



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

D-6

For the meeting of: July 19, 2016

Date: July 15, 2016

To: Board of Supervisors

From: Supervisor Mark Lovelace

Subject: Arcata School District's Request Calling for an Election for the Purpose of Submitting to the Qualified Electorate the Question of Levying an Education Parcel Tax Upon Each Parcel in the District for Educational Purposes; Ordering an Election to Authorize the Issuance of School Bonds, and Requesting Consolidation with the General Election on November 8, 2016.

RECOMMENDATION(S): That the Board of Supervisors approve the request for consolidation with the condition that the Arcata School District reimburse the County for costs incurred pursuant to this request, and notify the Election Department to take any and all steps necessary for the holding of the consolidated election.

SOURCE OF FUNDING: N/A

DISCUSSION: On June 26, 2016, the Arcata School District Board of Trustees passed Resolution # 15/16-11 and Resolution # 15/16-12 calling for an election for the purpose of submitting to the qualified electorate the question of levying an educational parcel tax upon each parcel in the district for educational purposes; ordering an election to authorize the issuance of school bonds, and requesting consolidation with the General Election to be held on November 8, 2016. The Arcata Elementary School District is requesting consolidation pursuant to Election Code Section 10403 and agrees to reimburse the County for all costs associated with the consolidated election.

FINANCIAL IMPACT: N/A

Prepared by Kathy Hayes

Signature

Mark Lovelace

REVIEW:

Auditor _____ County Counsel _____ Personnel _____ Risk Manager _____ Other _____

TYPE OF ITEM:

Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Fennell* Seconded by Supervisor *Bass*

Ayes *Sundberg, Fennell, Lovelace, Bohm, Bass*

Nays
Abstain
Absent

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

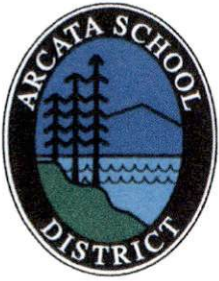
Dated: *July 19, 2016*

By: *[Signature]*
Kathy Hayes, Clerk of the Board

OTHER AGENCY INVOLVEMENT: Arcata School District

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS: Cover Letter, Resolution # 15/16-11 and Resolution # 15/16-12 , Full Text of Ballot and Bond Measures, and Tax Rate Statement.



ARCATA SCHOOL DISTRICT

1435 Buttermilk Lane Arcata, California 95521

District Phone (707) 822-0351 FAX (707) 822-6589

www.arcataschooldistrict.org

BOARD OF TRUSTEES

Stacy Atkins-Salazar

Lee A. Lazon

Carrie Levy

Jeffrey Schwartz

Rob Seltzner

July 14, 2016

Ms. Kelly E. Sanders
Humboldt County Clerk, Recorder and Registrar
HUMBOLDT COUNTY
3033 H Street, Room 20
Eureka, California 95501
Phone: (707) 445-7481

Garry T. Eagles, Ph.D
Humboldt County Superintendent of Schools
901 Myrtle Avenue
Eureka, California 95501
Phone: (707) 445-7000

Re: General Obligation Bond Election (55%) and Parcel Tax Election (2/3) - November 8, 2016

Dear Ms. Sanders and Dr. Eagles:

Enclosed are the Resolutions adopted by the Governing Board of the Arcata Elementary School District ordering a general obligation bond election, requiring a 55% vote for passage, and a parcel tax election, requiring a 2/3 vote for passage, for November 8, 2016.


The Board has adopted a full ballot text for each election to be printed in the ballot pamphlets and an abbreviated form of each measure (Appendices A and B to each Resolution).

The Governing Board of the District has requested consolidation of these elections with others occurring on the same day. We are submitting these resolutions to you in your capacity as the Elections Official, and request that you provide a copy of each to the Clerk of the Board of Supervisors for purposes of consolidation pursuant to Elections Code Section 10403.

Also enclosed herewith is the originally signed Tax Rate Statement related to the general obligation bond election to appear in the Sample Ballot, as required pursuant to Elections Code 9400 and following.

Please do not hesitate to contact me with any questions on the attached.

Yours very truly,


Barbara Short, D.Ed.,
Superintendent

Cc: Courtney L. Jones
Bond Counsel
Jones Hall

RESOLUTION NO. 15/16-11

RESOLUTION OF THE GOVERNING BOARD OF THE ARCATA
ELEMENTARY SCHOOL DISTRICT ORDERING AN ELECTION FOR
THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF
THE DISTRICT THE QUESTION OF LEVYING AN EDUCATION
PARCEL TAX UPON EACH PARCEL IN THE DISTRICT FOR
EDUCATIONAL PURPOSES AND ESTABLISHING THE
SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Arcata Elementary School District (the "District") is devoted to providing high quality public education for local students; and

WHEREAS, in recent years the District has had to address reduced funding to its educational programs, and on November 6, 2012, District voters authorized a parcel tax for five years to provide a local funding source for important District programs which will expire after the fiscal year 2017-18 tax levy; and

WHEREAS, the District continues to need a local source of revenue that cannot be taken away by the state to continue to provide high quality education for its students; and

WHEREAS, Section 4 of Article XIII A of the California Constitution and California Government Code Sections 50079 et seq. and 50075 et seq. (the "Law") authorize a school district, upon approval by two-thirds (2/3) of the electorate voting on the measure, to levy a qualified special tax for specified purposes following notice and a public hearing; and

WHEREAS, November 8, 2016 is an established election date and a statewide election date pursuant to the provisions of the California Elections Code; and

WHEREAS, the Board has on this date held a public hearing, which was duly noticed, where all interested persons have been heard on the matter of holding an election in the District on the matter of levying a qualified special tax on each parcel in the District; and

WHEREAS, the Board of Trustees desires at this time to order an election to be held on November 8, 2016 in the District for the purpose of submitting to the voters in the District the matter of levying a qualified special tax on each parcel in the District pursuant to the Law for educational purposes (sometimes referred to herein and in the exhibits attached hereto as an "education parcel tax") and to designate the specifications thereof, pursuant to Education Code Section 5320 et seq. and to request consolidation with all other elections held in the District on such date, and to request the Humboldt County Registrar of Voters to perform election services for the District; and

NOW, THEREFORE, THE GOVERNING BOARD OF THE ARCATA ELEMENTARY SCHOOL DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether an education parcel tax shall be levied and collected in the District for the specific purposes as set forth more fully in the ballot proposition approved herein and as set forth on Exhibits A and B hereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

Section 2. Election Date. The date of the election shall be November 8, 2016, and the election shall be held solely within the boundaries of the District.

Section 3. Purpose of Election; Ballot Proposition. The purpose of the election shall be for the voters in the District to vote on a proposition, a full copy of which is attached hereto and marked Exhibit "A", containing the question of whether the District shall levy an education parcel tax in the District for the specific purposes stated therein, together with the accountability requirements of Government Code Section 50075.1. As required by Education Code Section 5322 and Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto and marked as Exhibit "B". The Board of Trustees hereby authorizes and directs the Superintendent or his designee to make any changes to the text of the proposition as required to conform to any requirements of the Law or the Humboldt County Registrar of Voters, which changes shall be evidenced by a direction letter executed by the Superintendent and delivered to the County Registrar of Voters.

Section 4. Authority for Election. The authority for ordering the election is contained in Section 4 of Article XIII A of the California Constitution and California Government Code Sections 50079 et seq. and 50075 et seq. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 5. Type of Tax Rate, and Method of Collection. Said education parcel tax shall be levied in an equal amount against each parcel of taxable real property in the District in the amount of \$59 per parcel for 8 years, commencing with fiscal year 2018-19.

A parcel shall be defined as any unit of land in the District that receives a separate tax bill for *ad valorem* property taxes from the Humboldt County Tax Collector, and shall be collected in the same manner and subject to the same penalty or penalties as other taxes fixed and collected by the County on behalf of the District. For purposes of this education parcel tax, any parcels which are (i) contiguous, and (ii) used solely for owner-occupied, single-family residential purposes, and (iii) held under identical ownership may, by submitting an application of the owners thereof by June 30 of each year to the District, be treated as a single "parcel" for purposes of the levy of the core academic programs parcel tax.

Section 6. Exemptions.

(a) *Otherwise Exempt Property.* All property that would otherwise be exempt from property taxes shall also be exempt from the education parcel tax.

(b) *Senior Citizen Exemption.* An exemption shall be available to persons who are 65 years or older and own and occupy as a principal residence a parcel (as defined in Section 5

above) and apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Humboldt County Tax Collector.

(c) *Supplemental Security Income Exemption.* An exemption shall be available to persons who receive Supplemental Security Income for a disability, regardless of age, and own and occupy as a principal residence a parcel (as defined in Section 5) and apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Humboldt County Tax Collector.

(d) *SSDI Exemption.* An exemption shall be available to persons who receive Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the U.S. Department of Health and Human Services, and own and occupy as a principal residence a parcel (as defined in Section 5) and apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Humboldt County Tax Collector.

Section 7. Accountability Requirements.

(a) *Government Code 50075.1 Requirements.* The members of the Board, the Superintendent and officers of the District are hereby directed, individually and collectively, to comply with the accountability measures pursuant to Government Code Section 50075.1 that include, but are not limited, to the following: (a) the measure shall include a statement indicating the specific purposes of the education parcel tax, (b) the measure shall require that the proceeds of the education parcel tax be applied only to the specific purposes identified in the ballot measure, (c) the measure shall require the creation of an account into which the proceeds of the education parcel tax shall be deposited, and (d) the measure shall require that the District prepare an annual report pursuant to Government Code Section 50075.3 as provided in Section 8 hereof. Such accountability measures shall be set forth on the ballot in the form of Exhibit A attached hereto and incorporated herein by reference.

(b) *Citizens' Oversight Committee.* In addition, the governing board of the District will appoint a Citizens' Oversight Committee with responsibility to review the expenditures of the District from the education parcel tax to ensure the proceeds of the education parcel tax are expended for the specific purposes set forth in the measure, and to prepare an annual report to the District and the public concerning the expenditure of the proceeds of the education parcel tax. The governing board of the District, if the measure is successful, will adopt bylaws governing the administration of the Citizens' Oversight Committee.

Section 8. Annual Report. Pursuant to Government Code Section 50075.3, the Board directs the chief fiscal officer of the District to file a report with the Board each year containing (a) the amount of education parcel tax funds collected and expended and (b) the status of any project required or authorized to be funded from the proceeds of the education parcel tax as identified in the measure.

Section 9. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution *for receipt no later than 88 days prior to the November 8, 2016 election date*, as follows:

- (a) County Elections Officer (as required pursuant to Education Code Section 5322 and Elections Code Section 10403),

(b) County Board of Supervisors (as required pursuant to Elections Code Section 10403), and

(c) County Superintendent of Schools for the purposes of noticing the election on the measure pursuant to Education Code Section 5325(a).

Section 10. Consolidation of Election. The County Elections Officer and the Humboldt County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 6, 2012, within the District.

Section 11. Ballot Arguments. Any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The Superintendent, President of the Board, or their designees, are hereby authorized to execute any document and to perform all acts necessary to place the measure on the ballot.

Section 12. Notice of Election. That the County Elections Officer is hereby requested to prepare a formal Notice of Election in time, form and manner as required by law, and the County Superintendent of Schools is hereby requested to post such notice in accordance with Education Code Section 5325. The suggested form of notice of the election is as follows:

**ARCATA ELEMENTARY SCHOOL DISTRICT
ELECTION NOTICE**

NOTICE IS HEREBY GIVEN to the qualified electors of the Arcata Elementary School District (the "District") of Humboldt County, that in accordance with law, an election will be held on Tuesday, the 8th of November, 2016 in the District, at which election there will be submitted the question of levying an education parcel tax of \$59 per parcel annually for 8 years, exempting seniors and property owners receiving Supplemental Security Income for a disability and Social Security Disability Insurance benefits if below a certain yearly income level, with citizens' oversight, for the purpose of raising money to pay educational costs.

Section 13. Reimbursement for Services Performed. The Arcata Elementary School District agrees to reimburse the County Elections Officer/Registrar of Voters for services performed with respect to the election called herein following completion of such services and upon presentation of a bill.

Section 14. Legal Services. The Board authorizes the Superintendent to retain the firm of Jones Hall, A Professional Law Corporation as Legal Counsel in connection with its parcel tax proceedings and to execute the agreement with said firm on file with the Superintendent.

Section 15. Election Pursuant to Law. In all particulars not recited in this Resolution, said election shall be held and conducted as provided by law for holding school district elections in the District.

Section 16. Certification by Clerk of the Board. That the Clerk of the Board shall certify to the passage and adoption of and shall make minutes of the passage and adoption therefore in the records of the proceedings of the Board of Trustees of the District, in the minutes of the meeting at which the same is passed and adopted.

Section 17. Effective Date. This resolution shall take effect on and after its adoption.

The foregoing Resolution was adopted by the Board of Trustees of the Arcata Elementary School District of Humboldt County, being the Board authorized by law to make the designations therein contained by the following vote, on June 27, 2016.

Adopted by the following votes:

AYES: 5

NOES: 0

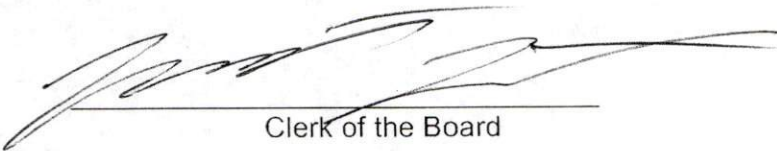
ABSENT: 0

ABSTAIN: 0



President of the Board

Attest:



Clerk of the Board

EXHIBIT A

BALLOT MEASURE FULL TEXT OF MEASURE

INTRODUCTION

"To renew and continue to support academic excellence, provide stable funding the State cannot take away; maintain/expand art, music and dance programs; reduce class sizes; fund school nurse programs to maintain/promote good health; and provide funds for necessary staffing; shall Arcata Elementary School District be authorized to levy \$59 per parcel annually for eight years, have no funds for administrators' salaries, provide exemptions including senior citizens' exemption and have all funds stay local?"

PURPOSES

To continue to provide a local revenue source that cannot be taken by the State, the Arcata Elementary School District proposes to continue to levy and collect an education parcel tax annually for eight years as more fully described below under "EDUCATION PARCEL TAX AND PROCEDURES," and to implement accountability measures in connection with the education parcel tax and to provide oversight and accountability to ensure that funds are used only for the following specific purposes:

- Maintain or expand art, music and dance programs
- Reduce class sizes
- Fund school nurse programs to maintain and promote good health
- Address immediate maintenance and safety issues to increase student safety
- Provide funding for necessary staffing

The Board of Trustees will not fund any program other than those listed above from the proceeds of the education parcel tax.

EDUCATION PARCEL TAX AND PROCEDURES

Amount of Education Parcel Tax. Subject to two-thirds approval of the voters, the education parcel tax of \$59 per parcel (except exempt parcels, as described below) shall become effective commencing with fiscal year 2018-19 and be collected by the Humboldt County Tax Collector at the same time as and along with, and shall be subject to the same penalties as general *ad valorem* taxes collected by said tax collector.

Definition of Parcel. A parcel shall be defined as any unit of land in the District that receives a separate tax bill for *ad valorem* property taxes from the Humboldt County Tax Collector. For purposes of this education parcel tax, any parcels which are (i) contiguous, and (ii) used solely for owner-occupied, single-family residential purposes, and (iii) held under identical ownership may, by submitting an application of the owners thereof by June 30 of each year to the District, be treated as a single "parcel" for purposes of the levy of the core academic

programs parcel tax.

Exemptions. The following exemptions shall apply to the levy of the qualified special tax.

- *Otherwise Exempt Property.* All property that would otherwise be exempt from property taxes shall also be exempt from the education parcel tax.
- *Senior Citizen Exemption.* An exemption shall be available to persons who are 65 years or older and own and occupy as a principal residence a parcel subject to the education parcel tax.
- *Supplemental Security Income Exemption.* An exemption shall be available to persons who receive Supplemental Security Income ("SSI") for a disability, regardless of age, and own and occupy as a principal residence a parcel subject to the education parcel tax.
- *SSDI Exemption.* An exemption shall be available to persons who receive Social Security Disability Insurance ("SSDI") benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the U.S. Department of Health and Human Services, and own and occupy as a principal residence a parcel subject to the education parcel tax.

Property owners seeking the Senior Citizen, SSI or SSDI exemption must apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Humboldt County Tax Collector.

Exclusive Procedures. The procedures described herein with respect to the levy and collection of the education parcel tax and exemptions, and any additional procedures established by the Board of Trustees of the District, shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the qualified special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary. The District's Board of Trustees may adopt such additional or supplemental procedures as it deems necessary or convenient for the administration of the education parcel tax.

ACCOUNTABILITY MEASURES

Government Code Accountability. In accordance with the requirements of California Government Code sections 50075.1 and 50075.3, the following accountability measures, among others, shall apply to the qualified special taxes levied in accordance with this Measure:

- the specific purposes of the education parcel tax shall be those purposes identified above under the heading "PURPOSES,"
- the proceeds of the education parcel tax shall be applied only to those specific purposes identified above under the heading "PURPOSES,"
- a separate, special account shall be created into which the proceeds of the education parcel tax must be deposited; and

- the chief fiscal officer of the District shall file an annual written report with the Board of Trustees of the District showing (1) the amount of funds collected and expended from the proceeds of the education parcel tax and (2) the status of any projects, programs, or purposes identified above under the heading "PURPOSES."

Citizens' Oversight Committee. In addition to the accountability measures required by the Government Code, an independent Citizens' Oversight Committee shall be appointed by the Board of Trustees to advise the Board on the expenditures funded by the measure in order to ensure that said funds are spent for the purposes approved by the voters. The Citizens' Oversight Committee will monitor the expenditures of these funds by the District and will report on an annual basis to the Board and community on how these funds have been spent.

PROTECTION OF FUNDING

Current law forbids any decrease in State or Federal funding to the District because of the District's adoption of an education parcel tax. However, if any such funds are reduced because of the adoption of this education parcel tax, then the amount of the education parcel tax will be reduced annually as necessary in order to restore such State or Federal funding.

SEVERABILITY

The Board of Trustees of the District hereby declares, and the voters by approving this measure concur, that every section, paragraph, sentence and clause of this measure has independent value, and the Board of Trustees and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law.

EXHIBIT B

**BALLOT MEASURE
ABBREVIATED FORM**

"To renew and continue to support academic excellence, provide stable funding the State cannot take away; maintain/expand art, music and dance programs; reduce class sizes; fund school nurse programs to maintain/promote good health; and provide funds for necessary staffing; shall Arcata Elementary School District be authorized to levy \$59 per parcel annually for eight years, have no funds for administrators' salaries, provide exemptions including senior citizens' exemption and have all funds stay local?"

RESOLUTION NO. 1516-12

RESOLUTION OF THE GOVERNING BOARD OF THE ARCATA ELEMENTARY SCHOOL DISTRICT ORDERING AN ELECTION TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016

WHEREAS, the Arcata Elementary School District (the "District") is committed to providing quality education to its students; and

WHEREAS, District facilities need repairs, upgrades, modernization and expansion in order to provide the education District students deserve in a safe and modern environment; and

WHEREAS, a local funding source is needed to enable the District to provide said facilities for its present and future students; and

WHEREAS, the Governing Board of the District (the "Board") has determined that it is necessary to address the foregoing concerns, among others, to ensure that its schools are upgraded, repaired, improved and equipped; and

WHEREAS, on November 7, 2000, the voters of the State of California approved Proposition 39 ("Proposition 39"), which amended Articles XIII A of the California Constitution ("Article XIII A") to allow for the levy of *ad valorem* property taxes for the payment of bonded indebtedness of a school district, community college district or county office of education approved by at least 55 percent of the voters voting on such proposition; and

WHEREAS, upon the passage of Proposition 39, the Strict Accountability in Local School Construction Bonds Act of 2000, being California Education Code Section 15264 and following (the "Act"), became operative; and

WHEREAS, in order to address the facilities needs of the District as described herein, in the judgment of the Board, it is advisable to call an election pursuant to the Act to submit to the electors of the District the question whether bonds of the District shall be issued and sold pursuant to the authority of Article XVI Section 18 of the California Constitution and Article XIII A (together with the Act, the "Law") for the purposes authorized by the Law and as described in Appendix A hereto (the "Full Text of Bond Measure"); and

WHEREAS, under the Act, the election may be ordered at a primary or general election, a regularly scheduled local election at which all of the electors of the District are entitled to vote, or a statewide special election, upon a two-thirds vote of the Board; and

WHEREAS, the Board desires to call an election in the District pursuant to the Law on November 8, 2016, which is the date of the statewide general election, and pursuant to Education Code Section 15121 and Elections Code Section 10400 and following, to request consolidation with any and all other elections held in the District on such date, and

to request the Humboldt County Registrar of Voters (the "County Registrar") to perform election services for the District;

NOW, THEREFORE, THE GOVERNING BOARD OF THE ARCATA ELEMENTARY SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the maximum principal amount of \$3.4 million for the purposes described in the ballot measure approved under Section 3 and attached hereto as Appendix A (Full Text of Bond Measure) and Appendix B (Abbreviated Text of Bond Measure), and paying all costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

Section 2. Election Date. The date of the election shall be November 8, 2016, and such bond election shall be held solely within the boundaries of the District. The boundaries of the District have not changed since the District's last election.

Section 3. Purpose of Election; Ballot Measure. The purpose of the election shall be for the voters in the District to vote on a bond measure, a full copy of which is attached hereto as Appendix A and marked "Exhibit A – Full Text of Bond Measure" (the "Full Text of the Measure"), containing the question of whether the District shall issue general obligation bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Full Text of the Measure, which commences with the heading "FULL TEXT OF BOND MEASURE" and includes all of the text thereafter on Exhibit A, shall be printed in the voter information pamphlet provided to voters, with such measure designation as is assigned to the measure by the County elections official. As required by Education Code Section 5322 and Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto as Appendix B and is marked as "Exhibit B – Abbreviated Form of Bond Measure." The President of the Board and the Superintendent are hereby separately authorized and directed to make any changes to the text of the measure as described herein to conform to any requirements of the Law or the County Registrar.

Section 4. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Education Code, Article XVI Section 18(b) of the California Constitution and paragraph (b) subsection (3) of Article XIII A. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 5. Proceeds for School Facilities Projects. The Board certifies that the proceeds from the sale of the bonds will be used only for the purposes specified in Article XIII A, Section 1(b)(3) as further specified in Appendix A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Further, as required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Appendix A.

Section 6. Covenants of the Board upon Approval of the Bonds by the Electorate; Accountability Measures. As required by Article XIII A, Section 15278 of the Act, and Government Code Section 53410, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

- (a) conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Exhibit A;
- (b) conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Exhibit A;
- (c) establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act;
- (d) apply the Bond proceeds only to the specific purposes stated in the ballot proposition;
- (e) cause the creation of accounts into which bond proceeds shall be deposited; and
- (f) cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 7. Statement Regarding State Matching Funds. The District anticipates that matching funds from the State of California, if available, may be required to complete some of the projects identified in Appendix A. In such case, as required pursuant to Education Code Section 15122.5, the following statement shall appear on the ballot: "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."

Section 8. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to (1) County Registrar, and (2) the Humboldt County Clerk of the Board of Supervisors (the "Clerk of the Board") for purposes of consolidation pursuant to Elections Code Section 10403. The Resolution shall be received by the County Registrar and the Clerk of the Board no later than 88 days prior to the election date, unless otherwise permitted by law. The Resolution shall be accompanied by the signed Tax Rate Statement referenced in Section 10 below.

The County Registrar is hereby requested to print the full text of the ballot measure in the ballot materials as it appears on Appendix A hereto and to provide all required notices of the election and other notices related thereto.

Section 9. Consolidation of Election; Request to Provide Services. The County Registrar and the Humboldt County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on

November 8, 2016 within the District. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Humboldt County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Humboldt County in full from District general funds upon presentation of a bill from the County, such services to include the publication of a formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

Section 10. Ballot Arguments; Tax Rate Statement. As provided in Elections Code Section 9501, any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. In addition, pursuant to Elections Code Section 9401, a tax rate statement must be prepared and filed with the County Registrar and included in the sample ballot. The President of the Board, the Superintendent or any written designee of the foregoing, are hereby authorized to finalize and execute a tax rate statement pursuant to Elections Code 9401, in substantially the form on file with the Superintendent, and to finalize and execute any other document required with respect to the election, and to perform all acts necessary to place the bond measure on the ballot.

Section 11. Maturity Limit of Bonds. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature not more than the legal limit at the time of such issuance thereof. The Bonds shall be issued under the Act, under the provisions of Section 53506 *et seq.* of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

Section 12. Engagement of Professional Services. The firm of Isom Advisors A Division of Urban Futures, Inc. is hereby appointed to serve as financial advisor and the firm of Jones Hall, A Professional Law Corporation, a nationally recognized bond counsel firm, is hereby appointed to serve as bond counsel and disclosure counsel in connection with the bond election and, if successful, subsequent bond issuances. The Superintendent is hereby authorized and directed to execute agreements with such firms in the forms on file with the Superintendent.

Section 13. Effective Date. This resolution shall take effect on and after its adoption.

* * * * *

The foregoing Resolution was adopted by the Governing Board of the Arcata Elementary School District of Humboldt County, being the Board authorized by law to make the designations therein contained by the following vote, on June 27, 2016.

Adopted by the following votes: [4 'yes' votes required for adoption]

AYES: 5

NOES: 0

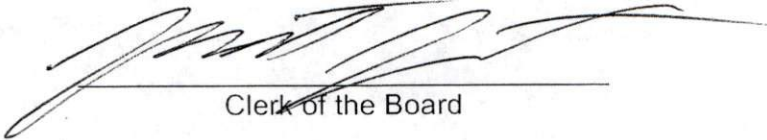
ABSENT: 0

ABSTAIN: 0



President of the Board

Attest:



Clerk of the Board

APPENDIX A

FULL TEXT OF BOND MEASURE

INTRODUCTION

"To improve the quality of education with funding that cannot be taken by the State; replace outdated and energy-inefficient heating, ventilation and air-conditioning systems; improve playgrounds and playfields for school and community use; make health and safety improvements; and modernize classrooms, restrooms and school facilities; shall Arcata Elementary School District issue \$3,400,000 of bonds at legal interest rates, with independent citizens' oversight, annual audits and NO money used for teacher or administrator salaries?"

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Arcata Elementary School District will be authorized to issue and sell bonds of up to \$3.4 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 of 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 Governing Board has identified detailed facilities needs of the District and has determined which projects would be financed from a local bond. The Governing 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 Governing Board.

Performance Audits. The Governing 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 Governing 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 Humboldt 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 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.

BOND PROJECT LIST

Scope of Projects. As required by the California Constitution, the proceeds from the sale of the bonds will 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, and not for teacher and employee salaries and other school operating expenses.

School Facility Project List. The items presented on the following list provide are the types of projects to be financed with bond proceeds. Specific examples included on this list are not intended to limit the generality of the broader types of projects described and authorized by this measure. The types of projects authorized at all District properties and future properties are:

- Replace outdated and energy-inefficient heating, ventilation and air-conditioning systems

- Improve playgrounds and playfields for school and community use
- Make health and safety improvements to school and support facilities, including replacing aging building materials, abating and/or removing hazardous materials identified either prior to or during construction, and seismic reinforcements as needed
- Replace temporary portables with permanent classrooms
- Modernize, construct, expand and renovate outdated classrooms, restrooms, computer and science labs and school facilities, including acquiring/installing necessary infrastructure and equipment to meet modern educational standards
- Improve student access to computers and modern technology, including providing necessary infrastructure, hardware, software, computers, devices and other modern instructional equipment
- Improve student safety at drop-off and pick-up areas, including renovating/expanding sidewalks, parking lots, curbing, signage and landscaping
- Renovate, modernize and equip gymnasium for school and community use
- Upgrade, acquire and install fire alarm and other security systems, including security fencing, smoke detectors, fire alarms, sprinkler systems, school communication systems and lighting
- Construct/improve outdoor learning areas, landscaping and grounds
- Upgrade and/or replace necessary infrastructure such as sewer, water, electrical and utility systems including to meet code requirements and capacity
- Federal and State-mandated Occupational Safety & Health Administration (OSHA) safety upgrades including playground equipment replacement
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including but not limited to site access, parking access, staff and student restroom access, relocation of certain existing electrical devices and drinking fountain and playground equipment accessibility
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards

Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping such facilities, and all costs incidental but directly related to the specific projects described above. In addition, this measure authorizes the acquisition of interests in real property to commence or complete the authorized projects. Examples of incidental costs include, but are not limited to: costs of design, engineering, architect and other professional services, 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; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; interim classrooms and facilities for students, administrators, and school functions, including modular facilities; 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.

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. Demolition of existing facilities and reconstruction of facilities scheduled identified for repair and upgrade are authorized, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. As such, this bond measure authorizes land acquisition, relocation and reconstruction, and costs relating thereto, for said reasons or based on other considerations deemed in the best interest of the District by the Governing Board.

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 local funds generated by the bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified facilities projects.

The order in which school facilities projects are listed in the Project List does not suggest an order of priority. Project priorities will be determined by the Governing Board. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

APPENDIX B

ABBREVIATED FORM OF BOND MEASURE*

“To improve the quality of education with funding that cannot be taken by the State; replace outdated and energy-inefficient heating, ventilation and air-conditioning systems; improve playgrounds and playfields for school and community use; make health and safety improvements; and modernize classrooms, restrooms and school facilities; shall Arcata Elementary School District issue \$3,400,000 of bonds at legal interest rates, with independent citizens’ oversight, annual audits and NO money used for teacher or administrator salaries?”

Bonds—Yes

Bonds—No

**As required pursuant to Education Code Section 5322 and Elections Code Section 13247.*

Tax Rate Statement

An election will be held in the Arcata Elementary School District (the "District") on November 8, 2016 to authorize the sale of up to \$3,400,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

1. The best estimate of the tax rate that would be required 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 \$.01560 per \$100 (\$15.60 per \$100,000) of assessed valuation in fiscal year 2017-18.
2. The best estimate of the tax rate that would be required 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 \$.01560 per \$100 (\$15.60 per \$100,000) of assessed valuation in fiscal year 2017-18.
3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is \$.01560 per \$100 (\$15.60 per \$100,000) of assessed valuation. This vote is projected to apply in each fiscal year that the bonds are outstanding.
4. The best estimate from official sources 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 will be approximately \$7,200,000.

These estimates are based on projections derived from information obtained from official sources. The actual tax rates and the years in which they will apply may vary depending on the timing of bond sales, the amount of bonds sold at each sale and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the needs of the District. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined in the assessment and the equalization process.

Dated: July 14, 2016



Barbara Short
Superintendent
Arcata Elementary School District