

**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K**

**K** “To improve the quality of education for pre-kindergarten through eighth grade students shall Galt Joint Union Elementary School District be authorized to modernize and upgrade classrooms and school facilities for 21<sup>st</sup> Century learning; replace portables and leaky roofs; upgrade outdated electrical, heating/air conditioning and plumbing; make safety/security and technology classroom improvements, by issuing \$19,700,000 of bonds at legal interest rates, with independent citizens’ oversight and audits, NO money for employee salaries, and all funds benefitting local schools?”

**IMPARTIAL ANALYSIS OF MEASURE K**

(Galt Joint Union Elementary School District – School Bond Measure)

Prepared by County Counsel

Measure K, if approved by the voters, would allow the Galt Joint Union Elementary School District (“District”) to incur bonded indebtedness up to a maximum amount of \$19,700,000. The proceeds from the issuance and sale of such general obligation bonds could only be used for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities.

No funds derived from bond sales may be used for general school operating expenses, including administrator and teacher salaries, or for any purpose or project other than those expressly stated in the measure. Measure K lists the school facility improvement projects within the District intended to be financed by bond sales.

To assure that funds are spent only as specified in the measure, Measure K requires: 1) the appointment of a citizen’s oversight committee and 2) completion of annual independent performance and financial audits.

If Measure K is passed, the actual dates of sale and the amount of bonds sold would be governed by the District based on the need for construction funds and other factors. If Measure K is approved, the tax rates necessary for payment of principal and interest on any bonds sold will be largely dictated by the timing of the bond sales, the amount sold at a given sale, market interest rates at the time of each sale (although in no event greater than the maximum bond interest rate allowed by law), as well as actual assessed valuation of taxable property in the District over the term of repayment.

Passage of Measure K requires approval by fifty-five percent of the voters voting thereon.

**FULL TEXT OF MEASURE K**

“To improve the quality of education for pre-kindergarten through eighth grade students shall Galt Joint Union Elementary School District be authorized to modernize and upgrade classrooms and school facilities for 21<sup>st</sup> Century learning; replace portables and leaky roofs; upgrade outdated electrical, heating/air conditioning and plumbing; make safety/security and technology classroom improvements, by issuing \$19,700,000 of bonds at legal interest rates, with independent citizens’ oversight and audits, NO money for employee salaries, and all funds benefitting local schools?”

Upon the passage of Measure K, as set forth above, the Galt Joint Union Elementary School District (the “District”) shall be authorized to issue bonds in the aggregate amount of \$19,700,000 (the “Bonds”), bearing interest at rates not exceeding the statutory limit, for the purpose of funding the school facilities projects listed below under the heading “School Facilities Projects that May Be Funded with Proceeds of Bonds” (the “Bond Projects”) at the District’s elementary and middle schools, also as listed below. The Bond Projects were derived from the District’s Facilities Master Plan along with comments from the Board of Education (the “Board”) and the community, including teachers, staff, students, and residents.

**Proposition 39 Bond Accountability Measures**

At its July 27, 2016 meeting, the Board of Education (the “Board”) certified that it evaluated safety, class size reduction, and information technology needs in developing the list of the Bond Projects set forth below. The proceeds of the Bonds shall be used only for the Bond Projects identified in the list below, and not for any other purpose (i.e., teacher and administrative salaries and other school operating expenses).

The Board shall give consideration to the life expectancy of any Bond Project to ensure the Project's useful life is consistent with the term of the Bonds, to the extent feasible.

The proceeds of the Bonds will be held in a separate account. The Board is bound to conduct financial and performance audits annually to account for the Bond funds and to assure that funds have only been expended on the specific projects authorized.

The Board will appoint a citizens' oversight committee (the "Citizens' Oversight Committee") having a minimum of seven members and including at least one member active in a business organization representing the business community located within the District, one member active in a senior citizens' organization, one member active in a bona fide taxpayers' organization, one member who is the parent or guardian of a child enrolled in the District, and one member who is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization.

### **School Sites Eligible to Receive Bond Proceeds**

The school sites listed below are those sites eligible to receive funding from the proceeds of Measure K (the "Authorized Schools").

Fairsite Preschool & School Readiness Center	Valley Oaks Elementary School
Lake Canyon Elementary School	Vernon E. Greer Elementary School
Marengo Ranch Elementary School	Robert L. McCaffrey Middle School
River Oaks Elementary School	

### **School Facilities Projects that May Be Funded with Proceeds of Bonds**

The Bond Projects for the Authorized Schools, as described more specifically in the District's Facilities Master Plan, and incorporated herein by this reference, consist of the following:

#### School Safety and Security:

- Improve campus and site safety and security by installing and upgrading security cameras and systems, exterior lighting, fencing systems, and other safety equipment and measures

#### Modernization:

- Upgrade, repair and replace flooring, leaky roofs, aging classrooms, and school facilities
- Replace outdated and aging portable classrooms with new classrooms
- Upgrade, replace and modernize food service facilities
- Patch and paint inside and outside of classrooms and support facilities

#### Updates to Existing School-Wide Building Systems:

- Upgrade and replace outdated heating, ventilation, and air-conditioning (HVAC) systems
- Repair and upgrade the District's electrical lighting systems, including replacing outdated lighting with LED lighting and other energy efficient systems and equipment
- Upgrade and replace plumbing systems, including installing low-flow faucets and toilets, and other modern fixtures that can save water and installing running water in classrooms
- Upgrade, repair and replace communication systems

#### 21<sup>st</sup> Century Learning Classroom Improvements:

- Construct, reconstruct, replace, and reconfigure classrooms and school facilities, including Bright Future Learning Centers (also known as school libraries), to provide 21<sup>st</sup> Century learning flexibility and to support high quality instruction
- Improve student access to modern and emerging technologies
- Acquire, construct, renovate and improve science labs to accommodate the demands of a 21<sup>st</sup> Century education
- Acquire and equip classrooms with furniture appropriate for 21<sup>st</sup> Century learning environments
- Upgrade, redesign, replace, and repair outdoor learning environments at District schools

Each of the Bond Projects described in the list above include all costs incidental but directly related to the specific projects described above. Such costs include, but are not limited to, demolition of existing structures, rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction, interim classrooms and facilities for students, administrators, and school functions but only to the extent such facilities are deemed necessary by the Board as a result of unforeseen conditions, addressing unforeseen conditions revealed by construction/modernization and other necessary improvements required to comply with existing building codes, including the Field Act, access requirements of the Americans with Disabilities Act, costs of the election, bond issuance costs and project administration during the duration of such projects, including administration by District personnel.

For any of the Bond Projects described above with respect to construction at an existing District site, the District is authorized to identify an alternate site and/or acquire land for such purpose and construct the approved project at such site if the District has determined that the existing site does not satisfy the requirements of the Division of State Architect or other State laws, codes and regulations applicable to public school sites.

The order in which the Bond Projects are listed above does not suggest an order of priority. Project priorities will be determined by the District Board. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

The cost of all the Bond Projects set forth in the list above may exceed the amount of bonds authorized by Measure K. Approval of the District's Measure K does not guarantee that the proposed school facilities projects in the District that are the subject of bonds under Measure K will be funded beyond the local revenues generated by Measure K. The District's proposal for the school facilities projects may assume receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. The allocation of bond proceeds may also be affected by the final costs of each project.

The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed.

## **TAX RATE STATEMENT GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT**

An election will be held in the Galt Joint Union Elementary School District (the "District") on November 8, 2016, to authorize the sale of up to \$19,700,000 in bonds of the District to continue improving the quality of education in local elementary and middle schools of the District. Specifically, bond proceeds shall be utilized for the purposes of acquisition, construction, renovation, furnishing, and equipping of school facilities, support facilities, and equipment.

If the bonds are authorized and sold, debt service thereon 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 9400-9404 of the Elections Code of the State of California. It is anticipated that the District will sell the bonds in two separate series.

1. 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 first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 3.000¢ per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2017–2018.

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 3.000¢ per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2019–2020.

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 3.000¢ per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2017–2018.

4. The best estimate of the average tax rate which would be required to be levied to fund this bond issue during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.995¢ per \$100 (\$29.95 per \$100,000) of assessed valuation

5. The best estimate of total debt service, including principal and interest, which would be required to be repaid if all the bonds are issued and sold is \$40,561,463. This estimate results in a debt service to principal ratio of

2.06:1, which is significantly less than the maximum ratio of 4.00:1 allowed by State law. This estimate is based on the assumption that interest rates will increase over time, and the bonds will have a maximum term of 30 years per series.

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. 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. The actual tax rates 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.

Dated: July 28, 2016

s/Karen Schauer  
Karen Schauer, Ed.D.,  
Superintendent  
Galt Joint Union Elementary School District

### **ARGUMENT IN FAVOR OF MEASURE K**

Please Vote YES on Measure K for Galt's Kids

A Yes vote for Measure K will provide Galt's pre-kindergarten through grade eight children with local funds for safety and security at every school and improved facilities and classrooms. Galt Joint Union Elementary School District's school facilities average 28 years of age and need essential repairs and upgrades.

Quality education and great schools contribute to strong property values. As an award-winning Race To The Top district, Galt Joint Union Elementary School District leads national efforts for high quality learning for every child. To continue to be successful, we need to ensure each school is safe, secure, and equipped to optimize learning environments.

Parents, citizens, and staff were involved in developing a comprehensive Facilities Master Plan. Based upon their feedback, the school board prioritized construction projects to address the most pressing needs. It's time to put this plan into action.

Measure K for Galt's Kids will support improvements in:

School Safety and Security: installing and upgrading security cameras and systems, exterior lighting, and fencing.

Building Upgrades: improving heating, ventilation, air-conditioning, plumbing, and communication systems.

Modernization: repairing and replacing flooring, leaky roofs, and aging classrooms, portables, and school kitchens.

Improvements to bring classrooms into the 21<sup>st</sup> Century: installing infrastructure to support technology demands, and re-engineering Bright Future Learning Centers (school libraries).

Measure K projected taxes are typical of other elementary school districts. Measure K will enable the Galt Joint Union Elementary School District to access State matching funds, thereby maximizing our local funds.

All Measure K funds will be monitored by an independent Citizen's Oversight Committee and are subject to mandatory annual audits to ensure funds are spent properly. No Measure K funds will be used for employee salaries.

Our Kids need and deserve quality schools to support a great education today to meet tomorrow's challenges.

Please join us in voting Yes on Measure K.

s/Donald G. Ross  
Retired Music Teacher

s/Jorge A. Duenas  
Owner El Rodeo Mexican Restaurant

s/Leesa Klotz  
Mentor, Galt Youth Commission

s/Kathy Loesch  
Teacher and President Galt Elementary Faculty Association

s/Sabrena Fry  
Health Clerk and President Galt Chapter 362 CSEA

**NO REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE K WAS FILED**

**NO ARGUMENT AGAINST MEASURE K WAS FILED**