

TWIN RIVERS UNIFIED SCHOOL DISTRICT

MEASURE K

Shall the measure of Twin Rivers Unified School District's SFID be adopted to upgrade heating/ air conditioning/electrical systems; provide safe drinking water/ playgrounds; repair blacktop /leaky roofs, outdated classrooms/ bathrooms/kitchens; remove mold/asbestos/lead paint; by authorizing \$150 million in bonds at legal interest rates, levies of 3.7¢ per \$100 assessed value, raising approximately \$10 million annually while bonds are outstanding, requiring oversight, annual audits, all funds benefiting local schools?

IMPARTIAL ANALYSIS OF MEASURE K

Prepared by County Counsel

Measure K, if approved by the voters, would allow Twin Rivers Unified School District Elementary Schools Facility Improvement District ("District") to incur bonded indebtedness up to a maximum amount of \$150,000,000. The proceeds from the issuance and sale of such general obligation bonds could only be used for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, within the District.

No funds derived from bond sales may be used for general school operating expenses, including administrator and teacher salaries, or for any purpose or project other than those expressly stated in the measure. Measure K lists the school facility improvement projects within the District intended to be financed by bond sales.

To assure that funds are spent only as specified in the measure, Measure K requires: 1) the appointment of a citizen's oversight committee and 2) completion of annual independent performance and financial audits.

If Measure K is passed, the actual dates of sale and the amount of bonds sold would be governed by the District based on the need for construction funds and other factors. If Measure K is approved, the tax rates necessary for payment of principal and interest on any bonds sold will be largely dictated by the timing of the bond sales, the amount sold at a given sale, market interest rates at the time of each sale (although in no event greater than the maximum bond interest rate allowed by law), as well as actual assessed valuation of taxable property in the District over the term of repayment.

Passage of Measure K requires approval by 55% of the voters voting thereon.

A "YES" vote on Measure K means you wish to allow the District to incur bonded indebtedness.

A "NO" vote on Measure K means you do not wish to allow the District to incur bonded indebtedness.

YOU CAN FIND THE MEASURE ARGUMENTS FOLLOWING THE FULL TEXT OF THIS MEASURE

TWIN RIVERS UNIFIED SCHOOL DISTRICT
ELEMENTARY SCHOOL FACILITIES IMPROVEMENT DISTRICT BONDS
FULL TEXT OF MEASURE K

INTRODUCTION

The following is the abbreviated form of the bond measure:

“Twin Rivers Unified School District Elementary SFID Student Health/Safety/Repair Measure. Shall the measure of Twin Rivers Unified School District’s SFID be adopted to upgrade heating/air conditioning/electrical systems; provide safe drinking water/ playgrounds; repair blacktop /leaky roofs, outdated classrooms/ bathrooms/ kitchens; remove mold/asbestos/lead paint; by authorizing \$150 million in bonds at legal interest rates, levies of 3.7¢ per \$100 assessed value, raising approximately \$10 million annually while bonds are outstanding, requiring oversight, annual audits, all funds benefiting local schools?”

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Twin Rivers Unified School District (the “District”) will be authorized to issue and sell bonds with respect to its Elementary School Facilities Improvement District (the “Elementary Improvement District”) of up to \$150 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 Elementary Improvement District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the Elementary Improvement 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 District Board of Trustees (the “Board”) has identified detailed facilities needs of facilities in the Elementary Improvement District and the Board has determined which projects to finance from a local bond. The 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 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 Board.

Performance Audits. The 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 Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the types of 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 Sacramento 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 Board of Trustees 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 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.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

Voters are informed that any estimates or projections in the bond measure or ballot materials, including relating to estimated rates of *ad valorem* property taxes, the duration of issued bonds and related levies and collections of *ad valorem* property taxes are provided as informational only. Such amounts are estimates and are not maximum amounts or limitations on the terms of the bonds, the rate or the duration of the tax supporting repayment of issued bonds. Such estimates 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 are 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. In addition, the abbreviated and condensed statement of the bond measure presented to voters which is subject to a word count limitation imposed by State law does not limit the scope and complete meaning of the measure provided in this Full Text of Bond Measure and related ballot materials.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Twin Rivers Unified School District with respect to the Elementary School Facilities Improvement 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, all in compliance with California Constitution Article XIII A, Section 1(b)(3).

This measure authorizes bond projects to be undertaken at all current and future education, support and other ancillary sites and annexes within Elementary School Facilities Improvement District with respect to elementary programs, including bond projects at support sites servicing school facilities within the Elementary School Facilities Improvement District.

School Facility Project List. The items presented on the following list are the types of projects authorized to be financed with voter-approved bond proceeds. Specific examples included on this list are not intended to limit the broad types of projects described and authorized by this measure. The types of projects authorized to be undertaken are:

- **Improvements and Upgrades to Ensure Health Safety,** including replacement/removal of old building materials including asbestos and lead now known to be hazardous and improvements to ensure clean air, quality drinking water, and upgrade/repair/acquire heating, ventilation and air conditioning (HVAC) systems.
- **Acquire, Install and Implement School Safety and Security Upgrades** to ensure a safe and secure learning and working environment, including secure points of entry, surveillance cameras, grand master key systems, lighting for egress, safety and security, fencing, card reader access portals, intrusion alarm systems, and upgrade communication and notification systems such as clocks, bells and intercoms, including upgrade/replace phone systems, including constructing/improving facilities dedicated to school security.
- **Acquire and Install Fire and Life Safety Improvements** including fire alarm systems, sprinkler systems, extinguishers, emergency lighting, exit doors, exit signage and communication systems.
- **Install or Upgrade All Infrastructure and Building Envelope Serving District Facilities** including deteriorating classrooms, leaky roofs, plumbing, faulty electrical systems and gas lines, and broken pavement.
- **Install or Upgrade All Infrastructure Serving District Facilities** including water, sewer, electrical including solar and other renewable energy systems, and back-up emergency generators.
- **Construct/Modernize/Update Restrooms,** including to ensure ADA and DSA compliance and to ensure providing appropriate facilities for TK and K students.
- **Construct, Expand, Reconstruct and Modernize Classrooms and Other Spaces to Provide a Modern Educational Environment,** including classrooms, labs, libraries, learning centers, facilities/centers for arts, music and science/STEAM, TK facilities, and

multi-purpose rooms, and including support/administration facilities and spaces, to provide modern educational and other environments supporting 21st century learning and success, including all finish work such as paint, floor coverings, lighting, shelving, casework and storage.

- **Construct, Expand/Provide Classrooms, Facilities, Clinics, Learning and Other Spaces and Centers to Address all Programming Requirements** including TK facilities, counselling and health facilities and/or to meet legal or other recommendations or advisories of educational authorities including of the State Department of Education and the County office of education.
- **Acquisition and Installation of Improvements That Ensure Energy Efficient Facilities**, including windows, doors, flooring, insulation, lighting including control systems, including replace/repair aging/leaking roofs and windows.
- **Construct, Update and Improve Outdoor Learning and Gathering Spaces** including amphitheaters, shade structures, seating, and provide wireless technology supporting outdoor space learning.
- **Upgrades to Facilitate Up-To-Date Modern Technology and Access to Education**, including acquire/upgrade infrastructure for modern technology needs, including to facilitate wireless technology, construct/provide technology data rooms including necessary related HVAC units, provide wiring, switches, routers, cabling and all other necessary technology, hardware, software and recovery and security technologies.
- **Ensure Safe and Barrier-Free ADA Compliance** in all exterior spaces such as parking and entryways and interior spaces including classrooms, restrooms and other learning and recreational spaces.
- **Replace Aging Portables with New Permanent Classrooms** including new construction or modular structures.
- **Provide Updated and Energy Efficient Lighting Systems** including energy efficient fixtures, controls, sensors, and master lighting control systems.
- **Modernize/Construct Cafeterias and Kitchens and Prep Areas** including all equipment, and provide facilities and/or fountains or water stations for clean drinking water at all facilities.
- **Modernize/Construct Facilities for Performing Arts** including auditoriums/theaters/stages and all related equipment, components, and facilities such as parking.
- **Improvements to Site Exteriors** such as new paving, drop off areas, parking, signage, improvements to entryways, landscaping including drought tolerant landscaping, irrigation systems, site work for improved drainage, re-grading and pads for waste containers.
- **Update/Install/Construct Playgrounds and P.E./Recreation Facilities** including new paving, gyms, play equipment and improvements to fields and play yards.

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, construction management 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 and parking 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; costs of the election; bond issuance costs; and project administration during the duration of such projects, as permitted by law.

Alterations to Scope; New Construction. The scope and nature of any of the specific projects described above may be altered by the District as required by unforeseen conditions that may arise during the course of design and construction. In the event that a modernization or renovation project is more economical for or otherwise determined by the Board to be in the best interests of the District to be undertaken as new construction, this bond measure authorizes land acquisition, relocation and construction at a new or alternative site, and/or demolition and reconstruction and/or repurposing on the original site, including an expanded site, and all costs relating thereto. In addition, this measure authorizes the acquisition of real property, including necessary rights of ways or other real property interests, required to expand District facilities, to provide access to school or other District facilities, or to provide additional school or related facilities. This measure also authorizes the consolidation of schools into a single campus or related campuses.

Interim Financing Included; Joint Use Projects Authorized. In addition, authorized projects include reimbursements for paid project costs and paying and/or prepaying interim or previously obtained financing for the types of projects included on the project list, such as bond anticipation notes or lease financings relating to projects and/or equipment previously financed. Finally, projects on this list may be undertaken and used as joint use projects with other public agencies.

Other Funding Sources. Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with funds generated by this bond measure. The District plans to pursue matching funds from the State of California, if available, to provide additional funding to complete certain of the identified facilities projects.

Unforeseen Circumstances. Many factors which the District cannot predict or control may impact its ability to address each of the projects, including but not limited to construction cost issues, supply chain issues which can cause project delays, labor shortages, and unknown environmental factors or site conditions, among others. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

Project List Not in Order of Priority; Board Determines Prioritization. The order in which projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project prioritization is vested in and will be determined by the District Board.

TAX RATE STATEMENT

TWIN RIVERS UNIFIED SCHOOL DISTRICT ELEMENTARY SCHOOL FACILITIES IMPROVEMENT DISTRICT

An election will be held in the Elementary School Facilities Improvement District (the "Improvement District") of the Twin Rivers Unified School District (the "District") on November 8, 2022, to authorize the sale of up to \$150,000,000 in bonds to finance school facilities improvements in the Improvement District 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 Improvement 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 Improvement District, and other demonstrable factors.

Based upon the foregoing and projections of the Improvement 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 \$0.037 per \$100 of assessed valuation (or \$37 per \$100,000 of assessed value). The final fiscal year in which the tax is anticipated to be collected is 2052-53.
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 \$0.037 per \$100 of assessed valuation (or \$37 per \$100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2023-24 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 \$302,200,000.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on Sacramento 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 with respect to bonds of the Improvement 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 Improvement District as determined by the Sacramento County Assessor in the annual assessment and the equalization process.

s/Steven Martinez
Superintendent
Twin Rivers Unified School District

ARGUMENT IN FAVOR OF MEASURE K

Vote YES on Measure K to provide a safe and healthy learning environment for Twin Rivers Unified School District students.

The average building age in Twin Rivers Unified is 57 years old. The aging, decades-old facilities must be modernized to give students the environment they need to thrive. Twin Rivers invests millions annually to maintain and repair old infrastructure, but critical health and safety improvements exceed existing funding. To align with the district's award-winning Long Range Facilities Master Plan, Twin Rivers is seeking approval of a bond measure to ensure elementary school-aged children have safer, secure and healthy facilities to learn and become college and career ready.

A YES vote on Measure K will:

- Replace lead pipes to provide safe drinking water
- Make schools safer with enhanced school security and emergency response
- Replace and repair air conditioning and heating systems
- Remove asbestos, mold, and lead paint
- Fix gas lines and electrical systems
- Equip classrooms with essential technology
- Repair leaky roofs
- Repair cracked pavement

Measure K requires strict fiscal accountability protection. A Citizens' Bond Oversight Committee and annual audits will oversee and monitor all planned improvements, costs, schedule, and progress of the bonds. It is prohibited to use funds generated by Measure K for administrators' salaries, pensions, or benefits.

All funds from Measure K will stay local and directly benefit Twin Rivers schools. Measure K also qualifies for state matching funds.

Investing in our local schools is an investment in our community and our future.

Join Twin Rivers Trustees, parents, families and education advocates in voting **YES on Measure K for safe, healthy and strong schools for Twin Rivers students.**

www.yesonmeasuresjandk.com

s/Linda Fowler
Trustee Area 7, Twin Rivers Unified SD
s/Paul Orlando
Twin Rivers Rio Linda H.S. Principal

REBUTTAL TO THE ARGUMENT IN FAVOR OF MEASURE K

They don't mention that Measure K will increase your taxes for over three decades. They don't mention that they are trying to borrow \$150,000,000 with your house as the collateral. They don't mention that if you cannot afford to pay higher property taxes, your house will be sold to pay off this bond. If we cannot trust them to be honest about that, how can we trust them with our hard-earned money?

The last time we approved a bond in this famously mis-managed District, they wasted hundreds of millions! The East Natomas Education Complex was never completed and never used. They even paid the builder \$8.6 million to walk away from the project! We will be paying off that bond for nearly two more decades.

Unlike previous bonds, they are not even pretending this massive new debt will be used for new schools. Instead, they're borrowing money for over three decades to pay for "paint," "seating," "floor coverings," "clocks," "routers," and many other things that will be obsolete, worn out, and replaced long before this bond is paid off. Today's school children will still be paying higher taxes for this irresponsible debt long after their own children have grown up and graduated from school!

They promise a Bond Oversight Committee and annual audits, which proved completely worthless last time. It's a toothless tiger ploy. Nobody was punished for wasting our money. We cannot let that happen again.

Help us STOP THEM. Please vote "No" on Measure K.

s/Thomas N. Hudson
President, California Taxpayer Protection Committee
s/W. Bruce Lee
President, Sacramento Taxpayers Association
s/Dr. Justin L. Hardcastle
President, Sacramento Republican Assembly

ARGUMENT AGAINST MEASURE K

WARNING: MEASURE K IS A MAJOR PROPERTY TAX INCREASE.

This painful tax increase will increase property taxes and rents for over three decades, causing the greatest pain to those who can least afford it. Young families trying to buy their first home will be punished. People on fixed incomes will be devastated. If you cannot afford this tax increase, your home will be sold to pay off this bond. (Proposition 13 does not protect us from tax increases like this one if they are approved by the voters.)

This bond measure will authorize additional debt of \$150,000,000 for this District alone, and we will need to pay back more than twice that amount when interest and costs are included. This is on top of all the other bonds that we are still paying off and – and the other bonds on this ballot.

Please take a close look at the incredibly vague Bond Project List. Many items will be outdated, obsolete, and replaced long before these bonds are paid off. What sort of fool would borrow money for three decades to pay for “paint” or “seating” or “wireless technology”? Future generations will have needs too, but they will have fewer resources because they will still be paying for the irresponsible debt from this bond.

We live in an era with declining enrollment and massive funding increases for education. We already provide generous funding, even if too much is wasted by this District’s Big Spenders. We are paying more per student than ever before, but it is never enough for the Big Spenders. The only way to fix this problem is to stop the borrowing, cut up the credit cards, and stop the irresponsible spending.

THEY WILL NOT STOP UNTIL WE STOP THEM.

Please vote “No” on Measure K.

s/Thomas N. Hudson
President, California Taxpayer Protection Committee
s/W. Bruce Lee
President, Sacramento Taypayers Association

REBUTTAL TO THE ARGUMENT AGAINST MEASURE K

The facts are very different than the fiction presented in the argument against Measure K. Measure K is a critical investment in our students, schools and community.

Here are the facts:

FACT: Measure K is a fiscally prudent proposal, providing funding for pre-identified infrastructure projects that must be addressed over the next 15 years with built in taxpayer protections.

FACT: Based on median assessed home values, the estimated cost of Measure K’s new property tax assessment would be approximately \$3.08 per month.

FACT: Twin Rivers received the Meritorious Budget Awards for Excellence for 12 consecutive years for their strong fiscal stewardship.

FACT: Between 2007 - 2020, Twin Rivers eliminated long-term debt from \$169 million to \$0.

FACT: Measure K is supported by the very detailed award-winning Long-Range Facilities Master Plan that outlines specific project needs at every school in the district. <https://www.fmp.twinriversusd.org/>

FACT: Excellent schools keep our communities safe, create a skilled workforce, and support strong property values.

FACT: There is nothing foolish, outdated, or obsolete about ensuring children are safe on campus, have clean water to drink, and are safe from harmful materials such as mold, asbestos and lead paint.

FACT: High-quality schools help retain quality teachers, facilitate better instruction, improve student outcomes, and reduce dropout rates.

When compared to facts, arguments against Measure K don't hold up. Join education leaders, parents, and elected leaders and **Vote YES on Measure K** for safer, healthier and stronger schools for generations of students to come.

s/Linda Fowler

Twin Rivers USD Board Member, Area 7

s/Paul Orlando

Twin Rivers U.S.D. Rio Linda HS Principal