

AUG 02 2016

MARK CHURCH, Chief Elections Officer
DEPUTY CLERK

RESOLUTION NO. 2016/17-2

RESOLUTION OF THE BOARD OF TRUSTEES OF
BURLINGAME ELEMENTARY SCHOOL DISTRICT ORDERING
AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF
THE ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") is committed to protecting the quality of instruction in local public schools in core subjects like math, science, reading and writing by upgrading aging classrooms and replacing old deteriorating classrooms with new permanent classrooms; and

WHEREAS, the Board has determined that if the schools within the Burlingame Elementary School District (the "District") were upgraded, repaired, expanded, improved and better equipped, in a fiscally prudent manner, our students would be better prepared for high school, college and future success; and

WHEREAS, the Board believes it is in the best interest of the District to continue to address facility improvements now before they become more pressing and more costly, and provide facilities and equipment needed to support quality instruction in science, technology and engineering; and

WHEREAS, the State is not providing the District with enough money for the District to adequately maintain its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District's only remedy to avoid undermining its educational programs is to secure local funding which the State cannot take away or be used for other purposes; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its bonding capacity; and

WHEREAS, a local measure will help provide funds that cannot be taken away by the State to upgrade aging schools and help the District to qualify for millions of dollars of State matching funds; and

WHEREAS, such measure will include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent as promised; and

WHEREAS, the Board and District has solicited stakeholder and community input on school priorities from parents, teachers, staff, the community and civic leaders; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold for *ad valorem* tax levies used to pay for debt service on bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Education Code Section 15264) (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight that are contained in Proposition 39 and the Act; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; and

WHEREAS, the Board hereby determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District shall be strictly monitored by the District's Citizens' Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Elections Code Section 9400 *et seq.* requires that a tax rate statement be contained in all official materials relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; and

WHEREAS, the Board desires to authorize the filing of a tax rate statement and a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request the San Mateo County Registrar of Voters to perform certain election services for the District.

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

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests the San Mateo County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of \$56,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 8, 2016.

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A," incorporated by reference herein, and containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 policies

of the Board and the Act, the ballot propositions in Exhibits "A" and "B" are subject to the following requirements and determinations:

(a) the proceeds of the sale of the Bonds shall be used only for the purposes set forth in the ballot measure and not for any other purpose, including teacher or administrator salaries or other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction, classroom, educational and information technology needs of the District as well as the importance of the projects to improve student learning in core subjects like reading, math, science and writing;

(c) that the Board shall cause an annual, independent performance audit to be conducted to ensure that the Bond monies get spent only for the projects identified in Exhibit "B" hereto;

(d) that the Board shall cause an annual, independent financial audit of the proceeds from sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board shall appoint a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Education Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Education Code Section 5322.

Section 6. That the San Mateo County Registrar of Voters and the San Mateo 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. As provided in Elections Code Section 10403, the District acknowledges that the consolidation election will be conducted in the manner described in Elections Code Section 10418.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the San Mateo County Registrar of Voters no later than August 12, 2016.

Section 8. That Bonds may be issued pursuant to Education Code Section 15264 *et seq.* or Government Code Section 53506. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by any body or

official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the San Mateo County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of San Mateo County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse San Mateo 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 Elections Code Section 9401) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 6th day of July, 2016.

BOARD OF TRUSTEES OF THE BURLINGAME
ELEMENTARY SCHOOL DISTRICT

By 
President *U*

Attest:


U Secretary

STATE OF CALIFORNIA)
)ss
SAN MATEO COUNTY)

I, Maggie MacIsaac, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2016/17-2, which was duly adopted by the Board of Trustees of the Burlingame Elementary School District at the meeting thereof held on the 6th day of July, 2016, and that it was so adopted by the following vote:

AYES: 5

NOES: 0

ABSENT: 0

ABSTENTIONS: 0

By  Secretary

EXHIBIT A

“To update schools and provide access for students with disabilities, remove lead paint/ asbestos, fix leaky roofs, update classrooms, libraries, labs/ facilities to meet current earthquake, fire/ safety codes, replace old portable classrooms, upgrade science labs, shall Burlingame Elementary School District issue \$56,000,000 in bonds, at legal rates, that cannot be taken by the State, to renovate, construct/ acquire local neighborhood schools, sites, equipment/ facilities, with independent audits, citizens’ oversight, no money for administrators, all money staying local?” 9

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75 words

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE BURLINGAME ELEMENTARY SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the Burlingame Elementary School District.

“To update schools and provide access for students with disabilities, remove lead paint/ asbestos, fix leaky roofs, update classrooms, libraries, labs/ facilities to meet current earthquake, fire/ safety codes, replace old portable classrooms, upgrade science labs, shall Burlingame Elementary School District issue \$56,000,000 in bonds, at legal rates, that cannot be taken by the State, acquire local neighborhood schools, sites, equipment and facilities, with independent audits, citizens’ oversight, no money for administrators, all money staying local?”

PROJECT LIST

The Board of Trustees of the Burlingame Elementary School District is committed to maintaining the quality of education in local schools with safe, secure, upgraded classrooms and science labs to ensure student safety in an updated learning environment. To that end, the Board evaluated the District’s urgent and critical facility needs, including safety issues, class size reduction, computer and information technology in developing the scope of projects to be funded. The District conducted a facilities evaluation and received public input in developing this Project List. Teachers, staff, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed. Therefore, in approving this Project List, the **Board of Trustees determines that the District must:**

- (i) **Replace old portable deteriorating classrooms with new permanent classrooms; and**
- (ii) **Provide students with classrooms, computers, and technology that will best prepare our students to go on to high school and college; and**
- (iii) **Protect the quality of academic instruction in core subjects like math, science, reading and writing; and**
- (iv) **Modernize science and technology labs to prepare students for jobs in science, technology and engineering; and**
- (v) **Adhere to clear system of accountability, such as:**
 - (a) **All expenditures must be subject to annual independent financial audits.**
 - (b) **An independent citizens’ oversight committee must be appointed to ensure that all funds are spent properly.**

The Project List includes the following types of upgrades and improvements at District schools and sites:

DEDICATED LOCAL SCHOOL FUNDING FOR NECESSARY SCHOOL IMPROVEMENTS

Goals and Purposes: Since many of our schools were built more than 50-years ago and some more than 100 years, they need to be upgraded. This measure will replace old portable and deteriorating classrooms with new classrooms to ensure student safety in an updated learning environment.

- Upgrade classrooms to provide access for students with disabilities.
- Remove lead and asbestos, where found.
- Fix leaky roofs.
- Update classrooms, libraries and educational facilities to meet current earthquake, fire and safety codes.
- Replace outdated electrical, plumbing and heating and ventilation systems.

SAFETY AND STUDENT SUCCESS

Goal and Purpose: If we want our students to succeed in high school, college and careers, they must be skilled in the use of today's technologies and have a solid background in science, math, reading, writing and technology. This measure will make this possible.

- Bring all classrooms up to the same safety standards.
- Bring all school libraries up to the same standard.
- Ensure hands-on science, technology and engineering labs are all up to the same 21st Century standards at Burlingame Intermediate School.
- Create single point of entries to schools to improve student safety and security.

FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

1. All money will benefit local schools and CANNOT BE TAKEN BY THE STATE.
2. NO MONEY can be used for ADMINISTRATOR SALARIES or administration
3. Require CITIZENS' OVERSIGHT and yearly reports to the community to keep the District accountable for how the funds are spent.
4. NO ADMINISTRATOR SALARIES. Proceeds from the sale of the bonds authorized by this proposition shall be used only for the acquisition, construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and not for any other purpose, including teacher or administrator salaries, pensions and other operating expenses.

5. **FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.**

* * *

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the Project List; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects. In addition to the projects listed above, the repair and renovation of school facilities may include, but not be limited to, some or all of the following: renovate, expand or construct student and staff restrooms; installation of signage and fencing; upgrade libraries and library media centers for 21st Century learning, repair and replace heating, cooling and ventilation systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, floors, walls, doors and drinking fountains; improve school facilities for disability access; install shade structures, wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade or construct classrooms, labs, support facilities (including administrative, non-student instruction spaces and District office), physical education (including gyms, bleachers, locker rooms, offices, storage, mat rooms, gym floors and playground equipment), and central and site kitchens; repair and replace gas, water and sewer systems and lines, fire alarms, phone systems, emergency communications, security systems, doors and locks; resurface or replace hard courts, asphalt, turf and irrigation systems and campus landscaping; expand or modify parking lots and drop-off areas; acquire land; interior and exterior painting and floor covering; demolition; construct various forms of storage and support spaces and classrooms; repair, upgrade and install interior and exterior lighting systems; construct or improve playgrounds, turf, athletic fields and play apparatus; install unitary surfacing in existing playgrounds; and replace outdated door hardware, security fences and security cameras (including access control systems). The upgrading of technology infrastructure includes, but is not limited to, classroom instructional technology, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, wireless technology systems, refresh classroom technology, infrastructure upgrades and other miscellaneous equipment. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The final cost of each project will be determined as plans and construction documents are finalized, construction bids are received,

construction contracts are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

TAX RATE STATEMENT

An election will be held in the Burlingame Elementary School District (the "District") on November 8, 2016, to authorize the sale of up to \$56,000,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to sell the bonds in two series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The information presented in numbered paragraphs 1-3 below is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied 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 \$0.0220 per \$100 (\$22.00 per \$100,000) of assessed valuation in fiscal year 2017-18.
2. The best estimate of the tax rate which would be required to be levied 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 \$0.0220 per \$100 (\$22.00 per \$100,000) of assessed valuation in fiscal year 2018-2019.
3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is \$0.0220 per \$100 (\$22.00 per \$100,000) of assessed valuation. The tax rate is expected to remain the same in each year.
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 \$102,571,000.

The District's best estimate of the average tax rate which would be required to be levied to fund this bond issue over all of the years the bonds will be outstanding is \$22.00 per \$100,000 of assessed valuation.

Voters should note that the estimated tax rates are based on the ASSESSED VALUE of taxable property in the District as shown on the County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

The foregoing information is based upon the District's projections and estimates only. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on its need for construction funds and other factors, including the legal limitations on bonds approved by a 55% vote. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

Dated: August 2, 2016


Dr. Maggie MacIsaac
Superintendent