

IMPARTIAL ANALYSIS OF MEASURE A

Manteca Unified School District General Obligation Bond Measure

Prepared by the San Joaquin County Counsel

Approval of Measure A would allow the Manteca Unified School District (the “District”) to incur bond indebtedness up to a maximum principal amount of \$260 Million. The proceeds from the issuance and sale of such general obligation bonds would be used to finance school facility improvements as described in the full text of the measure and set forth in the Bond Project List.

To assure that funds derived from bond sales authorized by Measure A are spent only for the purposes expressly stated within the measure, and for no other purpose, Measure A would require the District to: (1) conduct an annual, independent performance audit to ensure that funds have been expended only on the projects identified on the Bond Project List; (2) 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 listed on the Bond Project List; (3) establish and appoint members to an independent citizens’ oversight committee; (4) apply the bond proceeds only to the specific purposes stated in the ballot proposition; (5) cause the creation of accounts into which bond proceeds shall be deposited; and, (6) cause the preparation of an annual report.

If Measure A is approved, and bonds are authorized and sold, the principal thereof and interest thereon shall be payable from the proceeds of tax levies made upon the taxable property in the District. If Measure A is approved, the tax rate necessary for payment of principal and interest on any bonds sold will be largely dictated by the timing of the bond sales, the amount sold at a given sale, market interest rates at the time of each sale (although in no event greater than the maximum bond net interest rate allowed by law), as well as actual assessed valuation of taxable property in the District over the term of repayment. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the need for the project funds and other factors, including applicable legal limitations. A statement of the tax rate data required by Elections Code Section 9401 will be provided to all registered voters with the sample ballot for the bond election.

Approval of Measure A does not guarantee that the projects proposed by the District that are the subject of the measure will be funded beyond the local revenues generated by the measure, or at all. The District’s proposal for such projects may assume the receipt of matching State of California funds that could be subject to appropriation by the State Legislature or to approval by a statewide bond measure.

Passage of Measure A requires approval by fifty-five percent (55%) of voters voting thereon.