ORANGE CENTER SCHOOL DISTRICT BOND MEASURE D

To improve the quality of educational facilities; repair/replace leaky roofs; modernize outdated classrooms, restrooms and school facilities; and make health, safety and handicapped accessibility improvements; shall Orange Center School District's measure be adopted to issue \$6,000,000 of bonds at legal interest rates, generating on average \$353,000 annually for issued bonds through maturity from levies of approximately \$0.03 per \$100 assessed value, with annual audits, independent citizens' oversight, no money for salaries and all money for local schools?

Bonds—Yes

Bonds—No

FULL TEXT OF BOND MEASURE

INTRODUCTION

The following is the abbreviated form of the bond measure:

"To improve the quality of educational facilities; repair/replace leaky roofs; modernize outdated classrooms, restrooms and school facilities; and make health, safety and handicapped accessibility improvements; shall Orange Center School District's measure be adopted to issue \$6,000,000 of bonds at legal interest rates, generating on average \$353,000 annually for issued bonds through maturity from levies of approximately \$0.03 per \$100 assessed value, with annual audits, independent citizens' oversight, no money for salaries and all money for local schools?"

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Orange Center School District (the "District") will be authorized to issue and sell bonds of up to \$6,000,000 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 under the heading "Bond Project List" 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 XIIIA, 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 District Board of Education (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 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 Fresno 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), being 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 rates of taxes, the duration of issued bonds and related levies and collections of taxes 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. In addition, the abbreviated and condensed statement of the bond measure presented to voters which is subject to a word count limitation imposed by State law does not limit the scope and complete meaning of the measure provided in this Full Text of Bond Measure and related ballot materials.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Orange Center School District, including furnish 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 XIIIA, 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:

- Repair or replace leaky and/or deteriorating roofs
- Repair or replace outdated heating, ventilation and air-conditioning systems
- 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, including fire alarm compliance, communication and bell systems upgrades, surveillance, fencing and hazardous material abatement
- Make Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including ensuring site access and paths of travel, parking, staff and student restrooms, relocation of existing electrical devices, drinking fountains, playground equipment, and other improvements necessary to ensure adequate accommodations are provided and all legal requirements are met
- Make energy efficiency improvements, including lighting and lighting control systems, replacing or upgrading doors, windows, insulation and flooring
- Modernize/construct/renovate/expand classrooms and other school and support facilities including expansion for TK programs
- Upgrade/modernize bathrooms including for accessibility
- Replace temporary portables with more permanent classrooms
- Repair and upgrade all building finishes such as walls, flooring, doors, windows, painting, casework and shelving
- Upgrade, repair and/or expand infrastructure serving District facilities such as utility systems (electric, gas, water, sewer) and storm drainage/gutter systems
- Improve student access to computers and modern technology, including providing necessary infrastructure such as upgrading/replacing electrical systems, hardware, software, computers, devices and other modern instructional equipment throughout District sites

- Upgrade and repair outdoor areas such as parking, vehicle traffic and drop-off areas, including grading and resurfacing, repairing and/or replacing asphalt and concrete, installing signage, shade structures, installing lighting, walkways, ADA access ramps, improving grounds and storm drainage systems and making landscaping improvements including installation/upgrade of irrigation systems
- Upgrade building exteriors with lighting, painting, signage
- Upgrade and equip cafeteria and kitchens and other prep areas
- Improve, rehabilitate and/or construct outdoor playgrounds, physical education fields, gym, and play structures, including providing related equipment and facilities
- Improve, expand and/or construct outdoor learning, gathering and recreational areas including installing shade structures, seating and related improvements

Furnishing and Equipping; Incidental Expenses. 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 and parking 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; all necessary upgrades, improvements and extensions of infrastructure serving existing or new District facilities including electric, water, plumbing and wireless technology systems; costs of the election; bond issuance costs; and project administration during the duration of such projects, as permitted by law.

<u>Alternations to Scope; New Construction</u>. 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 or otherwise determined by the Board to be in the best interests of the District to be undertaken as new construction, this bond measure authorizes land acquisition, relocation and construction at a new or alternative site, and/or demolition and reconstruction and/or repurposing on the original site, including an expanded site, 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. This measure also authorizes the consolidation of schools into a single campus or related campuses.

Interim Financing Included; Joint Use Projects Authorized. 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 or lease financings relating to projects and/or equipment previously financed. Finally, projects on this list may be undertaken and used as joint use projects with other public agencies.

<u>Other Funding Sources</u>. 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 matching funds from the State of California, if available, to provide additional funding to complete certain of the identified facilities projects.

<u>Unforeseen Circumstances</u>. 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.

<u>Project List Not in Order of Priority; Board Determines Prioritization.</u> 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 District Board.

IMPARTIAL ANALYSIS BY COUNTY COUNSEL

Voter approval of this Measure will authorize the governing board of the Orange Center School District (the "District") to issue and sell bonds in the maximum amount of Six Million Dollars (\$6,000,000.00), bearing interest at legal rates and with maturity dates within the legal limits. The bond proceeds may be expended to construct, reconstruct, rehabilitate or replace aging and outdated school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities within the District.

The Bond Project List in Appendix A ("List") in the Measure describes the specific projects the District proposes to finance with proceeds from the sale of the bonds. The District may only use bond proceeds for the purposes specified in the Measure. The bond proceeds may not be used for any other purpose, including teacher or administrator salaries or other school operating expenses. Inclusion of a project on the List does not guarantee the project will be funded or completed.

This Measure would require annual independent performance and financial audits of the use of bond proceeds including annual reports to the governing board. In addition, a citizens' oversight committee will be established to ensure that bond proceeds are properly expended.

Information regarding the estimated tax rate to repay these bonds is found in the "Tax Rate Statement" prepared by the District. The projected tax rate is a best estimate and is based on projections from official sources including upon experience within the District. The actual tax rate necessary to pay the Bond Measure may vary depending on factors identified in the Tax Rate Statement.

The Measure makes no change to existing law and must be approved by at least 55% of the eligible votes cast or the bonds will not be issued. This Measure was placed on the ballot by order of the governing board of the District.

/S Daniel C. Cederborg Fresno County Counsel

TAX RATE STATEMENT REGARDING PROPOSED ORANGE CENTER SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Orange Center School District (the "District") on November 8, 2022, to authorize the sale of up to \$6,000,000 in bonds of the District to finance school facility improvements 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* property 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 2.9¢ per \$100 of assessed valuation (or \$29 per \$100,000 of assessed value). The final fiscal year in which the tax is anticipated to be collected is 2053-54.
- 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 3¢ 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 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 \$11.3 million.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the Fresno 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. /S Terry M. Hirschfield, Superintendent/Principal **Orange Center School District ARGUMENT IN FAVOR OF MEASURE** Everyone knows the importance and value of having guality schools. From higher achieving students, to greater neighborhood safety and improved property values, quality schools make a difference. While our teachers and staff do their best in educating our children, many classrooms and school facilities in the Orange Center School District are outdated and inadequate to provide students with the facilities they need to succeed. This is why our students need your YES vote on Measure D! Although Orange Center Elementary School has been well maintained over the years, aging classrooms and facilities must be upgraded since many do not meet 21st century standards. Measure D would allow the District to improve our local school and the quality of education provided to local children. By investing in our school, we can meet today's safety, technological, and educational standards and better our community. If passed, Measure D will provide funding to make critical facility improvements at Orange Center Elementary School by: Repairing/replacing leaky roofs Modernizing outdated classrooms, restrooms, and school facilities Making health, safety and handicapped accessibility improvements Repairing or replacing outdated heating, ventilation and air-conditioning . systems Replacing temporary portables with permanent classrooms Measure D 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 Orange Center Elementary School, not for teacher or administrator salaries.

Measure D replaces old and inadequate classrooms, 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 D!

/S Julian Guzman, Business Owner

- /S Roberto Huerta. Site Manager
- /S Michael Gonzalez, Business Owner
- /S Panfilo Cerrillo, Board Member, Business Owner
- /S Isabel Marin, Parent Educator

NO ARGUMENT WAS FILED AGAINST THIS MEASURE