

**MEASURE G****COUNTY COUNSEL'S IMPARTIAL ANALYSIS  
OF MEASURE G**

Upon approval of 55% of the votes cast by voters in an election and subject to specified accountability measures, California law permits school districts to issue bonds, secured by the levy of ad valorem taxes on property within a district, for the purpose of 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.

The Board of Trustees (Board) of the San Benito High School District (District) proposes issuing bonds in the amount of up to \$42,500,000. As identified in the measure, bond proceeds would be used for projects, including, but not limited to: (1) replacing/upgrading classrooms and labs to prepare students for college and careers; (2) repairing roofs, plumbing and outdated electrical systems; (3) adding 21<sup>st</sup> century instructional/vocational technology; (4) improving school safety; and (5) improving access for persons with disabilities. A detailed list of projects and allowed expenditures is included within the full text of the measure.

The California Constitution provides that school bond proceeds may not be used for teacher or administrator salaries or other school operating expenses. The District would appoint an independent citizens' oversight committee and have annual independent performance and financial audits conducted to ensure bond proceeds are expended only for the school facilities on the bond project list in the ballot measure.

The District's best estimate of the tax rate to be levied to fund the proposed bonds during the fiscal year after the initial sale of the bonds (expected to occur in 2015-2016) is \$29.73 per \$100,000 of assessed value. The District's best estimate of the tax rate to be levied to fund the bonds during the fiscal year after the final sale of the bonds (expected to occur in 2020-2021) is \$29.99 per \$100,000 of assessed value. The District's best estimate of the highest tax rate that would be required to be levied to fund the bonds is \$30.00 per \$100,000 per fiscal year of assessed valuation (expected to occur during 2017-2018).

Measure G was placed on the ballot by the Board.

A "yes" vote is a vote to authorize the issuance and sale of the bonds in the amount of up to \$42,500,000 to be secured by the levy of ad valorem taxes on property located within the District.

A "no" vote is a vote not to authorize the issuance and sale of the bonds in the amount of up to \$42,500,000 to be secured by the levy of ad valorem taxes on property located within the District.

Orry P. Korb  
County Counsel

By: /s/ Lizanne Reynolds  
Deputy County Counsel

**COMPLETE TEXT OF MEASURE G****SAN BENITO UNION HIGH SCHOOL DISTRICT BOND  
PROPOSITION FULL BALLOT TEXT**

By approval of this proposition by at least 55% of the registered voters voting thereon, the San Benito High School District shall be authorized to issue and sell bonds of up to \$42.5 million in aggregate principal amount to provide financing for the specific school facilities projects listed below in the Bond Project List, subject to all of the accountability safeguards specified herein.

**ACCOUNTABILITY MEASURES**

The provisions in this section are 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 facilities needs of the District, all in compliance with the requirements of Article XIII A, section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at section 15264 *et seq.* of the California Education Code).

**Evaluation of Needs.** The Board of Trustees has evaluated the facilities needs of the District, and determined which projects to finance from a local bond measure at this time. The Board of Trustees hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

**Independent Citizens' Oversight Committee.** The Board of Trustees shall establish an independent Citizens' Oversight Committee 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 when the Board of Trustees enters the results of the election in its minutes.

**Annual Performance Audit.** The Board of Trustees shall conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects described in the Bond Project List.

**Annual Financial Audit.** The Board of Trustees shall conduct or cause to be conducted an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects described in the Bond Project List.

**Annual Report to Board.** Upon approval of this measure and the sale of any bonds approved, the Board of Trustees 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 shall cause a report to be filed with the Board of Trustees no later than January 1 of each year, commencing January 1, 2015, 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 the Superintendent shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

**BOND PROJECT LIST**

This Bond Project List, which is an integral part of this proposition, describes the specific projects the District proposes to finance with

## COMPLETE TEXT OF MEASURE G - Continued

and egress, removing, replacing or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, leases, licenses, or rights of way to the property.

### ADDITIONAL SPECIFICATIONS

**No Administrator Salaries.** Proceeds from the sale of Bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities on the Bond Project List, including the furnishing and equipping of said school facilities, or the acquisition or lease of real property for said school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

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

**Other Terms of the Bonds.** When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will 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 25 years (if issued pursuant to the provisions of the California Education Code) or 40 years (if issued pursuant to the provisions of the California Government Code) from the date borne by that bond. All bonds will be issued in accordance with the requirements of Assembly Bill No. 182 (Stats 2013, ch. 477).

## TAX RATE STATEMENT

An election will be held in the San Benito High School District (the "District") on June 3, 2014, to authorize the sale of up to \$42,500,000 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 several 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 9404 of the California Elections Code.

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 \$0.02973 per \$100 (or \$29.73 per \$100,000) of assessed valuation in fiscal year 2015-16.

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 \$0.02999 per \$100 (or \$29.99 per \$100,000) of assessed valuation in fiscal year 2020-21.

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 \$0.0300 per \$100 (or \$30.00 per \$100,000) of assessed valuation in fiscal year 2017-18.

4. These estimates would result in an average annual tax of \$0.02924 per \$100 (or \$29.24 per \$100,000) of assessed valuation over the life of the bonds.

Voters should note that estimated tax rates are based on the assessed value of taxable property on the official tax rolls of San Benito and Santa Clara Counties, *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. 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 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, market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The estimates are based on the District's projections and are not binding upon the District. 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. 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 Assessors of San Benito and Santa Clara Counties in the annual assessment and equalization process.

Dated: March 5, 2014

/s/ William Barr  
Interim Superintendent, San Benito High School District



ARGUMENT IN FAVOR OF MEASURE G	REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE G
<p>We all love San Benito High School, but we know we need to improve access to quality education for every student. Large enrollment creates challenges for educating students and helping every student gain the skills and opportunities they need. Classroom and technology upgrades are necessary to ensure students receive the attention needed to excel.</p> <p>Providing safe, up-to-date classrooms is also important. SBHS is an old school, requiring ongoing repairs and maintenance. Aging and leaky roofs, plumbing and wiring need to be fixed. Students need improved access to modern technology, and science labs and classrooms need to be equipped for today's college and career skills.</p> <p>Measure G is the solution.</p> <p>Measure G provides a long-term fix to ensure the safety and continued success of our students. Measure G will fund upgrades and improvements to facilities that enable the high school to spend fewer general fund dollars on costly maintenance, saving more funding to go towards classroom instruction.</p> <p><b>Specifically, Measure G will:</b></p> <ul style="list-style-type: none"> <li>• Construct a Vocational Education Center to replace an aging facility that is seismically unsafe</li> <li>• Update or replace classrooms and labs to support college and career readiness programs</li> <li>• Repair or replace aging, leaky roofs, old plumbing and outdated electrical systems</li> <li>• Improve access for those with disabilities</li> <li>• Add or replace instructional/vocational technology in classrooms and labs</li> <li>• Upgrade or replace science labs and increase lab stations for more student use</li> <li>• Improve school safety, seismic, fire and communication systems</li> </ul> <p><b>Strict Fiscal Accountability</b></p> <ul style="list-style-type: none"> <li>• Every penny raised by Measure G will be locally controlled and cannot be taken by the State</li> <li>• Annual audits and an independent Citizens' Oversight Committee ensure funds are spent on approved projects</li> <li>• Funds cannot be used for salaries</li> </ul> <p>Join parents, teachers, staff and local community leaders in voting Yes on G!</p> <p>/s/ L. Elaine Kovanda Involved Community member</p> <p>/s/ Irma C. Albright SBHS Teacher</p> <p>/s/ Aurelio Zuniga Retired</p> <p>/s/ Gordon A. Machado Businessman</p> <p>/s/ Thomas P. Breen Retired Judge</p>	<p>When school boards ask voters to go into debt with bond measures like Measure G, what are they saying? They want to borrow money, in part, to pay for the following:</p> <ol style="list-style-type: none"> <li>1. "To provide clean, safe, and well maintained facilities"</li> <li>2. "Upgrade and replace computers"</li> <li>3. "Repair leaky roofs"</li> <li>4. "Upgrade technology infrastructure"</li> </ol> <p>If we want our houses cleaned, do we take out a 25 year loan to hire a cleaning service?</p> <p>No? But, that's what the San Benito High School District is asking us to approve.</p> <p>If we want to buy a laptop computer, do we take out a 25 year loan to pay for it?</p> <p>No? But, that's what the San Benito High School District is asking us to approve.</p> <p>If our roof needs a leak fixed, do we take out a 25 year loan to pay for it?</p> <p>No? But, that's what the San Benito High School District is asking you to approve.</p> <p>If you wanted to upgrade your home computer network, do you take out a 25 year loan to hire an expert to do that?</p> <p>No? But, that's what the San Benito High School District is asking you to approve.</p> <p>No sane person would do such things. And at a cost that could exceed \$14,579 per student -- NOT counting interest expense.</p> <p>This is irresponsible behavior. Don't reward bad behavior! Vote NO on Measure G.</p> <p>Let's teach the San Benito High School Board to be more responsible by voting NO on Measure J.</p> <p>For more information: <a href="http://www.svtaxpayers.org/sanbenitohigh">http://www.svtaxpayers.org/sanbenitohigh</a></p> <p>/s/ Mark W.A. Hinkle President: Silicon Valley Taxpayers Association</p>

## ARGUMENT AGAINST MEASURE G

When school boards put bond measures like **Measure G** before the voters, they are admitting that everything they are currently spending your tax dollars on now is more important than the projects for which this tax increase is being sought. Budgets set priorities. San Benito High School District is **saying every educational dollar spent today is going to something they consider a higher priority than "school safety, repair roofs and outdated electrical systems, etc."**

Do you agree?

The website: [www.ed-data.k12.ca.us](http://www.ed-data.k12.ca.us) shows at least 2,915 students in the district, which means the bond expense is \$14,579 per student not counting interest costs and repayment of principal. When you buy a home, truth in lending laws require you be informed about the real cost of buying a home. Shouldn't consumer laws apply to bond issues too? For example:

Borrowing **\$42,500,000** and paying 3% interest for 25 years means annual payments of **\$2,418,480** in principal and interest for a total lifetime cost of **\$60,461,943**.

As a taxpayer, you deserved to know the full truth about measure G.

Instead of paying **\$2,418,480 (principal & interest)** every year "to meet current safety codes", your educational dollars will be going to big banks, investment brokers, and other wealthy people to be used as a tax shelter. Is this the best use of your tax dollars?

**What's more important to you?**

1. Spending **\$2,418,480** a year on children's "essential safety repairs".
2. Spending **\$2,418,480** a year to fund tax shelters for big banks, investment brokers, and the rich.

**If you value children's health and safety more than funding tax shelters, vote NO on Measure G**

**If you value school maintenance more than making interest payments for 25 years, vote NO on Measure G**

For more information: <http://www.svtaxpayers.org/sanbenitohigh>

/s/ Mark W.A. Hinkle  
President: Silicon Valley Taxpayers

## REBUTTAL TO ARGUMENT AGAINST MEASURE G

The authors of the argument against Measure G oppose all school measures on the ballot from here to Palo Alto, every year. If they lived in our community, they'd understand how important San Benito High School is.

SBHS has served our community for over 100 years and has the proven record of spending taxpayer money carefully and responsibly. SBHS is proud of how well it's repaired and maintained this old school – but ongoing repairs have become a drain on school funds. A long-term fix is needed.

Measure G is fair, conservative and provides a long-term solution. SBHS repairs and upgrades will benefit our community for decades. Measure G is capped: typical homeowners will pay less than \$75/year. Families who move here in the future will help pay for Measure G.

Measure G will:

- Construct a Vocational Education Center to replace an aging facility that is seismically unsafe
- Update classrooms and labs to support college and career readiness programs
- Repair aging, leaky roofs, old plumbing and outdated electrical systems
- Improve access for those with disabilities
- Add or replace instructional/vocational technology in classrooms and labs
- Upgrade science labs and increase lab stations for more student use
- Improve school safety, seismic, fire and communication systems

Measure G is fiscally responsible

- Every penny raised by Measure G will be locally controlled and cannot be taken by the State
- Annual audits and an independent Citizens' Oversight Committee ensure funds are spent on approved projects
- Funds cannot be used for salaries

Vote Yes on G.

/s/ David Westrick  
Chief of Police

/s/ Tod N. Thatcher  
Athletic Director, SBHS

/s/ Adam Breen  
SBHS alumnus, teacher

/s/ Gina Tomasini

/s/ April Greig  
Alumni & President, Baler Backers Athletic Organization