

ORCHARD SCHOOL DISTRICT MEASURE GG

To provide a safe, modern neighborhood school; fix deteriorating roofs, plumbing, electrical, heating and cooling systems; upgrade classrooms; improve student safety and security systems; repair, construct, acquire classrooms, equipment, sites and facilities; shall Orchard School District's measure be adopted authorizing \$30,000,000 in bonds at legal rates, levying \$12 per \$100,000 assessed value (\$2,800,000 annually) while bonds are outstanding, with independent audits, citizen oversight, public disclosure of all spending and all money locally controlled?

Bonds—Yes
Bonds—No

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE GG

California law permits school districts to issue bonds with the approval of 55% of district voters. Such bonds may be used only for construction, reconstruction, rehabilitation, or replacement of school facilities, including furnishing and equipping those facilities, or the acquisition or lease of real property for school facilities.

The Board of Trustees (Board) of the Orchard School District (District) has placed on the ballot a Measure authorizing the issuance and sale of up to \$30,000,000 in such bonds for the purposes of constructing, renovating, and updating school facilities.

As identified in the Measure, the types of projects may include but are not limited to:

- Upgrading facilities to meet current health and building safety codes and provide access for students with disabilities;
- Repairing or replacing deteriorating roofs, and plumbing, heating, ventilation, and electrical systems;
- Improving student safety and campus security systems, including fencing, outside lighting, emergency communications systems, smoke detectors, fire alarms, and sprinklers;
- Improving heating, ventilation, air conditioning, insulation, doors, windows, and energy efficient infrastructure;
- Keeping computer systems and instructional technology up-to-date;
- Creating multi-use classrooms to support hands-on instruction and learning-by-doing;
- Ensuring that pre-kindergarten playground equipment and play areas meet current health and safety standards;
- Providing classrooms, materials, equipment, and facilities necessary for math, science, engineering, music, and visual and performing arts instruction.

Project costs may include architectural, engineering, and similar planning costs, as well as staff training expenses. As state law requires, the Measure prohibits bond proceeds from being used for teacher or administrator salaries or other school operating expenses.

These general obligation bonds will be payable from ad valorem taxes levied on taxable real property within the District. The Measure states that the best estimate of the average annual tax rate to be levied to repay the proposed bonds is \$12 per \$100,000 of assessed value, that the tax will be collected beginning in fiscal year 2026-2027, and that the final fiscal year in which the tax is anticipated to be collected will be 2044-2045. The

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE GG-Continued

Measure states that the best estimate of the total debt service during the life of the bond, including principal and interest, is \$53,300,000.

State law requires the District to take certain steps to account for the bond proceeds. Accordingly, the District has listed in the Measure the specific projects to be funded, including a certification that, in developing the list, the Board evaluated safety, class size reduction, and information technology needs. Additionally, the District will direct the proceeds be deposited into a special account, appoint an independent citizens' oversight committee, conduct annual independent performance and financial audits, and prepare annual reports on funds collected and expended and the status of any funded project.

A "yes" vote is a vote to authorize the issuance and sale of up to \$30,000,000 of general obligation bonds to fund school facilities projects as described in the Measure.

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

Tony LoPresti
County Counsel

By: Jamila Benkato
Deputy County Counsel

COMPLETE TEXT OF MEASURE GG

FULL TEXT BALLOT PROPOSITION OF THE ORCHARD SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 5, 2024

The following is the full proposition of the **Orchard School Safety and Improvement Bond of 2024** presented to the voters by the Orchard School District.

"To provide a safe, modern neighborhood school; fix deteriorating roofs, plumbing, electrical, heating and cooling systems; upgrade classrooms and science labs; improve student safety and security systems; repair, construct, acquire classrooms, equipment, sites and facilities; shall Orchard School District's measure be adopted authorizing \$30,000,000 in bonds at legal rates, levying \$12 per \$100,000 assessed value (\$2,800,000 annually) while bonds are outstanding, with independent audits, citizen oversight, public disclosure of all spending and all money locally controlled?"

PROJECT LIST

The Board of Trustees of the Orchard School District is committed to **improving the quality of education** in local schools by providing safe, secure, upgraded classrooms, and technology needed to support high quality instruction. To that end, the Board evaluated the District's urgent and critical facility needs, including **safety and security** issues, class size reduction, **basic repairs**, computer and information technology in developing the types of projects to be funded by this measure as described below. The District conducted a facilities evaluation and received public input in developing this Project List. The Board have prioritized the key health and safety needs so that the most critical facility needs are addressed.

In approving this Project List, the Board of Trustees determines that the District **must**:

- **PROVIDE** classrooms, facilities and technology needed to support high quality instruction.
- **REPAIR** older classrooms and school facilities including leaky roofs, plumbing, heating, ventilation, and electrical systems.
- **UPGRADE** older schools so they meet current health codes, building safety codes, provide proper access for students with disabilities.
- **IMPROVE** student safety and campus security including fencing, intruder protection systems, emergency communications systems, smoke detectors, fire alarms, and sprinkler systems.
- **KEEP** computer systems and instructional technology up-to-date. including through the acquisition of current equipment and materials to instruct students in science, technology, and engineering disciplines.
- **REQUIRE A TRANSPARENT SYSTEM OF ACCOUNTABILITY, INCLUDING A PROJECT LIST DETAILING HOW MONEY WILL BE USED, A CITIZENS'OVERSIGHT COMMITTEE AND PUBLIC DISCLOSURE OF HOW ALL FUNDS ARE SPENT.**

COMPLETE TEXT OF MEASURE GG-Continued

The Project List includes the following types of upgrades and improvements at District facilities:

STUDENT SAFETY AND ACHIEVEMENT: SUPPORTING HIGH QUALITY INSTRUCTION

Repair and Upgrade Projects That Improve Student Safety and Success

Goals and Purposes: Our school needs to be modernized. It is time to make essential infrastructure repairs and improvements so that the District's school can serve the community well for decades to come. Repairing leaking and deteriorating roofs, and upgrading heating, ventilation gas and electrical systems are priorities.

Student safety, security has become top priority for schools around nation. This measure will provide funding for increased safety and essential security systems that will protect students and staff in case of an emergency

- Upgrade facilities so they meet current health codes, building safety codes, and provide proper access for students with disabilities.
- **Repair or replace deteriorating roofs, plumbing, heating, ventilation, electrical systems.**
- Improve student safety and campus security systems, including fencing, outside lighting, emergency communications systems, smoke detectors, fire alarms and sprinklers.
- Improve heating, ventilation, air conditioning, insulation, doors, windows, infrastructure to increase energy efficiency, reduce utility bills and have more money to spend in the classroom.
- Keep computer systems and instructional technology up-to-date.
- Create modern, multi-use classrooms to support hands-on instruction and learning-by-doing.
- Ensure that pre-K children's playground equipment and play areas meet current health and safety standards.
- Provide the classrooms, materials, equipment and facilities needed to support high quality instruction not only in math, science, and engineering, but also music, visual and performing arts.

In addition to the projects listed above, the repair and renovation of existing school facilities may include, but not be limited to, some or all of the following: add or renovate student and staff restrooms; repair and replace electrical, plumbing, heating, ventilation and air conditioning systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, walls, floors, doors and drinking fountains; construct or renovate multi-purpose learning spaces; install wiring and electrical systems to safely accommodate computers, technology and other electrical devices; upgrade or construct support facilities including music, art facilities, classrooms, covered eating areas; repair and replace fire alarms, emergency communications, fencing and security systems; improve facilities to satisfy ADA requirements;

COMPLETE TEXT OF MEASURE GG-Continued

resurface or replace asphalt, broken concrete and improve hard courts, turf and irrigation/drainage systems and campus landscaping (but excluding therefrom the improvement of any track and athletic fields constructed with funds from the District's 2000 or 2001 Bonds, or both); install signage and marquees; expand parking lots and improve pick-up and drop-off areas; improve all site utilities; construct new school buildings; upgrade or replace interior and exterior painting, floor covering (including carpets), and school facades; demolition; upgrade kitchens, food service, and school cafeterias; construct various forms of storage and support spaces and classrooms; improve outdoor learning environments and quads; repair, upgrade and install interior and exterior lighting systems; improve playgrounds, play structures, and facilities to support student health, fitness and safety; replace outdated security fences and security systems (including access control systems), provide lunch shelters, shade structures, indoor space for assemblies or for rainy day lunch; upgrade music labs, multi-purpose rooms, and learning centers. In addition to the listed projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the Project List; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects.

The upgrading of technology infrastructure includes, but is not limited to, network rewiring, cabling, fiber infrastructure, computers, portable interface devices, servers, switches, routers, modules, sound projection systems, classroom tv/audio enhancements, laser printers, digital white boards, document projectors, upgrade voice-over-IP, clock/telephone/intercom systems, call manager and network security/firewall, wireless technology systems, refresh classroom technology, miscellaneous IT and instructional equipment, data storage, phones, identity cards and the construction and installation of a data center in the cloud for the District's enterprise systems, such as resource planning, websites, domain name systems, cloud applications and information security. 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 and construction documents are finalized, construction bids are received, construction contracts 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 portable classrooms and 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 more enhanced and operationally efficient campuses. Necessary site preparation/restoration 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 or drainage systems, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. 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/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. Proceeds of the bonds may be used to pay or reimburse the District for

COMPLETE TEXT OF MEASURE GG-Continued

the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the types of projects and purposes identified herein. 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.

FISCAL ACCOUNTABILITY: THIS MEASURE REQUIRES A CLEAR SYSTEM OF ACCOUNTABILITY, INCLUDING A PROJECT LIST DETAILING HOW THE MONEY WILL BE USED, A CITIZEN'S OVERSIGHT COMMITTEE, INDEPENDENT AUDITS TO ENSURE MONEY IS SPENT PROPERLY AND PUBLIC DISCLOSURE OF HOW ALL FUNDS ARE SPENT.

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 Orchard School District (the "District") on November 5, 2024 to authorize the sale of up to \$30,000,000 in general obligation bonds. 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 submitted in compliance with Sections 9400-9406 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.

The following information is provided pursuant to Elections Code Section 9401:

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 estimated assessed valuations available at the time of filing of this statement, is \$12.00 per \$100,000 of assessed valuation. It is currently expected that the tax will be collected starting in fiscal year 2026-27, after the Measure D (\$28.30 per \$100,000 in 2024-25) tax expires, and until fiscal year 2044-45.
2. The best estimate of the highest tax rate that would be required to be levied to fund this bond issue, for each year that bonds are outstanding, based on estimated assessed valuations available at the time of filing this statement, is \$12.00 per \$100,000 of assessed valuation, which is projected to be the same in every fiscal year the bonds remain outstanding.
3. The best estimate of total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$53.3 million.

Voters should note that these estimates are based on projections derived from information obtained from official sources, and are based on the assessed value (not market value) of taxable property on the County's official tax rolls. 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 durations and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary depending on the timing of bond sales, the par amount of bonds sold at each sale and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. Actual 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.

Jeff Bowman
Superintendent, Orchard School District

ARGUMENT IN FAVOR OF MEASURE GG

A Yes vote on Measure GG will upgrade, modernize, and improve classrooms and infrastructure at Orchard School. Measure GG will provide funds to repair or replace leaky roofs and windows, replace outdated and inefficient heating, cooling, electrical and plumbing systems, and provide up to date classroom learning technology.

Measure GG will also improve school safety and security with updated door locks, covered walkways, fencing, and security measures to ensure that Orchard School remains a safe and secure environment for our students to learn and grow.

Measure GG will:

- Repair or replace leaky roofs, plumbing, electrical, heating and cooling systems.
- Upgrade classrooms and improve access to instructional technology.
- Replace old portables with new classrooms.
- Improve accessibility for students with disabilities.
- Update and improve student safety and campus security.

Measure GG will include citizen oversight, annual audits, and an annual public report to ensure the money is used efficiently and effectively, and no funds will be used for administrator salaries.

Measure GG will not increase the amount property owners currently pay. The district's 2000 bond (\$28.30 per \$100,000 Assessed Value) expires in 2026. Measure GG, if approved by voters will only cost \$12 per \$100,000, a saving for taxpayers and a benefit for local students.

Our community has been supportive of bonds in the past and the schools and students have benefitted from our investment. We need to continue our investment in the modernization of Orchard School and make sure we serve all students with safe and modern classrooms.

Great schools are part of what makes our area a great place to live. Whether or not you have school-aged children, supporting local schools is a wise investment in keeping our property values strong.

Please join us and vote Yes on Measure GG

Erin McCarthy
President Orchard Teachers Association

Lithey Lynn D. Limquenco
Ex-Board Member/Parent

Mitch Del Rosario
Business Owner & Founder Kollab Real Estate

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE GG

Government debt is crushing us. The *federal debt alone* exceeds our GDP!

Moreover, the state, cities, and school districts are saddling us with **bond debt, owed by us taxpayers, and our children!**

Endless rounds of bond sales will not help Orchard School District improve education, raise scores, or reverse falling enrollment.

Private alternatives can do **a better job for our children, at lower average costs.** Parents could conceivably afford them—if they weren't also repaying bond debts!

If schools were private, the funding sources to maintain them would be, too.

Schools might borrow from lenders **who decide if their plan makes sense.** Nonprofit schools would seek **voluntary contributions**—like any other charity—so that capable, if poor, children could secure a good education. And home schoolers don't need to build facilities!

These **alternatives don't involve government bond sales**—or the **hefty taxation needed to repay the bonds' Wall Street investors.**

Instead of viewing increasingly popular alternatives as threats, Orchard School District trustees should utilize them!

Rather than BORROW \$30 MILLION to "construct [and] acquire classrooms," trustees could encourage families to switch to alternative providers, so that existing facilities will suffice, in managing those students who remain in our public schools—and acknowledge declining enrollment and take advantage of it, to rent out their unneeded facilities.

Great teachers afraid of losing their jobs **can be confident that private schools will hire them.**

JUST SAY NO to endless bond debt and its resultant, crushing taxation!

Vote NO on Measure GG.

SVTaxpayers.org
SCCLP.org

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

Joe Dehn
Chair, Libertarian Party of Santa Clara County

ARGUMENT AGAINST MEASURE GG

Orchard School District \$30,000,000 Bond Tax: Argument Against Measure GG

Proponents say they want to "construct, acquire classrooms," yet there's been a steady decline in enrollment.

Fact: Current ADA enrollment is down to 720, following a steady DECLINE since the 2018-19 school year.

So does constructing more classrooms make any sense to you? NO?

Then please vote NO on Measure GG.

This bond costs \$41,666 per child—and that's before the 30+ years of interest expenses at rates of up to 12%. Yikes!

Will this \$30 million bond debt be spent to hire or train great teachers, to reverse the schools' dismal academic achievement?

Answer: **NO**, that's not legally permitted.

Let's look at the latest lower academic performance figures:

- 2022-23 results: **53.35% of children below grade level for English.**
- 2022-23 results: **70.87% of children below grade level for math.**

Orchard School District rewarded teachers for this performance decline by increasing the average salary of \$86,217 in 2018-19 to \$101,814 plus benefits up to \$14,500 yearly in 2022-23.

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

Should you, the voter, reward the district for dropping scores in English and math?

If you answered "no," we encourage you to vote **NO on Measure GG.**

If you reward failure, you will get more failure!

Reject failure—Vote No on GG.

You can be FOR children, FOR teachers, and FOR education—but AGAINST Measure GG.

For more information, please visit us at SVTaxpayers.org.

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

Joe Dehn
Chair, Libertarian Party of Santa Clara County

REBUTTAL TO ARGUMENT AGAINST MEASURE GG

The opponents of Measure GG do not live in the District. They do not vote in the District. It's possible they have never set foot on the Orchard School campus. Yet, they label Orchard School a failure.

A Yes vote on Measure GG will upgrade, modernize, and improve classrooms and infrastructure at Orchard School. Measure GG provides a guaranteed and necessary source of local funding to upgrade and modernize classrooms, fix leaky roofs, update campus safety and security, improve heating, cooling and ventilation systems, replace fire alarms and build new classrooms for incoming transitional kindergarten students.

Orchard School District voters have previously approved bond authorizations in 2000 and 2001. The purpose of the bonds was to meet critical renovation, modernization, and safety needs at Orchard School. Though bond funding has made a significant impact, Orchard School still has urgent needs that reach beyond the scope of the district's annual operating budget.

As one of the oldest teaching institutions in California, Orchard began as a school for settlers in 1862. With over a century and a half of academic history, we continue to educate today's young minds in becoming tomorrow's leaders. We hope to share our culture of excellence and commitment through our faculty, parents and staff. We hope you agree that Orchard continues to create an environment that nurtures personal and academic achievement one student at a time.

We hope you agree and vote Yes on GG.

Erin McCarthy
Orchard Teachers Association President

Lithey Lynn D. Limqueco
Former Member of the Board/Parent

Mitch Del Rosario
Founder/Business Owner of Kollab Real Estate