

Impartial Analysis of Measure I

Bonds are financial instruments used to borrow money. Under the California Constitution, school districts may issue bonds if approved by at least 55 percent of voters within the boundaries of the district who are voting on a measure to authorize the issuance of bonds. The bonds are sold to the public and constitute a debt of the district. The principal and interest on the bonds are repaid by an annual property tax levy on all real property within the jurisdiction of the school district, calculated on the current assessed value of each property (“an *ad valorem* tax”).

The Board of Trustees of the San Miguel Joint Union School District (hereafter “the District”) has placed Measure I on the ballot, proposing the sale of bonds in an amount not to exceed \$6.2 million. The District’s Tax Rate Statement, included in the voter information guide mailed to voters of the District, reflects an estimate of the maximum property tax levies required to pay the debt service on the bonds.

In accordance with the law, proceeds from the sale of the bonds (i.e., funds generated by the bonds) may only be used for the specific purposes identified in the measure including the modernization, replacement, renovation, construction, equipping, acquisition and rebuilding of the District’s facilities including the Lillian Larsen and Cappy Culver Schools, as more specifically described in the project list. The law prohibits the use of bond proceeds to pay for teacher and administrator salaries or other operational expenses.

Approval of the measure does not guarantee that all of the proposed projects to be improved with bond proceeds will be funded beyond the local revenues generated by the measure. The District’s proposal for the projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

As required by law, the District must follow certain accountability provisions to oversee the funds collected and expended, including the establishment of an independent Citizens’ Oversight Committee, the annual completion of Performance and Financial Audits, and an annual report detailing proceeds received by the sale of the bonds and expenditures made, all requirements of which are reflected in the full text of measure.

The District’s Tax Rate Statement provides the District’s best estimate of the highest tax rate to be levied at approximately \$30 per \$100,000 of assessed property value per year. The final fiscal year in which the tax is anticipated to be collected is 2039.

A “yes” vote on this measure is a vote in favor of the issuance of \$6.2 million in general obligation bonds to be used for the purposes set forth in Measure I.

A “No” vote on this measure is a vote against the issuance of \$6.2 million in general obligation bonds for the purposes set forth in Measure I.

Dated: August 12, 2020

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