

1) Can the West Roseville residents who already pay on a bond for the 6th High School be made to pay on another bond (November ballot bond) for the same reason? More than one Bond can be passed in an area as long as the district stays below State restrictions on Bonding capacity for the district. We are below our capacity for Bonds and would remain significantly below the State capacity even if the proposed Bond is passed. The proposed Bond would provide funds to fill the gap (approximately \$30 M) to get the sixth high school phase 1 completed as well as provide funds for deferred maintenance and modernization projects at all of the high schools in the district. The total proposed Bond is \$96 Million. The entire district would share the cost and the entire district would also benefit in projects for their neighborhood schools.

What are the State capacity limits? Can we find this information on a State schools website? Where are we as a District, in real figures, compared to the State capacity limits? The State's statutory Debt Limit Factor for a high school district is 1.25% of the entire district's assessed value. I put a chart below which shows our current estimated Bonding Capacity. The district's assessed value is \$24.8 Billion, which limits us to \$310.4 Million in Bonds. We have the regular district Bonds totaling \$74.1 Million and \$4.7 Million in the SFID. The proposed \$96 Million Bond is still significantly below the \$231.6 Million capacity. Also, the outstanding \$74.1 Million in Bonds are being paid off much more rapidly due to the district's refinancing of those existing Bonds to pay them off sooner. Nearly all of those Bonds will be paid off within the next 10 years. <http://www.californiataxdata.com/pdf/GOBond.pdf>

I found the link above which goes over a little bit on the statutory debt limit factor. Unified schools districts have a 2.5% limit, but high schools have 1.25%. Also of note in the article, regular G.O. Bonds require 2/3 to pass, but this is a Prop 39 G.O. Bond, which requires only 55% to pass, but has other requirements.

Estimated Current Bonding Capacity⁽¹⁾

2015-16 District Total AV	\$ 24,837,337,210
Statutory Debt Limit Factor	x 1.25%
Gross Bonding Capacity	310,466,715
Less: Outstanding District Bonds	(74,101,462)
Less: Outstanding SFID No. 1 Bonds	(4,721,433)
Available Capacity for Additional Bonds	\$ 231,643,821

2) What descriptive language will be on the November ballot regarding the dispersal of the monies? We are still working on the proposed ballot language which will have to be approved by a Board Resolution to be placed on the ballot.

None

3) What is the status of the monies collected from West Roseville developers and Mello Roos that have been collected over the past years? The RJUHSD is not in receipt of any monies from Mello Roos. Generally those monies were used to build the infrastructure out in West Roseville

as well as for new parks and infrastructure needs as new roads are built, etc... If you have further questions on the specifics of the mello-roos, I recommend talking to the City of Roseville as the district is not in receipt of nor is managing any of those monies.

We would like to suggest that we meet jointly with the City of Roseville to discuss the CFID for West Roseville. Could the Presidents of WestPark and Fiddymont Farms NAs and the schools committee chairmen meet with District representatives and the City? Sure, Ron and I are happy to meet. We would have to just coordinate with the City and who the best representative there is. I am sure there are a number of employees and city officials who can confirm that RJUHSD does not and will not receive any money from the CFD's or mello-roos.

4) When monies are collected from West Roseville Mello Roos, developers, bonds, etc., for the building of the High School, in what financial entity are those funds held? No money from mello-roos goes to the high school district. Developer Fees collected by the district are held by the district in a Facilities Fund to be used for the high school. The existing SFID Bond has had the one issuance discussed below, of which all of the funds were used to pay for a portion of the property acquisition. The remaining cost of the property was paid for out of the Facilities Fund from Developer Fees collected.

Is this facilities fund solely for the Sixth High School? Do the funds become untouchable at some point? What are the audit results? Are the annual audits available online? The Facilities Fund includes all Developer Fees received throughout the district so it cannot be just for the 6th High School. We also receive significant developer fees for new houses being built throughout the district and not just the SFID. None of the Funds become untouchable, but there are rules that designate certain developer fees need to be used within the first 5 years of receiving them and they have to be spent on Facility projects. For instance we cannot use Developer Fees to pay teacher salaries or textbooks, etc... We have used Developer Fees to help fix leaking roofs, pay for leased portables, but have tried to save as much as possible to go toward the 6th High School. In reality, we probably have more saved in the fund than we have actually collected from developer fees in just West Roseville. It is still significantly less than the \$ needed to build the 6th High School. We have audits performed every year and I will attach the most recent copy. The audits are quite detailed and go into much more than just Developer Fees. Our school district is generally considered to be very well managed and in great fiscal shape. Bond rating agencies have historically given us very high marks.

5) The \$115 million measure for the school building project translated into a tax rate of \$26.29 per \$100,000 of assessed value each year for property owners. The RJUHSD letter dated 6/17/2014 states "maximum taxpayer rate for all bond issuances--\$38.68 per \$100,000 of assessed valuation". If tax rates continue to rise, has the current rate been inflated over the original bond estimates? When the Bond was originally passed, we estimated that the voters would pay no more than \$38.68 per \$100,000 in AV for that Bond and will keep it below that \$ amount. The actual tax rate paid depends on Bonds that have actually been issued and the total assessed value of the entire SFID area. Without additional Bond issuances, the rate would go down each year based on assessed value growth (new homes being built, etc). The last I checked, the rate is less than \$12 now. When we issue more Bonds out of this \$115 Million authorization, we will remain below \$38.68 per \$100k AV. We also have other State restrictions

on the level of Bonds allowed for a school district. These restrictions along with the lower than originally anticipated Assessed Values (effects from the Recession) are the main reasons why we have been unable to collect much of the \$115 Million. When we have enough Bonding Capacity and are in the middle of construction, the tax rate will likely go closer to the \$38.68 limit as we are able to issue more Bonds out of the \$115 M to pay for the construction costs.

Will retirement communities with individuals over 55 years of age be affected by the new Bond? The original SFID did not include Dell Webb or any 55+. In the event additional age restricted communities are added in the currently defines SFID, they would be included. In regard to the new proposed Bond. The entire community in RJUHSD's district would pay their portion, estimated at less than \$15 a year per \$100,000 in Assessed Value. This includes all retirement communities,

6) The RJUHSD letter of 6/17/2014 also states that only one bond had been sold, in May 2011, which generated \$4,637,000 net to the district, and helped pay in part for the land acquisition. The independent audit report shows the bond was \$4,885,624, so there seems to be a \$250,000 overage. Where did that money go? The \$250k difference is due to Bond Issuance Costs that are paid for out of the Bond proceeds. This is customary for Bond Issuances as there are significant administration and legal costs to underwrite and sell Bonds on the market. \$4,637,000 is the actual funds the district received and was able to use towards the property purchase.

None

7) What was the purchase price of the 6th High School property? The cost of the Land was \$8.5 Million and was purchased in November, 2011.

None