

RESOLUTION NO. _____

RESOLUTION OF THE GOVERNING BOARD OF LA CAÑADA
UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION, AND
ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Governing Board (the "Board") of the La Cañada Unified School District (the "District") is devoted to maintaining the highest quality of education in our local public schools by upgrading science labs, career technical education facilities and classrooms so students are prepared for college and in-demand jobs; and

WHEREAS, the Board has determined that schools within the District need to be upgraded, repaired, expanded, improved and better equipped in a fiscally prudent manner to enable the District to also improve student safety and campus security by installing security lighting, security cameras, emergency communications systems, smoke detectors and fire alarms; and

WHEREAS, since all District schools were built more than 45 years ago, additional resources are necessary to make basic improvements, including repair leaky roofs, old plumbing, faulty electrical systems; and

WHEREAS, the Board believes that high achievement is built on strong foundations, and it is in the best interest of the District to address facility improvements now and provide classrooms, labs and technology education classes so that the District remains one of the top performing school districts in California; and

WHEREAS, all residents benefit from living in a community with high performing schools and whether or not residents have school-age children, protecting the quality of our schools, the quality of life in our community, and the value of our homes, is a wise investment; and

WHEREAS, while our schools are among the best in the State and student achievement scores are consistently in the top 5%, and 98% of our high school graduates go on to college, improving our facilities is essential to maintaining the quality of our outstanding local schools; and

WHEREAS, the State of California (the "State") has been unable to provide the District with enough money for the District to adequately construct and repair schools to provide an optimal learning environment for all students; and

WHEREAS, the District has completed a comprehensive facilities assessment and facilities master plan with extensive community engagement to identify the most pressing needs in each of the District's schools to provide safe and modern classroom environments for all students; 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 that cannot be taken away by the State to upgrade aging schools, protect student safety and help the District qualify for State matching funds; and

WHEREAS, such measure will extend but not increase current tax rates and will include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent as promised; 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 Section 15264) of the Education Code (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 and District has solicited stakeholder and community input on school priorities from parents, teachers, staff, the community and civic leaders; 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 which will improve the health, safety and quality of education for students in the District; 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 enforced 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 increase the current tax rates for school facilities and not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") 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 California 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 7, 2017, and to request the Los Angeles County Registrar of Voters to perform certain election services for the District.

NOW THEREFORE, THE GOVERNING BOARD OF THE LA CAÑADA UNIFIED 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 the Los Angeles 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 \$149,000,000 (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 7, 2017.

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 student learning in core subjects like math, science, engineering, and technology;

(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 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 the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 7, 2017 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 the Los Angeles County Registrar of Voters no later than August 11, 2017.

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 the Los Angeles County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse Los Angeles 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 20th day of June, 2017.

GOVERNING BOARD OF THE LA CAÑADA
UNIFIED SCHOOL DISTRICT

By _____
President

Attest:

Secretary

STATE OF CALIFORNIA)
)ss
LOS ANGELES COUNTY)

I, Wendy Sinnette, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, which was duly adopted by the Governing Board of the La Cañada Unified School District at the meeting thereof held on the 20th day of June, 2017, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Secretary

EXHIBIT A

"To repair and modernize classroom and school facilities, including fixing deteriorating roofs, plumbing and electrical systems, improve student safety and campus security systems, upgrade/ expand classrooms, science labs, career-training facilities and instructional technology to support advanced programs in math, science, engineering, technology and the arts, construct, acquire, repair classrooms, sites, facilities and equipment, shall La Cañada Unified School District issue \$149,000,000 in bonds at legal rates, with citizen oversight, all money staying local and without increasing current tax rates?"

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE LA CAÑADA UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 7, 2017

The following is the full proposition presented to the voters by the La Cañada Unified School District.

“To repair and modernize classroom and school facilities, including fixing deteriorating roofs, plumbing and electrical systems, improve student safety and campus security systems, upgrade/ expand classrooms, science labs, career-training facilities and instructional technology to support advanced programs in math, science, engineering, technology and the arts, construct, acquire, repair classrooms, sites, facilities and equipment, shall La Cañada Unified School District issue \$149,000,000 in bonds at legal rates, with citizen oversight, all money staying local and without increasing current tax rates?”

PROJECT LIST

The Governing Board of the La Cañada Unified School District is committed to improving the high-quality of education in local schools by providing safe, secure, upgraded classrooms and science labs so students are prepared for college or other post-secondary training. To that end, the Board evaluated the District’s urgent and critical facility needs, including safety issues, class size, computer and information technology, and prepared a Facilities Master Plan (approved by the Board on June 20, 2017) which is incorporated herein in its entirety, 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 the key health and safety needs so that the most critical facility needs are addressed. **The Board concluded that protecting the quality of our schools, the quality of life in our community, and the value of our homes is a wise investment.** Therefore, in approving this Project List, the **Governing Board determines that the District must:**

- (i) **Repair or replace leaky roofs, old rusty plumbing and faulty electrical systems; and**
- (ii) **Improve student safety and campus security systems, including security lighting, cameras, emergency communications systems, smoke detectors and fire alarms; and**
- (iii) **Update classrooms and instructional technology to support advanced courses in math, science, engineering and technology to prepare students for college; and**
- (iv) **Upgrade and modernize career technology education facilities so students are prepared for in-demand careers; and**
- (v) **Adhere to specific fiscal accountability safeguards:**
 - (a) **No increase in the rates currently paid to support school facilities.**
 - (b) **All expenditures subject to annual independent financial audits.**
 - (c) **No funds used for administrators’ salaries and pensions.**
 - (d) **No money taken by the State. All funds stay local.**

- (e) All expenditures reviewed by an independent citizens' oversight committee to ensure that funds are spent only as authorized.

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

BUILDING STRONG FOUNDATIONS FOR STUDENT SUCCESS: Basic School Repair and Upgrade Projects To Maintain High-Quality Learning Environment

Goals and Purposes: While our schools are among the best in the State and student achievement scores are in the top 5%, allowing 98% of our graduates to go on to college, repairing our schools is essential to maintaining our high-quality learning environment.

Local schools were built more than 45 years ago and they need basic repairs, including roofs, plumbing and electrical systems so they can serve the community well for decades to:

- Upgrade science labs and career technology education facilities so students are prepared for college and in-demand careers.
- Repair or replace leaky roofs, old rusty plumbing and faulty electrical systems where needed.
- Build additional classrooms and expand existing facilities enable smaller class sizes and specialized instruction.
- Upgrade facilities to support high quality instruction in visual arts, music and performing arts.

PROTECTING SCHOOL SAFETY: Student Safety and Campus Security Projects

Goal and Purpose: WHETHER OR NOT YOU HAVE SCHOOL-AGE CHILDREN, PROTECTING THE QUALITY OF OUR SCHOOLS, THE QUALITY OF LIFE IN OUR COMMUNITY, AND THE VALUE OF OUR HOMES IS A WISE INVESTMENT. This measure will upgrade security lighting, fencing, smoke detectors, fire alarms, sprinklers, and campus security systems for improved student safety.

Schools will benefit from a variety of safety projects, such as:

- Replace deteriorating portable classrooms that are expensive to maintain with permanent classrooms.
- Improve student safety and campus security systems, including security lighting, security cameras, smoke detectors and fire alarms.
- Upgrade emergency communication systems to improve student safety.
- Improve school pick-up, drop-off zones and parking lots to improve student safety.

PREPARING FOR 21st CENTURY CAREERS: District-Wide Instructional Technology Projects

Goal and Purpose: Since academic standards are rising for what it takes to compete in the 21st Century, we must provide local students to access to education, facilities and technology they need to succeed. This measure will update instructional technology in the classroom for improved student learning in core subjects like math, science and technology.

This measure also ensures that money raised will stay local to support our students and cannot be taken by the state.

- Update classrooms and instructional technology for improved student learning in core subjects like science, technology, engineering and math (STEM).
- Upgrade classrooms and labs for career and technical education classes and computer systems to keep pace with technology.
- Create flexible, multi-use classrooms to support hands-on instruction and learning-by-doing.

* * *

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. 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; installation of signage and fencing; 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: add or renovate student and staff restrooms; repair and replace electrical, plumbing, heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, walls, doors and drinking fountains; construct or renovate the District office and facilities for professional development of teachers, more efficient administration and proper data security; install wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade or construct support facilities including administrative, physical education (including constructing, upgrading, or adding gyms, field house, stadiums, locker/weight rooms, athletic facilities, which support student health, fitness and athletic programs similarly for boys and girls), music, art, performing arts, science, computer labs/classrooms, libraries and buildings, maintenance facilities and yards; repair and replace fire alarms, emergency communications and security systems; resurface or replace hard courts, turf (including artificial turf) and irrigation systems and campus landscaping; expand parking and drop-off areas; improve all site utilities; acquire land; construct new school buildings; upgrade interior and exterior painting and floor covering; demolition; upgrade or construct new pools; 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, athletic fields and play apparatus; replace outdated security fences and security systems (including

access control systems), provide lunch shelters, indoor space for assemblies or for rainy day lunch; upgrade music labs, multi-purpose rooms, learning centers and media centers; add new parking lots and parking structures (with tennis courts). The upgrading of technology infrastructure includes, but is not limited to, network rewiring, computers, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, wireless technology systems, refresh classroom technology and other miscellaneous equipment. The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District will not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District, such as gyms, fields and performing arts facilities, 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 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, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. 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 EDUCATION 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 CONCERNING MEASURE __

**TAX RATE STATEMENT
REGARDING PROPOSED
\$149,000,000**

**LA CAÑADA UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS**

An election will be held in La Cañada Unified School District (the "District") on November 7, 2017 for the purpose of submitting to the electors of the District the question of issuing bonds of the District in the principal amount of \$149 million ("2017 Bond Authorization"). If such bonds are authorized and sold, the principal thereof and interest thereon will be payable from the proceeds of taxes levied on 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 assessed valuations of taxable property in the District, and assuming the entire debt service on the bonds will be paid through property taxation:

1. The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the first sale of the bonds, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is \$0.000 per \$100 (\$0.00 per \$100,000) of assessed valuation of all property to be taxed for the year 2018-19.

2. The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the last sale of the bonds and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is \$0.04415 per \$100 (\$44.15 per \$100,000) of assessed valuation of all property to be taxed and the year 2026-27.

3. The best estimate from official sources of the highest tax rate that would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is \$0.060 per \$100 (\$60.00 per \$100,000) of assessed valuation of all property to be taxed, which is projected to be the same in every fiscal year that the bonds remain outstanding.

4. The best estimate from official sources of the tax rates associated with the 2017 Bond Authorization combined with the District's outstanding obligations, based on a projection of

assessed valuations, are estimated not to increase aggregate future tax rates above the current tax rate of \$0.06105 per \$100 of assessed valuation (or \$61.05 per \$100,000 of assessed valuation).

5. The best estimate from official sources 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 \$268,200,000.

Attention of voters is directed to the fact that the foregoing information is based upon projections and estimates. The actual timing of sales of the bonds and the amount to be sold at any time will be governed by the needs of the District and other factors. The actual interest rates at which the bonds will be sold, which will not exceed the maximum permitted by law, will depend upon the bond market at the time of sale. The actual assessed valuations in future years will depend upon the value of property within the District as determined in the assessment and the equalization process. Therefore, the actual tax rates and the years in which those tax rates will be applicable may vary from those presently estimated and stated above.

Superintendent
La Cañada Unified School District