



**REGISTRAR OF VOTERS**  
COUNTY OF RIVERSIDE

September 22, 2016

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SUPERINTENDENT'S  
OFFICE

Dear District Secretary,

**SUBJECT: MEASURE " M " PROOF**

Attached, for your review and approval, is Measure "M."

Our office is not in a position to make any changes to the measure material in terms of correcting misspellings, grammar, sentence structure, etc. We can, however, correct any error our staff may have made in finalizing the measure material.

Recognizing the critical deadlines we have for submission of all documents to the ballot printer and the number of measures appearing on the ballot, it is imperative that you acknowledge, through your signature on the attached measure material, that:

1. You have read the typeset for Measure "M" which was initially submitted.
2. You understand that only errors our staff may have made in finalizing the measure material printing can be corrected now.
3. With imminent printing deadlines, return the attached signed measure material **no later than close of business tomorrow, September 23, 2016.** If the signed measure material is not received by the deadline date and time, THE MEASURE WILL APPEAR AS SHOWN.
4. Your signature acknowledges final approval of your Measure.

We appreciate your prompt reply.

**REBECCA SPENCER**  
Registrar of Voters

Submit approval (proof) copy to the  
Registrar of Voters' Office via

e-mail: [rholtzclaw@co.riverside.ca.us](mailto:rholtzclaw@co.riverside.ca.us)

or by fax: 951-486-7272

By:

Rebecca Holtzclaw, Elections Technician II  
951-486-7201

## MEASURE "M" – BANNING UNIFIED SCHOOL DISTRICT

### BOND PROPOSITION OF THE BANNING UNIFIED SCHOOL DISTRICT (November 8, 2016):

"By approval of this proposition 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 \$25,500,000 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 herein, subject to all the accountability requirements specified herein.

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 provisions 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 R at an election held in the District on November 6, 2006. However, due to State law limitations imposed on the issuance of bonds under Measure R, the District estimates that it will be unable to issue any additional Measure R 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 R, 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 take action(s) to cancel and shall not authorize the issuance of Measure R Bonds in a like amount.

In order to acquire, construct and reconstruct school facilities, and provide for supporting infrastructure at the existing school site of the Banning Unified School District, and in so doing increase health, safety, welfare and educational effectiveness of classrooms for students, shall the Banning Unified School District be authorized to issue Bonds in an amount not to exceed \$25,500,000, including the furnishing and equipping of school facilities or the acquisition or lease of real property for schools and school facilities listed in Attachment "1" on file at the District office and herein incorporated, which Bonds shall be issued for a term not to exceed the applicable statutory maximum, at an interest rate below the legal maximum, and which Bonds shall be subject to the following provisions:

- (A) That proceeds of the Bonds shall be used only for the construction of school facilities and supporting infrastructure, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities pursuant to California Constitution Article XIII A, Section 1(b)(3) and further that the proceeds of the Bonds shall be used only for the purposes specified in California Constitution Article XIII A, Section 1(b)(3) (as amended by Proposition 39) and not for any other purpose, including teacher and non-construction related administrator salaries and any other school operating expenses.
- (B) That a list of the specific school facilities projects to be funded with the proceeds of the Bonds is attached hereto as Attachment "1" and, based upon the adoption of this Resolution, this Board of Trustees hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the school facilities listed in Attachment "1".
- (C) That the Board of Trustees of the District shall conduct an annual, independent performance audit to insure that the proceeds from the sale of the Bonds have been expended only on the specific projects listed in this bond proposition.
- (D) That the Board of Trustees of the District shall 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 identified herein.
- (E) That the Board of Trustees of the District will, pursuant to the provisions of applicable State law, appoint a citizens' oversight committee, and conduct annual independent audits (as referenced above) to assure that the Bond proceeds are spent only on the school, facilities and classroom improvements, projects and costs identified in Attachment "1" and for no other purposes.

**Taxpayer Protections: The following taxpayer protections are specifically provided in this Bond Measure and by law:**

- Bond funds shall be used only for the school facilities projects identified herein, and not for any other purpose.
- As required by law, an **Independent Citizen's Oversight Committee** shall oversee expenditures of bond funds, and related matters, and shall report to the Board of Trustees and communicate with the public on such expenditures.
- As required by law, the School District shall conduct **annual financial audits and performance audits** (using independent auditors) for all bond funds.
- Bond Funds shall not be used for teacher or non-construction related administrator salaries or other non-construction related operating expenses."

**MEASURE "M"**

**BANNING UNIFIED SCHOOL DISTRICT**

**GENERAL OBLIGATION BOND MEASURE**

**LIST OF SCHOOL FACILITIES PROJECTS  
TO BE FUNDED WITH PROCEEDS OF BONDS**

The Board of Education of the Banning Unified School District ("District") is committed to protecting the quality of education in safe and secure local schools that engage all students. To that end, the Board of Education recognizes that students need multiple pathways to achieve their current and future educational and career goals. Therefore, in approving this School Facilities Project List, the Board of Education determines that the District must:

- (i) **Retain all funds to support local students and ensure that money cannot be taken away by the State; and**
- (ii) **Provide vocational education so students are prepared for college and good-paying jobs; and**
- (iii) **Utilize bond proceeds to qualify for State matching facility fund grants; and**
- (iv) **Adhere to clear system of accountability, such as:**
  - (a) **Requiring all expenditures be subject to annual independent financial and performance audits; and**
  - (b) **Appointing an independent citizens' oversight committee to ensure that all funds are spent properly.**

Proceeds from the general obligation bonds of the District would be used to modernize, replace, renovate, expand, construct, acquire, equip, furnish and otherwise improve the classrooms and school facilities of the District as described herein.

The specific school facilities and facilities projects to be funded with bond proceeds include:

**BANNING HIGH SCHOOL IMPROVEMENTS**

Upgrades and improvements at Banning High School:

- Construct and equip vocational education facility including classrooms and work bays to support program areas such as architecture, engineering, construction, renewable energy and alternative fuel vehicles
- Construct and equip a performing arts facility to provide a theater for student and community productions and use
- Make security improvements such as installing/replacing security fencing, cameras, lighting, and fire alarm and security systems
- Renovate/repair/replace existing bleachers

**SITE ACQUISITION**

- Acquire land for expansion and/or construction of new District schools and school facilities

Project costs for the above-referenced projects may include installation costs, engineering and design costs, project management/construction management costs, warranty costs, master facilities planning, state or local costs or expenses involving design, planning, site and facilities development costs and charges, environmental review(s) and proceedings, necessary supporting infrastructure costs, relocation costs and expenses, necessary contingency plans and related costs construction and completion of the aforementioned facilities projects, direct legal costs and related costs. Project costs may also include the payment or prepayment of existing or future lease payments and/or interim financing costs for lease of authorized facilities, property or buildings, prepayment of lease obligations for facilities purposes (including temporary classroom facilities) and payment of costs and expenses for interim financing of authorized facilities (including, but not limited to, financing delivery costs). 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. 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. Allowable project costs also include: costs of issuing the bonds or other securities (as authorized under California law), informational distribution costs and election costs authorized under State law.

This School Facilities Project List describes the specific facilities and capital projects the District may finance with proceeds of the Bonds. Listed projects will be completed as needed at a particular school site according to Board-established priorities, and the order in which such projects appear on this School Facilities Project List is not an indication of priority for funding or completion. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding sources are known, the Board of Education cannot determine the amount of bond proceeds available to be allocated for each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals by State officials and boards, to local environmental review, and to input from the public. For these reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed or will be completed in any particular order or by a particular date.

**In preparing the foregoing list, the Board of Education of the Banning Unified School District has evaluated safety, class size and information technology needs.**

The District will also pursue funds from the State of California to complete certain of the identified facilities projects.

**FISCAL ACCOUNTABILITY**

**This bond measure includes strict accountability requirements including:**

1. All money will benefit local schools and CANNOT BE TAKEN BY THE STATE.
2. Require CITIZENS' OVERSIGHT and yearly reports to the community to keep the District accountable for how the funds are spent.

3. 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.

4. 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.

If this Bond measure is approved, the Banning Unified School District Board of Trustees will appoint a citizens' oversight committee and conduct annual independent audits to assure that bond funds are spent only on school and classroom improvements and for no other purposes.

**MEASURE "M" - TAX RATE STATEMENT**  
**BANNING UNIFIED SCHOOL DISTRICT -**  
**General Obligation Bond Election of November 8, 2016**

**MEASURE "M"**

As shown on the enclosed official ballot, an election is being held in the Banning Unified School District ("District") on November 8, 2016, for the purpose of submitting to the registered voters within the District the question of whether the District shall issue and sell bonds in an amount not to exceed \$25,500,000 (an amount equal to the unissued general obligation bonds previously approved by the voters of the District in 2006) for the purpose of providing funds for the specified school facilities and school projects as set forth in the resolution of the District calling such bond election. This measure will authorize a tax sufficient for payment of interest on, and redemption of, the bonds. The bonds shall bear interest at a rate, or rates, to be established at such time as the bonds are sold, in one or more series, at fixed or variable interest rates not to exceed the maximum applicable statutory rate for such bonds. If such bonds are authorized and sold, the principal thereof and the interest thereon are a general obligation of the District, payable from the proceeds of *ad valorem* taxes on taxable real property located within the District.

The following information is submitted in compliance with California Elections Code Sections 9401 through 9404 based on estimates of assessed valuations available at the time of filing of this statement:

- (a) The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the first sale of the bonds based on estimated assessed valuations available at the time of filing of this statement or a projection based on experience within the same jurisdiction or other demonstrable factors is \$0.03900 per \$100 (\$39.00 per \$100,000) of assessed valuation. The first year in which the taxes would be levied is expected to be in the 2017-2018 tax year.
- (b) It is anticipated that the bonds will be sold in more than one series. The best estimate from official sources of the tax rate which would be required to be levied to fund such bond issues during the first fiscal year after the last sale of the bonds based on estimated assessed valuations available at the time of filing of this statement or a projection based on experience within the same jurisdiction or other demonstrable factors is \$0.03900 per \$100 (\$39.000 per \$100,000) of assessed valuation. It is estimated that this tax rate would apply in the 2021-2022 tax year
- (c) The best estimate from official sources of the highest tax rate which would be required to be levied to fund the bond issues during the term of the bond issues, based on estimated assessed valuations available at the time of filing of this statement or a projection based on experience within the same jurisdiction or other demonstrable factors, is \$0.03900 per \$100 (\$39.00 per \$100,000) of assessed valuation. It is estimated that the highest tax rate would apply in the 2021-2022 tax year based on assessed valuations available at the time of this filing or a projection based on experience within the same jurisdiction or other demonstrable factors.
- (d) 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 \$41,672,000.

Voters should note that these estimated tax rates are based on the assessed *value* of taxable property within the District as shown on the official rolls of Riverside County, *not* on the property's market value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective rate than described above. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the Riverside County Assessor in the annual assessment and the equalization process. Property owners should consult their own property tax bills and/or tax advisors to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that these estimates are based on assumptions and 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 any bond sales, the amount of bonds sold, market interest rates at the time of each sale of bonds and actual assessed valuations over the term of repayment of the bonds. The timing of the bond sales and the amount of bonds sold at any given time will be governed by the needs of the District, 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 such sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the Riverside County Assessor in the annual assessment and the equalization process.

Dated: June 30, 2016

By: Robert T. Guillen  
Superintendent, Banning Unified School District

### IMPARTIAL ANALYSIS OF MEASURE "M"

The Board of Education ("Board") of the Banning Unified School District ("District") by adopting Resolution No. 15-16-25 ("Resolution"), elected to call an election pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution and Section 15100 and 15624 et seq. of the California Education Code to obtain authorization to issue and sell general obligation Bonds ("Bonds") in the aggregate amount principal amount of twenty-five million and five hundred thousand dollars (\$25,500,000). The voters previously approved an aggregate principal amount of sixty three millions dollars (\$63,000,000 under Measure R, but the District only issued thirty seven million, four hundred ninety nine thousand, two hundred eighty seven dollars, and fifty cents (\$37,499,287.50)

This Measure was placed on the ballot by the Board of the above-identified District.

The Bonds would be used by the District to acquire, by purchase or lease, and construction of new District schools and schools facilities. It would also be used for upgrades and improvements to Banning High School, including construction and equipment of a vocational education facility, construction and equipment of a performing arts facility, security systems, and repairs or replacement to bleachers. The Bonds would not be used to fund the salaries, pensions or benefits of any board members, administrator, and/or teachers or for other school operating expenses.

If Measure M is approved, the Board of the District will appoint a citizens' oversight committee, and conduct annual independent financial and performance audits to assure that bond funds are spent only on 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 for no other purposes.

An ad valorem tax would be levied and collected on property within the boundaries of the District to pay the principal and interest on the Bonds.

The Resolution provides that the maximum interest rate on the Bonds will not exceed the interest rate of twelve (12) percent per annum and the maximum term of the Bonds, or any series thereof, will not exceed applicable statutory maximum.

Approval of Measure M does not guarantee that the proposed project or projects in the Banning School District that are the subject of the Bonds under Measure M will be funded beyond the local revenues generated by Measure M. The District's proposal for the project or projects assumes the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

For this Measure to be approved fifty-five percent (55%) of qualified voters who vote on the Measure must vote yes.

A "YES" vote on Measure "M" is a vote to allow the District to sell the Bonds and levy the necessary taxes to pay for the Bonds.

A "NO" vote on Measure "M" is a vote against allowing the District to sell the Bonds and levy the necessary taxes to pay for the Bonds.

By: Ronak N. Patel, Deputy County Counsel

### ARGUMENT IN FAVOR OF MEASURE "M"

#### Vote YES on Measure M

Ten years ago, Banning Unified School District voters passed a general obligation bond to improve our communities' most important asset — our children's local public schools. Since that time, tremendous improvements have been made in repairing and rehabilitating these schools and classrooms.

But much remains to be done. Measure M will let us continue the job of improving our children's schools by reauthorizing previously approved bonds without increasing the District's total authorized debt.

Measure M will improve opportunities for Banning's students by expanding career technical education facilities in our high school to accommodate programs for architecture, engineering, construction, and media.

Measure M will make safety improvements at Banning High School to ensure our children have a safe and secure place to learn.

Measure M will protect taxpayers by:

- Not increasing the total amount of approved debt
- Making our local school projects eligible for State matching funds
- Requiring independent citizen oversight
- Prohibiting funds from going to administrators' salaries, pensions or benefits
- **Imposing tough legal restrictions requiring all monies to be spent on our local schools**
- **Prohibiting the state from taking local bond money and spending it in other districts**

Vote YES to build safer schools in order to improve student achievement.

Vote YES for improved property values and home prices by improving neighborhood schools.

Vote YES to protect taxpayers with independent financial audits.

Vote YES to turn out our well-educated, well-rounded leaders of tomorrow.

Please join our local business leaders, teachers, parents, grandparents and neighbors by voting YES on Measure M.

By: Ron Duncan, President, Banning Chamber of Commerce  
Doug Wells, Past Sect'y, SGPA Habitat for Humanity  
George Moyer, Banning Mayor Pro Tem  
Diana Morris, Civic Leader  
Larry Ellis, Retired Teacher, Former Board Member

NO ARGUMENT FILED AGAINST MEASURE "M"