

RESOLUTION NO. 43-15/16

RESOLUTION OF THE BOARD OF TRUSTEES OF NEVADA  
JOINT UNION HIGH SCHOOL DISTRICT ORDERING AN  
ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE  
ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") is committed to maintaining the quality of education in local public schools by attracting and retaining quality teachers and by upgrading aging classrooms, school buildings and infrastructure at all schools; and

WHEREAS, since our local high school facilities are between 30, 50 and 80 years old, the Board has determined that schools within the Nevada Joint Union High School District (the "District") need repairs and renovations to provide facilities for career and technical education, and to prepare students for high-demand jobs in science, technology, engineering and math; and

WHEREAS, aging school buildings need upgrades to also prepare students to acquire vital skills needed to be successful at community college and to compete in the 21<sup>st</sup> century economy; and

WHEREAS, the Board believes it is in the best interest of the District to continue to address facility improvements now, in a fiscally prudent manner, before they become more pressing and more costly; and

WHEREAS, the State of California (the "State") is not providing the District with enough money for the District to adequately maintain its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District's only remedy to avoid the undermining of its educational programs is securing local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its bonding capacity; and

WHEREAS, a local measure will help provide funds to upgrade aging schools and prepare students for college and good jobs; and

WHEREAS, such measure will include mandatory taxpayer protections, including an independent citizens' oversight committee, mandatory audits to ensure funds are spent as promised and that no money is used for administrators' salaries or pensions; and

WHEREAS, the Board and District has solicited stakeholder and community input on school priorities from parents, teachers, staff, the community and civic leaders; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold for *ad valorem* tax levies used to pay for debt service on bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Education Code Section 15264) (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight that are contained in Proposition 39 and the Act; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; and

WHEREAS, the Board hereby determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District shall be monitored strictly by the District's Citizens' Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Elections Code Section 9400 *et seq.* requires that a tax rate statement be contained in all official materials relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; and

WHEREAS, the Board desires to authorize the filing of a tax rate statement and a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request each of the Nevada County Registrar of Voters and the Yuba County Registrar of Voters to perform certain election services for the District.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE NEVADA JOINT UNION HIGH SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests each of the Nevada County Registrar of Voters and the Yuba County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of \$47,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 8, 2016.

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A," incorporated by reference herein, and containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 policies of the Board and the Act, the ballot propositions in Exhibits "A" and "B" are subject to the following requirements and determinations:

(a) the proceeds of the sale of the Bonds shall be used only for the purposes set forth in the ballot measure and not for any other purpose, including teacher or administrator salaries or other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction, classroom, educational and information technology needs of the District as well as the importance of the projects to improve college readiness and career and technical education for high demand jobs in science, technology, engineering and math;

(c) that the Board shall cause an annual, independent performance audit to be conducted to ensure that the Bond monies get spent only for the projects identified in Exhibit "B" hereto;

(d) that the Board shall cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board shall appoint a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Education Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Education Code Section 5322.

Section 6. That each of the Nevada County Registrar of Voters, the Nevada County Board of Supervisors, the Yuba County Registrar of Voters and the Yuba County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District. As provided in Elections Code Section 10403, the District acknowledges that the consolidation election will be conducted in the manner described in Elections Code Section 10418.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to each of the Nevada County Registrar of Voters and the Yuba County Registrar of Voters no later than July 6, 2016.

Section 8. That Bonds may be issued pursuant to Education Code Section 15264 *et seq.* or Government Code Section 53506 of the Government Code. The maximum rate of interest on any

Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by any body or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with each of the Nevada County Registrar of Voters and the Yuba County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Education Code Section and Elections Code Section 10002, the Boards of Supervisors of both Nevada County and Yuba County are requested to permit the respective Registrars of Voters of such counties to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse each Nevada County and Yuba County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Elections Code Section 9401) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 29<sup>th</sup> day of June, 2016.

BOARD OF TRUSTEES OF THE NEVADA JOINT  
UNION HIGH SCHOOL DISTRICT

By Kathy Johnson  
President

Attest:

Louise Johnson  
Secretary



EXHIBIT A

**“Local High School Repair/ School Safety Measure.** To upgrade/improve local high schools, retain/attract quality teachers by repairing classrooms/ leaky roofs, updating facilities for career/technical education jobs in science, technology, engineering/math, ensuring safe drinking water/fire safety, replacing deteriorating sewer/gas lines, repairing, constructing, equipping/ acquiring education facilities, shall Nevada Joint Union High School District issue \$47,000,000 in bonds, at legal rates, require independent audits, citizens’ oversight, no money for administrators’ salaries/ pensions, all funds used locally?”

Bonds – Yes

Bonds – No

## EXHIBIT B

### FULL TEXT BALLOT PROPOSITION OF THE NEVADA JOINT UNION HIGH SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the Nevada Joint Union High School District.

**“Local High School Repair/ School Safety Measure.** To upgrade/improve local high schools and retain/attract quality teachers by repairing classrooms/ leaky roofs, updating facilities for career/technical education jobs in science, technology/math, ensuring safe drinking water/fire safety, replace deteriorating sewer/gas lines, repairing, constructing, equipping and acquiring education facilities, shall Nevada Joint Union High School District issue \$47,000,000 in bonds, at legal rates, require independent audits, citizens’ oversight, no money for administrators’ salaries/ pensions, all funds used locally?”

### PROJECT LIST

The Board of Trustees of the Nevada Joint Union High School District is committed to maintain the quality of education in local schools and **attract and retain quality teachers** by providing facilities for career and technical education and **preparing students for high-demand jobs in science, technology, engineering and math**. To that end, the Board evaluated the District’s urgent and critical facility needs, including basic repairs, 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 preparing students for college and career success so that the most critical facility needs are addressed. Therefore, in approving this Project List, the **Board of Trustees determines that the District must:**

- (i) **Repair leaky roofs; and**
- (ii) **Attract and retain quality teachers; and**
- (iii) **Ensure school drinking water continues to be safe; and**
- (iv) **Provide facilities for career and technical education and prepare students for high-demand jobs in science, technology, engineering and math (STEM); and**
- (v) **ADHERE TO SPECIFIC FISCAL ACCOUNTABILITY SAFEGUARDS SUCH AS:**
  - (a) **All FUNDS must be LOCALLY CONTROLLED, go to our local schools and cannot be taken by the State.**
  - (b) **All expenditures must be subject to annual independent financial audits.**
  - (c) **No funds can be used for administrators’ salaries and pensions.**
  - (d) **An independent citizens’ oversight committee must be appointed to ensure that all funds are spent only as authorized.**

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

**IMPROVE STUDENT LEARNING AND ATTRACT/RETAIN QUALITY TEACHERS:**

**Basic School Repair and Upgrade Projects**

**Goal and Purpose:** Some Nevada Joint Union High School District classrooms and buildings were built more than 75 years ago, with the largest school built 50 years ago. These schools are in urgent need to basic repairs and safety upgrades such as broken plumbing and bathrooms, aging fire prevention and electrical systems, outdated wiring for computer technology, and limited access for the disabled.

- Replace deteriorating sewer and gas lines.
- **Ensure school drinking water continues to be safe.**
- Upgrade fire safety.
- **Repair leaky roofs.**
- Upgrade deteriorating plumbing and bathrooms.
- **Keep schools clean and safe.**
- Improve accessibility for disabled students.
- Update science, math, and computer labs.
- Remove hazardous asbestos and lead paint, where necessary.

**IMPROVE JOB AND CAREER SUCCESS:**

**Classroom and Technology Improvement Projects**

**Goal and Purpose:** Nevada Joint Union High School District's school vocational and career education programs need equipment, technology and classroom upgrades to provide quality job training and internships to prepare students with the vital skills needed to be successful at community college or university and compete in a 21<sup>st</sup> Century economy.

- Update classrooms to provide the space and technology needed to prepare students for local available jobs in agricultural, computer technology, engineering and digital media.
- Upgrade electrical systems and wiring for computers and internet access.
- Improve facilities to prepare students for college.
- **Update facilities for career and technical education to prepare students for high-demand jobs in science, technology, engineering and math (STEM).**
- **Provide facilities for career and technical education so students are prepared for 21<sup>st</sup> Century learning.**

## FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

1. All money will benefit local high schools and CANNOT BE TAKEN BY THE STATE.
2. NO MONEY can be used for ADMINISTRATOR SALARIES or administration
3. Require CITIZENS' OVERSIGHT and yearly reports to the community to keep the District accountable for how the funds are spent.
4. 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 or administrator salaries, pensions and other operating expenses.

5. **FISCAL ACCOUNTABILITY. 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.**

\* \* \*

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, and a customary contingency for unforeseen design and construction costs. 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. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovate student and staff restrooms; upgrade or install signage, clocks and fencing; repair and replace heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, walls, doors and drinking fountains; upgrade public address systems; install wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; meet earthquake safety standards; improve water conservation; upgrade or construct support facilities, including administrative, physical education (including upgrading gyms, stadiums, athletic facilities, tracks,

bleachers, lockers and equipment rooms), theater, and agricultural education classrooms and labs and performing arts and music classrooms; repair and replace fire alarms, emergency communications and security systems; resurface or replace hard courts, turf, install all-weather turf; irrigation and drainage systems and campus landscaping; replace asphalt and broken pavement; expand or improve parking lots and drop-off areas; replace portable classrooms; interior and exterior painting, floor covering and tile replacement; upgrade pools and school cafeterias; construct various forms of storage and support spaces and classrooms; repair, upgrade and install interior and exterior lighting systems; improve athletic fields and shade structures, including adding solar shade structures, and solar panels; replace or upgrade outdated security fences, gates and security systems (including access control systems); and upgrade heating, ventilation and air conditioning systems. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, sound projection systems, call manager and network security/firewall, wireless technology systems, and other miscellaneous equipment. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. 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 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, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall only be expended for the specific 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: 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.**

## **BOND ISSUANCE LIMITS**

**This measure has strict limits on the issuance of bonds including:**

1. Bonds must be phased in over time so that project success can be determined before more bonds are issued.
2. Bonds must have a term not longer than the useful life of the project or equipment being financed.
3. The availability of State matching funds shall be considered in selecting projects.
4. No capital appreciation bonds shall be issued.

## TAX RATE STATEMENT

An election will be held in the Nevada Joint Union High School District (the "District") on November 8, 2016, to authorize the sale of up to \$47 million in bonds of the District for the specific school facilities projects described in the proposition. If the bonds are authorized, the District expects to sell the bonds in one or more series. 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 9400-9404 of the California Elections Code.

(1) The best estimate of the tax rate that would be required to be levied to fund the bonds during the first fiscal year after the first sale of the bonds based on estimated assessed valuations available at the time of filing of this statement, is \$0.019 per \$100 of assessed valuation (\$19 per \$100,000 of assessed valuation) in fiscal year 2017-18.

(2) The best estimate of the tax rate that would be required to be levied to fund the bonds during the first fiscal year after the last sale of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.019 per \$100 of assessed valuation (\$19 per \$100,000 of assessed valuation) in fiscal year 2023-24.

(3) The best estimate of the highest tax rate that would be required to be levied to fund the bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.019 per \$100 of assessed valuation (\$19 per \$100,000 of assessed valuation) in fiscal years 2017-18 through 2024-25.

(4) The best estimate of the average tax rate which would be required to be levied to fund the bonds during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.015 per \$100 of assessed valuation (\$15 per \$100,000 of assessed valuation).

(5) 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 \$76,420,000 (\$47,000,000 of principal and \$29,420,000 of interest). This estimate is based on assumptions regarding future interest rates and the term, timing, structure and amount of each series of bonds.

Voters should note that such estimated tax rates are specific to the repayment of bonds issued under this authorization and are and will be in addition to tax rates levied in connection with other bond authorizations approved or to be approved by the District or any other overlapping public agency.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on Nevada County's and Yuba County's 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 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 Nevada County Assessor and Yuba County Assessor in the annual assessment and the equalization process.

Dated: July 1, 2016 .

Louise Bennicoff Johnson

Superintendent

Nevada Joint Union High School District