

CAMPBELL UNION ELEMENTARY SCHOOL DISTRICT

RESOLUTION NO. 2015-16-33

**RESOLUTION OF THE GOVERNING BOARD OF THE
CAMPBELL UNION ELEMENTARY SCHOOL DISTRICT
REGARDING THE ESTABLISHMENT OF TAX RATES**

RESOLVED, by the Governing Board (the "Board") of the Campbell Union Elementary School District (the "District") as follows:

WHEREAS, voters of the District approved Measure G in June 2010 authorizing the issuance of \$150,000,000 of general obligation bonds to provide safe, modern schools by repairing leaky roofs; providing disabled access; upgrading wiring, electrical, fire alarm and security systems; improving energy efficiency; replacing failing heating and cooling systems; upgrading computer learning technology; and constructing and equipping classrooms and facilities ("Measure G");

WHEREAS, the District desires to implement Measure G in a way that reduces overall taxpayer costs to the extent possible given the other objectives of Measure G;

WHEREAS, the full text of Measure G included a description of the financing plan for bonds issued under Measure G, specifically with regard to a \$55.20 per \$100,000 of assessed value combined tax rate target for all outstanding general obligation bonds of the District;

WHEREAS, the District has worked with Santa Clara County (the "County") to ensure that a combined tax rate of \$55.20 per \$100,000 of assessed value has been levied in each tax year since the time of the June 2010 election; and

WHEREAS, the section 15250 of the California Education Code provides that tax rates established by the County each year "shall not be less than sufficient to pay the interest on the bonds as it becomes due and to provide a sinking fund for the payment of the principal on or before maturity and may include an allowance for an annual reserve, established *for the purpose of avoiding fluctuating tax rates*;"

NOW, THEREFORE, be it resolved, determined and ordered by the Governing Board of the Campbell Union Elementary School District as follows:

Section 1. The Board remains committed to managing tax rates to achieve stability, consistency with political commitments, and low taxpayer costs, even if the actual debt service requirements are less than the projected amounts collected in any given year, avoiding a result where the tax rates would increase or decrease significantly as bonds are paid and new bonds are issued.

Section 2. In order to reduce overall taxpayer cost and to provide District taxpayers with stable tax rates at the voter approved target levels, the Board (a) directs that Deputy Superintendent work with the appropriate County officials to establish a combined tax rate at the targeted level of \$55.20 per \$100,000 of assessed value for tax year 2016-17, and (b) authorizes the Deputy Superintendent to make such commitments necessary to satisfy the County that such tax rate is established appropriately given State law requirements and county practices.

Section 3. The Board understands the establishment of tax rates at the targeted level (a) may result in the accumulation of funds in debt service fund significantly beyond what is necessary to pay debt service in the coming year, (b) may require that the District commit to issuing bonds under Measure G during the coming fiscal year, and (c) may require that the District instruct the County to use current balances in the debt service fund to establish an escrow to defease existing bonds.

Section 4. The Board, the Superintendent, the Deputy Superintendent and all other officers of the District are hereby authorized, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this Resolution.

Section 5. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED this 23rd day of June, 2016, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED:

President of the Governing Board of the
Campbell Union Elementary School District

Attest:

Clerk of the Governing Board of the
Campbell Union Elementary School District