

PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 3 – 2019/20

**RESOLUTION OF THE BOARD OF EDUCATION OF THE
PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT
ORDERING A SCHOOL BOND ELECTION, AND
AUTHORIZING NECESSARY ACTIONS IN CONNECTION
THEREWITH**

November 6, 2019

WHEREAS, the Board of Education (the “Board”) of the Palos Verdes Peninsula Unified School District (the “District”), located in the County of Los Angeles (the “County”), is authorized to order elections within the District and to designate the specifications thereof, pursuant to Sections 5304 and 5322 of the California Education Code (the “Education Code”); and

WHEREAS, the Board is specifically authorized to order elections for the purpose of submitting to the electors the question of whether bonds of the District shall be issued and sold for the purpose of raising money for the purposes authorized pursuant to Education Code Sections 15100 *et seq.*; and

WHEREAS, pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution, and Section 15266 of the Education Code, school districts may seek approval of bonds and levy an *ad valorem* tax to repay those bonds upon a 55% vote of those voting on a proposition for the purposes hereinafter specified, provided certain accountability requirements are included in the proposition, including (a) that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3) of the Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses, (b) that a list of the specific school facilities projects to be funded be included, which the school district board has certified that it has evaluated safety, class size reduction and information technology needs in developing, and (c) that performance and financial audits be required and there be oversight by an independent citizens’ oversight committee to ensure that all funds are spent properly and as promised to the voters; and

WHEREAS, the Board deems it necessary and advisable to submit such a bond proposition to the electors, which, if approved by 55% of the votes cast, would permit the District to issue its bonds; and

WHEREAS, the Board has prepared an updated facilities master plan in order to evaluate and address the facilities needs of the District and to determine which projects to finance from a local bond at this time; and

WHEREAS, the Board deems it necessary and advisable to fund the specific school facilities projects listed under the heading entitled “BOND PROJECT LIST” in the bond proposition contained in Exhibit A attached hereto (the “Bond Project List”); and

WHEREAS, the Board has determined that the projects listed on the Bond Project List are authorized to be financed with bonds of the District under subsection (a) of Section 15100 of the Education Code and are for purposes specified in Article XIII A, Section 1(b)(3) of the Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses; and

WHEREAS, in accordance with Section 1 of Article XIII A of the California Constitution, and as provided in the text of the bond proposition, the Board has evaluated safety, class size reduction and information technology needs in developing the Bond Project List; and

WHEREAS, in accordance with Section 1 of Article XIII A of the California Constitution, and as provided in the text of the bond proposition, the Board deems it necessary and advisable to require that performance and financial audits be required as part of the bond proposition and there be oversight by an independent citizens' oversight committee to ensure that all funds are spent properly and as promised to the voters; and

WHEREAS, such a bond election must be conducted concurrent with a statewide primary election, general election or special election, or at a regularly scheduled local election at which all of the electors of the District are entitled to vote, as required by Section 15266 of the Education Code; and

WHEREAS, on March 3, 2020, a statewide primary election is scheduled to be conducted throughout the District; and

WHEREAS, subsection (c) of Section 15100 of the Education Code provides that, before the governing board of a school district may order an election pursuant to Education Code Sections 15100 *et seq.*, it shall obtain reasonable and informed projections of assessed property valuations that take into consideration projections of assessed property valuations made by the county assessor; and

WHEREAS, although the County Assessor does not make projections of assessed property valuations beyond the next succeeding tax year, the Board has been presented with projections of assessed property valuations of the property within the boundaries of the District in connection with developing the bond proposition that take into consideration, among other things, the long-term historical average growth rates of assessed property valuations of the property within the boundaries of the District and the Board finds those projections to be reasonable and informed; and

WHEREAS, the Board has determined that, based upon such projections of assessed property valuation, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the maximum tax rate permitted by Section 15270 of the Education Code; and

WHEREAS, Section 9400 *et seq.* of the California Elections Code (the "Elections Code") requires that a tax information statement be contained in all official materials, including any voter information guide prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now desires to authorize the filing of a ballot argument in favor of the bond proposition to be submitted to the voters at the election; and

WHEREAS, if a project or projects to be funded by the bonds will require State of California matching grant funds for any phase, the sample ballot must contain a statement, in the form prescribed by law, advising the voters of that fact, and the Board finds that completion of certain of the projects listed in the Bond Project List will require State matching grant funds for a phase thereof;

NOW, THEREFORE, be it resolved, determined and ordered by the Board of Education of the Palos Verdes Peninsula Unified School District as follows:

Section 1. **Recitals.** All of the above recitals are true and correct.

Section 2. **Specifications of Election Order; Required Certification.** Pursuant to Education Code Sections 5304, 5322, 15100 *et seq.*, and 15266, and Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution, a special election shall be held within the boundaries of the District on March 3, 2020, for the purpose of submitting to the registered voters of the District the bond proposition contained in Exhibit A attached hereto and incorporated herein. In accordance with Section 1 of Article XIII A of the California Constitution, and as provided in the text of the bond proposition, the Board hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Section 3. **Conduct of Election.** (a) *Request to County Officers.* Pursuant to Section 5303 of the Education Code, the Registrar of Voters of the County (the “Registrar of Voters”) is required to, and is hereby requested to, take all steps to hold the election in accordance with law and these specifications.

(b) *Abbreviation of Proposition.* Pursuant to Sections 13119 and 13247 of the Elections Code and Sections 5322 and 15122 of the Education Code, the Board hereby directs the Registrar of Voters to use the following statement of the bond proposition on the ballot:

“To repair aging Palos Verdes Peninsula Unified School District sites; improve campus safety/security systems; make seismic, roofing, plumbing, electrical, air conditioning, and disabled student access improvements; update/replace bathrooms, classrooms, and science labs that support students for college/career readiness, shall the Palos Verdes Peninsula Unified School District measure authorizing \$389,385,000 in bonds, at legal rates, be adopted, levying approximately 3.8 cents per \$100 assessed value (\$21,042,000 annually) while bonds are outstanding, with a citizens’ oversight committee and independent audits on all bond money?”

(c) *Voter Pamphlet.* The Registrar of Voters is hereby requested to reprint the full text of the bond proposition as set forth in Exhibit A in its entirety in the voter information pamphlet to be distributed to voters.

(d) *State Matching Funds.* The District hereby requests that the Registrar of Voters include the following statement in the sample ballot, pursuant to Section 15122.5 of the Education Code:

“Approval of Measure ___ does not guarantee that the proposed project or projects in the Palos Verdes Peninsula Unified School District that are the subject of bonds under Measure ___ will be funded beyond the local revenues generated by Measure ___. The District’s proposal for the project or projects may assume the receipt of matching State funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.”

(e) *Consolidation Requirement.* Pursuant to Section 15266(a) of the Education Code, the election shall be consolidated with the statewide primary election on March 3, 2020, and pursuant to Education Code Section 5342 and Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Registrar of Voters and the Board of Supervisors of the County are hereby requested to order consolidation of the election with such other elections as may be held on the same day in the same territory or in territory that is in part the same. The District hereby acknowledges that the consolidated election will be held and conducted in the manner prescribed by Section 10418 of the Elections Code.

(f) *Canvass of Results.* The Board of Supervisors of the County is authorized and requested to canvass the returns of the election, pursuant to Section 10411 of the Elections Code.

(g) *Required Vote.* Pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution, the bond proposition shall become effective upon the affirmative vote of at least 55% of the voters of the District voting on the proposition.

(h) *Election Costs.* The District shall pay all costs of the election approved by the Board of Supervisors of the County pursuant to Education Code Section 5421.

Section 4. Delivery of Order of Election to County Officers. The Clerk of the Board of the District is hereby directed to cause to be filed as soon as practicable, and in any event no later than December 6, 2019 (which date is not fewer than 88 days prior to the date set for the election), one copy of this Resolution to the Registrar of Voters, including the tax information statement attached hereto as Exhibit B, containing the information required by Elections Code Section 9400 *et seq.*, completed and signed by the Superintendent of the District, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of the County. With respect to the tax information statement attached hereto as Exhibit B, the Board hereby adopts the procedures set forth in Election Code Section 9405.

Section 5. Ballot Arguments. The President of the Board, or any member or members of the Board as the President shall designate, are hereby authorized, but not directed, to

prepare and file with the Registrar of Voters a ballot argument in favor of the bond proposition, within the time established by the Registrar of Voters, which shall be considered the official ballot argument of the Board as sponsor of the bond proposition.

Section 6. Further Authorization. The members of the Board, the Superintendent of the District, and all other officers of the District are hereby authorized and directed, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this resolution in accordance with the terms hereof and of applicable provisions of law.

Section 7. Effective Date. This Resolution shall take effect upon its adoption by a two-thirds vote.

PASSED AND ADOPTED this day, November 6, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Linda Reid, President of the Board of Education of
the Palos Verdes Peninsula Unified School District

Attest:

Richard Phillips, Clerk of the Board of Education of
the Palos Verdes Peninsula Unified School District

EXHIBIT A

FULL TEXT OF BOND PROPOSITION

PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT CLASSROOM SAFETY, REPAIR AND CONSTRUCTION MEASURE

This proposition may be known and referred to as the “Palos Verdes Peninsula Unified School District Classroom Safety, Repair and Construction Measure” or as “Measure ___”. *[designation to be assigned by County Registrar of Voters]*

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the voters of the Palos Verdes Peninsula Unified School District (the “District”) voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$389,385,000 in aggregate principal amount to provide financing for the specific school facilities projects listed under the heading entitled “BOND PROJECT LIST” below (the “Bond Project List”), and qualify to receive State of California matching grant funds, subject to all of the accountability safeguards specified below.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent to address specific school facilities needs of the District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Sections 15264 and following of the California Education Code (the “Education Code”).

Evaluation of Needs. The Board of Education of the District (the “Board”) has prepared an updated facilities master plan in order to evaluate and address the facilities needs of the District, and to determine which projects to finance from a local bond at this time. The Board hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Limitations on Use of Bonds. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. More specifically, the Bond Project List provides for the specific projects the District proposes to

finance with proceeds from the sale of bonds authorized by this proposition and such proceeds shall be applied only to those specific purposes.

Independent Citizens' Oversight Committee. In accordance with and pursuant to Education Code Section 15278 and following, the Board shall establish an independent citizens' oversight committee, to ensure proceeds from the sale of bonds authorized by this proposition are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date that the Board enters the election results on its minutes pursuant to Section 15274 of the Education Code. In accordance with Section 15282 of the Education Code, the citizens' oversight committee shall consist of at least seven members and shall include a member active in a business organization representing the business community located within the District, a member active in a senior citizens' organization, a member active in a bona fide taxpayers' organization, a member that is a parent or guardian of a child enrolled in the District, and a member that is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization. No employee or official of the District and no vendor, contractor or consultant of the District shall be appointed to the citizens' oversight committee.

Annual Performance Audits. In compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000, the Board shall conduct an annual, independent performance audit to ensure that the proceeds from the sale of bonds authorized by this proposition have been expended only on the school facilities projects listed in the Bond Project List. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for performance audits. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

Annual Financial Audits. In compliance with the requirements of Article XIII A, Section 1(b)(3)(D) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000, the Board shall conduct an annual, independent financial audit of the proceeds from the sale of bonds authorized by this proposition until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for financial audits. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

Special Bond Proceeds Account; Annual Report to Board. In compliance with the requirements of California Government Code Section 53410 and following, upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds authorized by this proposition shall be deposited. In compliance with the requirements of California Government Code Section 53411,

as long as any proceeds of the bonds remain unexpended, the chief fiscal officer of the District shall cause a report to be filed with the Board no later than January 1 of each year, commencing on the first January 1 after the sale of the first series of bonds, stating (a) the amount of funds collected and expended in that year, and (b) the status of any project required or authorized to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the chief fiscal officer of the District shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

FURTHER SPECIFICATIONS

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and all the enumerated purposes shall constitute the specific single purpose of the bonds, and the proceeds from the sale of bonds authorized by this proposition shall be spent only for such purpose, pursuant to California Government Code Section 53410.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest shall be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than the statutory maximum number of years from the date borne by that bond.

ESTIMATED BALLOT INFORMATION

The District is required by law to include in the statement of the measure to be voted on estimates of the amount of money to be raised annually to repay the bonds and the rate and duration of the tax to be levied for the bonds. As of the time this proposition was placed on the ballot, the District estimated an average tax rate of approximately 3.8 cents per \$100 of assessed valuation (annual repayment amount averaging \$21,042,000) while the bonds are outstanding (estimated to be approximately 38 years). Attention of all voters is directed to the fact that such information is based upon the District's projections and estimates only, which are not binding upon the District. The amount of money to be raised annually and the rate and duration of the tax to be levied for the bonds may vary from those presently estimated due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

BOND PROJECT LIST

The Bond Project List below lists the specific projects the District proposes to finance with proceeds of the bonds. The Bond Project List shall be considered a part of this bond proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition. Listed projects will be completed as needed at a particular school or school facility site according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. In so far as permitted by law, each project is assumed to include its share of costs of the election and bond issuance, construction-related costs, such as project and construction management, architectural, engineering, inspection and similar planning and testing costs, demolition and interim housing costs, legal, accounting and similar fees, costs related to the independent annual financial and performance audits, a contingency for unforeseen design and construction costs, and other costs incidental to or necessary for completion of the listed projects (whether the related work is performed by the District or third parties). The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources have not yet been secured. Therefore, the Board cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Alternatively, if the District obtains unexpected funds from non-bond sources with respect to listed projects, such projects may be enhanced, supplemented or expanded to the extent of such funds. Some projects may be subject to further government approvals, including by State officials and boards and/or local environmental or agency approval. Inclusion of a project on the Bond Project List is not a guarantee that the project will be completed (regardless of whether bond funds are available).

The specific projects authorized to be financed with proceeds from the sale of bonds authorized by this proposition are as follows:

PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT CLASSROOM SAFETY, REPAIR AND CONSTRUCTION MEASURE PROJECTS
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The following projects are authorized to be financed at all school facilities including District support sites (unless otherwise indicated):

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| <ul style="list-style-type: none">• Renovate, replace, upgrade, acquire, and install roofing and insulation.• Renovate, replace, construct, re-configure, expand, acquire and install, and/or upgrade restrooms, whether permanent, portable or modular, including related hardware, fixtures, infrastructure and equipment.• Update, renovate, replace, construct, re-configure, expand, acquire and install, and/or upgrade classrooms, classroom buildings, science/STEM labs, common areas and grounds, whether permanent or modular, including interior and exterior doors, windows, door and window hardware, roofs, rain gutters and downspouts, walls, ceilings, floors and finishes, paint, siding, insulation, cabinets, storage, carpets, drapes, window coverings, lighting, sinks, drinking fountains, fixtures, and signage.• Replace, construct, reconstruct, re-configure, expand, acquire and install, and/or upgrade the two main classroom buildings, whether permanent or modular, at |
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Peninsula High School (Building “H” and Building “S”).

- Update, renovate, replace, upgrade, acquire, install and/or integrate major site/building/utility systems, equipment and related infrastructure and housing, including lighting, electrical (including wiring and related infrastructure for updated technology), heating, ventilation and air conditioning (HVAC), water, sewer, gas, plumbing, and energy management systems, networks, fixtures, equipment and controls, including installation of HVAC systems at Palos Verdes High School and all sites that do not have HVAC systems.
- Remove portable buildings and replace portable buildings with permanent or modular buildings.
- Improve, correct, restore or renovate grounds, buildings and structures or portions thereof to eliminate or mitigate health and safety risks and/or comply with local, state and federal building, health, safety, access and other related requirements, including access requirements of the Americans with Disabilities Act (ADA) and seismic safety requirements.
- Upgrade and/or acquire and install exterior lighting, fire detection and suppression, security alarm, video surveillance, emergency, master key and door lock and other access control, clock, bell, data, voice and audio-visual communication (including telephone and public address) systems, networks, fixtures, infrastructure, equipment and controls.
- Renovate, replace, upgrade, expand and/or install and improve fencing, gates, and related fixtures, equipment and hardware.
- Upgrade, replace, construct, acquire and install technology equipment, fixtures and infrastructure, including audio systems, video systems, network equipment (including servers, network interface devices, network switches and routers, firewalls, network security equipment, racking, power and cooling equipment, wiring and uninterruptible power supplies).
- Improve, upgrade, construct, reconfigure, expand and/or renovate ingress and egress and pick-up/drop-off areas, streets, parking lots, pathways, sidewalks, curbs and signage.
- Update, renovate, replace, re-configure, expand, acquire and/or install play areas, play grounds, play fields, physical education/athletic fields and related facilities, including acquisition, construction, installation and replacement of synthetic turf, spectator seating and related facilities.
- Acquire and install window coverings.
- Resurface, refurbish and paint building exteriors and interiors.
- Construct, furnish and equip kitchen facilities, including food storage, preparation, service and refrigeration facilities, fixtures and appliances.
- Construct/install and/or acquire shade/rain structures/outdoor learning spaces.
- Update, renovate, replace, re-configure, acquire and install, and/or upgrade pools and related infrastructure.
- Update, renovate, replace, re-configure, upgrade and/or construct performing arts centers and related facilities, and acquire and install related fixtures, furniture and equipment.
- Construct, install and/or upgrade gymnasiums and related facilities including physical education classrooms and training spaces, offices, courts, seating, lighting, locker rooms and restrooms at Ridgecrest Intermediate School, Palos Verdes Intermediate School and Miraleste Intermediate School.

MISCELLANEOUS

All listed bond projects include the following as needed:

- Planning, designing and providing temporary housing necessary for listed bond projects.
- The inspection, sampling and analysis of grounds, buildings and building materials to determine the presence of hazardous materials or substances, including asbestos, lead, etc., and the encapsulation, removal, disposal and other remediation or control of such hazardous materials and substances.
- Necessary onsite and offsite preparation or restoration in connection with new construction, renovation or remodeling, or installation or removal of relocatable buildings or other temporary buildings, including demolition of structures; removing, replacing, or installing irrigation, drainage, utility lines (gas, water, sewer, electrical, data and voice, etc.), trees and landscaping; and relocating fire access roads or ingress/egress pathways.
- Address other unforeseen conditions revealed by construction, reconstruction renovation or replacement (including plumbing or gas line breaks, dry rot, seismic and structural deficiencies, etc.).
- Acquire or construct other improvements required to comply with building codes, including seismic safety requirements, the Field Act, and access requirements.
- Acquisition of any rights-of-way, easements, licenses and/or real property made necessary by listed bond projects, or lease of real property made necessary by the listed bond projects.
- Acquire or construct storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel.
- Furnishing and equipping of classrooms and other school facilities; furnishing and equipping shall include initial purchases, and scheduled and necessary replacements, upgrades and updating of technology.
- All other costs and work necessary or incidental to the listed bond projects.

PROJECTS INVOLVING RENOVATION, REHABILITATION OR REPAIR

For any project involving renovation, rehabilitation or repair of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction instead (including any necessary demolition) if the Board of Education determines that replacement new construction is more practical than renovation, rehabilitation or repair, considering the building's age, condition, expected remaining life, comparative cost and other relevant factors.

GENERAL PROVISIONS

Interpretation. The terms of this bond proposition and the words used in the Bond Project List shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the school facilities projects the District proposes to finance with the proceeds of the sale of bonds authorized by this proposition within the authority provided by law, including Article XIII A, Section 1(b)(3) of the

California Constitution, Education Code Section 15000 *et seq.* and the Strict Accountability in Local School Construction Bonds Act of 2000. Without limiting the generality of the foregoing, such words as repair, improve, upgrade, expand, update, renovate, and reconfigure are used in the Bond Project List to describe school facilities projects in plain English and are not intended to expand the nature of such projects beyond, or have an effect on, and shall be interpreted to only permit, what is authorized under Article XIII A, Section 1(b)(3) of the California Constitution, Education Code Section 15000 *et seq.* and the Strict Accountability in Local School Construction Bonds Act of 2000. In this regard, the Bond Project List does not authorize, and shall not be interpreted to authorize, expending proceeds of the sale of bonds authorized by this proposition for current maintenance, operation or repairs. The school facilities projects on the Bond Project List only authorize capital expenditures.

Headings. The headings or titles of the sections of the bond proposition, including any headings or titles included in the Bond Project List, are solely for convenience of reference and shall not affect the meaning, construction or effect of the bond proposition.

Severability. The Board hereby declares, and the voters by approving this bond proposition concur, that every section and part of this bond proposition has independent value, and the Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this bond proposition by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law, and to this end the provisions of this bond proposition are severable.

EXHIBIT B

TAX INFORMATION STATEMENT

An election will be held in the Palos Verdes Peninsula Unified School District (the “District”) on March 3, 2020, to authorize the sale of up to \$389,385,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to issue the bonds in multiple series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400 through 9405 of the California Elections Code.

1. The best estimate of the average annual tax rate that would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of filing of this statement, is 3.8 cents per \$100 (\$38.43 per \$100,000) of assessed valuation. The final fiscal year in which the tax to be levied to fund this bond issue is anticipated to be collected is fiscal year 2056-57.
2. The best estimate of the highest tax rate that would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 3.9 cents per \$100 (\$39.55 per \$100,000) of assessed valuation in fiscal year 2020-21 and such tax rate is expected to continue through fiscal year 2051-52.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all of the bonds are issued and sold is approximately \$778,567,000.

Voters should note that estimated tax rates are based on the *ASSESSED VALUE* of taxable property on the County’s official tax rolls, *not* on the property’s market value, which could be more or less than the assessed value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner’s exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property’s assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District’s projections and estimates only, which are not binding upon the District. The average annual tax rate, the highest tax rate, the final fiscal year in which the tax is anticipated to be collected and the year or years in which they will apply, and the actual total debt service, may vary from those presently estimated for a variety of reasons, including, without limitation, due to variations in the timing of bond sales, the amount or amortization of bonds sold, market conditions at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount or amortization of bonds sold at any given time will be determined by the District based on need for construction funds and other factors, including the legal limitations on bonds approved by a 55% affirmative vote. Market conditions, including, without limitation, interest rates, are affected by economic and other factors beyond the control of the District and will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. The growth or decline in assessed valuation is the result of a number of economic and other factors outside the control of the District.

Dated: November 6, 2019.

Alex Cherniss, Superintendent of Schools
Palos Verdes Peninsula Unified School District

CLERK'S CERTIFICATE

I, Richard Phillips, Clerk of the Board of Education of the Palos Verdes Peninsula Unified School District, County of Los Angeles, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of the District duly and regularly held at the regular meeting place thereof on November 6, 2019, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present. The resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours beforehand at 375 Via Almar, Palos Verdes Estates, California, a location freely accessible to members of the public, and a brief description of the adopted resolution appeared on the agenda. A copy of the agenda is attached hereto. The resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this 6th day of November, 2019.

Richard Phillips, Clerk of the Board of Education
Palos Verdes Peninsula Unified School District