

**SIERRA JOINT COMMUNITY COLLEGE DISTRICT
BOND MEASURE E**

E “To bring older buildings to code/standards for continued use, improve workforce job training facilities to affordably prepare, train/retrain students/veterans for quality jobs, repair, construct, acquire classrooms, facilities, equipment, shall the measure for Sierra Joint Community College District to issue \$350,000,000 in bonds at legal rates and levy on average 1.7 cents/\$100 assessed value (\$18,000,000 annually) while bonds are outstanding be adopted, with taxpayer oversight/audits, no money for administrator salaries/pensions, all funds used locally?”

IMPARTIAL ANALYSIS OF MEASURE E

Prepared by Placer County Counsel

This measure, if approved by fifty-five percent of the voters voting thereon, would authorize the sale of general obligation bonds by the Sierra Joint Community College District Board of Trustees, acting as the legislative body of the Sierra Joint Community College District School Facilities Improvement District No. 4, Rocklin Area Campus (herein, the “District”) in the amount of up to \$350,000,000 (three hundred fifty million dollars) in aggregate principal amount. The proceeds of the bonds would be used for the purposes described in the text of Measure E, which precedes this analysis. Principal and interest on the bonds would be paid from a tax placed on the taxable property within the District. The District’s estimate of the highest tax rate that would be required to fund this bond issue follows this analysis.

A general obligation bond is a form of borrowing used to fund school facilities. By law, local general obligation bonds, financed through an increase in local property taxes, can be used for renovating, reconstructing, and building new facilities and for acquiring certain new equipment. To authorize such bond issuance, school districts can seek either two-thirds or 55% voter approval. If districts seek the 55% approval, as has been done by the District in this case, they must meet additional accountability requirements.

In order to meet these additional accountability requirements, the District Board of Trustees has committed to the following:

- use of bond proceeds shall be only for the purposes set forth in the ballot measure, and not for any other purpose, such as teacher and administrator salaries and other college operating expenses;
- college affordability, safety, university transfer, job training, enrollment trends, class size reduction, class availability, information technology and technical job training facilities of the District have been evaluated prior to determining that bond issuance was necessary;
- annual independent performance audits will be conducted to ensure that the bond proceeds are expended only for the projects in the ballot measure;
- annual, independent financial audits of the expenditure of the bond proceeds will be conducted until all bond proceeds have been expended, and;
- a Citizens’ Oversight Committee will be established to monitor expenditure of bond proceeds.

The District has confirmed that the proposed bonds would bear interest at a rate not exceeding the statutory limit per annum and the maturity of the bonds will not exceed the statutory maximum.

A “YES” vote on this Measure would authorize the District to borrow money through the sale of bonds in an amount not exceeding \$350,000,000, such bonds to be repaid by revenue derived from an annual tax levied upon the taxable property within the District.

A “NO” vote on this Measure is a vote against authorizing the sale of bonds by the District.

This analysis is submitted by the Office of the County Counsel of Placer County pursuant to the requirements of Section 9500 of the Elections Code of the State of California.

Gerald O. Carden
County Counsel

s/Brian R. Wirtz
Deputy County Counsel

**FULL TEXT OF MEASURE E
PROJECTS**

The Board of Trustees of the Sierra Joint Community College District, to be responsive to the needs of its community, evaluated Sierra College's Rocklin Campus' **older buildings** and critical facility needs, and its capacity to provide students, military **Veterans** with support and **job training** facilities, and an **affordable education** to prepare them for success in **college** and careers. Veteran's support, **job training** and college transfer facilities, safety issues, class size and offerings, and information and computer technology were each considered in developing the scope of projects to be funded. In developing the scope of projects, basic repairs, **workforce job training** facilities, campus safety, facilities supporting Veterans, and the expansion of opportunities for local students to receive an affordable, quality education, were **prioritized**. If these facility needs are not addressed now, Sierra College would be unable to remain competitive in preparing students for jobs in high demand industries and **university transfer**. The Board of Trustees determines that **Sierra College MUST:**

- (i) **Bring old buildings up to code and current standards so that they can continue to be used for training our students;**
- (ii) **Increase opportunities for local students to earn college credits, certifications and job skills at reasonable prices and transfer to four-year colleges and universities;**
- (iii) **Continue to provide essential job training and workforce preparation for students of all ages in police, fire, nursing, paramedic, science and technology;**
- (iv) **ENSURE THAT ALL MONEY RAISED BY THIS MEASURE WILL STAY IN OUR LOCAL COMMUNITY TO SUPPORT LOCAL STUDENTS, AND CANNOT BE TAKEN AWAY BY THE STATE OR USED FOR OTHER PURPOSES;**
- (v) **PROVIDE A COST-EFFECTIVE HIGHER EDUCATION FOR LOCAL STUDENTS;**
- (vi) **Adhere to stringent fiscal accountability safeguards including:**
 - (a) **All expenditures will be subject to annual independent financial audits,**
 - (b) **No funds will be used for administrators' salaries and pensions,**
 - (c) **An independent citizens' oversight committee will be appointed to ensure that all funds are spent only as authorized.**

The following types of projects are authorized to be undertaken at each of the District's locations:

PROJECTS WHICH:

PROVIDE AN AFFORDABLE EDUCATION FOR LOCAL RESIDENTS:

Upgrade Older Buildings Needed To Provide Workforce Job Training and Education

- Upgrade older buildings to current codes and standards to permit their continued use.
- Upgrade 50 year-old aging infrastructure, including deteriorating electrical, plumbing, heating, ventilation, and mechanical systems as important safety repairs and upgrades.
- Upgrade technology.
- Expand and retrofit older buildings to bring them up to current code and safety standards.
- Repair aging facilities to extend their useful life.
- Build new Public Safety Center, Science Building, Instructional Building.
- Provide facilities for students who want workforce training right after high school or want to learn new skills later in life.

PROVIDE JOB TRAINING, COLLEGE TRANSFER AND VETERAN SUPPORT:

Classroom Improvements To Help Students Transfer to Four-Year Universities

- Construct/expand classroom space for local high school students to earn an associate's degree along with a high school diploma, to better prepare them for college and save time and money.
- Build a joint California State University – Sierra College facility on donated land in West Placer so students can earn a 4-year degree close to home.
- Update classrooms and science labs to equip students with advanced skills they need to compete in high demand fields, including science, technology, engineering, math (STEM) and medicine.
- Improve facilities designed for increasing collaborations with private and public employers for fulfill local job training and placement needs.
- Update classrooms for job training in technology, engineering, nursing and health sciences.
- Update classrooms and labs and science facilities using energy efficient measures and materials to reduce utility costs.

FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

1. All money will benefit the Sierra College campus and local students and CANNOT BE TAKEN BY THE STATE.
2. NO MONEY can be used for ADMINISTRATOR SALARIES or pensions.
3. Require CITIZENS' OVERSIGHT and yearly audits to ensure all funds are used locally, effectively and as promised.
4. 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, faculty and college administrator salaries, pensions and other operating expenses.

5. FISCAL ACCOUNTABILITY. 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.

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, a customary contingency, and costs associated with the Total Cost of Ownership of facilities and equipment. In addition to the listed projects stated above, authorized projects also include the acquisition of a variety of instructional, maintenance and operational equipment, including interim funding incurred to advance fund projects from payment of the costs of preparation of all facility planning, fiscal reporting, 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 college activities caused by construction projects. In addition to the projects listed above, repair, renovation and construction projects may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; replace aging electrical and plumbing systems; repair and replacement of heating, ventilation and air conditioning systems; upgrade of facilities for energy efficiencies, including photovoltaic/solar installations; repair and replacement of worn-out roofs, windows, walls, doors and drinking fountains; replace or remove outdated buildings and classrooms and construction of new classrooms and support buildings; installation of wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade facilities to meet earthquake safety standards, current environmental sustainability and State compliance standards; repair and replacement of fire alarms, emergency communications and security systems; upgrade classrooms; build or upgrade facilities; construct, expand or reconfigure facilities to create university center, lecture classrooms; construct parking lots/parking garage(s), upgrade, resurfacing and reconditioning existing parking lots; improve vehicular access and traffic circulation; improve pathways, such as sidewalks, pedestrian bridge, traffic center, courtyards; improve drop-off zones; repair, upgrade and install interior and exterior lighting systems; replace water lines and valves, gas and sewer lines and other plumbing systems; construct, upgrade, replace, acquire or expand multi-use classrooms and labs, science building, fine arts and visual and performing arts facilities, learning resources center, maintenance yard, public safety

center, support buildings, student service/campus center and instructional buildings, resource center, libraries, student services buildings; refinance outstanding lease obligations; improve water conservation and energy efficiency; replace or upgrade outdated security and safety systems; replace existing window systems with energy-efficient systems to reduce costs; improve insulation, weatherproofing and roofs to reduce costs; improve access for the disabled; install and repair fire safety equipment, including alarms, smoke detectors, sprinklers, emergency lighting, and fire safety doors; replace broken concrete walks, deteriorated asphalt; replace/upgrade existing signage, bells and clocks; demolition of unsafe facilities; install new security systems, such as security (surveillance) cameras, burglar alarms, handrails, outdoor lighting, fencing, gates and classroom door locks; create outdoor study and gathering spaces; interior and exterior painting, wall and floor covering replacement; improve drainage systems to prevent flooding; upgrade roadway and pedestrian paths for improved safety and access for emergency vehicles, site parking, utilities and grounds. The project list also includes the refinancing of outstanding lease obligations. The upgrading of technology infrastructure includes, but is not limited to, upgrading classroom technology, expanding wireless internet access, acquire portable interface devices, servers, switches, routers, modules, sound projection systems, information systems, printers, digital white boards, upgrade voice-over-IP, communication systems, audio/visual and telecommunications systems, call manager and network security/firewall, Internet connectivity, wireless systems, technology infrastructure, and other miscellaneous IT and instructional equipment, DATA storage, fiber/copper infrastructure, phones, identity access cards and the creation. The Project List includes the construction of buildings for general education classrooms, chemistry and biotechnology, allied health, arts/media services, engineering, math, technology and applied sciences, and the renovation of facilities for student services, business and workforce development, biology and related sciences.

The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. 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 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 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.

**TAX RATE STATEMENT
REGARDING PROPOSED**

\$350,000,000

**SIERRA JOINT COMMUNITY COLLEGE DISTRICT SCHOOL FACILITIES IMPROVEMENT DISTRICT
NO. 4 (ROCKLIN AREA CAMPUS)
GENERAL OBLIGATION BONDS**

An election will be held in the Sierra Joint Community College District School Facilities Improvement District No. 4 (Rocklin Area Campus) (the "District") on June 5, 2018, to authorize the sale of up to \$350,000,000 in bonds of the District to finance improvements to educational 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 \$0.017 per \$100 of assessed valuation (or \$17 per \$100,000 of assessed value).

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 \$0.017 per \$100 of assessed valuation (or \$17 per \$100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2018-19 and following.
3. The best estimate of the tax rate that would be required to be levied to fund the bonds during the last fiscal year after the last sale of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.017 per \$100 of assessed valuation (\$17 per \$100,000 of assessed valuation) in fiscal year 2058-59.
4. 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 \$685 million.

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 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.

s/William H. Duncan, IV
Superintendent/President
Sierra Joint Community College District

ARGUMENT IN FAVOR OF MEASURE E

Sierra College is a community asset that provided affordable and cost-effective education for local students.

The last bond measure passed for Sierra College was in 1957 when it had less than 1,500 students. Today over 22,000 students are being educated at Sierra College. But many of its classrooms are in 50-year-old buildings that need to be repaired and upgraded to meet current standards and safety codes.

Measure E will help Sierra upgrade science, math, engineering, technology and vocational education classrooms - **improving and expanding facilities for training our local police, firefighters, paramedics and nurses** and expanding much needed **Veterans services and programs**.

Measure E will protect taxpayers **by prohibiting the State from taking the funds and spending them elsewhere** and by requiring **annual audits and citizen/taxpayers oversight** of how funds are spent.

Measure E protects taxpayers by **prohibiting funds from going to administrators' salaries, pensions or benefits**.

Vote YES on Measure E to allow Sierra College to **maintain and repair 50-year-old buildings so they can continue to be used for another 50 years**.

Vote YES on Measure E to **keep higher education affordable** for local students.

Vote YES on Measure E to allow Sierra College to **train more local Police, Firefighters, Paramedics and Nurses**.

Vote YES on Measure E to allow Sierra College to **expand Veteran's services** and programs.

Sierra College is a treasured asset to our community. It provides an **affordable and cost-effective education for local students**, trains our local public safety and health care professionals and provides challenging, high-quality learning experiences for active adults. **For less than \$5 per month on average**, you can help make sure Sierra College continues

to meet our needs in the future.

It's "E for Education." Please join us and **vote YES on Measure E.**

s/Ron Severson
Superintendent, Roseville Joint Union High School District

s/Gail M. Fischer, RN, MSN
Chief Nurse Executive, Sutter Roseville Hospital

s/Scott Leslie
Sierra College Board of Trustees

s/Krista Bernasconi
Small Business Owner/US Navy Veteran

s/Franklin Burris
North Sacramento Chamber of Commerce

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE E

Measure E is the largest property tax increase in Sierra College's history, but the proponents don't even mention that. **How stupid do they think you are?** With interest, Measure E will cost taxpayers well over \$700,000,000 – at a time when tax revenues are already breaking previous records.

Measure E is unnecessary, unaffordable, and irresponsible. The technology upgrades and facilities improvements funded by this bond will be obsolete and needing replacement long before it is paid off – and then they will demand yet another tax increase. Now is the time to say NO MORE! Tell them to live within their means and stop raising taxes.

The gigantic size of this bond is difficult to comprehend, but we will try to illustrate it: Paying off \$700,000,000 in principal and interest will cost taxpayers well over \$3,200,000 for each full-time faculty member. If you also include part-time faculty members who teach as little as three hours per week, it is still over \$800,000 per instructor. Instructors share classrooms, so this bond's cost per classroom could exceed \$10,000,000. No amount of technology upgrades could be worth that price, especially if they're obsolete decades before this bond is paid off!

It would be far cheaper and more convenient if Sierra College rented a few of the empty offices in Placer County that have already been upgraded with the most modern technology. Many students would also prefer on-line classes and lower taxes.

VOTE NO on Measure E. We cannot afford it!

s/Jorge Riley
President, Sacramento Republican Assembly

s/Thomas N. Hudson
Executive Director, California Taxpayer Protection Committee

ARGUMENT AGAINST MEASURE E

Measure E is a MASSIVE PROPERTY TAX INCREASE that we cannot afford. This enormous tax increase comes at a time when tax revenues and government spending have broken all previous records. The last thing we need is higher taxes and more debt!

(Proposition 13 will not protect us from this tax increase if voters approve it.)

It is immoral and reckless to leave our children and grandchildren burdened with irresponsible debt for deferred maintenance and technology upgrades that should have been funded with current revenues. The technology upgrades that this bond will supposedly fund will be obsolete long before the bond debt is paid off.

Today's Sierra College students will still be paying for this extravagant bond long after their own children have graduated. This is fiscally irresponsible!

The college officials behind this bond have created a misleading list of construction projects that might be funded by this

bond, but the legally-binding fine print says they cannot guarantee that everything listed will be completed.

These officials admit that some projects may require matching state funds, but they already know that no state funds have been approved for this purpose. Don't be fooled again by this dishonest bait-and-switch routine!

Remember that bonds increase property taxes on homeowners, while indirectly increasing monthly rent for renters. Higher property taxes hurt everyone. Once issued, bonds can never be cancelled. Bonds can only be repaid... with interest.

VOTE NO on Measure E. We cannot afford this enormous bond!

s/Jorge Riley
President, Sacramento Republican Assembly

s/Thomas N. Hudson
Executive Director, California Taxpayer Protection Committee

REBUTTAL TO ARGUMENT AGAINST MEASURE E

DON'T BE FOOLED! Measure E is NOT a "massive property tax increase" as opponents claim.

FACT: Measure E will cost just 1.7 cents per \$100 of assessed value – that's less than \$5 per month for the average homeowner.

FACT: TAXPAYERS SUPPORT Measure E because it prohibits the state from taking the funds and spending them elsewhere.

FACT: TAXPAYERS SUPPORT Measure E because it requires annual audits and citizen/taxpayers oversight of how funds are spent.

FACT: Measure E funds will help build a new Public Safety Center, Science Building, Instructional Building and Veterans Center, build and improve facilities for job training in technology, engineering, nursing and health sciences.

FACT: Measure E funds will also be spent to upgrade older buildings – some of which are 60 years old - to current codes and standards to permit their continued use. That's good conservative stewardship!

The last bond measure passed for Sierra College was in 1957 when it had less than 1,500 students. Today over 22,000 local students are being educated at Sierra College, many in 60-year-old buildings that need to be repaired and upgraded to meet current standards and safety codes.

Many of our local Nurses, Firefighters, Police and Sheriffs are trained at Sierra College, as are thousands of Veterans looking to re-enter the workforce after their service. At a cost of less than \$5 per month, Measure E keeps Sierra College as an affordable choice for local students seeking a college education.

VOTE YES on E!

s/Scott Leslie
Trustee, Area 3 Sierra College

s/Lewis K. Uhler
President, National Tax Limitation Committee