



DR. NICK BRUSKI, CHIEF ACADEMIC OFFICER
MONICA HAMMONDS, DEAN OF STUDENTS

VIRGINIA ALVAREZ, CHIEF BUSINESS OFFICIAL
PHIL SCRIVANO, CHIEF TECHNOLOGY OFFICER

SCHOOL DISTRICT
TAMMY MURPHY, SUPERINTENDENT

2014 JUN 18 AM 10:08
COUNTY OF SANTA BARBARA
CLERK OF THE
BOARD OF SUPERVISORS

June 18, 2014

Joseph E. Holland, County Clerk-Recorder-Assessor
Santa Barbara County Registrar of Voters
P.O. Box 61510
4440-A Calle Real
Santa Barbara, CA 93160-1510

Michael Allen, Chief Deputy Clerk of the Board
Santa Barbara County Board of Supervisors
105 E. Anapamu Street, Room 407
Santa Barbara, CA 93101

Re: Montecito Union School District November 4, 2014 Bond Measure Election

Enclosed please find the Montecito Union School District Board of Trustees RESOLUTION NO. #13/14-08 "RESOLUTION OF THE BOARD OF TRUSTEES OF THE MONTECITO UNION SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER" adopted on June 17, 2014 calling for a November 4, 2014 local bond election.

Also enclosed is our Tax Rate Statement.

We expect Exhibit B to be printed in its entirety in each sample ballot/voter pamphlet.

By this letter we are formally requesting to review a proof of the ballot statement language, the full text of the ballot proposition, impartial analysis and ballot arguments that would appear in the voter pamphlet prior to publishing. Please direct this proof to the undersigned as soon as it is available.

We believe that Education Code Section 15122.5 is NOT applicable and we request that the County NOT include the following "State Matching Funds" language in the ballot or voter pamphlet:

"Approval of Measure _____ does not guarantee that the proposed project or projects in the Montecito Union School District that are the subject of bonds under Measure _____ will be funded beyond the local revenues generated by Measure _____. The district's proposal for the project or 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."

If possible, the District would like to request the measure letter designation of "A". If not possible, the District requests that we not be assigned the letter "S".

We would be more than happy to provide you with the resolution electronically in order to facilitate your work, or to assist with this process in any other manner.

This letter also authorizes you to contact David Casnocha of Stradling Yocca Carlson & Rauth, our bond counsel, at (415) 283-2241 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Tammy Murphy". The signature is written in a cursive, flowing style.

Tammy Murphy
Superintendent

Enclosure

cc: David G. Casnocha

RESOLUTION NO. 13/14-08

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

WHEREAS, the Board of Trustees (the "Board") of the Montecito Union Elementary School District (the "District") is committed to maintaining the excellent quality of education in our local public elementary school and supporting student learning and achievement; and

WHEREAS, the Board has determined that in order for all students to have access to a high-quality educational facility, the Montecito Union School needs to be updated and upgraded to satisfy current health, safety and seismic compliance codes; and

WHEREAS, in January 2012 the District revised its Strategic Plan (the "Strategic Plan") which identified the District's critical strategic initiatives, including setting goals for facilities and grounds, technology and academic achievement; and

WHEREAS, the Board appointed a Facilities Design Committee, which included parents, community members, staff of the District, Board Representatives and a Montecito Association member, which worked for two years providing valuable input to the District regarding facility need priorities; and

WHEREAS, the Board has approved a Master Facilities Plan (the "Master Plan") which identified essential facility upgrades which the District is legally obligated to undertake or which impact the Strategic Plan; and

WHEREAS, the Board desires that such upgrades be made in an architectural style that is compatible with existing school buildings and community standards; and

WHEREAS, the Board believes it is in the best interest of the District to undertake certain facility improvements which impact academic achievement and the health and safety of our students and teachers before they become more pressing and more costly; and

WHEREAS, while student and community safety is critical, particularly along San Ysidro Road, the District has a duty to be a good neighbor in implementing projects that have community impact; and

WHEREAS, the District does not expect the State of California (the "State") to provide the District with enough money for the District to adequately address the recommendations of the Strategic Plan and maintain its educational facilities, notwithstanding ongoing efforts by the District to obtain such monies from the State; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its impact on the District's ability to provide a 21st Century education to our students; and

WHEREAS, the funds of such a bond measure cannot be taken away by the State and must be spent locally; and

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

WHEREAS, in the judgment of the Board, mindful of the opportunity historically low interest rates afford, it is in the best interests of District residents to provide additional facility and site improvement funding to meet such needs by means of a general obligation bond, for if these needs are not addressed now, they will only become more pressing and more costly; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision that exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service on any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; 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 Section 15264) of the Education Code (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 Montecito Union School; 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 enforced strictly 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, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") 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 ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the California 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 4, 2014, and to request the Santa Barbara County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE MONTECITO UNION 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 Santa Barbara 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 \$27,150,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the type of 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 4, 2014.

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 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, and the computer and information technology needs of the District, as well as the importance of the basic repairs and student health and safety projects;

(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 the 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 Sections 5322 of the Education Code.

Section 6. That the Santa Barbara County Registrar of Voters and the Santa Barbara County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 4, 2014 within the District.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Santa Barbara County Registrar of Voters no later than June 26, 2014.

Section 8. That any Bonds may be issued pursuant to Section 15264 *et seq.* of the Education Code or pursuant to Section 53506 of the Government Code. 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.

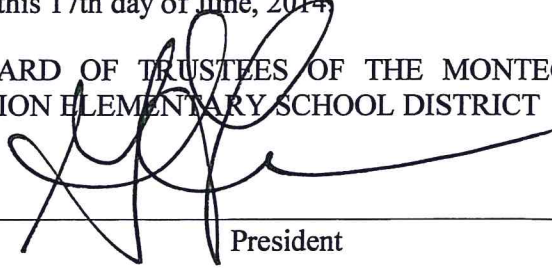
Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by any body or official authorized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

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

ADOPTED, SIGNED AND APPROVED this 17th day of June, 2014

BOARD OF TRUSTEES OF THE MONTECITO
UNION ELEMENTARY SCHOOL DISTRICT

By _____



President

Attest:



Secretary

STATE OF CALIFORNIA)
)ss
SANTA BARBARA COUNTY)

I, Tammy Murphy, do hereby certify that the foregoing is a true and correct copy of Resolution No. 13/14-08, which was duly adopted by the Board of Trustees of the Montecito Union Elementary School District at the meeting thereof held on the 17th day of June, 2014, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By 
Secretary

EXHIBIT A

“To repair essential/outdated Montecito Union School infrastructure/maintain the quality of education with local funding that cannot be taken by the State, upgrade educational facilities to meet current health/safety/security/accessibility codes, reduce traffic and improve safety on San Ysidro Road, renovate heating, plumbing, electrical/energy systems, shall Montecito Union Elementary School District issue \$27,150,000 of bonds, at legal rates, to repair, construct, acquire classrooms, facilities and equipment, with independent audits, citizen oversight, no money for administrators?”

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE MONTECITO UNION ELEMENTARY SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 4, 2014

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

“To repair essential/outdated Montecito Union School infrastructure/maintain the quality of education with local funding that cannot be taken by the State, upgrade educational facilities to meet current health/safety/security/accessibility codes, reduce traffic and improve safety on San Ysidro Road, renovate heating, plumbing, electrical/energy systems, shall Montecito Union Elementary School District issue \$27,150,000 of bonds, at legal rates, to repair, construct, acquire classrooms, facilities and equipment, with independent audits, citizen oversight, no money for administrators?”

PROJECT LIST

The Board of Trustees of the Montecito Union Elementary School District is committed to safe and secure schools with upgraded classrooms and educational facilities that meet current health and safety codes. In developing the scope of projects to be funded, the Board evaluated the District’s urgent and critical facility needs, student health and safety, traffic safety issues, maintaining class size reduction, computer and information technology and the condition of its basic infrastructure (plumbing, electrical and water systems) in all facilities, some originally built in 1926. The District conducted a facilities evaluation and received public input in developing this Project List. The District prepared a Facilities Master Plan, dated June 2013 (the “Master Plan”), which is incorporated herein and which is on file at the District Superintendent’s office. Further the District revised its Strategic Plan as of January 24, 2012, incorporated herein by reference, which aligned the facility needs identified in the Master Plan with the District’s Strategic Initiatives set forth in the Strategic Plan and reflected in the Project List. The Board has prioritized the key health and safety and basic repair needs so that the most critical facility needs are addressed. The Board concluded that if these needs are not addressed now, the problems will only become more pressing and expensive to address. **Therefore, in approving this Project List, the Board of Trustees determines that the District must:**

- (i) **Ensure that every penny from this measure benefits Montecito Union School, be CONTROLLED LOCALLY, and CANNOT BE TAKEN AWAY BY THE STATE.**
- (ii) **RENOVATE aging and DETERIORATING PLUMBING.**
- (iii) **Upgrade inadequate electrical systems.**
- (iv) **Upgrade and improve classrooms, facilities and traffic safety to meet current health, security and safety standards.**
- (v) **Adhere to specific FINANCIAL ACCOUNTABILITY safeguards such as:**
 - (a) **All funds must benefit Montecito Union School,**
 - (b) **All expenditures must be subject to ANNUAL independent financial AUDITS,**
 - (c) **An INDEPENDENT CITIZENS’ OVERSIGHT Committee must be appointed to ensure that all funds are spent only as authorized.**

The Project List includes upgrades and improvements of the following types:

Repair, Renovation and Upgrade Projects

Goal and Purpose: Since repairing, upgrading or replacing old buildings (one dating to 1926), aging plumbing and inadequate electrical systems will make Montecito Union School safer, more accessible and efficient, our local school will benefit from essential repair projects including:

- **Repair or replace deteriorating and aging plumbing systems.**
- Make repairs and energy efficiency improvements that will reduce operating costs and free-up money to protect the quality of classroom instruction in core subjects like reading, writing, math, and science.
- Construct and/or modernize classrooms and facilities to prepare students for 21st Century learning standards.
- Update facilities to accommodate performing arts and music programs.
- Upgrade outdated electrical systems.
- Improve student access to computer and modern technology by upgrading technology infrastructure to meet current standards.
- Satisfy new mandated State health and nutrition laws by constructing a facility to serve as a cafeteria and student meeting place.

Health, Safety, Security and Energy Efficiency Projects

Student and Community Safety

- Improve student pick-up and drop-off areas along San Ysidro Road and increase campus parking to improve student and community safety.
- Update classrooms and educational facilities to meet current health and safety codes.
- Improve traffic safety.
- Provide code required ADA access for students and families with disabilities.
- Increase student safety and security.
- Secure campus perimeter with appropriate fencing, gates and walls.

Energy Efficiency – Returning Savings to the Classroom

- Replace old and inefficient windows, weatherproofing, lighting, heating and ventilation systems to save money to support core academic instructional programs.
- Improve electrical service capacity to improve computer technology and internet access.
- Make water conservation improvements, including drainage and irrigation.

* * *

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 management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, sound projection systems, upgrade voice-over-IP, phone systems, and network security/firewall, and other miscellaneous infrastructure upgrades. The improvement, upgrade and construction of school facilities includes: expanded parking capacity, campus accessibility, ADA compliance projects (such as auditorium stage access, elevators, ADA compliant cabinetry and restrooms), utilities and grounds (including erosion control), District support/administration facilities, including rooms for speech, reading, school nurse, and mail, and space for physical education and after school programs. Facility modernization projects include: renovate and paint interior and exterior building surfaces to extend their useful life, window and floor coverings including tiles and carpeting, upgrade irrigation systems, bathrooms and play equipment and acquire improvements, furnishings and systems; secure campus perimeter. The Project List also includes the construction or acquisition of restrooms, dining hall and furnishings and equipment related thereto, new classrooms, kitchen equipment and the expansion of the library and computer labs, and the refinancing of interim funding or leases incurred to advance fund projects from the Project List. The Project List also includes the restoration and preservation of "The Adobe" and its integration with the main building on the San Ysidro campus. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids 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 enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping, 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, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein, and shall not be used for any other purpose, including teacher and administrators' salaries and other operating expenses. 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 the bond projects. 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.

FINANCIAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT

FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. 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.

Tax Rate Statement

An election will be held in the Montecito Union Elementary School District (the "District") on November 4, 2014 to authorize the sale of \$27,150,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

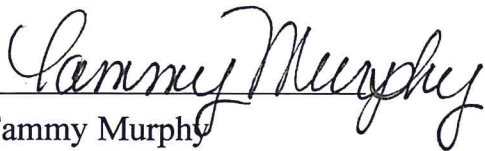
The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$.0120 per \$100 (\$12.00 per \$100,000) of assessed valuation in fiscal year 2015-16.

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 \$.0120 per \$100 (\$12.00 per \$100,000) of assessed valuation in fiscal year 2019-20.

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 \$.0120 per \$100 (\$12.00 per \$100,000) of assessed valuation.

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: 6.17.14



Tammy Murphy
Superintendent
Montecito Union Elementary School District