



## History of District Bonding and Reorganization in FCUSD

**1978** – Proposition 13 eliminates the ability of local school districts to levy additional special property taxes to pay off their facility indebtedness and capped the ad valorem tax rate on real property at one percent of its value. Proposition 13 also prohibited the electorate of a school district from authorizing a tax over-ride to pay debt service on bonds for the purpose of constructing needed school facilities.

**1986** – Proposition 46 passes amending Proposition 13 by restoring to local governments, including school districts, the ability to issue general obligation bonds and to levy a property tax increase to pay the debt service subject to a two-thirds vote of the local electorate.

**1992-1993** - A Districtwide facilities bond, Measure C for \$80 million, was placed on the ballot in April 1992 and did not pass. In response to the failure of Measure C, the City of Folsom placed a school facilities bond on the ballot in November 1992, Measure J for \$42.6 million, which passed.

An outside community organization, Citizens for a Folsom Unified School District, was created to look at reorganization of FCUSD into two separate districts representing Folsom and Rancho Cordova.

**1994** –Citizens for a Folsom Unified School District, proposing a reorganization of Folsom Cordova Unified School District (FCUSD), submitted a petition to the Sacramento County Committee on School District Reorganization (SCC) in August 1994 which found that three of the nine requirements were not met.

**1995** - The petition was submitted to the State Board of Education (SBE) for final determination. California Department of Education (CDE) staff recommended that the SBE deny the proposal. CDE staff concluded, similar to the SCC's recommendation, that the proposed reorganization would significantly disrupt the educational programs and that the fiscal management would be negatively affected in the proposed district and the remaining FCUSD. Against staff recommendation, the SBE approved the proposal, and the area of election was defined as the area of all the FCUSD boundaries.

**1996** – On March 26, 1996, Measure O, which stated "Shall a unified school district be formed along the boundaries of the City of Folsom including those portions of the Folsom Cordova Unified School District and the San Juan Unified School District of Sacramento County?", was put before the electorate within the boundaries of FCUSD.

The measure was defeated by a vote of 12,814 to 7,990. Approximately 62 percent of the City of Folsom voters were in favor of the measure, while approximately 90 percent of the Rancho Cordova area voters were against it. The petitioners filed a challenge to the SBE's determination regarding the election area. The petitioners contend that the election was invalid because the SBE unconstitutionally expanded the area of election to include all of the FCUSD boundary. The challenge and a subsequent appeal were denied in court.

The FCUSD Board took action to create a Citizens Committee on District Reorganization that would be independent of the District to discuss the feasibility and merits of reorganization of the District. This committee was represented by citizens of both Rancho Cordova and Folsom.

**1997-1999** – The FCUSD School Board continued the conversation on District reorganization including review of the state criteria that was not met and analysis of the study being worked on by the Citizens Committee.

In June 1997, Sacramento County Board of Supervisors approves statute to make Ed Code Section 15303 applicable to school districts within Sacramento County. This permits school districts to create School Facilities Improvement Districts (SFID) to allow the ability to issue general obligation bonds and to levy a property tax increase to pay the debt service subject to a specific area within a school district's boundary.

During this time FCUSD created two separate SFIDs for each community, Rancho Cordova (SFID #1) and Folsom (SFID #2), based upon the high school boundaries between Cordova High School and Folsom High School.

In November 1997, Measure V passes (2/3 required yes) for SFID #1 (Rancho Cordova) for \$10.4 million.

In June 1999, Measure C fails (2/3 required yes) for SFID #2 (Folsom) for \$18.1 million.

**2000** - A feasibility study was requested by the FCUSD Board and completed by Schools Services of California and found that the District could not meet the fiscal viability requirement due to current budget issues and potential cost increases related to reorganization.

In May 2000, Measure M fails (2/3 required yes) for SFID #2 (Folsom) for \$38.4 million.

In November 2000, Proposition 39 Act passed which allowed a school district to issue local general obligation bonds subject to the approval of 55 percent of voters (rather than two-thirds voters), conditional on several accountability requirements. Specifically, the Act required school districts to set up a citizen's oversight committee to ensure bond proceeds were allocated properly. It also required school districts provide a list of specific projects to be funded with any bond revenue and to conduct annual performance and financial audits.

**2001** – Due to the improving state budget outlook for education funding, a new feasibility study was requested by the FCUSD Board and completed by Educational Research Consultants, and it found that the District could meet the fiscal viability requirement.

**2002** – The FCUSD Board voted 4-1 in favor of a petition to reorganize FCUSD into two districts. This petition was submitted to the Sacramento County Committee on School District Reorganization.

Sacramento County Committee on School District Reorganization reviewed the petition and found that four (Sections 4,5,6, and 9) of the nine conditions for reorganization were not substantially met. The SCC unanimously (7-0) recommended disapproval of the reorganization proposal. The proposal, along with the SCC's recommendation, was subsequently transmitted to the SBE.

In March 2002, Measure C passes (55% required yes) for SFID #2 (Folsom) for \$53.0 million.

In March 2002, Measure B passes (55% required yes) for SFID #1 (Rancho Cordova) for \$48.0 million.

**2003** – No actions were taken by the SBE during this time.

**2004** – On August 19, 2004, the FCUSD Board voted in favor 3-2 to rescind the petition to reorganize FCUSD into two districts and to notify the State Board of Education.

CDE staff reviewed the reorganization petition and found that three of the nine conditions of Section 35753 not substantially met and recommended that the SBE disapprove the proposal to dissolve the FCUSD and create a Folsom USD and a Rancho Cordova USD.

On November 9, 2004, the State Board of Education approved resolution disapproving the petition to dissolve the Folsom Cordova Unified School District (USD) and create a Folsom USD and a Rancho Cordova USD, as recommended by staff. The motion was approved by unanimous vote of the members present.

***After 2004 no further formal actions were taken regarding reorganization of FCUSD.***

**2005** – FCUSD creates a new SFID #3 for the undeveloped area south of Highway 50, east of Sunrise Blvd, north of Douglas Road to the El Dorado County Line.

**2006** - FCUSD creates a new SFID #4 for the existing Rancho Cordova area west of Sunrise Blvd.

In November 2006, Measure M fails (2/3 required yes) for SFID #3 (South of Highway 50) for \$750.0 million.

In November 2006, Measure N passes (55% required yes) for SFID #4 (Rancho Cordova) for \$125.0 million.

**2007** - In March 2007, Measure M passes (2/3 required yes) for SFID #3 (South of Highway 50) for \$750.0 million.

**2012** - In November 2012, Measure P passes (55% required yes) for SFID #4 (Rancho Cordova) for \$68.0 million.

**2013** - The local control funding formula (LCFF) was enacted in 2013–14, and it replaced the previous kindergarten through grade 12 (K–12) finance system which had been in existence for roughly 40 years.

The LCFF establishes uniform grade span grants in place of the myriad of previously existing K–12 funding streams, including revenue limits, general purpose block grants, and most state categorical programs.

The LCFF creates two new funding allocations for school districts based upon the Unduplicated Pupil Count Percentage (UPP) which are pupils classified as English learners (EL), meet income requirements to receive a free or reduced-price meal (FRPM), foster youth, or any combination of these factors (unduplicated count).

- Supplemental Grant - Equal to 20 percent of the adjusted base grant multiplied by ADA and the unduplicated percentage of targeted disadvantaged pupils.
- Concentration Grant - Equal to 65 percent of the adjusted base grant multiplied by ADA and the percentage of targeted pupils exceeding 55 percent of a school district’s enrollment.

**2014** - FCUSD creates a new SFID #5 for the existing Folsom area North of Highway 50.

In November 2014, Measure G passes (55% required yes) for SFID #5 (Folsom) for \$195.0 million.