

IMPARTIAL ANALYSIS OF MEASURE K

Measure K, a Chico Unified School District (“District”) bond measure, seeks voter approval to authorize the District to issue \$152,000,000 of bonds at legal rates. The primary purpose of the bonds is to finance school facilities projects as specified in the measure.

Pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution, this measure will become effective upon the affirmative vote of at least 55% of the qualified electors voting on this measure.

Education Code section 15100 restricts the use of the proceeds from the bonds sale to items such as building school buildings, improving school grounds, supplying school buildings and grounds with equipment, and acquiring real property for school facilities. In addition, proceeds may only be used for the projects listed in the measure. This measure provides that its proceeds will fund projects outlined in the measure (reproduced in the sample ballot pamphlet) that include, but are not limited to: building systems repair and replacement; school improvements to support student learning and instruction; school improvements to support student health, safety and security; school improvements regarding accessibility and code compliance upgrades; and school improvements regarding energy efficiency and sustainability. Proceeds may not be used for any other purpose such as administrator salaries.

If 55% of those who vote on the measure vote “yes”, the District will be authorized to issue bonds in the amount of \$152,000,000. Approval of this measure will authorize a levy on the assessed value of taxable property within the District by an amount needed to pay the principal and interest on the bonds each year that the bonds are outstanding.

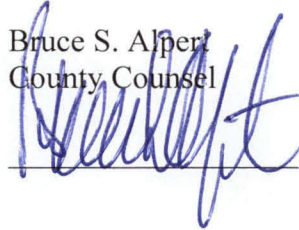
The Tax Rate Statement for Measure K in this sample ballot pamphlet reflects the District’s best estimates, based upon currently available data and projections, of the property tax rates required to service the bonds. The best estimate of the tax rate required to be levied to fund the bonds is 6 cents per \$100 of assessed valuation or \$60 per \$100,000 of assessed valuation. This estimate applies during the first fiscal year (2017-2018) after the first sale of the bonds, during the first fiscal year (2023-2024) after the sale of the last series of bonds, and at the highest tax rate. 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 \$270,000,000.

The Board of Education (“Board”) will appoint a citizens’ oversight committee to ensure that the bond proceeds are spent for the projects listed in the measure. The Board will conduct annual, independent performance and financial audits.

If 55% of those voting on this measure do not vote for approval, the measure will fail and the District will not be authorized to issue the bonds.

This measure is placed on the ballot by the governing board of the District.

Bruce S. Alpert
County Counsel



The above statement is an impartial analysis of Measure K. If you desire a copy of the measure, please call Butte County Elections at 530-538-7761 or 800-894-7761 within Butte County and a copy will be mailed to you at no cost. You may also access the full text of the measure on the county Website at the following Website address: <http://buttevotes.net>