PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 5 – 2011/12

RESOLUTION OF THE GOVERNING BOARD OF THE
PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT CALLING AN
ELECTION, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND
REQUESTING CONSOLIDATION WITH OTHER ELECTIONS
OCcurring ON NOVEMBER 8, 2011

WHEREAS, the Palos Verdes Peninsula Unified School District ("District") is
committed to offering a high-quality educational program to all students within the District and
securing adequate funding to meet that purpose; and

WHEREAS, District schools are among the very best in the State, District student test
scores are consistently near the top State-wide, and 98% of District students go on to college;
and

WHEREAS, this parcel tax measure is essential for maintaining the quality of the
District’s outstanding schools and local educational programs; and

WHEREAS, an adequately funded and well-developed public education system provides
numerous benefits and advantages to all of the residents of the community; and

WHEREAS, schools throughout California are facing $1.8 billion in funding reductions
if specific triggers are met this fiscal year, with additional and substantial shortfalls expected in
upcoming years;

WHEREAS, the current State budget shortfalls will result in a loss of $6 billion in
funding to California schools below the level provided in 2007-08; and

WHEREAS, the District relies on State funding for 81% of its operating revenues; and

WHEREAS, the District relies on the parcel tax revenue to offset the threat to
educational programs caused by the State’s ongoing practice of deferring funding from one year
to the next; and

WHEREAS, the anticipated fluctuations in upcoming State budgets will have a
significant impact on the funding available for District schools; and

WHEREAS, it is anticipated that the local impact of current State budget shortfalls will
result in an on-going reduction of $14 million in statutory funding for District schools; and

WHEREAS, the District ranks 38th out of the 47 public school districts within Los
Angeles County with respect to the amount of State funding per student; and

WHEREAS, the District has made every effort to minimize the impact of previous State
funding cuts to the District, including such measures as cutting administrator and non-teaching
staff and has maximizing revenues from parent/community donations, grants and other funding sources; and

WHEREAS, the voters of the District in 2007 approved the Measure P parcel tax in the amount of $209 per parcel that expires in 2013, and in 2009 approved the Measure V parcel tax in the amount of $165 per parcel that expires in 2013; and

WHEREAS, this Board finds that a parcel tax that combines, equals, and replaces, without increasing, the existing parcel taxes under Measures P and V, in the amount of $374 per parcel, adjusted annually for inflation, will continue to provide, maintain, and expand educational opportunities for all students of this District and continue to contribute to the District’s fiscal stability;

WHEREAS, if the new, combined parcel tax is approved by the voters, then existing parcel taxes under Measures P and V will cease to be levied upon the commencement of the levy of parcel taxes under the new parcel tax; and

WHEREAS, without the additional local revenue obtained by means of this parcel tax measure, the District will be required to make substantial cuts to educational and other programs, and to reduce classroom staffing, all of which will negatively impact the current high quality of District educational programs and schools; and

WHEREAS, all funds raised by this measure will stay in Palos Verdes to directly support District schools and students; and

WHEREAS, in the judgment of this Governing Board ("Board"), the local revenues that will be made available as a result of this parcel tax measure are necessary to help minimize the impact of State funding cuts and to continue to maintain the high quality of the District’s educational programs and schools; and

WHEREAS, Section 4 of Article IIIIA and Section 2 of Article XIIIC of the California Constitution and sections 50075, 50076, 50077, 50079 and 53722 et seq. of the California Government Code authorize a school district, upon approval of two-thirds (2/3) of the electorate voting on the measure, to levy a qualified special tax for specified purposes following notice and a public hearing; and

WHEREAS, in the judgment of this Board, following public hearings and comment, it is advisable to request that the Los Angeles County Registrar-Recorder/County Clerk ("Elections Office") call an election and submit to the voters of the District the question of whether the District shall levy a special tax within the District for the purpose of raising additional revenue for the District; and

WHEREAS, pursuant to Education Code section 5342 and Elections Code sections 10400, 10402 and 10403, such election may be completely or partially consolidated with any other election held on the same day and in the same territory or portion of territory that is the same.
NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Resolution Constitutes Order of Election. This resolution shall constitute an order of election pursuant to Education Code section 5320 et seq. The Elections Office of Los Angeles County is hereby requested to take necessary and appropriate action to implement the Parcel Tax Election pursuant to this resolution and as stated herein for the purpose of conducting the election on behalf of the District in accordance with Education Code section 5303.

2. Date and Purpose of Measure. Pursuant to Section 4 of Article XIIIa of the California Constitution and Government Code section 50077, a special election shall be held within the boundaries of the District on Tuesday, November 8, 2011, for the purpose of voting on a measure ("Measure") which will be presented to voters in substantially the form attached hereto as Exhibit A, containing the question of whether the District shall impose a special tax for the educational purposes stated therein. In addition, the full text of the Measure ("Full Ballot Text") shall appear in the ballot pamphlet in substantially the form attached hereto as Exhibit B.

3. Amount of Tax. The qualified special tax shall be in the amount and manner set forth in Exhibit B attached hereto.

4. Exemptions From Special Tax. An exemption from payment of the special tax may be granted on any single family parcel owned by one or more persons 65 years of age or over who occupies the parcel as a principal residence, upon application for exemption (the "Senior Citizen Exemption"). Applications for such exemptions must be made during the period from January 15 through the last business day in May of each year this parcel tax is levied, in accordance with the process established by the District and as described in the attached Ballot Measure (Exhibit B hereto). In order to qualify for the exemption, a new and separate application for the exemption must be submitted for each year the parcel tax is levied. Persons seeking exemptions need only file one exemption application form for any and all parcel taxes levied by the District during that tax year, including for multiple parcels or for previous parcel tax measures. The District shall annually provide to the County Treasurer-Tax Collector or other appropriate County tax official a list of parcels that the District has approved for a Senior Citizen Exemption.

5. Collection of the Tax. The special tax shall be collected by the County Tax Collectors of the County of Los Angeles ("County Tax Collector"), as applicable based on parcel location, at the same time, in the same manner, and subject to the same penalties as ad valorem property taxes collected by the County Tax Collectors. Unpaid special taxes shall bear interest at the same rate as the rate for unpaid ad valorem property taxes until paid. The special tax itself shall not be levied on an ad valorem basis.

The special tax shall be levied on all parcels of taxable real property in the District. During each year that the parcel tax is in effect and for which a report of tax expenditures is prepared, and as part of a regularly scheduled public Board meeting, the District shall receive and consider the information in the report and the continued imposition of the parcel tax for the upcoming year. "Parcel of Taxable Real Property" shall be defined as any unit of real property in the District that receives a separate tax bill for ad valorem property taxes from the County Tax
Collector’s Office. All property that is otherwise exempt from or upon which ad valorem property taxes are not levied in any year shall also be exempt from the special tax in such year. With respect to all general property tax matters within its jurisdiction, the County Tax Collector shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the special tax, including the classification of property for purposes of calculating the tax, the decisions of a District administrative review panel shall be final and binding.

6. Authority for Ordering Election. The authority for ordering the election is contained in section 50075 et seq. of the Government Code and Section 4 of Article XIII-A of the California Constitution.

7. Authority for Specifications. The authority for the specification of this election order is contained in section 5322 of the Education Code.

8. Resolution to County Registrar and County Board. The Clerk of the Governing Board or other Board designee is hereby directed to immediately send a copy of this Resolution to the Los Angeles County Elections Office, as the officers conducting the election, the Los Angeles County Superintendent of Schools (“County Superintendent”), and to the Clerk of the Board of Supervisors of Los Angeles County (“County Board”). The Board requests that the County Superintendent deliver a copy of all published notices to the Clerk of this Board.

9. Formal Notice. The Los Angeles County Registrar-Recorder/County Clerk is hereby requested to prepare a Notice of Parcel Tax Election (“Notice”) and to call the election by causing the Notice to be published in a newspaper of general circulation published in the District, in accordance with sections 5362 and 5363 of the Education Code and section 12112 of the Elections Code, as required by law. The County Superintendent is hereby requested to prepare and execute a formal Notice of Parcel Tax Election and Consolidation (“Notice”), in a form substantially similar to Exhibit C hereto, and to call the election by causing the Notice to be posted in accordance with section 5362 of the Education Code no later than March 11, 2011, or otherwise cause the Notice to be published as required by law.

10. Conduct of Election.

   (a) Request to Elections Office. Pursuant to section 5303 of the Education Code, the Elections Office is requested to take all steps to hold the election in accordance with law and these specifications. The Board requests that the Elections Office deliver a copy of all published notices to the Clerk of this Board pursuant to section 12113 of the Elections Code.

   (b) Voter Pamphlet. The Elections Office is hereby requested to reprint the Full Ballot Text in substantially the form attached hereto as Exhibit B in the voter information pamphlet to be distributed to voters pursuant to section 13307 of the Elections Code. In the event the Full Ballot Text will not be reprinted in the voter information pamphlet in its entirety, the County Registrar is hereby requested to print, immediately below the impartial analysis of the Measure, in no less than 10-point boldface type, a legend substantially as follows:
The above statement is an impartial analysis of [Measure ____].
If you desire a copy of the Measure, please call the Los Angeles
County Elections Office at (562) 462-2632 and a copy will be
mailed at no cost to you.

(c) Consolidation. Pursuant to Education Code section 5342 and Elections Code
section 10402.5, the Elections Office and the County Board are hereby requested to consolidate
the election ordered hereby with any and all other elections to be held on November 8, 2011,
within the District.

(d) Cost of Election. The Palos Verdes Peninsula Unified School District agrees to
reimburse the County of Los Angeles for the cost of the special election.

(e) Canvass of Results. The County Board is authorized to canvass the returns of the
election pursuant to section 10411 of the Elections Code.

11. Appropriations Limit. The Board shall provide in each year for an increase in the
District’s appropriations limit as shall be necessary to ensure that the proceeds of the special tax
may be spent for its authorized purposes.

12. Full Ballot Text. The Board hereby determines to include within the ballot
pamphlet the Full Ballot Text in substantially the form attached hereto as Exhibit B, which is
hereby approved and adopted by the Board, and the Elections Office is hereby directed to include
the Full Ballot Text in the ballot pamphlet.

13. Ballot Arguments. The President of the Board and/or his/her designees are hereby
authorized to prepare and file with the County Registrar any ballot argument prepared in
connection with the election, including a rebuttal argument, each within the time established by
the Elections Office, which shall be considered the official ballot arguments of the Governing
Board as sponsor of the Measure.

14. Official Actions. The District Superintendent, President of the Board, or their
designees, are hereby authorized and directed to execute any other document and to perform all
acts necessary to place the Measure on the ballot, including making any changes to the text of the
measure described in this Resolution, or to the abbreviated form of the measure, or to the text of
this Resolution, as may be convenient or necessary to comply with the intent of this Resolution,
the requirements of elections officials, and requirements of law.

15. Accountability Measures. The members of the Board, the Superintendent of the
District, and officers and staff of the District are hereby requested and directed, individually and
collectively, to provide accountability measures pursuant to Government Code section 50075.1
that include, but are not limited to, all of the following: (a) a statement indicating the specific
purposes of the qualified special tax, (b) a requirement that the proceeds be applied only to the
specific purposes identified pursuant to subsection (a), (c) the creation of an account into which
the proceeds shall be deposited, and (d) an annual report pursuant to section 50075.3 of the
Government Code, as provided in Section 16 below.
16. **Annual Report.** Pursuant to section 50075.3 of the Government Code, the Board directs that the chief fiscal officer of the District file a report with the Board no later than June 30, 2010, and at least once a year thereafter while the special tax is in effect. The annual report shall contain both of the following: (a) The amount of funds collected and expended, and (b) the status of any project required or authorized to be funded by the special tax.

**ADOPTED, SIGNED and APPROVED** by the Governing Board of the Palos Verdes Peninsula Unified School District on the 28th day of July, 2011, by the following vote:

- **AYES:** 5
- **NOES:** 0
- **ABSTENTIONS:** 0
- **ABSENT:** 0

[Signature]

President of the Governing Board of the Palos Verdes Peninsula Unified School District
STATE OF CALIFORNIA

LOS ANGELES COUNTY

I, Walker Williams, do hereby certify that the foregoing is a true and correct copy of Resolution No 5 – 2011/12, which was duly adopted by the Board of Education of the Palos Verdes Peninsula Unified School District at meeting thereof held on July 28th, 2011, and that it was so adopted by the following vote:

AYES: 5

NOES: 0

ABSTENTIONS: 0

ABSENT: 0

By

Walker Williams
Secretary of the Board of Education
Without increasing existing taxes and to protect the quality of education and promote student achievement shall Palos Verdes Peninsula Unified School District extend the existing school parcel taxes to fund advanced programs in math, science and technology, keep classroom technology up-to-date, attract and retain highly qualified teachers, and maintain manageable class sizes, with an exemption for seniors, a cost of living adjustment for inflation, with all money staying in our community to benefit local schools?
EXHIBIT “B”

FULL BALLOT TEXT

The full text of the ballot measure shall read as follows:

Without increasing existing taxes and to protect the quality of education and promote student achievement shall Palos Verdes Peninsula Unified School District extend the existing school parcel taxes to fund advanced programs in math, science and technology, keep classroom technology up-to-date, attract and retain highly qualified teachers, and maintain manageable class sizes, with an exemption for seniors, a cost of living adjustment for inflation, with all money staying in our community to benefit local schools?

The purpose of the measure is to preserve and continue high quality education in the Palos Verdes Peninsula Unified School District and to fund the following specific programs and services:

- Keep classroom technology up-to-date
- Provide advanced academic programs in math, science and technology
- Attract and retain the most qualified and experienced teachers and school employees
- Keep neighborhood school facilities and grounds clean and well-maintained
- Keep textbooks and instructional materials up-to-date
- Provide advanced educational programs that help local students get into the best colleges and prepare for successful careers
- Maintain manageable class sizes
- Continue funding for art, music and physical education programs

Basis of Tax.

The tax shall be levied on all Parcels of Taxable Real Property in the District, as defined below, on the following basis:

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<tr>
<th>Type of Parcel</th>
<th>Rate of Annual Tax</th>
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<td>All Parcels</td>
<td>Not to exceed Three Hundred Seventy-Four Dollars ($374.00) per parcel</td>
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To account for the impact of inflation on the cost of delivering the classroom programs and student services supported by the education parcel tax, the rates as set forth above shall be adjusted annually, commencing as of the 2012-13 tax year, for inflation by the change in the "Consumer Price Index for all Urban Consumers California (1982-84=100)” published by the U.S. Department of Labor, Bureau of Labor Statistics. In the event this index is no longer published, the Board of Education shall adopt a comparable index of general price levels as it shall reasonably determine. The Board of Education shall cause the tax to be levied at the
adjusted amount, or at such lesser amount in any year in which the Board deems such reduced amount sufficient and appropriate to meet the District's budgetary needs, or believes such reduced amount is appropriate in reaction to State budget changes.

"Parcel of Taxable Real Property" is defined as any unit of real property in the District that receives a separate tax bill for ad valorem property taxes from the Los Angeles County Treasurer-Tax Collector's Office, as applicable depending on parcel location. All property that is otherwise exempt from or upon which no ad valorem property taxes are levied in any year shall also be exempt from the special tax in such year. The tax itself shall not be levied on parcels on an ad valorem basis.

An exemption from payment of the special tax may be granted on any single family parcel owned by one or more persons 65 years of age or over who occupies the parcel as a principal residence, upon application for exemption (the "Senior Citizen Exemption"). Applications for such exemptions must be made during the period from January 15 through the last business day in May of each year this parcel tax is levied, in accordance with the process established by the District and as described in the attached Ballot Measure (Exhibit B hereto). In order to qualify for the exemption, a new and separate application for the exemption must be submitted for each year the parcel tax is levied. Persons seeking exemptions need only file one exemption application form for any and all parcel taxes levied by the District during that tax year, including for multiple parcels or for previous parcel tax measures. The District shall annually provide to the County Treasurer-Tax Collector or other appropriate County tax official a list of parcels that the District has approved for a Senior Citizen Exemption.

Claim Procedures

With respect to all general property tax issues and billing matters within its jurisdiction, the Los Angeles County Tax Assessor or other appropriate County tax official shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the special tax, including determination of Senior Citizen Exemption or Disability Exemption, however, the decisions of the District shall be final and binding. In the latter case, a claim for a refund of the special tax shall comply with the following and any additional procedures as established by the Board:

(a) All claims shall be filed with the Superintendent of the District no later than one year after the date the tax was paid. The claimant shall file the claim within this time period and the claim shall be finally acted upon the Board as a prerequisite to bringing suit thereon.

(b) Pursuant to Government Code section 935 (b) the claim shall be subject to the provisions of Government Code sections 945.6 and 946.

(c) The Board shall act on a timely claim within the time period required by Government Code section 912.4.

(d) The procedure described herein, and any additional procedures established by the Board, shall be the exclusive claims procedure for claimants seeking a refund, reduction, or re-
computation of the special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary.

**Appropriations Limit**

Pursuant to California Constitution article XIIIB and applicable laws, the appropriations limit for the District will be adjusted periodically by the aggregate sum collected by levy of this special tax.

**Accountability Measures**

The proceeds of the special tax shall be applied only to the specific purposes identified above. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District. No later than June 30 of each year while the tax is in effect, the District shall prepare and file with the Board a report detailing the amount of funds collected and expended, and the status of any project authorized to be funded by this measure. Independent audits of the use of parcel tax measure funds shall be performed at least once per year and a report of the results of the audits presented to the Board at a regularly scheduled public Board meeting.

In addition, an independent Citizen’s Oversight Committee shall be appointed by the Board of Education to ensure that the special tax proceeds collected pursuant to this measure are spent for their authorized purposes, and to report annually to the Board of Trustees and the public regarding the expenditure of such funds. The Citizens Oversight Committee shall be comprised of the same individuals as utilized by the District to serve on its oversight committee for its other parcel tax measures.

**Annual Plan**

An expenditure plan (the “Proposed Annual Plan”) shall be developed annually, commencing in February 2012, for the succeeding fiscal year by the District staff in consultation with the Independent Citizens Oversight Committee. The Proposed Annual Plan will recommend expenditures of the tax proceeds that are consistent with the intent of the Funding Measure. The assumptions associated with the recommended expenditures shall be included in the Proposed Annual Plan. The Proposed Annual Plan shall be presented for Board action each fiscal year in conjunction with the District’s annual budget adoption process for the subsequent fiscal year. To facilitate public discussion, the Proposed Annual Plan shall be made available for public review.

**Severability**

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

Protection of Funding

Current law forbids any decrease in State or Federal funding to the District because of the District's adoption of a parcel tax. However, if any such funds are reduced because of the adoption of this parcel tax, then the amount of the special taxes will be reduced annually as necessary in order to restore such State or Federal funding.
EXHIBIT C

FORMAL NOTICE OF PARCEL TAX ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of the Palos Verdes Peninsula a Unified School District of Los Angeles County, California, that in accordance with the provisions of the Education Code and the Government Code of the State of California, an election will be held on November 8, 2011 for the purpose of submitting to the qualified electors of the District the proposition summarized as follows:

Without increasing existing taxes and to protect the quality of education and promote student achievement shall Palos Verdes Peninsula Unified School District extend the existing school parcel taxes to fund advanced programs in math, science and technology, keep classroom technology up-to-date, attract and retain highly qualified teachers, and maintain manageable class sizes, with an exemption for seniors, a cost of living adjustment for inflation, with all money staying in our community to benefit local schools?

By execution of this formal Notice of Election the County Superintendent of Schools of Los Angeles County orders 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 County Superintendent of Schools of Los Angeles, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Board of Education of the Palos Verdes Peninsula Unified School District adopted July 28, 2011, in accordance with the provisions of Education Code sections 5302, 5325 and 5361.

IN WITNESS WHEREOF, I have hereunto set my hand this day, __________________, 2011.

/s/
County Superintendent of Schools
Los Angeles County, California