



## Local ballot measure: B

# B

## Redding School District Bond Measure

### Ballot question

To improve the quality of education; repair/replace leaky roofs; modernize and construct classrooms, restrooms and school facilities; and make health, safety and security improvements; shall Redding School District issue \$28,000,000 of bonds at legal rates, raising an estimated \$420,000 - \$2,700,000 annually through approximately 2052 at a projected rate of \$0.03 per \$100 assessed value, with annual audits, an independent citizens' oversight committee, NO money for salaries, and funding that cannot be taken by the State?

### What your vote means

| YES   | NO  |
|---|---|
| A "yes" vote is to authorize the issuance of the bonds. | A "no" vote is against authorizing the issuance of the bonds. |

### For and against Measure B

|  |
|--|
| <b>FOR</b>   |
| <b>David A. Kehoe</b> , County Supervisor<br><b>Bruce Ross</b> , School Board President<br><b>Patsy Knighten</b> , Sequoia Sports Booster Treasurer<br><b>Denise Yergenson</b> , Past Board Member<br><b>Cullen Kreider</b> , Deputy Chief |
| <b>AGAINST</b>   |



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Arguments and replies are the opinions of the authors. We print them exactly as submitted, including errors.

### **Argument for Measure B**

Our schools are the most important assets in our community and should be our number one priority. From higher achieving students, to training for future jobs, to greater neighborhood safety, quality schools make a difference. Our teachers and staff do an excellent job educating our children, but many classrooms and school facilities in the Redding Elementary School District are outdated and inadequate to provide students with the school facilities they need to succeed.

Although neighborhood schools have been well maintained, our schools are old. The average age of schools in the District is over 55 years with Cypress Elementary, our oldest, built nearly 80 years ago. These aging schools need major classroom, sports facilities, and infrastructure improvements to maintain the quality of education provided to local children. By improving local schools, we can meet today's safety, technology, and educational standards and improve our community.

**Measure B will not raise taxes, but it will upgrade and renovate local Redding classrooms, restrooms, and school facilities including:**

- Repairing or replacing leaky roofs
- Making health, safety and security improvements
- Replacing deteriorating plumbing, sewer systems, and inadequate electrical systems
- Improving student access to computers and modern technology

**Measure B makes financial sense and protects taxpayers.**

- Measure B will not increase the tax rate but will actually be lower than what property owners have been paying.



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- All funds must be spent locally and cannot be taken by the State.
- By law, an independent citizens' oversight committee must annually audit and review spending.
- Funds can only be spent to improve our local schools, not for teacher or administrative salaries.

Measure B upgrades and repairs old, inadequate classrooms, improves the education of local children and maintains the quality of our community. That's something we can all support. Please join us and VOTE YES ON MEASURE B!

/s/ David A. Kehoe  
County Supervisor

/s/ Bruce Ross  
Cypress School Board President

/s/ Patsy Knighten  
Sequoia Sports Booster Treasurer

/s/ Denise Yergenson  
Past Board Member

/s/ Cullen Kreider  
Deputy Chief



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### Impartial Analysis of Measure B

This analysis of the general obligation bond measure for the Redding School District (“District”), Measure B, is provided in accordance with Elections Code sections 9500, *et seq.* The electors entitled to vote on the measure are those residing within the District’s boundaries.

Section 1 of Article XIII A and section 18 of Article XVI of the California Constitution and Education Code section 15264, *et seq.* authorize school districts to adopt a proposal, subject to the approval of the District’s voters, to issue general obligation bonds for specific school district purposes. The District adopted such a proposal and is submitting it to the District electors for their consideration.

If 55% of the qualified electors voting on Measure B vote for approval, the District would be authorized to issue bonds in the principal amount not to exceed \$28,000,000 and to levy ad valorem taxes on taxable property within the District to pay for the bonded indebtedness plus interest. The bonds may be issued and sold in several series and may mature in 40 years or such shorter period as determined by the District Board. The interest rate on the bonds would not exceed the statutory limit.

The projects to be financed by the bonds may include: 1) repairing, renovating, upgrading, or replacing infrastructure as described in the full text of the measure (the “Full Text”); 2) making technological, safety, and security improvements; 3) acquiring instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the list enumerated in the Full Text; 4) repair, replace, or upgrade paved surfaces, heating and ventilation systems, and plumbing and sewer systems; 5) costs and work necessary or incidental to the projects; and 6) other projects listed in the Full Text. The proceeds will not be used for any purpose not identified in the measure, including teacher or administrator salaries or be taken by the state. The District’s Board of Trustees shall establish a citizen’s



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oversight committee to ensure that the proceeds of the bonds are spent only on the specific projects and the specific school sites identified in Measure B.

According to the tax rate statement submitted by the District, the best estimate of the maximum ad valorem tax which would be levied on taxable real property to repay the bonds over their term is \$30.00 per year for property having an assessed value of \$100,000. These calculations are estimates only and are not binding upon the District.

If Measure B is not approved by 55% of the qualified electors voting on the measure, the District will not be authorized to issue bonds for the aforementioned purposes.

A “yes” vote is to authorize the issuance of the bonds.

A “no” vote is against authorizing the issuance of the bonds.

Rubin E. Cruse Jr  
County Counsel

By:  
/s/ James R. Ross  
Assistant County Counsel



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### Tax Rate Statement Measure B

An election will be held in the Redding School District (the "District") on June 5, 2018, to authorize the sale of up to \$28,000,000 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 9405 of the California Elections Code.

1. The best estimate of the average annual tax rate that would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of filing of this statement, is \$0.02817 cents per \$100 (\$28.17 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 2052-53.
2. The best estimate of the highest tax rate that 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 cents per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2023-24.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all of the bonds are issued and sold is approximately \$58,800,000.
4. The proposed measure is not projected to raise taxes above what property owners have been paying from a prior 1991 bond election, but rather the proposed measure is expected to result in an overall lower tax rate for an extended term. District voters approved a bond measure in 1991 with an estimated tax rate of \$0.125 cents per \$100 (\$125.00 per \$100,000) of assessed valuation. It is the District's current plan to structure the proposed bonds so that the tax rate necessary to pay debt



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service on the new bonds is not projected to exceed the rate paid by property owners the past twenty plus years, but rather is estimated to be significantly lower at \$0.03 cents per \$100 (\$30.00 per \$100,000) of assessed valuation.

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 average annual tax rate, the highest tax rate and the year or years in which it 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.

/s/ Robert J. Adams  
Redding School District Superintendent



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### Full text of Measure B

This proposition may be known and referred to as the “Redding School District School Safety, Upgrade, Renovation and Improvement Measure” or as “Measure B”.

#### **BOND AUTHORIZATION**

By approval of this proposition by at least 55% of the voters of the Redding School District (the “District”) voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$28,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed under the heading entitled “BOND PROJECT LIST” below (the “Bond Project List”), and qualify to receive State of California matching grant funds, 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 voters and taxpayers of the District may be assured that their money will be spent to address specific school facilities needs of the District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Sections 15264 and following of the California Education Code (the “Education Code”).

**Evaluation of Needs.** The Board of Trustees of the District (the “Board”) has prepared a facilities master plan in order to evaluate and address all of the facilities needs of the District at each campus and facility, and to determine which projects to finance from a local bond at this time. The Board hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

**Limitations on Use of Bonds.** Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of





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school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, including, to the extent permitted by law, the acquisition or lease of real property in connection with an existing or future financing of the specific school facilities projects listed in the Bond Project List, including the prepayment of existing or future interim lease, certificate of participation or lease revenue bond financings, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

**Independent Citizens' Oversight Committee.** The Board shall establish an independent citizens' oversight committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date that the Board enters the election results on its minutes pursuant to Section 15274 of the Education Code. In accordance with Section 15282 of the Education Code, the citizens' oversight committee shall consist of at least seven members and shall include a member active in a business organization representing the business community located within the District, a member active in a senior citizens' organization, a member active in a bona fide taxpayers' organization, a member that is a parent or guardian of a child enrolled in the District, and a member that is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization. No employee or official of the District and no vendor, contractor or consultant of the District shall be appointed to the citizens' oversight committee.

**Annual Performance Audits.** The Board shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for performance audits. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight



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committee in accordance with Section 15286 of the Education Code.

**Annual Financial Audits.** The Board shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for financial audits. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

**Special Bond Proceeds Account; Annual Report to Board.**

Upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary 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 Superintendent of the District shall cause a report to be filed with the Board no later than January 1 of each year, commencing on the first January 1 after the sale of the first series of bonds, stating (a) the amount of bond proceeds received and expended in that year, and (b) 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 the Superintendent of the District shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

### **FURTHER SPECIFICATIONS**

**Joint-Use Projects.** The District may enter into agreements with other public agencies or nonprofit organizations for joint use of school facilities financed with the proceeds of the bonds in accordance with Education Code Section 17077.42 (or any successor provision). The District may seek State grant funds for eligible joint-use projects as permitted by law, and this proposition hereby specifies and acknowledges that bond funds will or may be used to fund all or a portion of the local share for



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any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the Board shall determine.

**Single Purpose.** All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, 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, pursuant to California Government Code Section 53410.

**Other Terms of the Bonds.** When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest shall be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than the statutory maximum number of years from the date borne by that bond.

### **ESTIMATED BALLOT INFORMATION**

The District is required by law to include in the statement of the measure to be voted on estimates of the amount of money to be raised annually to repay the bonds and the rate and duration of the tax to be levied for the bonds. As of the time this proposition was placed on the ballot, the District estimated \$420,000 to \$2,700,000 of money would be raised annually for the repayment of the authorized bonds through approximately 2052 at projected tax rates of \$0.03 cents per \$100 of assessed valuation. Attention of all voters is directed to the fact that such information is based upon the District's projections and estimates only, which are not binding upon the District. The amount of money to be raised annually and the rate and duration of the tax to be levied for the bonds 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



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given time will be determined by the District based on need for construction funds and other factors. 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.

### **BOND PROJECT LIST**

The Bond Project List below lists the specific projects the District proposes to finance with proceeds of the bonds. The Bond Project List shall be considered a part of the bond proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition. Listed projects will be completed as needed at a particular school or facility site 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. Any authorized repairs shall be capital expenditures. The Bond Project List does not authorize non-capital expenditures. Each project is assumed to include its share of costs of the election and bond issuance, construction-related costs, such as project and construction management, architectural, engineering, inspection and similar planning and testing costs, demolition and interim housing costs, legal, accounting and similar fees, costs related to the independent annual financial and performance audits, a contingency for unforeseen design and construction costs, and other costs incidental to or necessary for completion of the listed projects (whether the related work is performed by the District or third parties). The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State of California grant funds for eligible projects, have not yet been secured. Therefore, the Board cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Alternatively, if the District obtains unexpected funds from non-bond sources with respect to



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listed projects, such projects may be enhanced, supplemented or expanded to the extent of such funds. Some projects may be subject to further government approvals, including by State officials and boards and/or local environmental or agency approval. Inclusion of a project on the Bond Project List is not a guarantee that the project will be completed (regardless of whether bond funds are available).

The specific projects authorized to be financed with proceeds of the bonds under this proposition are as follows:

### **SCHOOL SAFETY, UPGRADE, RENOVATION AND IMPROVEMENT PROJECTS**

**The following projects are authorized to be financed at District facilities and sites, including (with original construction date):**

|                              |                             |
|------------------------------|-----------------------------|
| Bonny View Elementary (1953) | Cypress Elementary (1940)   |
| Juniper School (1960)        | Manzanita Elementary (1953) |
| Sequoia School (1967)        | Sycamore School (1960)      |
| Turtle Bay School (1996)     | Community Day School (1967) |

- Repair or replace leaky roofs.
- Make health, safety and security improvements.
- Replace deteriorating plumbing and sewer systems.
- Improve student access to computers and modern technology, including providing necessary infrastructure, hardware, software, computers, devices and other modern instructional equipment throughout District sites.



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- Upgrade inadequate electrical systems.
- Modernize, renovate, construct and/or expand aging and outdated school facilities to meet 21st century educational standards, including providing updated furnishings and other equipment to facilitate a modern learning environment.
- Make Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including ensuring site access, parking, staff and student restrooms, relocation of existing electrical devices, drinking fountains, playground equipment, etc. as necessary to ensure adequate accommodations are provided and all legal requirements are met.
- Repair or replace outdated heating, ventilation and air-conditioning systems.
- Make energy-efficiency improvements, including replacing outdated and energy inefficient windows and lighting.
- Construct new or upgrade existing classrooms, including classrooms for music programs and the arts.
- Replace temporary portables with permanent classrooms.
- Repair or replace deteriorating plumbing and sewer systems.
- Improve, rehabilitate and/or construct P.E. fields, gyms, playgrounds and play structures and other facilities for school and community use, including providing related equipment.



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- Renovate outdated kitchens and multi-purpose rooms.
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds and outdoor areas, including to eliminate safety hazards and to facilitate outdoor instruction.
- Upgrade, repair and/or expand school site parking, roadways, grounds and other infrastructure such as utility systems, including installing exterior lighting, repairing pathways, walkways, ADA access ramps, and make landscaping improvements including irrigation and security fencing.

All or portions of these projects may be used as joint-use projects within the meaning of Section 17077.42(c) of the Education Code (or any successor provision).

### MISCELLANEOUS

#### **All listed bond projects include the following as needed:**

- Removal of hazardous materials such as asbestos and lead paint as needed.
- Construction and/or installation of access improvements for disabled persons, as required by state and federal law.
- Planning, designing and providing temporary housing necessary for listed bond projects.



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- Necessary onsite and offsite preparation or restoration in connection with new construction, renovation or remodeling, or installation or removal of relocatable buildings, including demolition of structures; removing, replacing, or installing irrigation, drainage, utility lines (gas, water, sewer, electrical, data and voice, etc.), trees and landscaping; relocating fire access roads; and acquiring any necessary easements, licenses, land or rights of way made necessary by listed bond projects.
- Address other unforeseen conditions revealed by construction, renovation or modernization (including plumbing or gas line breaks, dry rot, seismic and structural deficiencies, etc.).
- Acquire or construct storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel, and interim classrooms (including relocatables) for students and school functions or other storage for classroom materials displaced during construction.
- For any project involving renovation, rehabilitation or repair of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction/re-construction instead (including any necessary demolition), if the Board of Trustees of the District determines that replacement and new construction/re-construction is more practical than renovation, rehabilitation and repair, considering the building's age, condition, expected remaining life, comparative cost and other relevant factors.





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- Furnishing and equipping of classrooms and other school facilities; furnishing and equipping shall include initial purchases, and scheduled and necessary replacements, upgrades and updating of technology.
- Purchase of any rights-of-way and/or easements made necessary by listed bond projects.
- Acquisition of all or a portion of any school site or facility, or an interest therein, or make lease payments with respect to any school site or facility, encumbered in order to finance or refinance the listed school facilities projects.
- All other costs and work necessary or incidental to the listed bond projects.

**At the district's request, pursuant to Section 15122.5 of the Education Code the following statement is being printed in this guide.**

“Approval of Measure B does not guarantee that the proposed project or projects in the Redding School District that are the subject of bonds under Measure B will be funded beyond the local revenues generated by Measure B. The 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.”