DEHESA SCHOOL DISTRICT

MEASURE U

To improve student safety and campus security; renovate classrooms and educational facilities; increase internet access; and upgrade fire alarms and outdated electric wiring, shall Dehesa School District’s measure authorizing $3.1 million in bonds be adopted with rigorous independent oversight, annual tax rates averaging $30.00/$100,000 of assessed valuation (raising $193,000/year until bonds are repaid), legal interest rates, annual audits, all funds spent locally and not taken by the state and no money for administrators’ salaries?

Bonds—Yes
Bonds—No

This measure requires approval by 55% of those voting on the measure.

Full text of this measure follows the argument.

COUNTY COUNSEL IMPARTIAL ANALYSIS

DEHESA SCHOOL DISTRICT
BOND ELECTION

This measure was placed on the ballot by the governing board of the Dehesa School District (“District”). This measure, if approved by 55% of the qualified electors voting on the measure, will authorize the District to issue and sell general obligation bonds in an amount not to exceed $3,100,000. If approved, the bonds may be issued in several series and may mature in 40 years or such shorter period as determined by the District Board. The interest rate on the bonds could not exceed statutory limits.

Approval of this measure will authorize a levy on the assessed value of taxable property within the District in an amount needed to pay the principal and interest on the bonds each year the bonds are outstanding. The Tax Rate Statement submitted by the District estimates the highest tax rate which would be required to be levied to fund this bond issue is $30.00 for every $100,000 of assessed valuation and the total debt service, including principal and interest, required to be repaid if all the bonds are issued and sold is approximately $5,800,000. These amounts are estimates. Actual amounts may vary depending on the timing of sales, amount of bonds sold at each sale, and assessed valuation.

Proceeds from the sale of bonds authorized by this measure can only be used for purposes described in the full text of this measure and as permitted by State law. Approval of this measure does not guarantee that any or all of the proposed projects identified by the District will be funded by the sale of the bonds. The District has represented that some of the projects identified may require state matching funds for completion.

The California Constitution permits property taxes, above the standard 1% limitation, to be levied upon real property to pay the principal and interest on any bonded indebtedness for, among other things, the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, when approved by 55% of the voters if:
COUNTY COUNSEL IMPARTIAL ANALYSIS (CONTINUED)

(1) the proceeds from the sale of the bonds are used only for the purposes specified,

(2) the District evaluates safety, class size reduction, and information technology needs to approve a list of specific projects to be funded,

(3) the District conducts an annual, independent performance audit to ensure funds have been expended on the specific projects listed, and

(4) the District conducts an annual, independent financial audit of bond proceeds.

Additionally, if the bond measure is approved, State law requires the District to establish an independent citizens’ oversight committee. The District has made the issuance of the bonds in this measure subject to these legal requirements.

A “YES” vote is in favor of authorizing the District to issue and sell $3,100,000 in general obligation bonds.

A “NO” vote is against authorizing the District to issue and sell $3,100,000 in general obligation bonds.

TAX RATE STATEMENT

REGARDING PROPOSED DEHESA SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Dehesa School District (the “District”) on November 3, 2020, to authorize the sale of up to $3.1 million in bonds of the District to finance school facilities 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 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 3 cents per $100 of assessed valuation (or $30.00 per $100,000 of assessed valuation). The final fiscal year in which the tax is anticipated to be collected is 2050-51.

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 cents per $100 of assessed valuation (or $30.00 per $100,000 of assessed valuation). It is estimated that such rate would be levied starting in fiscal year 2021-22 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 $5.8 million.
TAX RATE STATEMENT (CONTINUED)

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the 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 or durations 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.

By: Bradley Johnson
Superintendent
Dehesa School District
The COVID-19 crisis has had a significant impact on our entire community, but especially on our elementary school. Without warning, teachers and staff have been forced to find completely new ways to educate, stay connected with and care for our children.

Through this challenge, we all have learned a valuable lesson: crises don’t wait—we must prepare for any emergency.

Now, more than ever, it is critical that we ensure that our elementary school is a safe environment where children thrive, no matter the circumstances.

Measure U will give Dehesa Elementary the financial tools to make critical safety improvements and provide a higher-quality learning environment for our children.

Projects to be funded by Measure U include:

- Constructing and repairing classrooms and facilities
- Improving student safety and school security, including alarms, communication systems, fencing and lighting
- Repairing and replacing deteriorating roofing and inefficient HVAC systems
- Increasing student access to the internet and modern technology

At the same time, we must not lose sight of the importance of protecting taxpayers. Measure U comes with iron-clad taxpayer protections to ensure that every tax dollar is carefully watched over and managed, including:

- Requiring a rigorous Independent Citizens’ Oversight Committee and third-party auditor
- Qualifying for state matching funds
- Prohibiting any funds from being used for administrators’ salaries and benefits
- Guaranteeing that all bond money will be spent locally, not taken by the state for use elsewhere

Since 1876, Dehesa School has been the heart and soul of our community. It’s up to us to make sure it remains that way. When we improve the quality of our children’s education, it benefits us all. It leads to higher property values and a brighter outlook for our future. Measure U deserves your Yes vote.

HANEY HONG
San Diego County Taxpayers Association, CEO

DR. MARK ZACOVIC
Retired President, Cuyamaca College

ROBERT MOREAU
El Cajon Chief of Police, Retired

NO ARGUMENT AGAINST THIS MEASURE WAS FILED IN THE OFFICE OF THE REGISTRAR OF VOTERS.
FULL TEXT OF MEASURE U

INTRODUCTION

The following is the abbreviated form of the bond measure:

“To improve student safety and campus security; renovate classrooms and educational facilities; increase internet access; and upgrade fire alarms and outdated electric wiring, shall Dehesa School District’s measure authorizing $3.1 million in bonds be adopted with rigorous independent oversight, annual tax rates averaging $30.00/$100,000 of assessed valuation (raising $193,000/year until bonds are repaid), legal interest rates, annual audits, all funds spent locally and not taken by the state and no money for administrators’ salaries?”

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Dehesa School District will be authorized to issue and sell bonds of up to $3.1 million 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 in the Bond Project List described 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 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 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 Governing 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 San Diego 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 Governing Board of the District 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 CAPITAL APPRECIATION BONDS

The District has covenanted that no bonds from the proposed measure shall be issued as capital appreciation bonds or convertible capital appreciation bonds.

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), those being for 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.

In addition, no Project Labor Agreement is currently envisioned or required for any portion of the anticipated bond expenditures, nor will the District Board enter into one unless required by law to qualify for State matching funds, or otherwise.
INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

This measure authorizes the issuance of general obligation bonds to finance the types of projects set forth on the Bond Project List set forth below, to be repaid by tax collections for the years that bonds are outstanding. The measure presented to District voters on the Ballot, as set forth above under the heading “INTRODUCTION”, includes information regarding the expected amount of money to be raised annually to pay issued bonds, the estimated rate of the approved tax, and the year through which it is approximated the proposed tax will be levied and collected. Each of these estimates and approximations are provided as informational only. Such amounts are estimates only, and are not maximum amounts or limitations on the terms of the bonds or the tax rate or duration supporting repayment of bonds. The approximations and estimates provided 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 have been 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.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Dehesa School District, including furnishing 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 properties.

School Facility Project List. The items presented on the following list provide the types of projects authorized to be financed with the proceeds of bonds authorized by this measure. Specific examples included on this list are not intended to limit the more general types of projects described on this list and authorized by this measure. The types of projects authorized are:

- **Ensure School Safety and Security**, including security and access control systems, surveillance systems, sprinkler systems, alarm systems, communication systems, public address systems, fencing and lighting.

- **Provide Adequate and Efficient HVAC Systems**, including the upgrade, repair, acquisition and installation of heating, ventilation and air conditioning (HVAC) systems throughout District facilities.
• **Repair and/or Replace Roofs** including replacement of failing and deteriorating roofing.

• **Upgrade, Modernize, Expand and Rehabilitate Aging Facilities to Provide a Modern Educational Environment**, including to classrooms, the multi-purpose building, kitchens and other support facilities, including repairing and/or replacing interior finishes such as floors, carpeting, ceiling finishes, paint, lighting, new doors and windows, window treatments, replacing/repairing casework, wall treatments including white boards and other wall coverings, and acquiring updated furnishings and equipment, and upgrading exteriors such as paint, lighting, rails, ramps and walkways.

• **Improving/Upgrading or Replacing Relocatable Buildings**, including upgrades to wiring and plumbing, interiors such as flooring, lighting, windows and doors, upgrading and repairing exterior finishes, modernization work, and/or replacement with other structures.

• **Renovation and Modernization of Restrooms**, including to make facilities compliant with all applicable laws and regulations including ADA requirements.

• **Acquisition and Installation of Improvements That Ensure Energy Efficient Facilities**, including windows, doors, flooring, insulation, lighting including control systems, roofing.

• **Infrastructure Improvements and Expansions**, including electrical, gas, utility, plumbing and sewer, and including relocation of wiring to underground.

• **Upgrades to Facilitate Up-To-Date Modern Technology and Access to Education**, including installing all necessary infrastructure for connectivity and security, providing modern technology equipment and devices for learning and instruction, and software and hardware.

• **Ensure ADA Accessibility and Compliance With All Legal Requirements**, including ensuring barrier free access, updates to restrooms, drinking fountains, and other facilities, and upgrades to ensure compliance with all applicable building and other legal codes and standards for school facilities.

• **Improvements to Outdoor Learning and Gathering Spaces and Playgrounds**, including renovating exterior areas, providing outside learning or gathering areas for students and staff, including seating and shade structures, upgrade and relocate outdoor playgrounds, including acquiring and installing outdoor play equipment.

• **Improvements to School Grounds and Sitework**, including to walkways, pathways, ramps and parking lot, acquiring/installing signage, landscaping, irrigation systems and exterior lighting, and repair/improve maintenance and storage buildings.
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, bond project construction management, administration 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 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; and costs of the election.

Alternations to Scope; New Construction. The District may alter the scope and nature of any of the specific projects that are described above as required by unforeseen conditions that may arise during the course of design and construction. In the event that a modernization or renovation project may result in higher costs than new construction, this bond measure authorizes land acquisition, relocation and construction and/or reconstruction, and all costs relating thereto, for said reasons or, alternatively, based on other considerations deemed in the best interest of the District by the Board of Trustees.

Interim Financing Included. Authorized projects include paying and/or prepaying interim or previously obtained financing for the types of projects included on the project list, such as bond anticipation notes and lease financings.

Other Funding Sources. Approval of this bond measure does not guarantee that the proposed projects will be funded beyond the local revenues generated by the measure. The District’s capital needs currently exceed the amount of bonds the voters are being asked to authorize. The District plans to pursue funds from other sources to advance the identified projects to the greatest extent possible. If matching funds from the State or any other source become available as a result of this measure, they will be used for and applied to projects identified on the Project List.

Project List Not in Order of Priority; Unforeseen Circumstances. The order in which particular projects are listed is not intended to suggest priority for funding or completion, and itemization of projects in the list above does not guarantee that all such projects will be undertaken. Project priorities will be determined by the Board of Trustees. The ability of the District to undertake and complete the listed projects is subject to numerous variables including the adequacy and availability of sufficient funding sources. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.