

**SAN JUAN UNIFIED SCHOOL DISTRICT  
MEASURE N**

**N** "To improve the quality of education at every school, modernize aging classrooms, upgrade technology, provide 21st century learning opportunities, improve student safety and become eligible for millions in additional State dollars, shall the San Juan Unified School District issue \$350,000,000 in bonds at interest rates within the statutory limit and appoint a citizens' oversight committee, conduct annual independent audits, and spend funds only on school and classroom improvements, with NO money used for administrator salaries?"

"Approval of Measure N does not guarantee that the proposed project or projects in the San Juan Unified School District that are the subject of bonds under Measure N will be funded beyond the local revenues generated by Measure N. The school district's proposal for the project or 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." Ed. Code §15122.5

**IMPARTIAL ANALYSIS OF MEASURE N**

Prepared by County Counsel

Measure N, if approved by the voters, would allow the San Juan Unified School District ("District") to incur bonded indebtedness up to a maximum amount of \$350 million. 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 N 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 N requires: 1) the appointment of a citizen's oversight committee and 2) completion of annual independent performance and financial audits.

If Measure N 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 N 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 N requires approval by fifty-five percent of the voters voting thereon.

**FULL TEXT OF MEASURE N**

**EXHIBIT A**

**FORMAL NOTICE OF SCHOOL BOND ELECTION**

1. NOTICE IS HEREBY GIVEN to the qualified electors of the San Juan Unified School District of Sacramento County, California (the "District"), that in accordance with the provisions of the Education Code of the State of California, a school bond election will be held on Tuesday, November 6, 2012, in the District.

2. At the election, a proposition will be submitted to the qualified electors of the District and voted upon whether to authorize the District to issue not-to-exceed \$350,000,000 of bonds for the pur-

pose of constructing new and renovating existing District-owned facilities.

3. The statement of the proposition shall be abbreviated on the ballot as follows:

MEASURE N: "To improve the quality of education at every school, modernize aging classrooms, upgrade technology, provide 21<sup>st</sup> century learning opportunities, improve student safety and become eligible for millions in additional State dollars, shall the San Juan Unified School District issue \$350,000,000 in bonds at interest rates within the statutory limit and appoint a citizens' oversight committee, conduct annual independent audits, and spend funds only on school and classroom improvements, with NO money used for administrator salaries?"

The statement of the proposition shall be designated on the ballot by a letter printed on the left margin of the square containing the description of the measure as provided in Section 13116 of the Elections Code of the State of California.

4. To publish the following full text of the measure in the ballot pamphlet materials as appropriate:

Upon the passage of Measure N, the San Juan Unified School District shall be authorized to issue \$350,000,000 at the lowest possible interest rate to fund the renovation of school facilities throughout the District, along with certain education service facilities utilized on a District-wide basis. Bond proceeds shall be used for the following school facility and education service facility Projects:

Replace deteriorating portable classrooms with modern classrooms at District schools

Modernize classrooms at District schools

Install technology upgrades at school sites

Repair and replace deteriorated roofs at school sites

Install energy efficient equipment at school sites

Build new classrooms to meet student needs

Repair and renovate bathrooms at school sites

Repair and replace deteriorated heating and air conditioning systems at school sites

Modernize District school sites

Repair and replace deteriorating underground sewer and water lines

Implement deferred maintenance upgrades and renovations at District school sites and education service sites

Improve student safety at District school sites

Repair and upgrade safety alarms at school sites

Renovate and construct outdoor learning facilities at school sites

Repair deteriorated portable classrooms at District school sites

The acquisition of real property, if required, to implement any of the above-described Projects

Approval of the District's bond measure does not guarantee that the Projects that are the subject of the measure will be funded beyond the local revenues generated by the bond measure. The District's proposed Projects may assume the receipt of state funds, which could be subject to appropriation by the Legislature or approved at a statewide bond measure.

Additionally, the San Juan Unified School District shall establish a Citizens' Oversight Committee (the "Committee") and will appoint the members of the Committee to be made up of a minimum of seven members comprised of at least the following: one member shall be active in a business organization representing the business community located within the District, one member shall be active in a senior citizens' organization, one member shall be active in a bona fide taxpayer's organization, one member shall be the parent or guardian of a child enrolled in the District, one mem-

ber shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization. The District shall cause the proceeds of the bonds to be deposited in a separate account. The District shall annually cause to be prepared financial and performance audits related to the expenditure of the bond proceeds to ensure funds have only been expended on the specific Projects listed. The District shall also cause an annual report to be prepared by the District's Chief Financial Officer, containing a status report of all the authorized Projects and containing the amount of funds collected and expended.

5. Proceeds from the sale of the District's bonds shall be used only for the purposes specified in Article XIII A, section 1(b)(3) of the California Constitution. The District's Board shall conduct an annual, independent performance audit to ensure that bond funds are expended only on specifically authorized Projects listed herein. The District's Board shall also conduct an annual, independent financial audit of the proceeds from the sale of the bonds until the proceeds have been expended for the listed school Projects. The specific school Projects to be funded consist of the construction and renovation of existing facilities at the District school sites described herein. In developing the list, the District's Board certified that it evaluated safety, class size reduction and information technology needs.

6. Prior to the election on the measure, the District's Board shall establish a citizens' oversight committee prior to the date for the election, to ensure that the proceeds of the bonds are spent only on the specific Projects and the specific school sites identified herein.

7. If the requisite number of qualified electors voting on the proposition vote "YES," the proposition is approved.

8. The polls at the polling places will be open from 7:00 a.m. until 8:00 p.m. on the day of the election. The boundaries of the voting precincts within the District, the location of the polling places, and the names of the officers selected to conduct the election shall be determined by the County Registrar of Voters.

9. The Board of Education of the San Juan Unified School District, by adoption of Resolution No. 2614 (the "Resolution"), on June 26, 2012, has ordered the election, and the District's Superintendent, by execution of this Formal Notice of School Bond Election, has called the election ordered by the Resolution in accordance with the provisions of Sections 5322, 5325, 5361, and 15204 of the Education Code. In all particulars not recited in this Notice, the election shall be held and conducted as provided by law for holding school district elections.

Dated: June 26, 2012

Glynn Thompson, Superintendent  
San Juan Unified School District

### **TAX RATE STATEMENT IN CONNECTION WITH SAN JUAN UNIFIED SCHOOL DISTRICT**

An election will be held in the San Juan Unified School District (the "District") on November 6, 2012, to authorize the sale of up to \$350,000,000 in bonds of the District to continue improving the quality of education in local schools. Specifically, bond proceeds shall be utilized for the purposes of modernizing aging classrooms, upgrading technology, providing 21<sup>st</sup> century learning opportunities, and improving student safety.

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.

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 6¢ per

\$100 (\$60.00 per \$100,000) of assessed valuation in fiscal year 2012 - 2013.

2. 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 last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 6¢ per \$100 (\$60.00 per \$100,000) of assessed valuation in fiscal year 2020 - 2021.

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 6¢ per \$100 (\$60.00 per \$100,000) of assessed valuation in fiscal years 2012 - 2013.

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 6¢ per \$100 (\$60.00 per \$100,000) of assessed valuation.

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: June 26, 2012

Glynn Thompson, Superintendent  
San Juan Unified School District

### **ARGUMENT IN FAVOR OF MEASURE N**

Every child deserves a quality education in a clean, safe, and modern school. That's why so many local parents, teachers, seniors, and community leaders are asking you to join them and vote Yes on Measure N.

Measure N, the Technology, Science, and Permanent Classroom School Bond will raise \$350 million to make much-needed improvements to every school in the San Juan Unified School District, making our local schools eligible for millions of dollars in additional state and federal matching funds. Without a yes vote on Measure N our schools could lose this critical funding.

Measure N will help prepare students for the jobs of tomorrow by funding the replacement of leaky old portables with new modern classrooms, adding or upgrading science labs, reducing classroom overcrowding and enhancing student learning. Bond funded improvements to our schools, most of which are more than 50 years old, will also reduce district operating costs saving money that can then be spent on students and learning.

A Citizens' Oversight Committee composed entirely of community residents will ensure that every dollar is spent wisely. This measure prohibits any funds being used for administrators' salaries, pensions, or operating expenses, and guarantees that all money will directly benefit every child and every local school.

We are proud of our students for their continued high academic achievement. Now it is our turn to step up and ensure that our kids have the best possible learning environment to prepare them for future success. Measure N will improve student achievement, preserve our schools, and protect our investment in our homes and our community.

Join us as we continue our tradition putting kids and schools first, vote Yes on Measure N.

s/Scott Jones, Sacramento County Sheriff

s/Susan Peters, Sacramento County Supervisor

s/Shannan Brown, 2011 California Teacher of the Year

s/Carl Burton, Sacramento County Taxpayers League Past Executive Director

s/Dick Cowan, San Juan Alumni Association President

### **REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE N**

The proponents' argument reads like the same arguments they've made for two previous Bond Measures, while failing to mention that this is the third time that they've been to the well. The first was in 1998 for \$175,000,000. and the second in 2002 for \$350,000,000. Bonds from the second measure in the amount of \$99,000,000. have yet to be sold.

When the remaining bonds are sold, taxpayers pay the \$99,000,000. plus interest.

This election is not free. The County charges the School District approximately \$17,290.

Why the rush to acquire more debt? Because proponents allege that our local schools will be "eligible for millions of dollars" in state and federal funds!

An entire generation has grown up under the weight of debt from the previous bonds.

When our property values go down, as they have, our taxes for the bond repayment go up, as they have.

We agree that children need good schools, but they also need homes.

Governments at all levels must economize for the future of our children and their children.

No new debt! Vote NO on N.

s/ Kathleen M. Willoughby, Property Owner, School Volunteer

s/ Merrilyn M. Carson, Former Board Member, San Juan Unified School District

s/ Karen S. Klinger, Parent / Real Estate

s/ Anthony (Tony) Andrade Jr., Civil Engineer /Rancher

### **ARGUMENT AGAINST MEASURE N**

Argument Against San Juan Unified School District Measure N

The more things change, the more they stay the same.

Measure N is the third Bond Measure to have been proposed in twelve years by the San Juan Unified School District. Although student enrollment has dropped by thousands and more than 10% of the schools have closed, the District still believes it must raise property taxes again.

The good times no longer roll. In the last 5 years property values have dropped by at least 1/3. Bankruptcies and foreclosures abound, and, yet, taxes continue to rise.

The tax rate for San Juan's 2002 Bond Measure has climbed from .06920 in 2007 to .09480 in 2012, resulting in a 50% tax increase in actual dollars just for San Juan GOB.

There is an expectation of "matching funds" from somewhere. But from where?

The National Debt has climbed to \$16,000,000,000,000 with higher taxes and more debt planned.

California leads the nation in unemployment, taxes, debt, corporate flight and with a train from nowhere to nowhere.

Another \$350,000,000 in debt? Not now! Vote NO on "N."

s/ Merrilyn M. Carson, Former Board Member, San Juan Unified School District

s/ Kathleen M. Willoughby, Property Owner, School Volunteer

s/ Karen S. Klinger, Parent / Real Estate

s/ Terri Lyn Alexander, Parent / Marketing

s/ Anthony (Tony) Andrade Jr., Civil Engineer /Rancher

### **REBUTTAL TO ARGUMENT AGAINST MEASURE N**

Great schools require continuous effort and commitment. So the more things change, the more we cannot take our schools for granted. San Juan has a tradition of excellence, with quality schools, strong student achievement and high graduation rates. With Measure N we can reaffirm our commitment to providing every child a quality education in a clean, safe, and modern school.

Yes, there have been many changes in the communities that make up the San Juan Unified School District but a slow economy, maturing neighborhoods, and fluctuating property values cannot be excuses to fail our students. Fiscal issues in national and state government should not stop us from maintaining our own community.

Measure N has nothing to do with the national debt, bullet trains, or any other hot button distractions. Money from Measure N will be used to improve every local school and nothing else. Fiscally, this is the perfect time to pass a bond; San Juan achieves significant cost savings on classroom construction and maximizes our eligibility for state and federal matching funds in this economy.

Taxpayers and business leaders support Measure N because it is fiscally responsible with strict citizen oversight. Parents and teachers support Measure N because every day they see the need for critical classroom improvements.

Join us as we put kids and schools first. Join us as we preserve our neighborhoods and property values. Join us as we vote Yes on Measure N.

s/Dr. Richard Pan, California State Assemblyman

s/Joe Dion, President, California Retired Teachers Association

s/Mary Lyn Kagan, Sacramento Metro Chamber of Commerce Education Committee Former Chair

s/Michael Day, President, California League of Bond Oversight Committees

s/Gerry Diamond, Bella Vista High School PTSA President