

FILED

AUG 9 2016

BY DEPUTY
REGISTRAR OF VOTERS

RESOLUTION NO. 1617-20

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
ETIWANDA SCHOOL DISTRICT ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF
THE ELECTION ORDER**

WHEREAS, the Board of Trustees (the "Board") has determined that education facilities within the Etiwanda School District (the "District") need to be renovated, modernized, repaired, improved, constructed and equipped to enable the District to improve the health and safety and the quality of education for students in the District; and

WHEREAS, notwithstanding concerted and ongoing efforts by the District to obtain sufficient facility money from the State of California (the "State"), the State has been unable to provide the District with enough money for the District to adequately construct and repair schools to provide an optimal learning environment for all students; and

WHEREAS, twelve Etiwanda schools have been named California Distinguished Schools, a model for others statewide; and

WHEREAS, the District wishes to maintain award-winning excellence in education; and

WHEREAS, children deserve and need safe, clean schools so they can learn; and

WHEREAS, the District desires to maintain a good long-term investment for the community, and recognizes that improving neighborhood schools not only supports children learning, but strengthens local property values; and

WHEREAS, every District student deserves access to a quality education including up-to-date classrooms that meet safety, academic and technology standards; and

WHEREAS, neighborhood District schools need basic safety improvements and repairs, including security systems, plumbing, outdated electrical systems, disabled access, and bathrooms; and

WHEREAS, local schools need improved 911 emergency communications systems, cameras, and locks; and

WHEREAS, in the judgment of the Board, additional facility funding is needed to improve the quality of facilities within the District by means of a general obligation bond; and

WHEREAS, a general obligation bond will help repair and upgrade schools throughout the District and every school in every neighborhood will benefit; and

WHEREAS, the District desires a high level of fiscal accountability to the community, and this measure, as written, requires independent audits, citizens' oversight, and by law, no money for administrator salaries or pensions and all funds must be used locally to improve neighborhood schools and classrooms; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service on any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

WHEREAS, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which, as of its effective date, reduced the voter threshold for *ad valorem* tax levies used to pay for debt service or bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight which are required by Proposition 39 and the Act; and

WHEREAS, the Board desires to submit a proposition to the District's voters at an election to authorize the issuance of general obligation bonds to pay for certain necessary improvements to and equipment for District schools; and

WHEREAS, the Board hereby determines, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, that the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for administrative salaries or other operating expenses of the District shall be strictly enforced by a Citizens' Oversight Committee to be appointed by the Board in accordance with the Act; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limit per year of \$30 per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now desires to authorize the filing of a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request that the San Bernardino County Registrar of Voters perform certain election services for the District;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE ETIWANDA SCHOOL DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests the San Bernardino County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount not to exceed \$137,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits A and B hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 8, 2016.

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A" and incorporated by reference herein, containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot proposition in Exhibit "A" is subject to the following requirements and determinations:

(a) that the proceeds of the sale of the Bonds shall only be used for the purposes specified in Proposition 39 and authorized by the ballot proposition and not for any other purpose, including teacher and administrator salaries and other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction and information technology needs of the District, and has made and hereby adopts each of the determinations set forth therein;

(c) that the Board will cause an annual, independent performance audit to be conducted to ensure that the Bond moneys are expended only for the projects identified in Exhibit "B" hereto;

(d) that the Board will cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board will appoint a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Elections Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limit of \$30 per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.

Section 6. That the San Bernardino County Registrar of Voters and the San Bernardino County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District.

Section 7. That the Clerk of the Board is hereby directed to send a certified copy of this Resolution to the San Bernardino County Registrar of Voters no later than August 12, 2016.

Section 8. That the maturity of any Bonds issued pursuant to Section 15264 *et seq.* of the Education Code shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 *et seq.* of the Government Code shall have a maturity not exceeding the maximum permitted thereunder. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

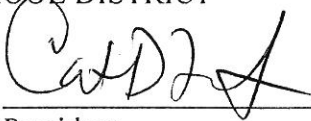
Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass be made by any body or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, by the Board or one or more members thereof, to be filed with the San Bernardino County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of San Bernardino County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse San Bernardino County, such services to include the printing of the Full Text Ballot Proposition set forth in Exhibit "B" in the voter pamphlet, the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

Section 11. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED by the Board of Trustees of the Etiwanda School District this 4th day of August, 2016.

BOARD OF TRUSTEES OF THE ETIWANDA
SCHOOL DISTRICT

By: 
President

By: 
Clerk

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, Brynna Cadman, Clerk of the Board of Trustees of the Etiwanda School District, do hereby certify that the foregoing Resolution was duly adopted by the Board of Trustees of said School District at a meeting of said Board held on the 4th day of August, 2016, and that it was so adopted by the following vote:

AYES: MEMBERS:	<u>5</u>
NOES: MEMBERS:	<u>0</u>
ABSTAIN: MEMBERS:	<u>0</u>
ABSENT: MEMBERS:	<u>0</u>

Brynna Cadman
Clerk of the Board of Trustees of the
Etiwanda School District

EXHIBIT A

The Etiwanda School District Classroom Repair, Safety and Education Measure. To repair/upgrade neighborhood schools, meet safety, academic, technology standards and reduce overcrowding by improving school security, including 9-1-1 emergency communications, cameras, wiring, smoke alarms/door locks; upgrading classroom computers, water pipes, labs/libraries; acquiring, constructing, equipping and repairing classrooms/sites/facilities, shall Etiwanda School District issue \$137,000,000 in bonds at legal rates, with independent audits, citizens' oversight, no money for administrator salaries/pensions and all funds used locally?

Bonds - Yes

Bonds – No

TAX RATE STATEMENT

An election will be held in the Etiwanda School District (the "District") on November 8, 2016, to authorize the sale of up to \$137,000,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to issue the Bonds in multiple series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400 through 9404 of the California Elections Code.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.912 cents per \$100 (\$29.12 per \$100,000) of assessed valuation in fiscal year 2016-17.
2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.929 cents per \$100 (\$29.29 per \$100,000) of assessed valuation in fiscal year 2025-26.
3. 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 2.940 cents per \$100 (\$29.40 per \$100,000) of assessed valuation in fiscal year 2041-42.
4. The best estimate of the total bond payments, including the principal and interest, that would be required to be repaid if all of the bonds are issued and sold is \$293,993,721.

Voters should note that 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, which could be more or less than the assessed value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Certain taxpayers may also be eligible to postpone payment of taxes. Property owners should consult their own property tax bills and tax advisors 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. The actual tax rates and the years in which they will apply, and the actual total debt service, 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 need for construction funds and other factors, including the legal limitations on bonds approved by a 55% affirmative 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.

Dated: August 4, 2016



Superintendent
Etiwanda School District