

RESOLUTION NO. 456

RESOLUTION OF THE BOARD OF TRUSTEES OF
LAYTONVILLE UNIFIED SCHOOL DISTRICT ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE
ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") of the Laytonville Unified School District (the "District") is committed to maintaining the quality of education in local Laytonville public schools by improving or replacing 60-year old classrooms and facilities at the local elementary school, repairing deteriorating classrooms, reducing operating costs by increasing energy efficiency and improving access to modern instructional technology; and

WHEREAS, the Board believes it is a wise investment to (i) continue to address facility improvements now before they become more pressing and more costly, and (ii) protect the quality of our schools, the quality of life in our community and the value of our homes; and

WHEREAS, the State of California (the "State") is unable to provide the District with enough money for the District to adequately maintain its educational facilities; and

WHEREAS, the Board and District initiated a process over a year ago to gain input on school priorities from parents, teachers, staff, the community and civic leaders; and

WHEREAS, the District has used this input to determine priorities that can be accomplished with the available resources, preparing a Facility Assessment and Master Plan Report and aligning it to the District's educational goals; and

WHEREAS, such a measure will help provide funds that cannot be taken away by the State to meet many of these priorities, including repairing or replacing aging local classroom and facilities, keeping pace with changing technologies, and increasing efficiency to reduce operating costs; and

WHEREAS, such a measure requires taxpayer protections, including an independent citizens' oversight committee and mandatory independent audits to ensure funds are spent properly; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision that exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service on any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; 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 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 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 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 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 4, 2014, and to request the Mendocino County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE LAYTONVILLE 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 Mendocino 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 \$5,500,000 (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 4, 2014.

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 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, and information technology needs of the District;

(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 Sections 5322 of the Education Code.

Section 6. That the Mendocino County Registrar of Voters and the Mendocino County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 4, 2014 within the District.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Mendocino County Registrar of Voters no later than August 8, 2014.

Section 8. That any Bonds issued pursuant to Section 15264 *et seq.* of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity not exceeding forty (40) years. 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 Mendocino 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 Mendocino County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Mendocino 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 Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

ADOPTED, SIGNED AND APPROVED this 26th day of June, 2014.

BOARD OF TRUSTEES OF THE LAYTONVILLE
UNIFIED SCHOOL DISTRICT

By  _____
President

Attest:

 _____
Secretary

STATE OF CALIFORNIA)
) ss
MENDOCINO COUNTY)

I, Joan Viada Potter, do hereby certify that the foregoing is a true and correct copy of Resolution No.456, which was duly adopted by the Board of Trustees of the Laytonville Unified School District at the meeting thereof held on the 26th day of June, 2014, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

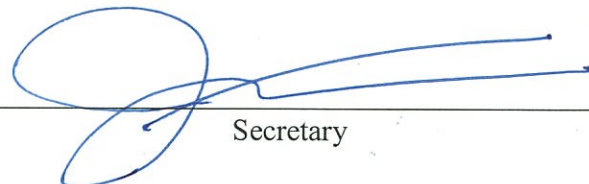
By  _____
Secretary

EXHIBIT A

Laytonville School Repair Measure. “To upgrade and modernize Laytonville schools, repair and replace the oldest parts of the elementary school, increase efficiency and install renewable energy upgrades to reduce operating costs, improve access to modern technology, and construct, acquire, and repair classrooms, sites, facilities and equipment, shall Laytonville Unified School District issue \$5,500,000 in bonds at legal rates, with no money for administrators’ salaries, annual financial audits, and independent citizens’ oversight to ensure funds are only spent improving local schools?”

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE LAYTONVILLE UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 4, 2014

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

Laytonville School Repair Measure. “To upgrade and modernize Laytonville schools, repair and replace the oldest parts of the elementary school, increase efficiency and install renewable energy upgrades to reduce operating costs, improve access to modern technology, and construct, acquire, and repair classrooms, sites, facilities and equipment, shall Laytonville Unified School District issue \$5,500,000 in bonds at legal rates, with no money for administrators’ salaries, annual financial audits, and independent citizens’ oversight to ensure funds are only spent improving local schools?”

PROJECT LIST

The Board of Trustees (the “Board”) of the Laytonville Unified School District is committed to providing the local facilities and equipment needed to provide a quality education to our students. To that end, the Board evaluated the District’s urgent and critical facility needs, including safety issues, class size reduction, computer and information technology, and prepared a Facility Assessment and Master Plan Report approved by the Board in November 2013 (the “Master Plan”) which is incorporated herein, in developing the scope of projects to be funded. The District conducted a facilities evaluation and received public input in developing this Project List through school site meetings, and community presentations. Teachers, staff, students, community members and the Board have prioritized the key needs so that the most critical facility needs are addressed. The Board concluded that if these needs are not addressed now, the problems will only become more pressing and expensive to address. **Therefore, in approving this Project List, the Board of Trustees determines that the District should:**

- (i) repair, replace and upgrade our oldest classrooms and facilities; and**
- (ii) increase efficiency and install renewable energy upgrades to reduce operating costs and put more money in the classroom; and**
- (iii) improve classroom access to modern technology; and**
- (iv) adhere to specific FISCAL ACCOUNTABILITY safeguards such as:**
 - (a) Require all funds to be used improving local classrooms and facilities,**
 - (b) Require annual independent financial audits, and**
 - (c) Require the appointment of 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 the District schools:

Repair, Upgrade and Replacement Projects

Goal and Purpose: Portions of Laytonville Elementary School were built in the 1950's, and need to be repaired, replaced and upgraded, including:

- Repair and modernize outdated, deteriorating classrooms and school buildings.
- Construct classrooms and school facilities.
- Repair or replace leaky roofs, worn out floors.
- Repair deteriorating plumbing, ventilation and heating systems.
- Upgrade classrooms to keep pace with changing technology.
- Add electrical wiring capacity so that it can handle modern instructional technology.
- Improve access for disabled persons.
- Repair deteriorating bathrooms.
- Install fire alarms and acquire fire safety equipment to be sure students are safe in case of an emergency.

Energy Efficiency – Returning Savings to the Classroom

Goal and Purpose: Energy efficiency and renewable energy are priorities of the Board and the District, and can save money for classroom use. Projects include:

- Install energy efficient systems and renewable energy upgrades to save money and protect the quality of instruction in core subjects like reading, math, science, and technology.
- Replace older heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems which will also save money.

Instructional Technology and Wiring Projects To Provide a 21st Century Education

Goal and Purpose: Since Laytonville schools were built in an era before computers and the internet, many classrooms are ill-prepared to support 21st Century technology. Thus, upgrading wiring to connect classrooms to the internet will give the teachers and students the learning and instruction tools needed to excel. Projects include:

- Upgrade instructional technology in the classroom for improved student learning.
- Provide and maintain up-to-date technology, data and communication equipment.
- Upgrade and expand wireless systems, telecommunications, Internet and network connections, upgrade electrical wiring.
- Provide improved, up-to-date technology infrastructure.

* * *

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 management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, smart boards, sound projection systems, wireless networks, portable interface devices, printers, upgrade voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair of school facilities includes the upgrading/replacing school site parking, campus accessibility, utilities, and grounds, playground equipment, hard court surfaces, shade structures for student assembly and protecting students from inclement weather during lunch, libraries, District support facilities, multi-purpose rooms, kitchens, cafeterias; enhance signage; install fire sensors; athletic facilities, and play fields including turf, may be upgraded for safety and operational efficiency; upgrade electrical wiring; construct labs, music and staff support rooms and restrooms; renovate and paint interior and exterior building surfaces to extend their useful life; improve physical education/athletic facilities; security, install safety and communication systems and equipment; window and floor coverings (including tiles and carpeting); acquire kitchen equipment; upgrade drinking fountains, irrigation systems; install solar and water recycling and energy management systems. The Project List also includes the refinancing of any outstanding lease obligations, or the bridge loans taken to initiate voter approved projects. The allocation of bond proceeds may 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 may 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. The final cost of each project will be determined as plans are finalized, construction bids 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 enhanced and operationally efficient campuses. Necessary site acquisition, preparation/restoration and landscaping, 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, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. 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 the bond projects. 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.

Bond Issuance: The District will not issue any capital appreciation bonds as part of this measure.

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.