



Yuba Community College District Measure

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

Q

To continue repairing, renovating, constructing and equipping classrooms/facilities at the campuses of Yuba and Woodland Colleges including nursing, healthcare, science, technology, engineering, fire and police training classrooms, shall \$33,565,000 of Yuba Community College District Bonds, previously approved by voters in November 2006, be reauthorized through issuance of new bonds with no increase in total authorized District debt, interest rates below the legal limit, independent citizen oversight, and all funds used locally and not taken by the State? Bonds-Yes Bonds-No

IMPARTIAL ANALYSIS

Approval of Measure Q would allow the Yuba Community College District (the "District") to issue and sell bonds in order to complete educational facility repair and construction projects previously approved by the voters.

On November 7, 2006, the voters approved the issuance of general obligation bonds of the District in the aggregate principal amount of \$190,000,000. The District has issued four series of bonds in the aggregate principal amount of \$156,432, 119.85, leaving \$33,567,880.15 of the bonds that remain unissued.

State law requires the District to project that at the time of issuance of any series of bonds that the tax rate levied to pay debt service on such bonds, together with debt service due on other previously issued bonds, will not exceed \$25 per year per \$100,000 of taxable property in the District. The District cannot issue any additional series of the unissued bonds in the near future without imposing excessive borrowing costs on property tax payers.

Approval of Measure Q would authorize the District to issue and sell new general obligation bonds in the amount of \$33,565,000.00, nearly the amount of the unissued bonds, for the purpose of raising money to complete the educational projects for which the bonds had been authorized. Such educational projects include the acquisition and improvement of real property and the furnishing, building and equipping of school facilities of the District.

Approval of Measure Q would allow the District to complete the educational projects for which the unissued bonds have been authorized and avoid excessive borrowing costs which would result from the issuance of long-term capital appreciation bonds.

If Measure Q is approved the District is required to conduct annual, independent audits, establish and appoint members to an independent citizens' oversight committee, apply the proceeds of the sold bonds only to the specific purposes authorized by the voters; create accounts into which bond proceeds shall be deposited; and prepare an annual report.

Measure Q was placed on the ballot by an adopted resolution by the Governing Board of the Yuba Community College District. All residents of the counties within the District, including Butte, Colusa, Glenn, Lake, Placer, Sutter, Yolo, and Yuba, are voting on Measure Q. The measure may be passed by 55% of the voters voting in its favor.

s/Megan J. Reedy, Deputy County Counsel

TAX RATE STATEMENT

An election will be held in Yuba Community College District (the "District") on November 8, 2016 to reauthorize the sale of \$33,565,000 in general obligation bonds previously approved by voters. 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 \$.00918 per \$100 (\$9.18 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 \$.00918 per \$100 (\$9.18 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 \$.00918 per \$100 (\$9.18 per \$100,000) of assessed valuation.
4. The best estimate of the average tax rate required to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$.00918 per \$100 (\$9.18 per \$100,000) of assessed valuation.
5. The best estimate of the total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$42,823,000.

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: June 27, 2016
s/Douglas Huston
Chancellor
Yuba Community College District



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ARGUMENT IN FAVOR OF MEASURE Q

Vote Yes on Measure Q!

In 2006, voters overwhelmingly passed a general obligation bond to improve what are among our communities' most important assets – our local community colleges. Since then, tremendous improvements have been made in repairing, rehabilitating and upgrading Yuba Community College District campuses serving Butte, Colusa, Glenn, Lake, Placer, Sutter, Yolo and Yuba Counties.

But much remains to be done.

Measure Q will let us continue the job of improving our community colleges by reauthorizing \$33.6 million of previously approved bonds, while saving taxpayers millions of dollars and without increasing the District's total authorized debt.

Measure Q will improve our community college campuses by:

- Repairing leaky roofs and deteriorating plumbing
- Upgrading science, math, engineering, technology and vocational education classrooms
- Improving and expanding facilities for nursing and health care training
- Expanding classrooms for good paying careers in construction, agriculture, police science and firefighting that will contribute to our local economy

Measure Q will protect taxpayers by:

- Making our local college projects eligible for State matching funds
- Requiring annual audits and independent citizen oversight of the funds
- Allowing the district to complete projects sooner and at today's low interest rates
- Prohibiting funds from going to administrators' salaries, pensions or benefits
- Imposing tough legal safeguards requiring all monies to be spent on our local colleges
- Prohibiting the State from taking the funds and spending them elsewhere

Today's community colleges are more important than ever in providing citizens a path to compete in today's new economy.

Vote Yes to stimulate our local economies.

Vote Yes to improve programs to keep pace with today's rapidly changing workplace.

Vote Yes for increased property values and home prices.

Vote Yes to help produce a prepared and well-educated workforce of tomorrow.

Please Vote Yes on Measure Q to continue repairing and upgrading our local community college campuses.

s/Hardial Dulay, Retired Educator
s/Steven Durfor, Sheriff-Coroner, Yuba County
s/Jesse Ortiz, Yolo County Superintendent of Schools

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE Q

Make no mistake -- Measure Q is a NEW bond.

The nation-wide economic downturn started in 2007 continues to this day. Now is not the time to put more tax burden on you. A new Series D assessment under Measure J for \$26,500,000 issued last spring will show up on your 2016 tax bill for the first time this fall. Now the District wants to add \$33,565,000 more with Measure Q which will cost a total of \$42,823,000 when interest and administrative costs are added.

Proposition 39 passed in 2000 requires a "list of the specific school facilities projects to be funded" when asking voters to pass school bonds. The laundry list of projects proposed for Measure Q is lengthy and extremely general under the heading "renovation, modernization, repair and construction of school facilities." The list does not include specifics as to buildings or campus locations as required. Routine maintenance items such as replacing roofs, flooring, ceilings, electrical, plumbing, and paving should be handled through annual maintenance.

The District has not been good stewards of our tax dollars. Remember the capital appreciation bonds issued under Measure J wherein a \$4.6 million bond would cost \$54 million in interest?

Finally, how will having you pay larger Yuba College assessments increase property values and home prices as claimed in this argument? Not even realtors claim buyers pay more for homes in college districts. Like the rest of it, the District is just making it up.

Vote No on Measure Q <http://bit.ly/NoYubaBond>

s/James Seif, Retired Military
s/ Kim Ross, Retired Public School Teacher/LEO
s/Keith Gravel, Taxpayer
s/Lawrence Mertz, Taxpayer
s/Patricia A. Miller, President, Sutter County Taxpayers Association



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ARGUMENT AGAINST MEASURE Q

Don't be deceived. Plain and simple -- there is no provision in state law for "reauthorizing" bonds. This is a NEW bond.

State law, Proposition 39, passed by the voters in 2000, prohibits community colleges from issuing bonds where the cost would exceed a property owner's payment of more than \$25 per \$100,000 of assessed value.

Measure J for \$190 million was passed by the voters in 2006. So far, there have been four bond issuances for a total of \$156,432,120.

Series A - \$29,504,047 –Issued May 22, 2007
Series B - \$65,492,278 –Issued May 22, 2007
Series C - \$34,935,795 –Issued July 12, 2011
Series D - \$26,500,000 –Issued April 19, 2016--not on tax bills yet.

Because property values and new construction have not happened as anticipated, the District cannot issue more bonds under Measure J because your cost would exceed the \$25 per \$100,000 in assessed valuation.

In order to get around Proposition 39 restrictions, The District is asking you to approve a NEW bond measure. Approval of this new bond measure would create a separate \$25 per \$100,000 tax rate limitation, thus doubling the tax rate authority which, in turn, will increase the amount of taxes you pay.

In reviewing the list of projects to be funded by Measure Q, they appear to be primarily maintenance and routine improvements. There are no new facilities or major programs.

The District promises not to issue more bonds under Measure J, but the new tax created by Measure Q will certainly increase the amount of taxes we pay.

As stated in the Board's June 9, 2016 meeting minutes, the alternative is for the District to wait until assessed values increase to issue the remaining authority under Measure J.

Vote No on Measure Q! <http://bit.ly/NoYubaBond>

s/James Seif, Retired Military
s/Lawrence Mertz, USAF Retired, Senior Non Com
s/Keith Gravel, Taxpayer, Retired
s/Kim Ross, Public School Teacher/LEO
s/Patricia A. Miller, President Sutter County Taxpayers Association

REBUTTAL TO ARGUMENT AGAINST MEASURE Q

It's not that complicated.

Measure Q will not increase total District debt by one penny.

Ten years ago, voters passed Measure J, which helped repair and rehabilitate classrooms and colleges throughout Yuba Community College District. However, drastic shifts in property values during the Great Recession delayed issuance of the last portion of Measure J bonds due to State-mandated restrictions. If passed by voters, the District legally will be required to replace the unused Measure J bonds with bonds approved under Measure Q. No additional debt can be created and no more Measure J bonds will be sold.

Measure Q will save millions.

Measure Q will save taxpayers millions of dollars by slashing borrowing costs through the use of short-term loans at low interest rates. Responsibly, Measure Q will not burden future generations.

Measure Q is a prudent investment in our community.

Measure Q will allow us to continue the job of improving our community colleges with projects that go far beyond "routine maintenance" including upgrading science, math, engineering, technology and vocational education classrooms and expanding nursing and health care training facilities. Measure Q also will create new construction jobs that will boost our local economy.

The decision is yours.

By smartly reauthorizing \$33.565 million of bonds that were already approved by voters in 2006, but which were never issued, we can continue the job of improving our local community colleges and ensure that we get the best, most fiscally responsible deal possible.

The decision is clear. Vote Yes on Measure Q!

s/Hardial Dulay, Retired Educator
s/Steven Durfor, Sheriff-Coroner, Yuba County
s/Jesse Ortiz, Yolo County Superintendent of Schools



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FULL TEXT OF MEASURE Q

EXHIBIT A BALLOT MEASURE FULL TEXT

To continue repairing, renovating, constructing and equipping classrooms/facilities at the campuses of Yuba and Woodland Colleges including nursing, healthcare, science, technology, engineering, fire and police training classrooms, shall \$33,565,000 of Yuba Community College District Bonds, previously approved by voters in November 2006, be reauthorized through issuance of new bonds with no increase in total authorized District debt, interest rates below the legal limit, independent citizen oversight, and all funds used locally and not taken by the State?

Bonds—Yes Bonds—No

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the District will be authorized to issue and sell bonds of up to \$33,565,000 in aggregated principal at interest rates not in excess of the legal limit and to provide financing for the specific school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

The Bonds may be issued under the provisions of the California Education Code (starting at Section 15100), under the provisions of the California Government Code (starting at Section 53506), or under any other provision of law authorizing the issuance of general obligation bonds by school districts. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature within the legal limitations set forth in the applicable law under which the Bonds are issued.

District voters previously approved Measure J at an election held in the District on November 7, 2006. However, due to State law limitations imposed on the issuance of bonds under Measure J, the District estimates that it will be unable to issue any additional Measure J Bonds in the immediate future. The Board of Trustees of the District has found and determined that there continues to be an urgent need in the District for the completion of the educational projects approved by District voters under Measure J, and that no other District resources are available to finance such projects. If the Bonds are approved and issued, the Board of Trustees of the District has covenanted that it will cancel and shall not authorize the issuance of Measure J Bonds in a like amount.

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 Board of Trustees of the District (the “Board of Trustees”) has identified detailed facilities needs of the District and has determined which projects to finance from a local bond at this time. The Board of Trustees has certified 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. The Board of Trustees shall establish an Independent Citizens’ Oversight Committee under Education Code Section 15278 and following to ensure that bond proceeds are expended only on the 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 of Trustees.

Performance Audits. The Board of Trustees shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed 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 Yuba County Treasurer-Tax Collector, as required by the California Education Code, and (4) the Chief Business Officer 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 not for any other purpose, including teacher and administrator salaries and other school operating expenses.



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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 could be subject to appropriation by the Legislature or approval of a statewide bond measure.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, furnish, rebuild and otherwise improve educational and support facilities within the District. Projects which are described below include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, and other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary contingency, and other costs incidental to and necessary for completion of the listed projects.

Bond proceeds may also be expended to acquire equipment in any classroom or other educational facility within the District. The District may alter the scope and nature of any of the specific projects that are described below as required by conditions that arise over time.

RENOVATION, MODERNIZATION, REPAIR AND CONSTRUCTION OF SCHOOL FACILITIES

Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, rebuild and furnish the District's classrooms, restrooms, and other educational and joint-use facilities including those located at:

- YUBA COLLEGE, MARYSVILLE CAMPUS**
- YUBA COLLEGE, LAKE COUNTY CAMPUS**
- SUTTER COUNTY CENTER**
- WOODLAND COMMUNITY COLLEGE**
- COLUSA COUNTY CENTER**

Whenever specific items are not included in the following list, they are presented to provide an example and are not intended to limit the generality of the broader description of authorized projects. The order in which particular projects are listed is not intended to indicate priority for funding or completion.

- Renovate, construct, expand and equip classrooms and labs devoted to general education, childhood development education, math, sciences, technology, engineering, fire and police training programs and veterinarian technology programs.

- Repair and/or replace classrooms, buildings and other educational facilities and areas including but not limited to:
 - Leaky roofs
 - Decaying walls, old ceiling tiles and flooring
 - Plumbing, sewer and drainage systems
 - Electrical systems and wiring
 - Deteriorated restrooms
 - Heating, ventilation and cooling systems
 - Irrigation piping systems
 - Wiring/wireless technologies for classrooms and other student learning areas and other campus buildings and facilities
- Acquire equipment to increase safety and reduce fire hazards with alarms, smoke detectors, fire safety doors and sprinklers
- Acquire land to expand educational facilities
- Meet legal requirements for disabled access
- Renovate existing classrooms and vocational training facilities to insure that they are safe, energy efficient and provide access to state-of-the-art computers and instructional technology.
- Repair, renovate, acquire and expand facilities and equipment to allow students more access to vocational education and two-year degree programs
- Renovate, relocate, repair, or replace obsolete classrooms, buildings, facilities and grounds
- Upgrade educational facilities to include educational equipment and laboratories
- Increase permanent classroom and facility capacity for academic and job training classes, general education programs including math, sciences, upgrade science labs, childhood development education, and veterinarian technology programs
- Upgrade campus technology, and construct "smart / shared learning classrooms" to improve technology-enhanced active-engaging learning
- Demolish deteriorated buildings
- Remove all harmful asbestos, install security systems and access control systems, enhance emergency communications systems, install emergency lighting, signage, and door locks and fences
- Repair, replace and upgrade electrical and mechanical systems to reduce energy consumption
- Improve campus road network and surfacing, reseal and restripe parking areas, improve pedestrian safety and increase access for emergency vehicles