proceeds of the bonds shall be spent only for such purpose.

Other Terms of the Bonds. The bonds may be issued and sold in several series, and in accordance with a financing plan determined by the Board of Trustees pursuant to requirements of law.

BOND PROJECT LIST

The Board of Trustees of the Placer Union High School District is committed to protecting the quality of education at Del Oro High School with safe, secure, upgraded classrooms and labs so that all students are prepared for college and/or good paying jobs. To that end, the Board evaluated the District's facility's needs and prepared a comprehensive 2016 Facilities Master Plan to develop the scope of projects to be funded. The Board, in developing the project list and priorities, solicited input from parents, teachers, staff and community and civic leaders.

Proceeds of the Bonds will be used to upgrade, repair, construct, renovate, furnish and equip schools, facilities and classrooms (as listed below) at Del Oro High School. The exact size, configuration and location of each project will be determined by the Board of Trustees based on the needs of the District.

Major repairs, renovations, improvements, constructions and equipment acquisitions shall include but not be limited to:

- Upgrade, renovate, and improve classrooms and classroom buildings
- Expand STEAM (Science, Technology, Engineering, Arts, and Math) classrooms
- Construct new classrooms

- Renovate Career Technical Education (CTE) facilities
- Relocate or remove portable classrooms
- Building system upgrades (HVAC, mechanical, electrical, & plumbing)
- Make handicap accessibility (ADA) upgrades and improvements
- Upgrade fire alarm and emergency communication systems
- Refurbish locker rooms and restrooms
- Roofing repairs or replacement
- Parking lot expansion
- Address unforeseen conditions revealed by construction/renovation (e.g., asbestos removal, plumbing or gas line repairs, dry rot, seismic, structural, etc.)
- Improve campus security, which includes but is not limited to fencing and surveillance cameras

Scope of Projects. The Projects which are described above include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, inspections, site preparation, site allowance, demolition, utilities, and other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary contingency, and other costs incidental to and necessary for completion of the listed Projects.

In addition to the Projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovate student and staff restrooms; installation of signage, clocks, bells and fencing; repair and replace heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, walls, doors and drinking fountains; improve school facilities for disability access; install wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade support facilities, repair and replace gas, water and sewer systems and lines, fire alarms, emergency communications and security systems; resurface or replace hard courts, asphalt, turf and irrigation systems and campus landscaping; interior and exterior painting and floor covering; demolition; construct various forms of storage and support spaces and classrooms; repair, upgrade and install interior and exterior lighting systems; improve or reconstruct playgrounds, athletic fields and play apparatus; and replace outdated security fences and security systems (including access control systems).

The scope and nature of any of the specific Projects described may be altered by the District as required by unforeseen conditions that may arise during the course of design and construction. In the event that a

modernization or renovation project will result in higher costs than relocation and construction, this bond measure authorizes land acquisition, relocation and reconstruction, and all costs relating thereto, for said reasons or based on other considerations deemed in the best interest of the District by the Board of Trustees. In addition, this measure authorizes the acquisition of real property required to expand or provide school facility projects at Del Oro High School. Bond proceeds may also be expended to acquire equipment in any classroom or other educational facility within the District. Property, buildings and equipment on the Project list may be acquired through lease, sale, lease-purchase, lease-leaseback or other project delivery or acquisition methods determined appropriate by the Board of Trustees.

The District may alter the scope and nature of any of the specific projects that are described above as required by conditions that arise over time. Whenever specific items are included in the Project list, they are presented to

provide examples and are not intended to limit the generality of the broader description of authorized projects. The order in which particular projects are listed is not intended to indicate priority for funding or completion. The itemization of projects in the list does not guarantee that all such projects will be undertaken.

Projects Subject to Available Funding. The foregoing list of projects is subject to the availability of adequate funding to the District for Del Oro High School. Approval of the bond measure does not guarantee that the proposed projects at Del Oro High School that are the subject of bonds under the measure will be funded beyond the local revenues generated by the bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified Projects. The District's proposal for the Projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

TAX RATE STATEMENT PREPARED BY THE DISTRICT

An election will be held within the boundaries of Del Oro High School Facilities Improvement District No. 2 of the Placer Union School District ("SFID No. 2") on November 6, 2018 to authorize the sale of up to \$40.3 Million in bonds to finance facilities as described in the proposition. If the bonds are approved, the School District expects to sell the bonds in multiple series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property located within SFID No. 2. The following information is provided in compliance with Sections 9400-9404 of the California Elections Code.

1. The best estimate of the average annual tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on estimated assessed valuations available at the time of filing of this statement, is \$0.02661 per \$100 (\$26.61 per \$100,000) of assessed valuation. The final fiscal year in which the tax to be levied to fund this bond issue is anticipated to be collected is fiscal year 2049-50.

2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is \$0.03 per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2019-20.

3. The best estimate of the total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$72,582,646.

Voters should note that the estimated tax rates are based on the *ASSESSED VALUE* of taxable property on the County's official tax rolls, *not* on the property's market value. Taxpayers eligible for property tax exemption, such as the homeowner's exemption will be taxed at a lower effective tax rate than described

above, and certain taxpayers may be eligible for a postponement of their property taxes. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District, nor are the summary estimates, if any, provided in the Abbreviated Ballot Measure. The actual tax rates, debt service, and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds.

The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the need for construction funds and other factors, including the legal limitations on bonds approved by a 55% vote. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

By: George Sziraki, Superintendent