

**ARCOHE UNION SCHOOL DISTRICT
MEASURE A**

A "To acquire, construct, and improve classrooms and facilities, including continuing to upgrade student access to computers and modern technology, renovating the library to expand educational opportunities for our children, and making renewable energy improvements to reduce energy costs and put more money into the classroom, shall the Arcohe School District be authorized to issue \$3,900,000 in bonds at legal interest rates with annual audits, a citizens' oversight committee, and no money for administrator salaries or overhead?"

IMPARTIAL ANALYSIS OF MEASURE A

Prepared by Sacramento County Counsel

Measure A, if approved by the voters, would allow the Arcohe Union School District ("District") to incur bonded indebtedness up to a maximum amount of \$3.9 million. The proceeds from the issuance and sale of such general obligation bonds could only be used for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities.

No funds derived from bond sales may be used for general school operating expenses, including administrator and teacher salaries, or for any purpose or project other than those expressly stated in the measure. Measure A lists the school facility improvement projects within the District intended to be financed by bond sales.

To assure that funds are spent only as specified in the measure, Measure A requires: 1) the appointment of an independent citizen's oversight committee and 2) completion of annual independent performance and financial audits.

If Measure A is passed, the actual dates of sale and the amount of bonds sold would be governed by the District based on the need for construction funds and other factors. If Measure A is approved, the tax rates necessary for payment of principal and interest on any bonds sold will be largely dictated by the timing of the bond sales, the amount sold at a given sale, market interest rates at the time of each sale (although in no event greater than the maximum bond interest rate allowed by law), as well as actual assessed valuation of taxable property in the District over the term of repayment.

Passage of Measure A requires approval by fifty-five percent of the voters voting thereon.

FULL TEXT OF MEASURE A

This proposition may be known and referred to as the Arcohe Union School District General Obligation Bond of 2010, or Measure A

FINDINGS

The Arcohe Union School District (the "District"), which serves the communities of Arno, Colony, Herald, and other areas of unincorporated Sacramento County, is a recognized leader in providing top quality education to Sacramento County students.

The District has done a good job of securing State funding to improve local schools. The East Campus was recently built without requiring a local bond. The District has also secured Federal

Stimulus tax credits in the form of Clean Renewable Energy Bonds to build photovoltaic improvements. However, a local match is required to take advantage of this program.

The Board has prepared a facilities plan and identified how a photovoltaic system will reduce annual operating costs to put more money back in the classroom. Improved student support facilities including security through lighting, parking, and fencing will enhance safety at Arcohe School. A modernized library at the West campus will provide expanded access to computers and modern technology for local students.

The District has sought, and continues to seek, all available outside sources of funding to improve our school buildings, including local, state, and federal grants and state bond funds.

It is necessary to seek voter approval of a bond measure in order to provide the local funding for identified school facility repairs, modernization projects, and growth needs to address student enrollment.

BOND AUTHORIZATION

By approval of this proposition by at least 55 percent of the registered voters voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$3,900,000 in aggregated principal at interest rates below the legal limit, to provide finance for the specific school facilities projects listed in the Bond Project List attached hereto as Exhibit A-1, subject to all the accountability requirements specified below.

BOND PROJECT LIST

The Bond Project List attached to this resolution as Exhibit A-1 shall be considered a part of the ballot proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition.

Approval of this Bond Measure (the "Measure") does not guarantee that the proposed project or projects in the District that are the subject of bonds under the Measure will be funded beyond the local revenues generated by the Measure. If state matching funds become available, they will be used for and applied to the Bond Project List as per Exhibit A-1.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers in the District may be assured that their money will be spent wisely to address specific facilities needs of the District all 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 Board has prepared an updated facilities plan in order to evaluate and address all of the facilities needs of the District. The Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List contained in Exhibit A-1.

Independent Citizens' Oversight Committee. The Board shall establish an Independent Citizens' Oversight Committee pursuant to Education Code Section 15278 and following to ensure bond proceeds are expended only on the school facilities projects listed in Exhibit A-1. The committee shall be established within 60 days of the date when the results of the election appear in the minutes of the Board.

Performance Audits. The Board shall conduct an annual, independent performance audit to ensure that the bond proceeds

have been expanded only on the school facilities projects listed in Exhibit A-1.

Financial Audits. The Board shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in Exhibit A-1.

Special Bond Proceeds Account: Annual Report to Board.

Upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent of the District shall cause a report to be filed with the Board annually stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent shall determine and may be incorporated in the annual budget, audit, or another appropriate routine report to the Board.

FURTHER SPECIFICATIONS

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction and/or rehabilitation of school facilities including the furnishing and equipping of school facilities or acquisition or lease of real property for school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

The proceeds of the bonds will be deposited into a Building Fund to be held by the Sacramento County Treasurer, as required by the California Education Code.

**EXHIBIT A-1
BOND PROJECT LIST**

The specific school facilities projects to be funded are as follows:

- Provide renewable energy improvements, including solar panels
- Improve student access to computers and modern technology
- Improve campus safety and security, including lighting, parking areas, and fencing
- Renovate and/or construct a modern library for students and the community at the Arcohe School Main Campus
- Furnish and equip schools to the extent permitted by law
- Address unforeseen conditions revealed by construction/modernization (e.g., plumbing or gas line breaks, dry rot, seismic, structural, etc.)
- Construct, renovate or expand student support facilities, including fields and playgrounds, as required
- Perform necessary site preparation/restoration in connection with new construction, renovation or remodeling

The bond proceeds may be used as the required match for the State's joint use funding program for construction and improvement of the libraries. The bond may be used to fund design, engineering and program management costs, as well as to make lease payments for leases, or to purchase authorized leased facilities. The bond may also be used to fund the cost of issuing the bonds, election costs, and the cost of obtaining and disseminating information, as authorized under State law.

TAX RATE STATEMENT

Arcohe School District

An election will be held in the Arcohe School District (the "District")

on June 8, 2010 to authorize the sale of up to \$3.9 million in bonds of the District to finance school facilities as described in the Measure. 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 Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 3.000 cents per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2011-12.

2. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 3.000 cents per \$100 (\$30.00 per \$100,000) of assessed valuation in fiscal year 2015-16.

3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 3.000 cents per \$100 (\$30.00 per \$100,000) of assessed valuation.

Voters should note that the estimated tax rates are based on the ASSESSED VALUE of taxable property on the 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 the 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 County Assessor in the annual assessment and the equalization process.

s\ Mark Cornfield, Superintendent, Arcohe School District

ARGUMENT IN FAVOR OF MEASURE A

School districts throughout California are currently facing the challenge of reduced funding from the State. Energy costs at the local level continue to skyrocket. Arcohe School District continues to seek ways to improve local education so our children are not negatively affected by bureaucrats in Sacramento.

Measure A provides the District a unique opportunity to reduce energy costs, improve student access to computers, and access Federal Stimulus funds, so more money can be devoted to the classroom--where it belongs.

Measure A will provide renewable energy improvements, including solar panels and photovoltaic systems to reduce energy costs. By building renewable energy improvements the District will significantly reduce its electricity bill.

Measure A will improve and continue to upgrade student access to computers and modern technology, renovate the library to expand educational opportunities for our children, and make renewable energy improvements to reduce annual operating costs.

As taxpayers, we know that good schools attract families and investment. Measure A makes financial sense. It will protect property values and maintain the desirability of our community, provide the local source to take advantage of Federal Stimulus funding the District has already received, and allow the District to save money that is better spent on students – instead of going to utility bills.

By law, taxpayer safeguards are in place. Measure A requires an independent citizens' oversight committee and annual audits to ensure money is used only for voter approved school improvements and repairs and not used for salaries, administration, and overhead.

Senior citizens, teachers, farmers, and taxpayers agree. Measure A is good for our school and good for our children. On Tuesday, June 8th, vote YES on Measure A!

s\ Stephen Stigelmayer, Contractor

s\ Brendan Moore, Arcohe Board President

s\ Jeri Barnes, Arcohe Teacher

s\ Charlotte Port, Parent

s\ Jennifer Ingram, Arcohe Parent Teacher Club Officer

NO ARGUMENT AGAINST MEASURE A WAS FILED