

## MEASURE JJ

### COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE JJ

Measure JJ would authorize issuance of \$27,500,000 in bonds to fund school facilities projects in the Mount Pleasant Elementary School District (District). Such bonds are financial instruments used by school districts to borrow money that is repaid by a property tax levy. California law allows school districts to propose bond measures to authorize the issuance of bonds. To pass, the Measure must be approved by 55 percent of voters who vote in the election. The Measure was put on the ballot by Board of Trustees (Board) of the District.

Money generated by the bonds can only be used for the purposes that are set out in the full text of the Measure. The Measure states that the money could be used, among other things to:

- Renovate, repair, and upgrade school buildings, bathrooms, classrooms, and libraries;
- Install energy-efficient systems; and
- Upgrade classroom equipment and technology.

A complete list of projects and allowed expenditures is included within the full text of the Measure. The Board has declared that it has evaluated safety, class size, and information technology needs in developing its project list.

Under the California Constitution, money generated by school district bond measures cannot be used for teacher and administrator salaries or pensions, or other school operating expenses. The California Constitution requires the District to hire an independent professional to annually examine how the District is spending bond money. State law also requires the District to establish an independent citizens' oversight committee to ensure that money generated by the bonds is used only for the projects included in the Measure.

The bonds will be repaid from taxes collected on property in the District. The amount of the tax paid will depend on the assessed value of the property. The District's best estimate of the highest tax rate to be collected to repay the bonds is \$30.00 per \$100,000 of the assessed value of the property. The District's best estimate of the total amount, including interest, that will be required to repay the bonds is \$57,885,100. The District estimates that the final year that taxes will be collected to repay the bonds is fiscal year 2055-2056.

A "yes" vote is a vote to authorize the issuance of the bonds in the amount of \$27,500,000 to be repaid by collection of taxes on property located within the District.

A "no" vote is a vote to not authorize the issuance of the bonds.

James R. Williams  
County Counsel

By: /s/ Danielle L. Goldstein  
Deputy County Counsel

## COMPLETE TEXT OF MEASURE JJ

### FULL TEXT BALLOT PROPOSITION OF THE MT. PLEASANT ELEMENTARY SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 6, 2018

The following is the full proposition presented to the voters by the Mt. Pleasant Elementary School District.

"To repair leaking roofs, dry rot, termite and structural damage, upgrade wiring, fire alarms and fencing to improve student safety, repair deteriorating restrooms, and acquire, renovate, construct classrooms, equipment, sites and facilities, shall this Mt. Pleasant Elementary School District measure authorizing \$27,500,000 in bonds at legal rates, levying 3 cents/\$100 assessed value, \$1,600,000 annually while bonds are outstanding, with independent citizen oversight, no money for administrators' salaries/pensions/benefits, and all money benefiting local schools?"

### PROJECT LIST

The Board of Trustees of the Mt. Pleasant Elementary School District is committed to safe and secure schools with upgraded classrooms, libraries, science labs, restrooms and technology systems to keep pace with 21<sup>st</sup> century learning standards. The Board evaluated the District's urgent and critical facility needs, including safety issues, class size and computer and information technology in developing the scope of projects to be funded. The District conducted a facilities evaluation and received public input in developing this Project List. 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 and expensive to address. **Therefore, in approving this Project List and the Master Plan, the Board of Trustees determines that the District should:**

- improve student safety and security;
- renovate 40-year old restrooms that are so deteriorated, many children do not use them;
- repair dry rot, termite and other structural damage to our schools so children are safe;
- repair or replace leaky roofs;
- upgrade old wiring in order to bring our schools up to current safety standards; and
- adhere to specific FINANCIAL ACCOUNTABILITY safeguards such as:
  - Sacramento must be prohibited from taking any of the funds raised,
  - All expenditures must be subject to annual independent financial audits,
  - No funds can be used for administrators' salaries and pensions,
  - All funds must be subject to local control,

## COMPLETE TEXT OF MEASURE JJ-Continued

- (e) An independent citizens' oversight committee must be appointed to ensure that all funds are spent only as authorized.

The Project List includes upgrades and improvements at the following schools:

August Boeger Middle School  
Ida Jew Academies  
Mt. Pleasant Elementary School  
Robert Sanders Elementary School  
Valla Vista Elementary School

### School Renovation, Repair and Upgrade Projects

**Goal and Purpose:** Since protecting quality education in local schools and the health, safety and security of our children on campuses requires renovating, repairing and upgrading outdated school buildings, bathrooms, classrooms, computers, technology, school libraries and equipment to give all children have the resources they need to learn and stay up-to-date with the latest advances in technology and education, local schools will benefit from projects including:

- Repair or replace old leaky roofs.
- Make schools safe from asbestos and other hazards.
- Upgrade old wiring in order to bring our schools up to current safety codes.
- Replace 40-year old restrooms and toilets.
- Replace old, inefficient heating ventilation and air-conditioning systems.
- Replace unsafe sidewalks.

### School Health and Safety and Energy Efficiency School Projects

**Goal and Purpose:** Since good, safe and up-to-date schools help protect and improve local property values and reduce maintenance and operating costs, returning more money to the classroom, schools and school sites will benefit from a variety of health and safety projects, such as:

#### Student Safety

- Replace antiquated fire alarm and safety communication system.
- Upgrade schools to meet accessibility requirements for persons with disabilities.
- Repair or replace unsafe playground equipment.
- Improve parking and traffic circulation for student safety.

## COMPLETE TEXT OF MEASURE JJ-Continued

- Install fencing for student safety.

### Energy Efficiency--Returning Savings to the Classroom

- Replace old and inefficient windows, lighting, irrigation, heating and ventilation systems which waste money and use the savings to prevent cuts to teacher and instructional programs.
- Install energy efficient systems to save money and return the savings to the classroom.

### Academic and Instructional Technology and Wiring Projects To Continue Improving Student Achievement

**Goal and Purpose:** Since some school buildings are over 50 years old, schools, technology and equipment need to be updated so that our school district students have the same opportunities as others to succeed. Improved computer technology will allow teachers and students to use up-to-date teaching methods and enhance instruction in core academic subjects:

- Provide or upgrade science labs at the middle schools.
- Provide updated classroom computer technology.
- Upgrade and expand wireless systems, telecommunications, Internet and network connections.
- Upgrade classroom technology and teaching equipment to enhance instruction.
- Ensure that all classrooms, have up to date electrical wiring to support 21<sup>st</sup> Century technology.

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, projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, printers, digital white boards, document projectors, upgrade voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment and software. The repair of school facilities includes, campus accessibility, utilities, and grounds, playground equipment, security fencing, hard court surfaces, shade structures for student assembly and protecting students from inclement weather during lunch, libraries, District support facilities, fire sensors; upgrade plumbing systems; athletic and play fields turf may be upgraded for safety and operational efficiency; renovate and paint interior and exterior building surfaces to extend their useful life; security, safety and communication systems and equipment; fire alarms and bells; heating, ventilation and air-conditioning system upgrades; window and floor coverings (including tiles and carpeting); upgrade irrigation systems; improvements and furnishings and/or other electronic equipment and systems. The Project

## COMPLETE TEXT OF MEASURE JJ-Continued

List also includes the refinancing of any outstanding lease obligations, or the bridge loans taken to initiate voter approved projects. 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 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.

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.

**FINANCIAL 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.

**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.

## TAX RATE STATEMENT

An election will be held in the Mount Pleasant Elementary School District (the "District") on November 6, 2018, to authorize the sale of up to \$27,500,000 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 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 3.0 cents per \$100 (\$30.00 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 2055-56.
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 3.0 cents per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2019-20.
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 \$57,885,100.

Voters should note that the estimated tax rate is based on the ASSESSED VALUE of taxable property on the County of Santa Clara 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, debt service 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 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.

Dated: Aug. 6, 2018.

/s/ Mariann Engle  
Superintendent, Mount Pleasant Elementary Unified School District

## ARGUMENT AGAINST MEASURE JJ

When school boards put bond measures like Measure JJ before the voters, what are they saying? They are admitting that everything they are spending your tax dollars on now is more important than the projects for which this tax increase is being sought. Budgets set priorities.

Mt. Pleasant Elementary School District is **saying that every educational dollar spent today is going to something they consider a higher priority than to "improve student safety" and "repair leaking roofs" and repair "structural damage".**

Do you agree?

Education Data Partnership ([www.Ed-Data.K12.ca.us](http://www.Ed-Data.K12.ca.us)) shows the District's enrollment **declining from 2,753** students during the 2009-10 school years, **to 2,371** during 2016-17. And the number of teachers has **increased from 116** full-time-equivalent teachers, up **to 121 during that period**.

Since the numbers of students are way down, expenses should be way down, too. That should allow more funds from the current budget to be applied to basic maintenance of the schools. In fact, you and I take care of our homes, our condos, and even our apartments out of our yearly budgets. **Why can't Mt. Pleasant Elementary School District do the same?**

School bonds are much like mortgages, in that they have to be paid back, in full--plus interest. Lots and lots of interest. Interest payments that don't go to teachers, libraries, computers, maintenance, etc.

Is this the best use of your tax dollars?

**If your answer is "no," please vote NO on Measure JJ.**

**You can be for schools, for students, for teachers, and against Measure JJ.**

For more information: [www.SVTaxpayers.org/2018-measure-jj](http://www.SVTaxpayers.org/2018-measure-jj)

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

/s/ Jennifer Imhoff  
Chair, Libertarian Party of Santa Clara County

**NO ARGUMENT IN FAVOR OF MEASURE JJ WAS SUBMITTED**