

**PATTERSON JOINT UNIFIED SCHOOL DISTRICT
MEASURE E**

To expand vocational career and technical education facilities; increase labs and training sites to prepare students for college and future jobs; and build new classrooms to relieve overcrowding; shall Patterson Joint Unified School District's bond authorizing \$74 million be approved with legal rates, projected levies below \$57/\$100,000 of assessed valuation (generating \$3.9 million/year while bonds are outstanding), annual audits, independent oversight and all funds spent locally with no money taken by the State and spent elsewhere?

**BONDS—YES
BONDS—NO**

Approval of Measure E does not guarantee that the proposed project or projects in the Patterson Joint Unified School District that are the subject of bonds under Measure E will be funded beyond the local revenues generated by Measure E. 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.

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

California law permits school districts to issue bonds with the approval of 55 percent of the voters. Such bonds may only be used for 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. These bonds are required to be paid by the levy of *ad valorem* taxes—a tax on the assessed value of property within a district.

The Board of Trustees (Board) of the Patterson Joint Unified School District (District) proposes to issue such bonds in the amount of up to \$74 million for the purposes of expanding vocational career and technical education facilities; increase labs and training sites to prepare students for college and future jobs; and building new classrooms to relieve overcrowding.

As identified in the measure, projects may include but are not limited to:

- Constructing, renovating, and improving classrooms, labs, libraries, restrooms, locker rooms; career and technical education facilities; multi-purpose rooms; pre-school facilities; and facilities for science, technology, engineering, arts and math.
- Updating classroom computers and technology infrastructure.
- Constructing, renovating, and improving outdoor learning spaces and amphitheaters; gyms, playground, playing field, fitness and other athletic facilities.
- Campus and student safety improvements including earthquake and fire safety, parking and walkway improvements, replacement of portable classrooms, and fencing and security systems.
- Modernizing building functions and improving energy efficiency including ADA accessibility improvements.

Project costs include the costs of furnishing and equipping facilities, and all costs that are incidental, but directly related, to the types of projects described in the measure.

The Board has certified that it has evaluated safety, class size reduction, and information technology needs in developing its project list.

**COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF
MEASURE E-Continued**

Under the California Constitution, these bond funds cannot be used for teacher and administrator salaries or other school operating expenses. The District also must conduct independent annual performance and financial audits. State law requires the District to have an independent citizens' oversight committee to help make sure bond funds are spent only for projects included in the measure.

The District's stated best estimate of the highest tax rate to be levied to repay the proposed bonds is \$60 per \$100,000 of assessed value. The District estimates that the total debt service during the life of the bond, including principal and interest, will be approximately \$135.4 million.

Measure E was placed on the ballot by the Board.

A "yes" vote is a vote to authorize the issuance of the bonds in the amount of up to \$74 million to be secured by the levy of *ad valorem* 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: Mary E. Hanna-Weir
Deputy County Counsel

COMPLETE TEXT OF MEASURE E

FULL TEXT OF BOND MEASURE

INTRODUCTION

The following is the abbreviated form of the bond measure:

To expand vocational career and technical education facilities; increase labs and training sites to prepare students for college and future jobs; and build new classrooms to relieve overcrowding; shall Patterson Joint Unified School District's bond authorizing \$74 million be approved with legal rates, projected levies below \$57/\$100,000 of assessed valuation (generating \$3.9 million/year while bonds are outstanding), annual audits, independent oversight and all funds spent locally with no money taken by the State and spent elsewhere?

BOND AUTHORIZATION

By approval of this Measure by at least 55 percent of the registered voters voting on the measure, the Patterson Joint Unified School District will be authorized to issue and sell bonds of up to \$74 million in aggregate principal amount at interest rates not to exceed legal limits, having an estimated final maturity in 2058, and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be 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 Education Code Sections 15264 and following.)

Evaluation of Needs. The School Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond. The School Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. Following approval of this measure, the School Board will establish an Independent Citizens' Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

Performance Audits. The School Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The School Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from

COMPLETE TEXT OF MEASURE E-Continued

the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the Stanislaus County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the School Board not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

Voters are informed that any estimates or projections in the bond measure or ballot materials, including relating to estimated tax rates, the duration of issued bonds and related tax levies and collections are provided as informational only. Such amounts are estimates and are not maximum amounts or limitations on the terms of the bonds, the tax rate or duration of the tax supporting repayment of issued bonds. Such estimates depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan, including but not limited to the amount of bonds issued and outstanding at any one time, the interest rates applicable to issued bonds, market conditions at the time of sale of the bonds, when bonds mature, timing of project needs and changes in assessed valuations in the District. As such, while such estimates and approximations are provided based on information currently available to the District and its current expectations, such estimates and approximations are not limitations and are not binding upon the District.

BOND PROJECT LIST

Joint Use. The District may enter into agreements with the County of Santa Clara or the County of Stanislaus, or 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

COMPLETE TEXT OF MEASURE E-Continued

may be used to fund all or a portion of the local share for any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the School Board shall determine.

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Patterson Unified School District, including furnishing and equipping, and the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries or other school operating expenses, in compliance with California Constitution Article XIII A, Section 1(b)(3). This measure authorizes bond projects to be undertaken at all current and future District sites and campuses.

Specific School Facility Project List. The items presented on the following list provide the types of school facilities projects authorized to be financed with voter-approved bond proceeds. Specific examples included on this list are not intended to limit the types of projects described and authorized by this measure. The following types of projects are authorized:

Projects to Construct, Renovate and Improve Classrooms and School Facilities

- Classrooms, labs, libraries, restrooms, locker rooms
- Career and technical education facilities
- Pre-school facilities
- Science, technology, engineering, arts and math
- Music and art room improvements
- Update classroom computers and technology infrastructure
- Outdoor learning spaces and amphitheaters
- Gyms, playground, playing field, fitness and other athletic facilities
- Multi-purpose room improvements

Projects to Improve Student and Campus Safety

- Earthquake and fire safety improvements
- Fencing and security systems
- Replacement of portable classrooms
- Parking, walkway and student drop off improvements
- Fire sprinklers

Projects to Modernize Building Functions and Improve Energy Efficiency

- Roofs, plumbing, electrical, heating, cooling, ventilation systems
- Solar energy, shade and efficient projects
- ADA accessibility improvements
- District administrative office improvements

Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping such facilities, and all costs which are incidental but directly related to the types of projects described above. Each of the listed items include the construction, reconstruction, rehabilitation, or replacement of existing buildings or new buildings.

Examples of incidental costs include, but are not limited to: costs of design, engineering, architect and other professional services, facilities

COMPLETE TEXT OF MEASURE E-Continued

assessments, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; all finishing work such as painting, repainting, carpeting and flooring; independent annual financial and performance audits; a customary construction contingency; demolition and disposal of existing structures; the costs of interim housing and storage during construction including relocation and construction costs incurred relating to interim facilities; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; costs of relocating facilities and equipment as needed in connection with the projects; interim classrooms and facilities for students, administrators, and school functions, including modular facilities; federal and state-mandated safety upgrades; addressing unforeseen conditions revealed by construction/modernization including abatement and removal of hazardous materials and other necessary improvements required to comply with existing building codes, including the Field Act; access requirements of the Americans with Disabilities Act; costs of the election; project construction oversight, management and administration during the duration of such projects, including by District personnel, and bond issuance costs.

Unforeseen conditions may arise during the course of planning, design and construction resulting in the scope and nature of any of the specific projects described above being altered by the District. In the event that the District determines that a modernization or renovation project is more economical for the District or otherwise in the District's best interests to be undertaken as new construction, this bond measure authorizes said new construction, including land acquisition, relocation, expansion and construction and/or reconstruction, and all costs relating thereto. In addition, this measure authorizes the acquisition of real property, including necessary rights of ways or other real property interests, required to expand District facilities, to provide access to school or other District facilities, or to provide additional school or related facilities. Further, authorized projects include reimbursements for project costs previously paid and paying and/or prepaying interim financing for the types of projects included on the project list, such as bond anticipation notes. Finally, projects on this list may be undertaken and used as joint use projects with other public agencies.

Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with funds generated by this bond measure. The District plans to pursue funds from the State of California, if available, to provide additional funding to complete certain of the identified facilities projects. Many factors which the District cannot predict or control may impact its ability to address each of the projects, including but not limited to construction cost issues, supply chain issues which can cause project delays, labor shortages, and unknown environmental factors or site conditions, among others. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

The order in which projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project prioritization is vested in and will be determined by the School Board.

TAX RATE STATEMENT

TAX RATE STATEMENT REGARDING PROPOSED

PATTERSON JOINT UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Patterson Joint Unified School District (the "District") on November 8, 2022, to authorize the sale of up to \$74 million in bonds of the District to finance school facilities as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* 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. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.

Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.05600 per \$100 of assessed valuation (or \$56.00 per \$100,000 of assessed value). The final fiscal year in which the tax is anticipated to be collected is 2057-58.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.06000 per \$100 of assessed valuation (or \$60.00 per \$100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2023-24 and following.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$135.4 million.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the County's official tax rolls. 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 attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other

TAX RATE STATEMENT-Continued

considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations 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.

By: Reyes Gauna
Superintendent
Patterson Joint Unified School District

ARGUMENT IN FAVOR OF MEASURE E

Patterson's public schools are our community's most vital assets. They teach our children critical skills, they prepare students for college and success in future careers, and all the while, they enhance the value of our homes and local businesses.

For these reasons, our schools must remain our number one priority.

Your YES vote on Measure E will improve our local schools and protect the safety of our children. These funds will be spent only in our district and cannot be taken by the State and spent elsewhere.

Projects to be funded include:

- Building new classrooms to relieve overcrowding
- Updating Science, Technology, Engineering, Art, and Math (STEAM) labs at schools throughout the district
- Expanding and increasing career and technical education classrooms to prepare students for college and future careers
- Replacing leaking pipes and aging plumbing
- Upgrading fire alarms and emergency communication systems to improve school safety

We must also demand that tough legal safeguards be put in place to protect local taxpayers. Measure E does this by:

- Requiring annual audits and independent taxpayer oversight of how funds are spent
- Prohibiting funds from going to administrator salaries, pensions or benefits
- Imposing tough legal safeguards requiring that all funds be spent on our local schools and not siphoned off by the state

Let's protect our children, improve student achievement, enhance local property values AND safeguard taxpayers. Join us in voting YES on Measure E.

Peter P. La Torre, Jr.
MD, ret.

Victoria M. La Torre
RN, ret.

ARGUMENT AGAINST MEASURE E

Just this past March, voters rejected Patterson Joint Unified School District's proposed school bond measure for \$32,500,000.

Did the district get that message?

Not only has the district rejected voters' clear instruction by coming back to us proposing school bond debt again—but the new amount is more than double!

Do you appreciate that?

The district says they want to "build **new classrooms**"—but **enrollment has been declining**—down 3.7% since school year 2016-17.*

Does that make sense to you?

Instead of building un-needed classrooms, perhaps they should focus their attention on reversing their dismal academic performance. In this district:

- **39.3% of students are below grade level in English.**
- **81.09% are below grade level in math.***

(2020-21; most recent available data)

The district is failing at their **only job**—educating—yet they actually want you to reward them with new classrooms.

Does that make any sense to you?

If not, vote NO on Measure E.

Simply put, **bonds are debt** inflicted on current and future (30+ years) taxpayers (both homeowners and renters).

Vote NO to reinforce our message sent in March, that **the district should prioritize delivering quality education** to our children, **not saddling them and our grandchildren with 30 years of loans** ... especially when soaring inflation is taxing our family budgets, and when California's state government has an estimated \$97,500,000,000 budget surplus!

Tell the District, **"NO MORE DEBT! NO MORE TAXES!"**

Bond debt burdens makes housing less and less affordable, while doing nothing to improve the actual quality of education delivered to our children.

You can be FOR children, FOR teachers, FOR schools—and AGAINST 30-year bond debt burdens.

Please vote NO on Measure E.

Want more information? SVTaxpayers.org

* Source: Education Data Partnership (Ed-Data.org)

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

Joe Dehn
Chair: Libertarian Party of Santa Clara County