FAIR OAKS RECREATION AND PARK DISTRICT
MEASURE J

To improve parks and recreation for children, families and senior citizens; protect open space; improve safety and security; repair park bathrooms; and upgrade, construct, renovate, and expand parks/facilities; shall Fair Oaks Recreation and Park District issue $26.9 million of bonds at legal rates, averaging $1.4 million annually as long as bonds are outstanding at a rate of approximately 1.9 cents per $100 assessed value, with annual audits, independent citizens’ oversight, NO money for salaries and all money staying local?

IMPARTIAL ANALYSIS OF MEASURE J
Prepared by County Counsel

Measure J, if approved by the voters, would allow the Fair Oaks Recreation and Park District (“District”) to incur bonded indebtedness up to a maximum amount of $26,900,000. The proceeds from the issuance and sale of such general obligation bonds could only be used to finance acquisition and improvement of real property for District purposes.

No funds derived from bond sales may be used for general District operating expenses, or for any purpose or project other than those expressly stated in the measure. Measure J lists the projects within the District intended to be financed by bond sales.

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

If Measure J 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 J 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 J requires approval by two-thirds of the voters voting thereon.

A “YES” vote on Measure J means you wish to allow the District to incur bonded indebtedness.
A “NO” vote on Measure J means you do not wish to allow the District to incur bonded indebtedness.

***YOU CAN FIND THE MEASURE ARGUMENTS FOLLOWING THE FULL TEXT OF THIS MEASURE***

FULL TEXT OF MEASURE J

BOND AUTHORIZATION

By approval of this proposition by at least two-thirds of the registered voters voting on the proposition, the Fair Oaks Recreation and Park District (the “District”) shall be authorized to issue and sell bonds of up to $26.9 million in aggregate principal amount to provide financing for the facilities projects listed in the Bond Project List below, subject to all of the accountability safeguards specified below.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the District’s voters and taxpayers may be assured that their money will be spent wisely to address specific facilities needs of the District.

Independent Citizens’ Oversight Committee. The Board of Directors shall establish an independent Citizens’ Oversight Committee, to ensure bond proceeds are spent only for the projects listed in the Bond Project List.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Directors shall take actions necessary pursuant to Government Code Section 53410 and following to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the District Administrator of the District (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31 of the year in which bonds are first issued, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The
report may relate to the calendar year, fiscal year, or other appropriate annual period as such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

**FURTHER SPECIFICATIONS**

**Specific Purposes.** All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, and shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

**Rate of Interest.** The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.

**Term of Bonds.** The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.

**BOND PROJECT LIST**

The Bond Project List below describes the specific projects the Fair Oaks Recreation and Park District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at particular sites according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Until all project costs and funding sources are known, the Board of Directors cannot determine the amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals or appropriation by State officials and boards, to local environmental review, and to input from the public. For these reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed.

Unless otherwise noted, the projects in the Bond Project List are authorized to be completed and shall be approved by the Board of Directors at each or any of the District’s sites including:

**District Wide Projects**

- Upgrade, repair, or replace outdated and deteriorating restrooms; add new restrooms
- Modernize/renovate deteriorating recreational facilities at Village Park, Plaza Park and Clubhouse in the Village including upgrading infrastructure and improving safety and security
- Renovate/replace plumbing, sewer systems, and roofs
- Upgrade aging and inadequate electrical systems; improve energy efficiency
- Upgrade playgrounds throughout the District; resurface play area for handicapped accessibility
- Make health, safety and security improvements
- Upgrade and improve irrigation and watering systems to increase water conservation
- Replace McMillian Senior/Youth center in Fair Oaks Park for additional program and activity space for senior citizens and youth
- Make American with Disabilities Act handicap accessibility improvements at parks and facilities
- Install new security lighting and fencing at parks
- Add new Phoenix Park youth sports fields and additional parking for park users
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards
- Abate and remove hazardous materials identified prior to or during construction
- Expand, renovate, resurface, or replace parking lots, including walkways/pathways

The listed projects will be completed as needed. Each project is assumed to include its share of architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of maintenance and operational equipment, including the reduction or retirement of interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction
Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

9400-9404 of the Elections Code of the State of California. Such information is based upon the best estimates and levies made upon the taxable property in the District. The following information is provided in compliance with Sections are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of ad valorem tax levies made upon the taxable property in the District based on the need for project funds and other considerations.

An election will be held in the Fair Oaks Recreation and Park District (the “District”) on November 6, 2018, to authorize the sale of up to $28.9 million in bonds of the District to finance facilities as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of ad valorem 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. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors. Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

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 a projection of assessed valuations available at the time of filing of this statement, is $0.01814 per $100 of assessed valuation (or $18.14 per $100,000 of assessed value). The final fiscal year in which it is anticipated that the tax will be collected is fiscal year 2051-52.

2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is $0.019 per $100 of assessed valuation (or $19.00 per $100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2019-2020.

3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately $49.4 million.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the County's official tax rolls. 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. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations.
The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations 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.

s/Michael J. Aho
District Administrator
Fair Oaks Recreation and Park District

Argument in Favor of Measure J

As Fair Oaks residents, we enjoy an excellent quality of life and sense of community. Great schools, low crime, and ample recreational opportunities and parks makes our area a great place to live. Our parks and facilities have been well maintained but many are old having been built between the 1920’s - 1950’s. Plaza Park, our oldest, was built nearly 100 years ago. It has been decades since we have made major investments to our parks. But they are needed. Please vote YES on Measure J to allow the Fair Oaks Recreation and Park District to improve your local parks and facilities.

With your YES vote, Measure J will upgrade and renovate parks, grounds, and facilities while also providing new recreational opportunities for children, families and senior citizens. This is an important and affordable investment that will protect open space, increase property values, improve the health of children, and make Fair Oaks a great place to live for many years.

If passed, Measure J will upgrade deteriorating facilities including:

- Repairing/ replacing outdated restrooms
- Upgrade aging and inadequate electrical systems
- Improving safety and security
- Modernizing/ renovating aging recreational facilities at Village Park, Plaza Park, and the Community Clubhouse.
- Provide additional sports fields for youth recreation at Phoenix Park
- Replacing McMillian Senior/Youth Recreation Center in Fair Oaks Park for additional space for senior citizen, teen, and youth programs

Measure J makes financial sense and protects taxpayers.

- All funds must be spent locally and cannot be taken by the state.
- Spending must be annually reviewed by an independent citizens’ oversight committee.
- Funds can only be spent to improve local parks and facilities, not for administrator or staff salaries.

Measure J upgrades and renovates outdated parks and facilities, expands recreational opportunities for local children, families and senior citizens, and improves the quality of our community. That’s something we can all support. Please join us and VOTE YES ON MEASURE J!

s/Rand Jacobs
Board President Fair Oaks Recreation and Park District
Fair Oaks Business Owner

s/Kim Pitillo
Executive Director Fair Oaks Chamber
Past Vice President Bella High School-Parent Group

s/Warren McWilliams
Past President Rotary Club Fair Oaks
Retired Assistant Postmaster, Fair Oaks

s/Barbara Sestito
President Fair Oaks Theatre Festival
Fair Oaks Business Owner

s/Brandon Rose
Director, Sacramento Municipal Utility District
Former Fair Oaks Recreation and Park District Director

NO ARGUMENT AGAINST MEASURE J WAS FILED