

Impartial Analysis of Measure C-24

Under existing provisions of the California Constitution, special districts may issue general obligation bonds if approved by at least two-thirds of voters within the district boundaries who are voting on a measure authorizing the issuance of bonds. A pending constitutional amendment, which will be on the November 2024 ballot, if approved, would allow special districts to issue bonds to fund public infrastructure improvement projects with only a 55% voter approval requirement.

Bonds are financial instruments used to borrow money. Obtaining voter approval to issue bonds is a common financing method used by special districts for funding health and safety protection services, such as ambulance and fire protection services. The bonds are sold to the public and constitute a debt of the district. The principal and interest on the bonds are repaid by an annual property tax levy on all real property within the district's jurisdiction, calculated on the current assessed value of each property ("an *ad valorem* tax").

The Board of Directors of the Cambria Community Healthcare District ("the District") has placed Measure C-24 on the ballot, proposing the sale of bonds in an amount not to exceed \$5.9 million and at interest rates not to exceed legal limits. The District's Tax Rate Statement, included in the voter information guide mailed to District voters, reflects an estimate of the maximum property tax levies required to service the bonds.

Proceeds from the bond sales (i.e., funds generated by the bonds) may only be used for the purposes identified in the measure, which generally include improvements of public infrastructure to modernize, enhance and improve ambulance services provided by the District. (The specific types of projects to be funded are more specifically described in the full text of the measure.) Depending on the final costs of each project, certain projects may be delayed or not completed.

The law prohibits use of bond proceeds to pay for district employee salaries and operational expenses. The District must follow certain accountability requirements for overseeing the funds collected and expended, including the establishment of an independent citizens' oversight committee, annual completion of performance and financial audits, and issuance of annual reports detailing the proceeds received by bond sales and the expenditures made. These requirements are reflected in the full text of measure.

The District's Tax Rate Statement provides the District's best estimate of the highest tax rate to be levied, which is \$7.9 per \$100,000 of assessed valuation while the bonds are outstanding. The final fiscal year in which the tax is anticipated to be collected is 2049-50. If the constitutional amendment is approved in the November 2024 election, this measure will be approved if 55% of the voters voting on the measure approve it; if the constitutional amendment fails, the measure will require two-thirds voter approval.

A "yes" vote on this measure is a vote in favor of issuing \$5.9 million in general obligation bonds for the purposes set forth in Measure C-24.

A "no" vote on this measure is a vote against issuing \$5.9 million in general obligation bonds for the purposes set forth in Measure C-24.

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Office of the County Clerk



DEPUTY CLERK