

CAJON VALLEY UNION SCHOOL DISTRICT

(This Measure will appear on the ballot in the following form.)

MEASURE T

To replace outdated electrical wiring; increase internet access; upgrade fire alarms; improve student safety /campus security; and replace aging portables, shall Cajon Valley Union School District's measure to issue \$125 million in bonds be adopted, extending but not increasing the current tax rate (averaging \$13/\$100,000 of assessed valuation) and raising \$6.2 million annually until repaid with legal interest rates, annual audits, independent oversight, all funds spent locally, no money for administrators' salaries and qualifying for State reimbursement?

Bonds - Yes

Bonds - No

This measure requires approval by 55% of those voting on the measure.
Full text of this measure follows the argument.

COUNTY COUNSEL IMPARTIAL ANALYSIS

CAJON VALLEY UNION SCHOOL DISTRICT BOND ELECTION

This measure was placed on the ballot by the governing board of the Cajon Valley Union School District ("District"). This measure, if approved by 55% of the qualified electors voting on the measure, will authorize the District to issue and sell general obligation bonds in an amount not to exceed \$125,000,000. If approved, the bonds may be issued in several series and may mature in 40 years or such shorter period as determined by the District Board. The interest rate on the bonds could not exceed statutory limits.

Approval of this measure will authorize a levy on the assessed value of taxable property within the District in an amount needed to pay the principal and interest on the bonds each year the bonds are outstanding. The Tax Rate Statement submitted by the District estimates the highest tax rate which would be required to be levied to fund this bond issue is \$15.60 for every \$100,000 of assessed valuation and the total debt service, including principal and interest, required to be repaid if all the bonds are issued and sold is approximately \$240,100,000. These amounts are estimates. Actual amounts may vary depending on the timing of sales, amount of bonds sold at each sale, and assessed valuation.

Proceeds from the sale of bonds authorized by this measure can only be used for purposes described in the full text of this measure and as permitted by State law. Approval of this measure does not guarantee that any or all of the proposed projects identified by the District will be funded by the sale of the bonds. The District has represented that some of the projects identified will require state matching funds for completion.

The California Constitution permits property taxes, above the standard 1% limitation, to be levied upon real property to pay the principal and interest on any bonded indebtedness for, among other things, the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, when approved by 55% of the voters if:

COUNTY COUNSEL IMPARTIAL ANALYSIS (CONTINUED)

(1) the proceeds from the sale of the bonds are used only for the purposes specified,

(2) the District evaluates safety, class size reduction, and information technology needs to approve a list of specific projects to be funded,

(3) the District conducts an annual, independent performance audit to ensure funds have been expended on the specific projects listed, and

(4) the District conducts an annual, independent financial audit of bond proceeds.

Additionally, if the bond measure is approved, State law requires the District to establish an independent citizens' oversight committee. The District has made the issuance of the bonds in this measure subject to these legal requirements.

A "YES" vote is in favor of authorizing the District to issue and sell \$125,000,000 in general obligation bonds.

A "NO" vote is against authorizing the District to issue and sell \$125,000,000 in general obligation bonds.

TAX RATE STATEMENT

\$125 MILLION

CAJON VALLEY UNION SCHOOL DISTRICT

GENERAL OBLIGATION BONDS

An election will be held in the Cajon Valley Union School District (the "District") on November 3, 2020, to authorize the sale of up to \$125 million in bonds of the District to finance school facilities as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.

Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is 1.297 cents per \$100 of assessed valuation (or \$12.97 per \$100,000 of assessed valuation). The final fiscal year in which the tax is anticipated to be collected is 2059-60.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is 1.560 cents per \$100 of assessed valuation (or \$15.60 per \$100,000 of assessed valuation). It is estimated that such rate would be levied starting in fiscal year 2026-27 and following.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$240.1 million.

TAX RATE STATEMENT (CONTINUED)

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the County's official tax rolls. 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.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations 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.

David Miyashiro, Ed.D.
Superintendent
Cajon Valley Union School District

ARGUMENT IN FAVOR OF MEASURE T

COVID-19 has had a significant impact on our schools. Without warning, teachers and school staff have been forced to find an entirely new way to educate. And we've all learned incredibly valuable lessons: crises don't wait, and we must remain prepared for any emergency.

Our schools must be better prepared for whatever the future may bring. As a community, we have the opportunity to do this **without raising taxes**.

Measure T will provide Cajon Valley's schools with the resources to make critical safety improvements and better prepare our students for a changing world. Measure T projects include:

- Replacing aging portable classrooms with permanent facilities
- Upgrading classroom and school emergency preparedness, including fire alarms and communication systems
- Meeting Americans with Disabilities Act (ADA) requirements for school restrooms
- Increasing student internet access

We must also acknowledge how important it is that every single dollar is watched over and managed. So, in addition to not raising taxes, Measure T imposes ironclad protections, including:

- Requiring a rigorous Independent Citizens' Oversight Committee and third-party auditor
- Qualifying for state matching funds
- Prohibiting any funds from being used for administrators' salaries and benefits
- Guaranteeing that all bond money will be spent locally, not taken by the state for use elsewhere

Now is the time to ensure that our schools are equipped to educate our children, no matter the circumstances. Measure T will get us to that goal **without increasing current taxes**.

Our schools are our community's most valuable public resource. They provide our children with a place to thrive, they protect local property values, and they make our community a better place to live. Let's make sure they remain that way. Vote Yes on Measure T.

CHOLEANNE DILGARD
Teacher of the Year

SHERI RUNYEN
Parent Volunteer of the Year

HAROLD BROWN
CEO/Pastor, East County Transitional
Living Center

GREGORY M. BROWN
Owner, New West

HANEY HONG
President/CEO, San Diego County Taxpayers Association

**NO ARGUMENT AGAINST THIS MEASURE WAS FILED IN THE OFFICE OF THE
REGISTRAR OF VOTERS.**

FULL TEXT OF MEASURE T

CAJON VALLEY UNION SCHOOL DISTRICT

INTRODUCTION

To replace outdated electrical wiring; increase internet access; upgrade fire alarms; improve student safety /campus security; and replace aging portables, shall Cajon Valley Union School District's measure to issue \$125 million in bonds be adopted, extending but not increasing the current tax rate (averaging \$13/\$100,000 of assessed valuation) and raising \$6.2 million annually until repaid with legal interest rates, annual audits, independent oversight, all funds spent locally, no money for administrators' salaries and qualifying for State reimbursement?

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Cajon Valley Union School District will be authorized to issue and sell bonds of up to \$125 million in aggregate principal amount at interest rates not to exceed legal limits and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

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

Evaluation of Needs. The School Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond. The School Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. Following approval of this measure, the Governing Board will establish an Independent Citizens' Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

Performance Audits. The School Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The School Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the San Diego County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the Governing Board of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

FULL TEXT OF MEASURE T (CONTINUED)

NO CAPITAL APPRECIATION BONDS

No bonds from the proposed measure shall be issued as capital appreciation bonds or convertible capital appreciation bonds.

NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

In addition, no Project Labor Agreement (PLA) is currently envisioned or required for any portion of the anticipated bond expenditures, nor will the Governing Board enter into one unless required by law to qualify for State matching funds, or otherwise.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

This measure authorizes the issuance of general obligation bonds to finance the types of projects set forth on the Bond Project List set forth below, to be repaid by tax collections for the years that bonds are outstanding. The measure presented to District voters on the Ballot, as set forth above under the heading "INTRODUCTION", includes information regarding the expected average amount of money to be raised annually to pay issued bonds, the estimated rate of the approved tax per \$100 of assessed valuation, and the year through which it is approximated the proposed tax will be levied and collected. Each of these estimates and approximations are provided as informational only. Such amounts are estimates only, and are not maximum amounts or limitations on the terms of the bonds or the tax rate or duration supporting repayment of bonds. The approximations and estimates provided depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan, including but not limited to the amount of bonds issued and outstanding at any one time, the interest rates applicable to issued bonds, market conditions at the time of sale of the bonds, when bonds mature, timing of project needs and changes in assessed valuations in the District. As such, while such estimates and approximations have been provided based on information currently available to the District and its current expectations, such estimates and approximations are not limitations and are not binding upon the District.

BOND PROJECT LIST

Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, furnish and otherwise improve the facilities of the District located at the following locations:

FULL TEXT OF MEASURE T (CONTINUED)

Anza Elementary – Built in 1960	Avocado Elementary – Built in 1970
Blossom Valley Elementary – Built in 1993	Bostonia Language Academy – Built in 1994
Cajon Valley Home School	Cajon Valley Middle – (Re)Built in 2006
Chase Elementary – Built in 1952	Crest Elementary – Built in 1956
EJE Academies – Built in 1948	Empower Academy/District Office – Built in 2007
Emerald Middle – Built in 1958	Flying Hills School of the Arts – Built in 1959
Fuerte Elementary – Built in 1959	Greenfield Middle – Built in 1956
Hillsdale Middle – Built in 1995	Jamacha Elementary – Built in 1991
Johnson Elementary – Built in 1954	Lexington Elementary – (Re)Built in 2015
Los Coches Creek Middle– Built in 2006	Madison Avenue Elementary – Built in 1958
Magnolia Elementary – Built in 1952	Meridian Elementary – Built in 1949
Montgomery Middle – Built in 1974	Naranca Elementary – Built in 1957
Rancho San Diego Elementary – Built in 1986	Rios Elementary – Built in 1959
Sevick – Built in 1959	Vista Grande Elementary – Built in 1981
W.D. Hall Elementary – Built in 1960	

Such projects shall include, but shall not be limited to:

Student Safety and Security including:

- o Security renovations
- o Fire alarm upgrades
- o Intrusion alarm upgrades
- o Keyless entry systems
- o Exterior LED lighting
- o Security fencing
- o Intercom and clock systems
- o Security camera systems and monitors

Modernization and Rehabilitation including:

- o Schools, classrooms and facilities throughout the district
- o Restrooms
- o School offices
- o Built-in security systems
- o HVAC repair and upgrade
- o Multi-purpose buildings and classrooms
- o Kitchen and food services facilities
- o Plumbing, gas lines, electrical upgrades, dry rot, seismic upgrades, structural improvements, roofing and window replacement
- o School and classroom furnishings and equipment

Classroom and Facility Construction

- o Site preparation
- o Construction, renovation and/or remodeling of classrooms and school facilities throughout the district
- o Permanent shade shelters
- o Replacement of portable classrooms with permanent buildings

Technology

- o Install, repair and/or replace technological infrastructures and equipment including but not limited to computer servers, WiFi systems, wiring, switches, and equipment rooms
- o Classroom technology including devices for students and teachers

FULL TEXT OF MEASURE T (CONTINUED)

Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping such facilities, and all costs which are incidental but directly related to the types of projects described above. Examples of incidental costs include, but are not limited to: costs of design, engineering, architect and other professional services, facilities assessments, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; independent annual financial and performance audits; a customary construction contingency; demolition and disposal of existing structures; the costs of interim housing and storage during construction including relocation and construction costs incurred relating to interim facilities; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; costs of relocating facilities and equipment as needed in connection with the projects; interim classrooms and facilities for students, administrators, and school functions, including modular facilities; federal and state-mandated safety upgrades; addressing unforeseen conditions revealed by construction/modernization and other necessary improvements required to comply with existing building codes, including the Field Act; access requirements of the Americans with Disabilities Act; costs of the election; bond issuance costs; and project administration, including by District employees, during the duration of such projects, as permitted by law.

The scope and nature of any of the specific projects described above may be altered by the District as required by unforeseen conditions that may arise during the course of design and construction. In the event that a modernization or renovation project is more economical for the District to be undertaken as new construction, this bond measure authorizes land acquisition, relocation and construction and/or reconstruction, and all costs relating thereto, for said reason or, alternatively, based on other considerations deemed in the best interest of the District by the Governing Board. In addition, this measure authorizes the acquisition of real property, including necessary rights of ways or other real property interests, required to expand District facilities, to provide access to school or other District facilities, or to provide additional school or related facilities. In addition, authorized projects include reimbursements for paid project costs and paying and/or prepaying interim or previously obtained financing for the types of projects included on the project list, such as bond anticipation notes, and including payment and prepayment of lease payments relating to projects and/or equipment previously financed.

Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with local funds generated by the bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified facilities projects.

The order in which school facilities projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project priorities will be determined by the Governing Board. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.