

MEASURE J

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE J

Upon approval of 55% of the votes cast by voters in an election, California law permits school districts to issue bonds. Bonds are secured by the levy of ad valorem taxes on property located within a district and bond proceeds can be used for the purpose of acquiring or constructing school facilities and real property. Bond measures must meet certain requirements, such as stating proceeds from the sale of the bonds will only be used as specified in Article XIII A, section 1(b)(3) of the California Constitution, listing specific facilities projects to be funded, and specifying that annual audits are conducted.

The Board of Education of the Franklin-McKinley School District (Board) proposes issuing bonds in the amount of \$50,000,000; no proceeds from the bonds would be used for teacher or administrator salaries or other school operating expenses. As described fully in the measure, proceeds would be used to: 1) provide earthquake-safe and accessibility-compliant classrooms, including constructing new classrooms and facilities; 2) upgrade and maintain technology equipment, wireless systems, network connections and upgrade/replace computers; 3) upgrade/repair classroom infrastructure; and 4) undertake energy efficiency projects.

The Board has certified that it has evaluated safety, class size reduction, and classroom, educational, and information technology needs in developing the list of projects the measure will fund. The Board will conduct annual independent performance and financial audits to ensure funds are properly expended. Additionally, an independent oversight committee will be appointed to ensure bond proceeds are expended consistent with the measure.

For fiscal year 2011-2012, the Board's best estimate of the tax required to be levied to fund the proposed bonds during the first fiscal year after the sale of the first series of Measure J bonds is \$5.80 per \$100,000 of assessed valuation. For fiscal year 2019-2020, the Board's best estimate of the tax required to fund the bonds during the first fiscal year after the sale of the last series of bonds is \$16.90 per \$100,000 of assessed valuation. For fiscal year 2024-2025, the Board's best estimate of the highest tax rate that would be required to fund Measure J bonds is \$30.00 per \$100,000 of assessed valuation.

A "yes" vote is a vote to authorize the issuance and sale of bonds in the amount of \$50,000,000.

A "no" vote is a vote not to authorize the issuance and sale of bonds in the amount of \$50,000,000.

Miguel Marquez
County Counsel

By: /s/ Elizabeth G. Pianca
Deputy County Counsel

COMPLETE TEXT OF MEASURE J

FULL TEXT BALLOT PROPOSITION OF THE FRANKLIN-MCKINLEY SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 2, 2010

The following is the full proposition presented to the voters by the Franklin-McKinley School District.

"Safe Schools Improvement Measure. To provide safe, modern neighborhood schools with updated computer technology, maximize energy efficiency to save money, improve student learning for local elementary school students by acquiring, upgrading, constructing, equipping classrooms, sites/facilities science/computer labs, replacing aging roofs, plumbing, heating, ventilation/electrical systems, improving fire alarms, school security/ earthquake safety, shall Franklin-McKinley School District issue \$50,000,000 of bonds, with independent oversight, annual audits, no money for administrators' salaries, and all funds staying local?"

PROJECT LIST

The Board of Education of the Franklin-McKinley School District evaluated the District's urgent and critical facility needs, including safety issues, enrollment trends, the desire to preserve neighborhood schools, class size, and computer and information technology, in developing the scope of projects to be funded. Teachers, staff, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed. The Board concluded that if these needs are not addressed now, the problems will only become more pressing. **Therefore, in approving this Project List, the Board of Trustees determines that:**

- (i) all of its schools must be healthy and safe from earthquake risks, hazardous materials such as asbestos, lead paint, mold and fire dangers; and
- (ii) in repairing aging schools, priority shall be given to basic repairs, such as leaky roofs, plumbing, electrical, heating, ventilation and utility systems; and
- (iii) because schools should be safe neighborhood learning environments protect property values, all schools must be at least comparable to schools at other school districts in Santa Clara County; and
- (iv) the District must replace aging portable classrooms with new permanent classrooms, so that students can improve their academic performance; and
- (v) the District must install and upgrade fire detection systems, security and emergency response systems at every school so that all students are safe, as well as make repairs in compliance with energy saving and cost reduction standards; and
- (vi) all bond money shall be used exclusively in our local community.

<div>COMPLETE TEXT OF MEASURE J - Continued</div> <div>The Project List is on file at the District Office of the Superintendent and includes the following types of projects:</div> <div>School Health and Safety, Earthquake Safety and Energy Efficiency School Projects</div> <div>Goal and Purpose: To ensure that our local schools are safe for students and teachers, schools and school sites will benefit from a variety of health and safety projects, such as:</div> <div><ul style="list-style-type: none">Strengthen and repair schools and classrooms vulnerable to serious damage in a major earthquake, as required by State law.Remove asbestos, lead paint, mold and hazardous materials.Fire alarm systems upgraded to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors.Upgrade to schools to meet handicap accessibility requirements.Inspect for/repair gas pipe leaks.Install new security systems, such as security (surveillance) cameras, outdoor lighting, fencing, gates and classroom door locks.Install/replace/upgrade security fencing to reduce break-ins and vandalism.Replace/upgrade existing security systems.Install energy efficient systems.Replace existing window systems with energy efficient systems.Upgrade emergency communication systems.Replace failing, cracked and buckled asphalt in playground area, classroom ramps and sidewalksUpgrade hard court surfaces to meet current safety standards.Relocate or improve student drop-off areas and parking areas for safety.Upgrade school site parking, utilities and grounds.Replace/upgrade existing signage, bells and clocks.</div>	<div>COMPLETE TEXT OF MEASURE J - Continued</div> <div>School Renovation, Repair and Upgrade Projects</div> <div>Goal and Purpose: To maintain our neighborhood schools at the same level as other schools in Santa Clara County school districts, schools will benefit from the renovation, repair and upgrade of outdated school buildings, classrooms, computer learning centers and school libraries and equipment, allowing all children have the resources they need to learn and stay up-to-date with the latest advances in education:</div> <div><ul style="list-style-type: none">Additional electrical service capacity to relieve overloaded electrical systems and accommodate technology.Replace existing water, sewer and plumbing systems to meet current codes, including the elimination of lead-containing fixtures.Upgrade aging school restrooms.Replace older windows, heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems which will save money on operating costs.Repair or replace deteriorating roofs and ceilings, as needed.Provide improved, upgraded technology.Upgrade and equip classrooms, science labs, multipurpose rooms, physical education facilities, kitchens, auditoriums, libraries, arts and music rooms, and educational support spaces.Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, ramps, parking, staff and student restrooms and relocation of some existing electrical devices.Replace old, portable classrooms and construct new classrooms and facilities.Repair aging schools.</div> <div>District-Wide Wiring and Instructional Technology For Effective Learning Environment Projects</div> <div>Goal and Purpose: To improve both current instruction methods by applying modern technology infrastructure:</div> <div><ul style="list-style-type: none">Provide and maintain upgraded technology, data and communication equipment.Upgrade and expand wireless systems, telecommunications, Internet and network connections.Upgrade and replace computers, hardware and software systems.</div>	<div>COMPLETE TEXT OF MEASURE J - Continued</div> <div>Upgrade and replace classroom furniture, equipment and instructional aids.</div> <div>New Construction Education Enhancement Projects at School Sites</div> <div>Goal and Purpose: To enhance educational programs and reduce overcrowding at some neighborhood schools, some schools would benefit from the construction and expansion of additional earthquake and accessibility code compliant facilities, such as:</div> <div><ul style="list-style-type: none">New classrooms/classroom buildings, which will reduce dependency on aging portable classrooms.Multi-Purpose/assembly rooms, educational support facilities, and classrooms.ADA accessibility upgrades as mandated by the Division of the State Architect (DSA).Additional electrical service capacity.Additional staff, visitor and student parking/drop-off areas.</div> <div>***</div> <div>The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, and other miscellaneous equipment and software. The construction and/or repair of school facilities includes the renovation or replacement of Franklin Elementary School as well as a new school on Communication Hill to relieve overcrowding. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. 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. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally</div>	<div>COMPLETE TEXT OF MEASURE J - Continued</div> <div>efficient campuses. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.</div> <div>Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.</div> <div>FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.</div> <div>NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.</div>
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TAX RATE STATEMENT CONCERNING MEASURE J	ARGUMENT IN FAVOR OF MEASURE J	REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE J	ARGUMENT AGAINST MEASURE J
<div data-bbox="52 305 760 470"><p>TAX RATE STATEMENT REGARDING PROPOSED \$50,000,000 FRANKLIN -MCKINLEY SCHOOL DISTRICT GENERAL OBLIGATION BONDS MEASURE J</p></div> <div data-bbox="52 470 760 646"><p>An election will be held in the Franklin-McKinley School District (the "District") on November 2, 2010, for the purpose of submitting to the electors of the District the question of incurring a bonded indebtedness of the District in a principal amount of \$50,000,000. If such bonds are authorized and sold, the principal thereof and interest thereon will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information regarding tax rates is given to comply with Section 9401 of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.</p></div> <div data-bbox="52 646 760 764"><p>Based upon the foregoing and projections of the District's assessed valuation, and assuming the entire debt service will be paid through property taxation:</p></div> <div data-bbox="52 764 760 940"><p>1. The best estimate of the tax which would be required to be levied to fund the 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 \$5.80 per \$100,000 of assessed valuation for the year 2011-12.</p></div> <div data-bbox="52 940 760 1146"><p>2. The best estimate from official sources of the tax rate which would be required to be levied to fund the bond issue during the first fiscal year after the last sale of the bonds and an estimate of the year in which that rate will apply based on estimated assessed valuations available at the time of filing of this statement is \$16.90 per \$100,000 of assessed valuation for the year 2019-20.</p></div> <div data-bbox="52 1146 760 1342"><p>3. The best estimate of the highest tax rate which would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply based on estimated assessed valuation available at the time of filing this statement is \$30.00 per \$100,000 of assessed valuation for the year 2024-25.</p></div> <div data-bbox="52 1342 760 1685"><p>Attention to all voters is directed to the fact that the foregoing information is based upon projections and estimates only. The actual times of sales of said bonds and the amount sold at any given time will be governed by the needs of the District and other factors. The actual interest rates at which the bonds will be sold, which in any event will not exceed the maximum permitted by law, will depend upon the bond market at the time of sales. The actual assessed valuations in the future years will depend upon the value of property within the District as determined in the assessment and the equalization process. Hence, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated as above stated.</p></div> <div data-bbox="52 1685 760 1895"><p>John Porter Superintendent Franklin-McKinley School District</p></div>	<div data-bbox="760 305 1478 411"><p>Vote Yes on Measure J!</p><p>The Franklin-McKinley Elementary School District is committed to providing all students a quality education within a safe learning environment.</p><p>In order to provide our students with the classrooms and school facilities comparable to other Santa Clara County school districts, it is necessary to make vital repairs to our schools, upgrade technology, and construct classrooms and school facilities.</p></div> <div data-bbox="760 411 1478 901"><p>Measure J will fund:</p><ul style="list-style-type: none">• Seismic upgrades to schools and classrooms to reduce danger from earthquakes;• Installation and upgrade of electrical wiring/power and other infrastructure; improvements, to accommodate technology and computers in classrooms and libraries• Replacement of outdated heating, ventilation, and air conditioning equipment with modern energy-efficient systems, resulting in millions of dollars in cost savings• Repair and replace aging roofs and damaged ceilings• Construction of permanent classrooms to replace deteriorating portable classrooms• Repair and upgrade of aging restrooms to meet current state/federal standards</div> <div data-bbox="760 901 1478 1009"><p>Measure J will remain in our community. All money raised by Measure J will stay within the Franklin-McKinley School District to benefit our children, neighborhoods and property values.</p></div> <div data-bbox="760 1009 1478 1225"><p>Taxpayer Accountability: By law Measure J funds can only be used for school repairs, upgrades and construction. A Citizens Oversight Committee will ensure Measure J funds will ONLY be used for the work spelled out in the ballot. Bond funds are subject to annual independent performance audits each year and an annual audit by a Certified Public Accounting firm.</p></div> <div data-bbox="760 1225 1478 1381"><p>Franklin-McKinley Elementary students deserve your vote. The Franklin-McKinley Elementary School District has served the education needs of local students very well for more than 40 years. Approval of Measure J is an investment in our children's future.</p></div> <div data-bbox="760 1381 1478 1499"><p>On November 2, join parents, teachers, community members, business leaders and senior citizens and vote Yes on Measure J. Visit www.supportfranklinmckinleyschools.com for more information.</p></div> <div data-bbox="760 1499 1478 1895"><p>/s/ Dustin DeRollo President, Franklin-McKinley School District Governing Board</p><p>/s/ Diane DeFrees Citizens' Oversight Committee for Measure U President</p><p>/s/ Michael Richardson Business Owner</p><p>/s/ Isabel Nannini Bond Oversight/Senior Citizens Organization</p></div>	<div data-bbox="1478 305 2310 392"><p>The \$50 million the school district wants to borrow must be paid back <u>with interest</u>. Like a home mortgage, the real cost of this bond measure, once interest and principal are paid off, could be \$100 million or more.</p></div> <div data-bbox="1478 392 2310 578"><p>Why hasn't the Franklin-McKinley School District made these important repairs (replacing aging roofs, damaged ceilings (how do you damage ceilings???), etc.) from their ongoing budgets just like you do for your home or business? If these proposed improvements and repairs are so important, why were they ignored in their annual budgets?</p><p>Clearly, everything in their current budget is more important than the projects they are proposing be paid for by this bond measure. Budgets are a matter of setting priorities. The board has set its priorities already and they clearly aren't including earthquake safety, school security, improved fire alarms, etc. Otherwise, those needs would be in their current budget.</p></div> <div data-bbox="1478 578 2310 754"><p>We should use the current budgets to pay for teachers and make important repairs as needed. Vote NO and tell the School Board that school safety is more important than a bloated administration/ bureaucracy.</p></div> <div data-bbox="1478 754 2310 891"><p>Make your vote count. Remember, we don't have the normal safeguard of requiring a two-thirds vote to pass a school bond measure. The Tax & Spenders are counting on you not to vote. We must have 45% to keep the Franklin-McKinley School District accountable.</p></div> <div data-bbox="1478 891 2310 950"><p>You can be FOR schools, FOR students, and AGAINST Measure J.</p></div> <div data-bbox="1478 950 2310 1009"><p>For more information visit www.SVTaxpayers.org.</p></div> <div data-bbox="1478 1009 2310 1146"><p>/s/ Douglas A. McNea President, Silicon Valley Taxpayers' Association</p></div> <div data-bbox="1478 1146 2310 1283"><p>/s/ Brian S. Darby Chair, Libertarian Party of Santa Clara County</p></div>	<div data-bbox="2310 305 3027 499"><p>The \$50 million the school district wants to borrow must be paid back <u>with interest</u>. The money to pay off this debt comes from future school budgets and ultimately from you, the taxpayer. Like a home mortgage, the real cost of this bond measure, once interest and principal are paid off, could be \$100 million or more. Let's get our priorities straight: help the economy recover by reducing taxes, not by adding more debt. This will serve our children better in the long run.</p><p>Why hasn't the Franklin-McKinley School District made these important repairs (replacing aging roofs, etc.) from their ongoing budgets just like you do for your home or business? If these proposed improvements and repairs are so important, why were they ignored in their annual budgets?</p></div> <div data-bbox="2310 499 3027 715"><p>Clearly, everything in their current budget is more important than the projects they are proposing be paid for by this bond issue. Budgets are a matter of setting priorities. The board has set its priorities already and they clearly aren't including earthquake safety, school security, improved fire alarms, etc. Otherwise, those needs would be in their current budget.</p></div> <div data-bbox="2310 715 3027 862"><p>We should use the current budgets to pay for teachers and make important repairs as needed. Vote NO and tell the School Board that school safety is more important than a bloated administration/ bureaucracy.</p></div> <div data-bbox="2310 862 3027 1009"><p>Make your vote count. Remember, we don't have the normal safeguard of requiring a two-thirds vote to pass a school bond measure. The Tax & Spenders are counting on you not to vote. We must have 45% to keep the Franklin-McKinley School District accountable.</p></div> <div data-bbox="2310 1009 3027 1068"><p>You can be FOR schools, FOR students, and AGAINST Measure J.</p></div> <div data-bbox="2310 1068 3027 1127"><p>VOTE NO ON MEASURE J!</p></div> <div data-bbox="2310 1127 3027 1185"><p>For more information visit www.SVTaxpayers.org.</p></div> <div data-bbox="2310 1185 3027 1323"><p>/s/ Douglas A. McNea President, Silicon Valley Taxpayers' Association</p></div> <div data-bbox="2310 1323 3027 1460"><p>/s/ Brian S. Darby Chair, Libertarian Party of Santa Clara County</p></div>

REBUTTAL TO ARGUMENT AGAINST MEASURE J

Vote yes on Measure J!

Let Franklin-McKinley Elementary School District voters determine what's best for our students!

Attention Franklin-McKinley Elementary School District Voters:

Don't be fooled, the individuals, signing against Measure J, do not live or vote in our community.

The Franklin-McKinley Elementary School District cut its budget \$13 million in the past three years and must cut millions more by 2012 due to funding shortfalls. This has resulted in employee layoffs, program cutbacks, and classroom renovation delays.

Despite State budget cuts, test scores in Franklin-McKinley schools have steadily increased.

In order to continue providing students a quality education, it's necessary to make vital school repairs, upgrade technology, and construct classrooms and school facilities.

Measure J will fund:

- Seismic upgrades reducing danger from earthquakes
- Electrical wiring/power and other infrastructure improvements to accommodate technology and computers
- Replacement of outdated heating, ventilation, and air conditioning equipment with modern energy-efficient systems, resulting in millions of dollars in cost savings
- Repair/Replace aging roofs and damaged ceilings
- Construction of permanent classrooms replacing deteriorated portable classrooms
- Repairs/Upgrades of aging restrooms to meet current state/federal standards

Good for Students, Good for our Economy

Measure J creates good-paying jobs in our community which are needed in these uncertain economic times.

Taxpayer Accountability

FACT: By law a Citizens Oversight Committee will ensure Measure J funds are ONLY used for voter-approved projects and bond funds are subject to annual independent audits.

REBUTTAL TO ARGUMENT AGAINST MEASURE J - Continued

On November 2nd, join parents, teachers, community members, business leaders and seniors and vote Yes on Measure J.

/s/ Diane R. DeFrees

Citizens' Oversight Committee for Measure U President

/s/ Isabel Nannini

Bond Oversight/Senior Citizens Organization

/s/ Michael Richardson

Business Owner