



Local ballot measure: P

P

Mountain Elementary School District

Ballot question

To improve the quality of education at Mountain School with funding that cannot be taken by the State; repair/replace leaky roofs; and modernize/reconstruct/improve outdated classrooms, school facilities and fields; shall Mountain Elementary School District issue \$2,300,000 of bonds at legal rates, generating on average \$158,000 annually through 2048 for bonds from levies of approximately 3 cents per \$100 assessed value, with annual audits, citizens' oversight, NO money for salaries and all funds for local schools?

Pregunta de Boleta

Con el propósito de mejorar la calidad de la educación en la Escuela Mountain con fondos que no puedan ser tomados por el Estado; reparar/reemplazar techos con goteras; y modernizar/reconstruir/mejorar aulas, establecimientos y campos escolares desactualizados; ¿debe el Distrito Escolar Primario Mountain emitir bonos por \$2,300,000 a tasas legales, para generar en promedio \$158,000 hasta el 2048 para bonos de gravámenes de aproximadamente 3 centavos por cada \$100 de valor fiscal, con auditorías anuales, supervisión ciudadana, SIN dinero para salarios y que todos los fondos sean para las escuelas locales?

What your vote means

YES	NO
A "Yes" vote on Measure P is a vote to authorize the bonds to be issued and financed by ad valorem taxes levied on real property in the District.	A "No" vote on Measure P is a vote against issuing the proposed bonds.

For and against Measure P

FOR	AGAINST
<p>John Leopold Santa Cruz County Board of Supervisors, First District</p> <p>Mary Navas Board President, Mountain Elementary School District</p> <p>Morgan Burdette Local Family Business, Board Member</p> <p>Marissa Swett Local Teacher and Mountain Elementary School District Board Member</p> <p>Mark Szychowski Real Estate Broker, Owner DeLaveaga Properties</p>	No argument against was filed.



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Arguments and replies are the opinions of the authors. We print them exactly as submitted, including errors.

Argument for Measure P

Everyone knows the importance and value of having quality schools. From higher achieving students, to greater neighborhood safety, to increased home values, quality schools make a difference. Our teachers and staff do their best in educating our children; however, many classrooms and school facilities at the Mountain Elementary School District are outdated and deficient in providing students with the facilities they need to succeed and thrive. This is why our children need your YES vote on Measure P!

Although our school has been well maintained over the years, aging classrooms and facilities must be upgraded since many do not meet 21st century standards of excellence. Measure P would allow the District to improve our small school and the quality of education for our local children. By investing in our school, you can help us meet safety, technology, and academic standards to enhance our community.

If passed, Measure P will provide funding to make facility improvements at Mountain Elementary School by:

- Modernizing or renovating outdated classrooms, restrooms and school facilities
- Replacing aging, temporary portables with permanent classrooms
- Repairing or replacing leaky roofs
- Making safety and security improvements
- Improving student access to computers and modern technology

Measure P makes financial sense and protects taxpayers.

- All funds must be spent locally and cannot be taken by the State.
- By law, spending must be reviewed and annually audited by an independent citizens' oversight committee.
- Funds can only be spent to improve our local elementary school, not for administrator salaries.

Measure P upgrades and renovates old, inadequate school facilities, improves the education of local children, and maintains the quality of our community. That's something we can all support. Please join us and VOTE YES ON MEASURE P!

John Leopold

Santa Cruz County Board of Supervisors, First District

Mary Navas

Board President, Mountain Elementary School District

Morgan Burdette

Local Family Business, Board Member

Marissa Swett

Local Teacher and Mountain Elementary School District Board Member

Mark Szychowski

Real Estate Broker, Owner DeLaveaga Properties

No argument against Measure P was filed.



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Impartial Analysis of Measure P

Dana McRae, County Counsel

If approved by at least fifty-five percent of those voting on the measure, this measure will authorize the Mountain Elementary School District (the "District") to issue bonds in an aggregate principal amount not exceeding \$2,300,000. The bonds would constitute an indebtedness of the District.

The money raised through the sale of the bonds may only be used by the District for the purposes stated in the full text ballot proposition and ballot question and not for any other purpose, such as teacher or administrator salaries or other operating expenses. To ensure that the bond monies are expended for the approved purposes, the Board of Trustees of the District will cause annual, independent performance and financial audits to be conducted, and it also will cause the appointment of a citizens' oversight committee.

The interest paid on the bonds and their terms to maturity will be limited by State law.

Payment of interest and principal relating to the bonds would be financed by a tax levied on real property within the District. The Tax Rate Statement for Measure P which is printed in this ballot pamphlet provides information about that tax.

This measure was placed on the ballot by the District's Board of Trustees.

A "yes" vote on Measure P is a vote to authorize the bonds to be issued and financed by ad valorem taxes levied on real property in the District.

A "no" vote on Measure P is a vote against issuing the proposed bonds.

Tax Rate Statement Measure P

Diane Morgenstern, Superintendent, Mountain Elementary School District

An election will be held in the Mountain Elementary School District (the "District") on June 5, 2018, to authorize the sale of up to \$2.3 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 \$0.03 per \$100 of assessed valuation (or \$30 per \$100,000 of assessed value). The final fiscal year in which it is anticipated that the tax will be collected is 2047-48.
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 \$0.03 per \$100 of assessed valuation (or \$30 per \$100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2018-19 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 \$4.7 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 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.



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Full text of Measure P

INTRODUCTION

“To improve the quality of education at Mountain School with funding that cannot be taken by the State; repair/replace leaky roofs; and modernize/reconstruct/improve outdated classrooms, school facilities and fields; shall Mountain Elementary School District issue \$2,300,000 of bonds at legal rates, generating on average \$158,000 annually through 2048 for bonds from levies of approximately 3 cents per \$100 assessed value, with annual audits, citizens’ oversight, NO money for salaries and all funds for local schools?”

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Mountain Elementary School District will be authorized to issue and sell bonds of up to \$2.3 million in aggregate principal amount at interest rates not to exceed legal limits 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 Board of Trustees 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 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 Santa Cruz 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 Board of Trustees of the District 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.



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INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

This measure authorizes the issuance of general obligation bonds to finance the types of projects set forth on the Bond Project List set forth below, to be repaid by tax collections for the years that bonds are outstanding. The measure presented to District voters on the Ballot, as set forth above under the heading "INTRODUCTION", includes information regarding the expected approximate amount of money to be raised annually to pay issued bonds, the estimated rate of the approved tax per \$100 of assessed valuation, and the year through which it is approximated the proposed tax will be levied and collected. Each of these estimates and approximations are provided as informational only. Such amounts are estimates only, and are not maximum amounts or limitations on any of the terms of the bonds including the revenues raised, the tax rate or duration the tax is collected to support repayment of bonds which are issued. The approximations and estimates provided 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 have been 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

Scope of Projects. Bond proceeds will be expended on the modernization, renovation, expansion, acquisition, construction/reconstruction, rehabilitation, and/or replacement of school facilities of the Mountain Elementary School District, including the furnishing and equipping of such school facilities. This measure authorizes bond projects to be undertaken at all District sites, including current and future sites.

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

- Modernize, renovate, construct and/or expand aging and outdated school classrooms and related facilities to meet 21st century standards, including providing updated furnishings and other equipment to facilitate a modern learning environment
- Replace aging, temporary portables with permanent classrooms
- Repair or replace leaky and/or aging roofs
- Make health, safety and security improvements to comply with all applicable laws and regulations and to ensure the safety and security of District students, staff and facilities
- Improve student access to computers and modern technology, including providing necessary infrastructure, hardware, software, computers, devices and other modern instructional equipment throughout District sites
- Make Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including but not limited to ensuring site access, parking, staff and student restrooms, relocation of existing electrical devices, drinking fountains, and playground equipment, as necessary to ensure adequate accommodations are provided and all legal requirements are met
- Repair or replace outdated heating, ventilation and air-conditioning systems
- Upgrade inadequate electrical systems
- Repair or replace deteriorating plumbing, sewer and drainage systems
- Improve, rehabilitate and/or construct playgrounds, fields, play structures and other facilities for school, P.E. and community use, including providing related equipment
- Abate and remove hazardous materials identified prior to or during construction
- Repair, replace and/or upgrade paved surfaces, turf, grounds and outdoor areas, including to eliminate safety hazards and to facilitate outdoor instruction and gathering spaces
- Upgrade, repair and/or expand school site parking, roadways, grounds and other infrastructure such as utility systems, including installing exterior lighting, repairing pathways, walkways, ADA access ramps, and make landscaping improvements including irrigation



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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. Examples of incidental costs include, but are not limited to: costs of design, engineering, architect and other professional services, facilities assessments, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; 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 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; bond issuance costs; and project administration during the duration of such projects, as permitted by law.

The scope and nature of any of the specific projects described above may be altered by the District as required by unforeseen conditions that may arise during the course of design and construction. In the event that a modernization or renovation project is more economical for the District to be undertaken as new construction, this bond measure authorizes land acquisition, relocation and construction and/or reconstruction, and all costs relating thereto, for said reason or, alternatively, based on other considerations deemed in the best interest of the District by the Governing Board. 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. In addition, authorized projects include reimbursements for paid project costs and paying and/or prepaying interim or previously obtained financing for the types of projects included on the project list, such as bond anticipation notes, and including payment and prepayment of lease payments relating to projects and/or equipment previously financed.

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 local funds generated by the bond measure. The District may pursue funds from the State of California, if available, to complete certain of the identified facilities projects.

The order in which school facilities projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project priorities will be determined by the Governing Board. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.