

VOTER'S PAMPHLET

MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)

Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

SAN LORENZO VALLEY UNIFIED SCHOOL DISTRICT

O Shall the San Lorenzo Valley Unified School District be authorized to acquire, construct and improve school facilities, including rebuilding the high school library recently destroyed by fire with a modern facility and improved access to technology, improving the performing arts theater for school and community use, constructing additional classrooms, and improving playgrounds and security at each campus by issuing \$18,900,000 in bonds at legal interest rates, with a citizens' oversight committee, annual audits, and no money for administrator salaries?

FULL TEXT OF BALLOT MEASURE O

This proposition may be known and referred to as the San Lorenzo Valley Unified School District General Obligation Bond of 2008, or Measure O.

FINDINGS

The San Lorenzo Valley Unified School District (the "District"), which serves the communities of Ben Lomond, Felton, and Boulder Creek, and unincorporated Santa Cruz County, is a recognized leader in providing top quality education to Santa Cruz County students. The District was established in 1952 and today serves approximately 3,000 students in grades K-12. District teachers, staff, and the community all work together to maintain a high standard of excellence.

These achievements have been accrued by the District as a result of the long history of visionary leadership from the Board of Trustees of the District (the "Board"), as well as from staff members, parents, and community members. During its long history, the District has benefited from a community that supports its educational institutions by establishing high standards for academic achievement, while at the same time providing the means required to meet those expectations.

The District needs to replace the library recently destroyed by fire with a new modern facility with improved access to technology, improve the performing arts theater for school and community use, convert existing non-classroom space into music, art, drama, vocational, and elementary science classrooms, and improve security and playgrounds at each campus. These needs are more than the District is able to fund from currently available sources or annual revenues.

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 the identified school facility projects and repairs.

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 \$18,900,000 in aggregate 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 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.

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

- build a new library
- improve the performing arts theater
- provide additional classrooms and support facilities
- make security improvements
- improve playgrounds and play areas

- 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.)
- perform necessary site preparation/restoration in connection with new construction, renovation or remodeling

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, after a year long process involving staff members, parents, students, and community members at each school site throughout district, has prepared an updated facilities plan in order to evaluate and address all of the facilities needs of the District and determine which projects to finance from a local bond at this time. 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 expended 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 Santa Cruz County Treasurer, as required by the California Education Code.

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IMPARTIAL ANALYSIS BY COUNTY COUNSEL
BALLOT MEASURE O

The Board of Trustees of the San Lorenzo Valley Unified School District seek voter approval of a measure to authorize the School District to incur a bonded indebtedness in an aggregate principal amount not to exceed \$18,900,000. In order for this bond measure to pass, it must be approved by at least fifty-five percent of those voting on the measure.

The purposes for which the proceeds from the sale of the bonds will be used are those described in the full text of the ballot proposition, printed in this ballot pamphlet. The proceeds from sale of the bonds may not be used for any other purpose, including teacher and administrator salaries and other school operating expenses.

To ensure that the bond monies are expended for the stated purposes, the Board of Trustees of the District will cause an annual independent performance audit and an independent financial audit to be conducted. The Board of Trustees will also appoint a citizens' oversight committee.

The tax rate on real property within the District will be increased in order to pay off the bonds. However, the precise effect of the bonds upon the property tax rate would only be determined after the bonds are sold. The maximum rate of interest paid on any bonds which are issued will be limited by State law, as will the maximum term to maturity.

A "yes" vote is a vote to authorize the general obligation bonds to be issued and financed by ad valorem taxes levied annually on real property in the San Lorenzo Valley Unified School District.

A "no" vote is a vote against issuing the bonds.

s/ DANA McRAE, COUNTY COUNSEL

TAX RATE STATEMENT BOND MEASURE O

San Lorenzo Valley Unified School District

An election will be held in the San Lorenzo Valley Unified School District (the "District") on February 5, 2008 to authorize the sale of up to \$18.9 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 2.0 cents per \$100 (\$20.00 per \$100,000) of assessed valuation in fiscal year 2008-09.
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 2.0 cents per \$100 (\$20.00 per \$100,000) of assessed valuation in fiscal year 2010-11.
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 2.0 cents per \$100 (\$20.00 per \$100,000).

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.

Dated: October 12, 2007

Julie Haff, Superintendent
San Lorenzo Valley Unified School District

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ARGUMENT IN FAVOR OF MEASURE O

In 2000, Measure S was approved by voters and was used to match \$8 million in state aid to upgrade portable classrooms, construct a permanent middle school, and upgrade drainage, plumbing and electrical systems. All Measure S projects have been funded, and construction is nearly completed. In September 2006 San Lorenzo Valley High School suffered a devastating loss when arsonists destroyed the high school library, textbook room and media (computer) center. As the District struggled to provide a temporary library for the students, parents and community members began to discuss ways to replace the too-small, outdated library; as well as other school facility needs.

We now need to act locally to rebuild and expand our library with one of adequate size and with modern computer technology; and modernize our remaining school facilities to ensure our students are provided the advanced educational opportunities to compete in the 21st Century.

Measure O will:

- Reconstruct the library destroyed by fire with a modern facility with improved access to technology
- Upgrade and Improve the performing arts theater for school and community use
- Convert existing non-classroom space into music, art, drama vocational, and elementary science classrooms
- Improve playgrounds and security at each campus

As taxpayers, it's crucial to have good schools with adequate facilities.

Measure O requires:

- A taxpayers' oversight committee to ensure money will be used only for voter-approved school improvements and repairs and will NOT be used for salaries, administration and overhead
- Annual independent audits on all Measure O expenditures

Measure O makes sense. It will:

- Improve our schools, which improves homeowner property values
- Build the proposed facilities now instead of in the future when construction costs are certain to rise.

VOTE YES ON MEASURE O, For Our Youth, Our Community, Our Future

s/ Karen Scarborough
Parent, Volunteer, Alumni

s/ Douglas K. Morris
English Teacher/SLVHS

s/ Susan Weber
SLVUSD Board President

s/ Kenneth Boynton
Retired

s/ Robert E. Locatelli
Business Owner

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE O

Vote NO on Measure O

Measure S (2000), \$18.5 million school construction bond for which we are still paying, was funded by local taxpayers in the San Lorenzo Valley School District to "construct and modernize school facilities" and "improve student access to classrooms, computers and technology." The Superintendent says those projects have been funded and are near completion. If so, then why ask for **\$18.9 million** more?

School Accountability Report Card (2005-2006) states that without further expenditure we already have:

- Adequate building facilities
- **Very secure and safe campuses**
- Up-to-date, state-of-the-art school sports and physical training facilities
- **Campus utilities (water, septic, gas and electric) in good condition**
- Sufficient quantity, quality and currency of textbooks and instructional materials to meet the students' needs

Reasons for rejecting Measure O:

- **\$2 million insurance payout will reconstruct the library**
- Yearly student enrollment declining
- **Redwood and Quail Hollow school sites closed, but available**
- District has a large performing arts facility, art, music, vocational, science classrooms
- **Community centers in Felton, Ben Lomond and Boulder Creek available for performing arts for school and public use**
- Still paying on bonds for Measure G and Measure S
- **High property taxes resulting in less property affordability**

Measure O will not guarantee educational advances or opportunities.

Support the community; use existing facilities.

Our local hardworking taxpayers cannot afford another bond at this time.

Vote NO on Measure O

Citizens for Accountability in Government
s/ Robert Suhr, Chairman

Santa Cruz County Libertarian Party
s/ Bill Anderson, Treasurer

Senior Coalition
s/ Tom Walsh, Executive Director

SLV Property Owners' Assn.
s/ C. Patrick Dugan, President

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ARGUMENT AGAINST MEASURE O

Vote NO on Measure O

The community has supported the school district. It's time that the district supports the community.

We **agree** that the high school library (fire damaged in 2006) should be **rebuilt**. However, the district will receive **\$2 million insurance payout** for the construction.

The continuing **decline in student enrollment** has resulted in the closures of:

- **Redwood Elementary**
- **Quail Hollow Elementary**

To give relief to the property owner the district should allocate THAT space for:

- **Music**
- **Art**
- **Drama**
- **Science**
- **Vocational Ed**

SLV has several facilities that should be used for the performing arts community, such as:

- **Felton Community Hall**
- **Highlands Senior Center**
- **Ben Lomond's Park Hall**
- **Boulder Creek Parks and Recreation Hall**

Community support includes numerous bonds paid in property taxes for **San Lorenzo Valley**:

- SLVUSD – Measure G (1996), 25year, **\$1.5 million** bond for construction of the SLV High School Pool
- SLVUSD – Measure S (2000), 25 year, **\$18.5 million** construction bond
- Cabrillo College – Measure C (1998), **\$85 million** construction bond
- Cabrillo College – Measure D (2004), **\$118 million** construction bond
- Felton – Measure W (2005), 30 year **\$11 million** eminent domain bond which could cost Felton residents **\$700** per year

We have and do support education and fiscally responsible bond measures. This is not one of them. Use of existing facilities is needed, not another bond. Let all of us be responsible.

There are no exemptions – not even for senior citizens.

High property taxes will result in less affordable properties. **Renters** will also be affected by passed-on tax increases creating **higher rents**.

We cannot afford another school bond, especially one that will not benefit the **entire community**, when other options are available.

Vote NO on Measure O

SLV Property Owners' Assn.
s/ C. Patrick Dugan, President

Santa Cruz County Libertarian Party
s/ Bill Anderson, Treasurer

Senior Coalition
s/ Tom Walsh, Executive Director

REBUTTAL TO ARGUMENT AGAINST MEASURE O

San Lorenzo Valley Unified School District leads the learners. Our test scores continue to improve, and are among the best in the county. SLV is a desirable place to live, and this is no accident. We have invested in our homes, our properties, our businesses, and we have invested in our schools.

The library destroyed by fire was built in 1964 for 500 students, but now must accommodate 1500. While insurance will cover a portion of the new library, there are not enough funds to accommodate 1500 students. The new library and media center will be designed for 21st century needs, including advanced computer work stations with full digital access.

Measure O will improve the performing arts theater for student assemblies, music, drama and other school and community uses.

While we live in a great community, we are not immune to vandalism, as the library fire showed. We need to maintain our schools in a safe manner. Measure O will allow us to improve security at all our schools.

We need to enhance our schools by expanding the range of opportunities at each campus. Measure O allows non-classroom space to be converted to classrooms at existing school sites. Given the limited space on campus, Measure O is the most economical way to enhance and operate our facilities.

Declining enrollment has occurred statewide, but we cannot allow the academic standards we have for our children to decline. We need to prepare our students for opportunities in the 21st century. Vote **YES** on Measure O.

s/ Mary Hammer
Community Volunteer

s/ Pat Armstrong
Community Volunteer

s/ Thomas Maxson
Director, Ben Lomond Fire Dist.

s/ Michael Verutti
Verutti Inc, V.P.

s/ James Rapoza
Former Trustee - County Board of Education