

**GENERAL WAIVER REQUEST**

GW-1 (Rev. 10-2-09)

<http://www.cde.ca.gov/re/lr/wr/>

**First Time Waiver: X**

**Renewal Waiver: \_\_\_\_\_**

Send Original plus one copy to:  
 Waiver Office, California Department of Education  
 1430 N Street, Suite 5602  
 Sacramento, CA 95814

Send Electronic copy in **Word** and  
 back-up material to: [waiver@cde.ca.gov](mailto:waiver@cde.ca.gov)

CD CODE						
3	4	6	7	3	3	0

Local educational agency: <b>Folsom Cordova Unified School District</b>			Contact name and Title: <b>Rhonda Crawford, CFO/CBO</b>			Contact person's e-mail address: <a href="mailto:rcrawfor@fcusd.org">rcrawfor@fcusd.org</a>
Address:	(City)	(State)	(ZIP)	Phone (and extension, if necessary):		
<b>125 E. Bidwell Street</b>	<b>Folsom</b>	<b>CA</b>	<b>95630</b>	<b>916-355-1100</b>		
Period of request: (month/day/year)		Local board approval date: (Required)		Fax Number: <b>916-294-9020</b>		
From: 1/1/2012 To: 12/31/2021		December 8, 2011		Date of public hearing: (Required)		
				December 8, 2011		

**LEGAL CRITERIA**

1. Under the general waiver authority of *Education Code* 33050-33053, the particular *Education Code* or *California Code of Regulations* section(s) to be waived (number): **15106 and 15270(a)** Circle One:  **EC** or *CCR*

Topic of the waiver: **Statutory Bonding Capacity**

2. If this is a renewal of a previously approved waiver, please list Waiver Number: **N/A** and date of SBE Approval \_\_\_\_\_  
 Renewals of waivers must be submitted two months before the active waiver expires.

3. Collective bargaining unit information. Does the district have any employee bargaining units? \_\_\_ No  Yes If yes, please complete required information below:

Bargaining unit(s) consulted on date(s): **Please see attached.**

Name of bargaining unit and representative(s) consulted: **Please see attached.**

The position(s) of the bargaining unit(s): \_\_\_ Neutral  Support \_\_\_ Oppose (*Please specify why*)

Comments (if appropriate):

4. Public hearing requirement: A public hearing is not simply a board meeting, but a properly noticed public hearing held during a board meeting at which time the public may testify on the waiver proposal. Distribution of local board agenda does not constitute notice of a public hearing. Acceptable ways to advertise include: (1) print a notice that includes the time, date, location, and subject of the hearing in a newspaper of general circulation; or (2) in small school districts, post a formal notice at each school and three public places in the district.

How was the required public hearing advertised?

Notice in a newspaper \_\_\_ Notice posted at each school \_\_\_ Other: (*Please specify*)

5. Advisory committee or school site councils. Please identify the council(s) or committee that reviewed this waiver:

**Measure M Citizen Bond Oversight Committee on December 5, 2011.**

Date the committee/council reviewed the waiver request:

Were there any objection(s)? No  Yes \_\_\_ (*If there were objections please specify*)

**GENERAL WAIVER REQUEST**

GW-1 (10-2-09)

6. *Education Code* or *California Code of Regulations* section to be waived. If the request is to waive a portion of a section, type the text of the pertinent sentence of the law, or those exact phrases requested to be waived (use a **strike out key**).

**15106.** A unified school district or community college district may issue bonds that, in aggregation with bonds issued pursuant to Section 15270, ~~shall not exceed 2.5 percent of the taxable property of the school district or community college district, or the school facilities improvement district, if applicable, as shown by the last equalized assessment of the county or counties in which the district is located. ...~~

**15270.** (a) Notwithstanding Sections 15102 and 15268, ~~any unified school district may issue bonds pursuant to this article that, in aggregation with bonds issued pursuant to Chapter 1 (commencing with Section 15100), may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. ...~~

7. Desired outcome/rationale. Describe briefly the circumstances that brought about the request and why the waiver is necessary to achieve improved student performance and/or streamline or facilitate local agency operations. If more space is needed, please attach additional pages.

The District is seeking a waiver that will allow for the issuance of bonds under its approved 2007 Measure M bond authorization in amounts necessary to keep its program moving forward without interruption and without interim financing. The District is requesting this waiver to give the District flexibility in its bonding capacity until the year 2028. An increase to 10.20% will allow the District some flexibility in the event of continued negative tax base growth in the short-term or long-term stagnation of the District's tax base. A 16 year term will cover the period during which the District is currently planning on issuing bonds under the 2007 Measure M authorization.

Continued, (see attached)

8. Demographic Information:  
 (District school/program) has a student population of **19,100** and is located in an (urban) rural, or small city etc) in **Sacramento** County.

**Is this waiver associated with an apportionment related audit penalty? (per EC 41344)** No  : Yes   
 (If yes, please attach explanation or copy of audit finding)

**Has there been a Categorical Program Monitoring (CPM) finding on this issue?** No  : Yes   
 (If yes, please attach explanation or copy of CPM finding)

**District or County Certification** – I hereby certify that the information provided on this application is correct and complete.

Signature of Superintendent or Designee:	Title: <b>Chief Financial Officer/CBO</b>	Date:
<b>FOR CALIFORNIA DEPARTMENT OF EDUCATION USE ONLY</b>		
Staff Name (type or print):	Staff Signature:	Date:
Unit Manager (type or print):	Unit Manager Signature:	Date:
Division Director (type or print):	Division Director Signature:	Date:
Deputy (type or print):	Deputy Signature:	Date:

California Department of Education  
General Waiver Request

Answer to Item #3:

Name of Unit	Representative(s) Consulted	Date of Meeting
California School Employees Association - American River Chapter #528	Rick Willis, President	12/9/2011
Folsom Cordova Education Association	Michael Itkoff, President	12/7/2011

Answer to Item #6:

... Continued...

**Purpose.** The Folsom Cordova Unified School District (the “District”) is seeking a waiver of Education Code Sections 15106 and 15270(a) related to the issuance of Measure M general obligation bonds. The purpose of the request is to increase the current 2.5% debt capacity limit up to a 10.20% debt capacity limit. The waiver will allow the District to continue its construction program without interruption and without interim financing by enabling the District to issue bonds under its 2007 Measure M bond authorization in amounts necessary to keep its bond program moving forward.

**Background.** The District is located in the eastern portion of Sacramento County and covers approximately 95 square miles. With an October 2011 enrollment of 19,250, the District’s enrollment is projected to double over the next 30 years. The District currently has 21 elementary schools, four (4) middle schools, three (3) comprehensive high schools, two (2) continuation high schools, one (1) charter school, and one (1) alternative education site. The District also maintains independent study, transitional kindergarten and preschool programs.

**Bond History.** In 1996, the District created two School Facility Improvement Districts (SFIDs) based on the two high school attendance areas at that time. SFID 1 was based on the Cordova High School boundary and SFID 2 was based on the Folsom High School boundary. In early 2006, the District created two additional SFIDs (SFID 3 and SFID 4) which overlay SFID 1 and a portion of SFID 2. A map illustrating the four areas is included as Exhibit A.

SFID 3 encompasses the area south of Highway 50, east of Sunrise Boulevard, north of Douglas Road, and east to the El Dorado County line. The majority of this area is sparsely inhabited by residential development; it is estimated by developers that the area will eventually contain over 32,327 new residential units; 20,603 single-family homes, 6,073 multi-family medium density units and 6,154 high density multi-family homes.

SFID 4 - encompasses part of the City of Rancho Cordova and Mather without the proposed residential development east of Sunrise Boulevard that is covered by SFID 3. This area includes the residential developments occurring in Stone Creek, Capital Village and infill projects throughout the area.

## Bond History

Bond	SFID	Year	Amount (in millions)	Votes in Favor	Purpose of Bond
Measure V	1	1997	\$10.4	74.2%	Provide local matching share for modernization eligibility in the State School Building Program for most sites in SFID 1.
Measure B	1	2002	\$49.0 (Prop 39)	73.0%	Continuation of modernization of school sites beyond the eligibility established in the School Building Program from Measure V, installation/upgrade of classroom technology.
Measure C	2	2002	\$53.0 (Prop 39)	68.6%	Construction of two elementary schools, one high school, modernization of SFID 2 schools, installation/upgrade of classroom technology.
Measure M	3	2007	\$750.0	81.1%	Construction of up to 30 schools to house the projected 19,000 students, along with district support facilities.
Measure N	4	2006	\$125.0 (Prop 39)	69.2%	A community-pushed bond to address additional classroom technology, campus safety, landscape and building upgrades, and a major upgrade of the Cordova High campus including, replacement of old relocatable classrooms with a new 2-story classroom building, construction of a performing arts theater and a second gymnasium.

**Bond Program Status.** The voters within SFID 3 approved an authorization to issue \$750,000,000 in general obligation bonds on March 27, 2007 (the “Authorization”) with approximately \$705 million remaining unissued. Currently, the District may not issue any general obligation bonds under California Education Code without exceeding its statutory bonding capacity of 2.5%.

The District wishes to issue general obligation bonds in one or more series to provide financing for the construction of public school facilities.

Project to be completed:

- Construction of a Career Technology Education facility
- Site Acquisition and plan design for two elementary schools within the Glenborough development
- Site planning and building design for a new middle/high school facility
- Construction of an updated Maintenance Facility.

**Recent Decline in Tax Base.** The recent global economic downfall caused property values to decline in the District, which brought unprecedented declines in the District’s assessed value. After growing at an average of 8.22% per year for the first two years after the initial bond authorization, values decreased by 1.50% in 2009-10, decreased by 6.35% in 2010-11, and decreased again by 4.75% in 2011-12. The cumulative effect of the last three years of decreases has been reduction in the size of the SFID’s tax base from \$1.686 billion in 2008-09 to its current \$1.554 billion.

**Available Bonding Capacity at Un-Waived Limit.** An increase to 10.20% will allow the District some flexibility in the event of continued negative tax base growth in the short-term or long-term stagnation of the District's tax base. Given a fixed amount of \$100 million of 2007 Measure M bonds to be issued and the assumption of positive tax base growth into the future, the SFID 3 debt outstanding will drop below the current statutory limit of 2.5% by tax year 2028. The attached Exhibit B shows SFID 3's available bonding.

**Potential of Program Suspension.** If the request is denied, the District will likely need to suspend its Measure M bond program and to proceed only to the extent that annual tax base growth and repayment of previously issued bonds allows. Such an alternative would have significant negative consequences on a number of fronts as described below.

**Cost and Disruption.** Suspending a program that has been ongoing would have obvious cost implications. The current bidding climate for construction projects is strong and the District has a construction management system in place. Suspending the program and re-starting the program in the future would be both costly and disruptive. Undoubtedly, there would be public criticism as well.

**Safety Issues.** In addition to being costly and disruptive, such a suspension would mean that students would be housed in relocatable facilities at existing sites that are to some degree inadequate and/or unsafe and that are certainly not the equal of facilities provided to other students in the District.

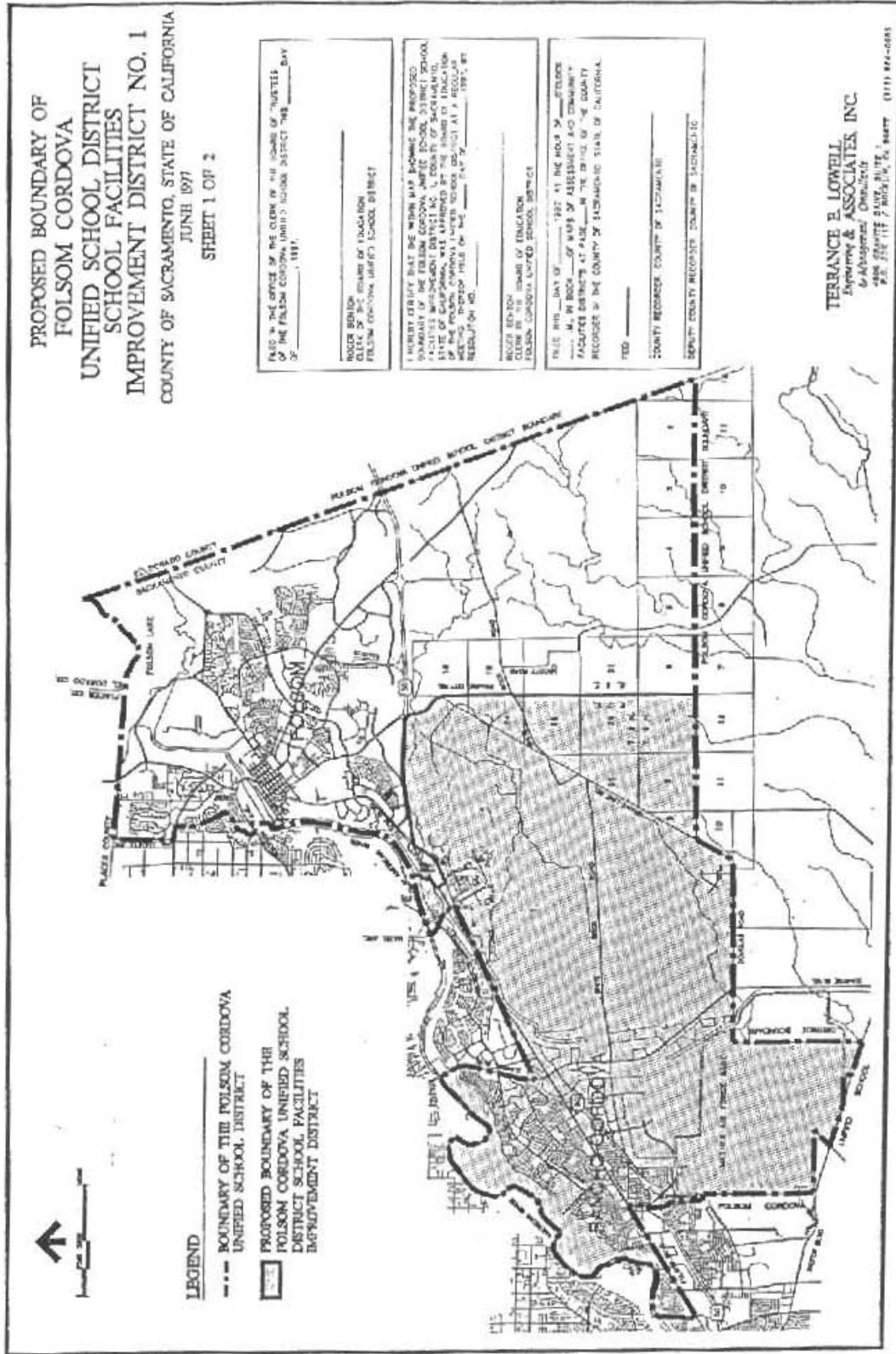
**Will of the People.** From a political standpoint, suspension of the program would deny voters the benefits of a program that they voted to implement. As is documented elsewhere in this request, voters have consistently demonstrated their support for facility bonds in the District and their willingness to pay for such improvements.

**Impact on Local Economy.** Suspension of the bond program would also have a negative impact on the local economy. The District's construction program employs many area residents and suspension of the program would result in significant job losses. Many economists continue to stress the importance of public agencies moving forward with construction projects during these difficult times as a means of economic stimulus.

**Summary Rationale and Conclusion.** The District is requesting this waiver because such a waiver is necessary in order for the District's construction program to move ahead without interruption or interim financing. Continuation of the construction program is necessary if the District is to provide adequate and equal school facilities for all of its current and future students. The District notes that the construction programs have been overwhelmingly supported by voters over time and the public is well aware of its costs and willing to pay them. Furthermore, continuing the program will provide economic stimulus and avert job losses.

The District understands the importance of bonding capacity limitations and prudent debt management; however, given the recent tax base declines caused by the general economic climate, the District will need a waiver of bonding capacity to continue its bond program. The District requests that the CDE grants this waiver so that the District can move ahead with its voter-supported capital program.

EXHIBIT B



PROPOSED BOUNDARY OF  
**FOLSOM CORDOVA**  
 UNIFIED SCHOOL DISTRICT  
 SCHOOL FACILITIES  
 IMPROVEMENT DISTRICT NO. 1  
 COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

JUNE 1977  
 SHEET 1 OF 2

FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF SUPERVISORS OF THE FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT NO. 1, DAY OF \_\_\_\_\_, 1977.

ROGER BENSON  
 CLERK OF THE BOARD OF EDUCATION  
 FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARY OF THE FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS PREPARED BY ME OR UNDER MY SUPERVISION AND THAT I AM A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF CALIFORNIA. MY REGISTRATION NO. IS \_\_\_\_\_.

ROGER BENSON  
 CLERK OF THE BOARD OF EDUCATION  
 FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1977 AT THE HOUR OF \_\_\_\_\_, BY \_\_\_\_\_, COUNTY CLERK OF SACRAMENTO COUNTY, CALIFORNIA.

FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO, CALIFORNIA, AT THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

FILED \_\_\_\_\_

COUNTY RECORDER, COUNTY OF SACRAMENTO

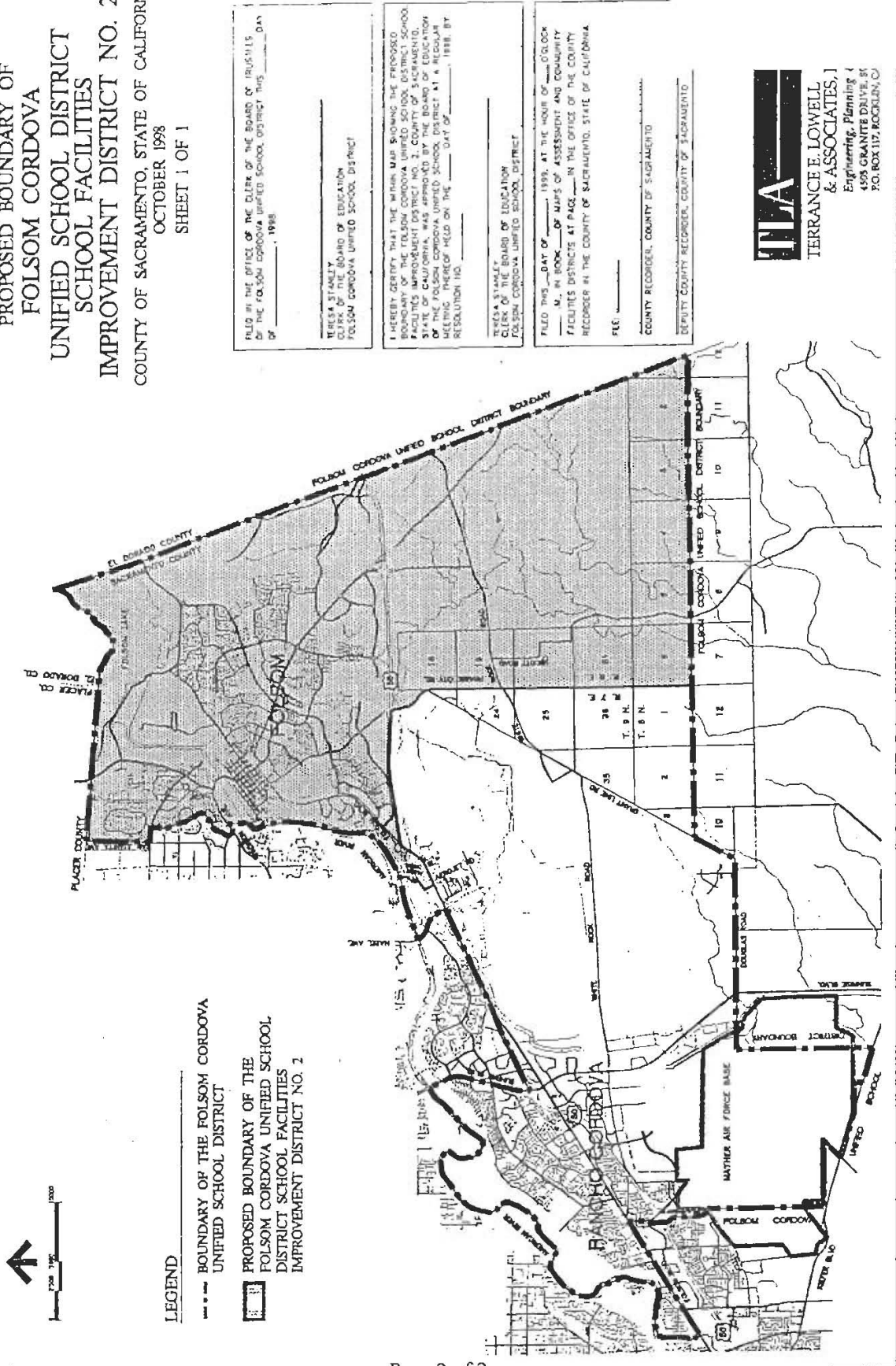
SACRAMENTO COUNTY RECORDER, COUNTY OF SACRAMENTO

**TERRANCE E. LOWELL**  
 Surveying & Associates, Inc.  
 4800 BRIDGE BLVD., SUITE 1  
 SACRAMENTO, CALIFORNIA 95826  
 (916) 444-0688

Exhibit A - SFID 2 Map

PROPOSED BOUNDARY OF  
FOLSOM CORDOVA  
UNIFIED SCHOOL DISTRICT  
SCHOOL FACILITIES  
IMPROVEMENT DISTRICT NO. 2  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA  
OCTOBER 1998  
SHEET 1 OF 1

EXHIBIT C



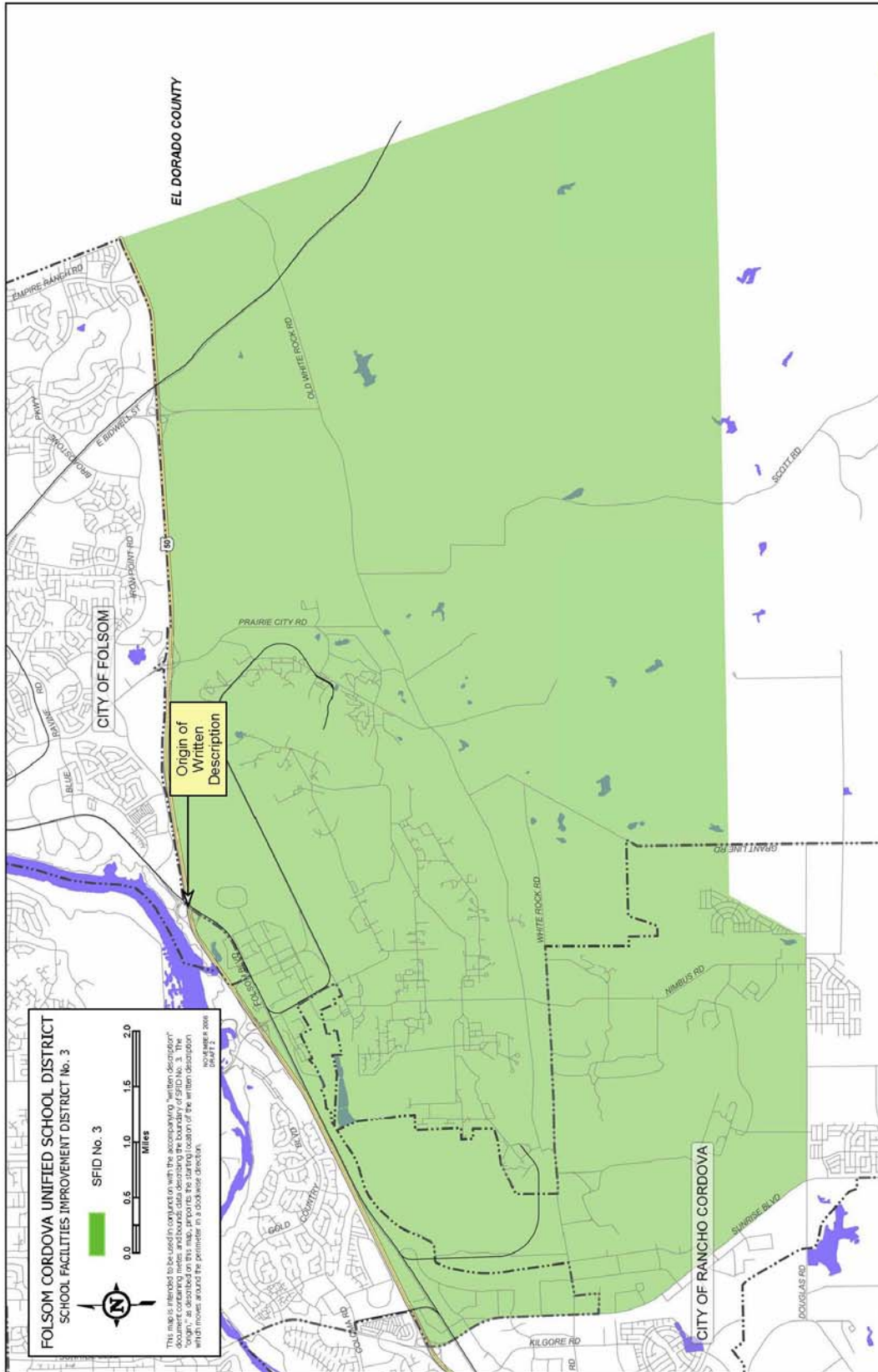
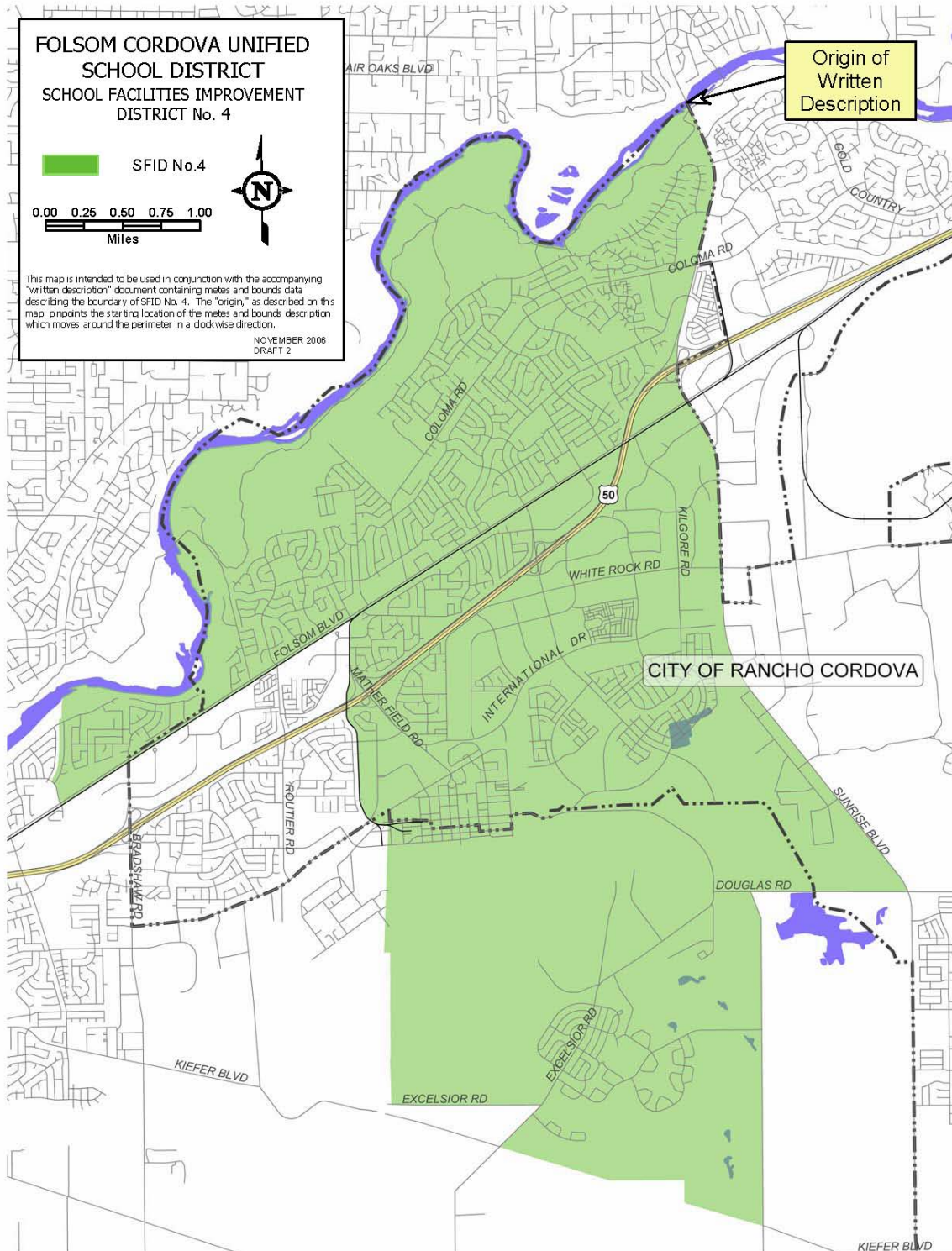


Exhibit A – SFID 4 Map



**Exhibit B – Bond Analysis**

**Folsom Cordova Unified School District  
School Facilities Improvement District No. 3**

**Approximately \$100 Million Par Amount for Series C Bonds**

Comparison of Bond Election Estimates  
Actual Series A Bonds, Actual Series B, Actual B-1 Bonds and Estimated Series C

Tax per \$100,000 Assessed Valuation

Year	Assessed Valuation Growth Rate	Bond Election Estimates (1)	Actual Series A	Actual Series B and B-1	Estimated Series C	Total	Difference
2008	11.56%	\$37.31	\$37.00	--	--	\$37.00	(\$0.31)
2009	4.88%	96.37	50.50	--	--	50.50	(45.87)
2010	-1.50%	98.51	33.50	\$65.00	\$0.00	98.50	(0.01)
2011	-6.35%	86.57	45.30	50.90	0.00	96.20	9.63
2012	-4.75%	90.02	38.90	52.70	0.00	91.60	1.58
2013	-2.50%	81.43	88.54	29.72	143.72	261.98	180.55
2014	0.00%	96.83	88.81	25.34	147.57	261.72	164.89
2015	2.00%	82.17	90.06	28.11	143.74	261.91	179.73
2016	4.00%	86.53	100.19	23.89	137.89	261.96	175.43
2017	6.00%	79.10	106.51	33.77	121.49	261.77	182.67
2018	8.00%	87.15	112.39	32.92	116.62	261.93	174.78
2019	10.00%	81.32	107.27	47.84	106.75	261.87	180.55
2020	10.00%	85.67	110.87	50.96	99.99	261.82	176.15
2021	12.00%	84.03	106.27	65.29	90.29	261.85	177.82
2022	12.00%	90.52	103.72	67.59	90.53	261.84	171.32
2023	12.00%	89.09	94.87	78.23	88.89	261.99	172.90
2024	10.00%	94.03	89.46	80.14	92.37	261.97	167.94
2025	10.00%	91.40	79.46	85.46	97.02	261.94	170.54
2026	8.00%	94.14	73.46	78.59	109.92	261.98	167.84
2027	6.00%	87.75	66.85	82.86	112.18	261.90	174.14
2028	6.00%	88.38	61.97	77.63	122.29	261.89	173.51
2029	6.00%	81.27	56.40	80.38	125.21	261.98	180.71
2030	6.00%	81.40	54.38	77.87	129.73	261.98	180.58
2031	6.00%	78.22	51.76	82.95	127.27	261.98	183.76
2032	6.00%	81.25	--	123.69	138.22	261.91	180.66
2033	6.00%	82.04	--	128.99	132.94	261.93	179.89
2034	6.00%	86.03	--	--	261.98	261.98	175.95
2035	6.00%	89.27	--	--	261.95	261.95	172.68
2036	6.00%	93.61	--	--	262.00	262.00	168.38
2037	6.00%	97.15	--	--	261.96	261.96	164.81
2038	6.00%	96.32	--	--	261.96	261.96	165.64
2039	6.00%	99.61	--	--	261.98	261.98	162.37
2040	6.00%	99.89	--	--	261.98	261.98	162.09
2041	6.00%	99.91	--	--	261.96	261.96	162.05
2042	6.00%	97.40	--	--	262.00	262.00	164.59
2043	6.00%	99.46	--	--	261.98	261.98	162.52
2044	6.00%	90.77	--	--	261.96	261.96	171.19
2045	6.00%	94.30	--	--	261.96	261.96	167.67
2046	6.00%	76.66	--	--	261.97	261.97	185.30
2047	6.00%	79.72	--	--	261.97	261.97	182.25
2048	6.00%	51.47	--	--	261.98	261.98	210.52
2049	6.00%	53.64	--	--	262.00	262.00	208.36
2050	6.00%	19.36	--	--	261.99	261.99	242.63
2051	6.00%	20.35	--	--	261.98	261.98	241.63
2052	6.00%	5.50	--	--	262.00	262.00	256.50
Average Annual Tax		\$81.40	\$77.02	\$64.62	\$186.30	\$241.14	(\$159.74)
Highest Annual Tax		\$99.91	\$112.39	\$128.99	\$262.00	\$262.00	(\$162.09)

(1) Entire authorization from election estimates.

Table prepared by Stone & Youngberg

23-Nov-11

Exhibit B – Bond Analysis

ESTIMATED FUTURE BOND ISSUANCE CAPACITY FOR GENERAL OBLIGATION BONDS  
Folsom Cordova Unified School District  
School Facilities Improvement District No. 3  
Approximately \$100 Million Per Amount for Series C Bonds

Limitation on Bonds Outstanding as % of Assessed Valuation 2.50%

Bond Year Ending	Assessed Valuation Growth	Total Assessed Valuation (1)	Outstanding General Obligation Bonds					Proposed SFD No. 3 G.O. Bonds	Total	Net Bond Issuance Capacity (2)	Districts Bonded Indebtedness Rate (3)
			Outstanding SFD No. 3 G.O. Bonds	Outstanding SFD No. 1 G.O. Bonds (4)	Outstanding SFD No. 2 G.O. Bonds (5)	Outstanding SFD No. 3 G.O. Bonds	Outstanding SFD No. 4 G.O. Bonds				
2012	4.8%	\$1,554,000,518	\$38,850,013	\$10,327,813	\$5,810,664	\$100,054,117	\$198,196,450			10.188%	
2013	-2.9%	1,513,150,300	37,878,763	9,702,325	5,468,093	100,054,117	196,278,390			10.334%	
2014	0.0%	1,513,150,300	37,878,763	9,702,325	5,468,093	100,054,117	196,278,390			10.182%	
2015	2.0%	1,545,451,515	38,636,338	9,331,687	4,701,015	99,654,616	194,280,184			9.624%	
2016	4.0%	1,607,271,656	40,181,791	9,331,687	4,274,166	98,271,633	191,826,315			9.285%	
2017	6.0%	1,703,707,955	42,592,699	6,781,242	3,814,544	96,746,288	186,961,859			8.597%	
2018	8.0%	1,840,004,592	46,000,115	3,624,785	3,119,896	95,266,558	183,570,368			7.805%	
2019	10.0%	2,024,005,091	50,600,126	3,491,053	3,037,496	93,825,245	180,521,799			6.972%	
2020	10.0%	2,226,405,556	55,600,139	3,024,061	2,755,688	92,320,628	178,346,820			6.223%	
2021	12.0%	2,493,374,222	62,339,356	3,148,759	2,474,239	91,292,590	176,555,944			5.444%	
2022	12.0%	2,792,803,129	69,820,078	2,941,039	2,191,383	90,276,116	175,336,340			4.738%	
2023	12.0%	3,127,939,500	78,198,488	2,679,025	1,906,257	90,276,116	174,688,389			4.101%	
2024	10.0%	3,440,733,455	86,018,336	2,327,920	1,618,574	90,276,116	174,688,389			3.612%	
2025	10.0%	3,784,806,801	94,620,170	2,087,759	1,326,965	90,276,116	174,688,389			3.162%	
2026	8.0%	4,087,591,940	102,189,784	1,799,343	1,029,390	90,276,116	174,688,389			2.843%	
2027	6.0%	4,332,846,825	108,321,171	1,571,215	754,058	90,276,116	174,688,389			2.602%	
2028	6.0%	4,592,817,635	114,820,441	1,356,818	424,225	90,276,116	174,688,389			2.485%	
2029	6.0%	4,868,386,693	121,709,667	1,147,012	208,180	90,276,116	174,688,389			2.485%	
2030	6.0%	5,160,489,894	129,012,247	954,614	0	90,276,116	174,688,389			2.485%	
2031	6.0%	5,470,119,288	136,732,362	767,974	0	90,276,116	174,688,389			2.485%	
2032	6.0%	5,798,326,445	144,958,161	598,603	0	90,276,116	174,688,389			2.485%	
2033	6.0%	6,146,226,032	153,655,651	413,881	0	90,276,116	174,688,389			2.485%	
2034	6.0%	6,514,999,594	162,874,990	254,261	0	90,276,116	174,688,389			2.485%	
2035	6.0%	6,905,899,570	172,647,489	154,614	0	90,276,116	174,688,389			2.485%	
2036	6.0%	7,320,253,544	183,006,339	95,531	0	90,276,116	174,688,389			2.485%	
2037	6.0%	7,759,468,727	193,986,719	55,531	0	90,276,116	174,688,389			2.485%	
2038	6.0%	8,225,036,882	206,625,922	30,531	0	90,276,116	174,688,389			2.485%	
2039	6.0%	8,718,539,095	217,963,477	15,531	0	90,276,116	174,688,389			2.485%	
2040	6.0%	9,241,651,441	231,041,286	7,531	0	90,276,116	174,688,389			2.485%	
2041	6.0%	9,796,150,527	244,903,763	3,531	0	90,276,116	174,688,389			2.485%	
2042	6.0%	10,383,819,559	258,597,869	1,531	0	90,276,116	174,688,389			2.485%	
2043	6.0%	11,006,954,732	275,173,868	653	0	90,276,116	174,688,389			2.485%	
2044	6.0%	11,667,372,016	291,684,300	297	0	90,276,116	174,688,389			2.485%	
2045	6.0%	12,367,414,337	306,185,358	137	0	90,276,116	174,688,389			2.485%	
2046	6.0%	13,109,459,197	327,736,480	63	0	90,276,116	174,688,389			2.485%	
2047	6.0%	13,896,026,749	347,400,669	29	0	90,276,116	174,688,389			2.485%	
2048	6.0%	14,729,788,354	366,244,709	13	0	90,276,116	174,688,389			2.485%	
2049	6.0%	15,613,575,655	390,339,391	6	0	90,276,116	174,688,389			2.485%	
2050	6.0%	16,550,390,195	413,759,755	3	0	90,276,116	174,688,389			2.485%	
2051	6.0%	17,543,413,606	438,585,340	1	0	90,276,116	174,688,389			2.485%	
2052	6.0%	18,596,018,423	464,900,461	0	0	90,276,116	174,688,389			2.485%	

1) 2011-12 assessed valuation is actual. Assessed valuations in 2012-13 and thereafter are estimates based on the above-referenced annual compound growth rate.  
2) The statutory limit on the amount of general obligation bonds that can be issued by a unified school district in a fiscal year is 2.50% of the then current assessed valuation of the district, minus the principal amount of outstanding general obligation bonds.  
3) Represents pro-rata allocation to SFD No. 3 of the principal amount of general obligation bonds issued by SFD No. 1, based on the percentage that the assessed valuation in SFD No. 3 bears to the assessed valuation of SFD No. 1.  
4) Represents pro-rata allocation to SFD No. 3 of the principal amount of general obligation bonds issued by SFD No. 2, based on the percentage that the assessed valuation in SFD No. 3 bears to the assessed valuation of SFD No. 2.  
5) Outstanding G.O. Bonds and Proposed SFD No. 3 G.O. Bonds divided by the Total Assessed Valuation for Calculating Bond Issuance Limit.

SOURCE: Stone & Youngberg

23-Nov-11

**Exhibit C – Measure M Bond Text**

## EXHIBIT B

## FULL TEXT BALLOT PROPOSITION

SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 3  
OF THE FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT  
BOND MEASURE ELECTION MARCH 27, 2007

The following is the full proposition presented to the voters of the School Facilities Improvement District No. 3 of the Folsom Cordova Unified School District.

“To qualify for state funding and developer fees, construct elementary, middle, and high schools, libraries, computer labs, support facilities, acquire land, and purchase equipment and computer technology, shall the School Facilities Improvement District No. 3 of the Folsom Cordova Unified School District issue \$750 million in bonds at legal interest rates and appoint a citizens’ oversight committee to monitor expenditures?”

**BOND SUMMARY**

As the land south of Highway 50 develops over the next twenty-five years, the Folsom Cordova School District will experience incredible growth. The Cities of Rancho Cordova and Folsom and the County of Sacramento have plans that project housing growth that will generate 23,500 additional students.

Unless the District and community proactively plan for this growth, our current schools will become overcrowded and our children’s education and welfare will be negatively impacted.

The District has developed a plan for building new schools. The plan includes state funding from the State Facilities Grant program and a commitment from developers that is at least double the current legally mandated contribution. This local bond is crucial to provide the additional funds necessary to construct the estimated thirty new schools and support facilities needed to house 23,500 new students. The total cost for all these new facilities is projected at \$1.7 billion dollars. Each local bond dollar will be matched by more than one dollar from the state and developers as we invest in our future.

A committee comprised of local citizens will oversee the use of the bonds. The committee will determine when schools are to be built, the type of schools to be built, how to maximize the bond, state and developer dollars. The committee will also develop joint use proposals with the parks and cities.

Local bonds will only be issued as school facilities are needed. New homes and new businesses will be paying virtually all of the costs for new school facility construction and current residents and businesses will only pay based on their current assessed valuation.

Our children deserve great schools. Please do your part to assure a bright future for our community.

*The average tax rate per \$100,000 assessed valuation will be \$73.61.*

**FISCAL ACCOUNTABILITY.** THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY A CITIZENS OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED.

**NO ADMINISTRATOR SALARIES.** PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, MODERNIZATION, OR REPLACEMENT OF FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR TEACHER OR ADMINISTRATOR SALARIES.