

BIGGS UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
IMPARTIAL ANALYSIS OF MEASURE "A" BY BUTTE COUNTY COUNSEL

This analysis of the general obligation bond measure for the Biggs Unified School District ("District"), Measure A, is prepared and submitted in accordance with Elections Code Section 9500. Measure A does not propose to amend or add to existing law. If approved, the issuance of the bonds will be in conformance with the laws of the State of California.

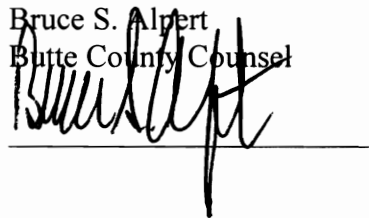
If fifty-five percent (55%) or more of the votes cast by the qualified voters in the District on the measure are "Bonds-Yes", the measure will be approved, and the District will be authorized to incur a bonded indebtedness in the principal amount of up to \$4,275,000.00 and to levy ad valorem taxes on taxable property within the District to pay for the amount of bonded indebtedness plus interest. If the measure is not approved by at least 55% of the votes cast, the measure will fail and the bonds will not be issued.

The bonds will bear interest at a rate not exceeding the legal limit. Interest will be established at the time of sale, depending on the market rates at that time. If issued under the Government Code, the maximum duration of the bonds cannot exceed forty (40) years. If issued under the Education Code, the maximum duration of the bonds cannot exceed twenty-five (25) years. The exact effect on tax rates cannot be determined until after the bonds are sold.

Proposition 13, approved in 1978, amended the California Constitution by adding Article XIII A limiting ad valorem taxes on real property to one percent (1%) on the value of the property. Article XIII A was amended in 1986 by adding an exception providing that the 1% limitation does not apply to taxes used to pay interest and redemption charges on certain bonds. Taxes levied to pay the interest and principal of these District Bonds would be within this exception and not subject to the 1% limitation.

The funds derived from the sale of these bonds could be expended by the District only for the purposes specified in the ballot measure, including to: fix leaky, deteriorated roofs, improve fire safety, repair and upgrade classrooms, heating/ventilation systems for energy efficiency, and update science, computer and instructional technology. The proceeds will not be used for any other purpose, including payment of teacher or administrator salaries or other operating expenses. To assure that funds are spent only as specified in the measure, Measure A requires the appointment of a citizen's oversight committee and completion of independent financial audits.

Bruce S. Alpert
Butte County Counsel



The above statement is an impartial analysis of Measure A. If you desire a copy of the measure, please call the Elections Official's Office at 1-800-894-7761 or (530) 538-7761 and a copy will be mailed to you at no cost.

