

COPY

RESOLUTION NO. 25-001

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE SCOTTS
VALLEY UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION
TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS,
ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER,
AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS
OCCURRING ON NOVEMBER 5, 2024**

WHEREAS, the Scotts Valley Unified School District (the "District") in Santa Cruz County (the "County"), State of California (the "State"), is committed to providing quality education to its students; and

WHEREAS, the educational facilities of the District are in need of construction and modernization including repairs, upgrades, and safety improvements in order to provide the education District students deserve in a safe and modern environment, including classroom repair and renovation projects; and

WHEREAS, the District has undertaken a facilities assessment and master planning process to provide a roadmap for making future improvements at schools across the District; and

WHEREAS, a local funding source is needed to enable the District to provide said facilities for its present and future students; and

WHEREAS, the Board of Trustees of the District (the "Board") has determined that it is necessary to address the foregoing concerns, among others, to ensure that its schools are upgraded, repaired, improved and equipped; and

WHEREAS, on November 7, 2000, the voters of the State of California approved Proposition 39 ("Proposition 39"), which amended Articles XIII A of the California Constitution ("Article XIII A") to allow for the levy of *ad valorem* property taxes for the payment of bonded indebtedness of a school district, community college district or county office of education approved by at least 55 percent of the voters voting on such proposition; and

WHEREAS, upon the passage of Proposition 39, the Strict Accountability in Local School Construction Bond Act of 2000, being California Education Code Section 15264 and following (the "Strict Accountability Act"), became operative; and

WHEREAS, in order to address the facilities needs of the District as described herein, in the judgment of the Board, it is advisable to call an election pursuant to the Strict Accountability Act to submit to the electors of the District the question whether bonds of the District shall be issued and sold pursuant to the authority of Article XVI Section 18 of the California Constitution and Article XIII A (together with the Strict Accountability Act, the "Law") for the purposes authorized by the Law and as described in Appendix A hereto (the "Full Text of the Bond Measure"); and

WHEREAS, in developing the facilities projects set forth in the Full Text of the Bond Measure, in accordance with the Law the Board has evaluated safety, class size reduction, and information technology needs of the District; and

WHEREAS, a measure presented to District voters pursuant to the Law will have transparency in spending in the form of annual independent financial and performance audits, and independent citizens oversight and public reporting; and

WHEREAS, under the Strict Accountability Act, the election may be ordered at a primary or general election, a regularly scheduled local election at which all of the electors of the District are entitled to vote, or a statewide special election, upon a two-thirds vote of the Board; and

WHEREAS, the Board wishes to call an election in the District pursuant to the Law on November 5, 2024, which is the date of the statewide general election, and pursuant to Education Code Section 15121 and Elections Code Section 10400 and following, to request consolidation with any and all other elections held in the District on such date, and to request the Santa Cruz County Registrar of Voters (the "County Registrar") to perform election services for the District; and

WHEREAS, in connection with the calling of a bond election and in accordance with Education Code Section 15100 subparagraph (c), the Board has obtained reasonable and informed projections of assessed property valuations that take into consideration projections of assessed property valuations made by the Santa Cruz County Assessor; and

WHEREAS, the District has prepared a Tax Rate Statement in the form attached as Appendix C hereto to provide voters with information about estimated tax rates and other factors in accordance with Elections Code Section 9400 and following; and

WHEREAS, pursuant to United States Income Tax Regulations Section 1.150-2, the Board wishes to declare its official intention at this time that if the measure submitted to voters hereunder is successful and bonds are issued pursuant to such measure, that it intends to reimburse from said bond proceeds any expenditures made by the District prior to the date of issuance of said bonds for the purposes described in the measure;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE SCOTTS VALLEY UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the maximum principal amount of \$85,000,000 for the purposes described in the ballot measure approved under Section 4 and attached hereto as Appendix A (Full Text of the Bond Measure) and Appendix B (Abbreviated Text of Bond Measure), and paying all costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

Section 3. Election Date. The date of the election shall be November 5, 2024, and such bond election shall be held solely within the boundaries of the District. The boundaries of the District have not changed since the District's last election.

Section 4. Purpose of Election; Ballot Measure. The purpose of the election shall be for the voters in the District to vote on a bond measure, a full copy of which is attached hereto as Appendix A and marked "Appendix A – Full Text of Bond Measure" (the "Full Text of the Measure"), containing the question of whether the District shall issue general obligation bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Strict Accountability Act. The Full Text of the Bond Measure, which commences with the heading "FULL TEXT OF BOND MEASURE" and includes all of the text thereafter on Appendix A, shall be printed in the voter information pamphlet provided to voters, with such measure designation as is assigned to the measure by the County elections official.

As required by Education Code Sections 5322 and 15122, Elections Code Section 13247, and in accordance with Elections Code Section 13119, the abbreviated statement of the measure to appear on the ballot is attached hereto as Appendix B and is marked as "Appendix B – Abbreviated Form of Bond Measure." The abbreviated form of the measure is merely an abbreviation of the Full Text of the Bond Measure and is subject to a word count limitation of seventy-five words or less. The Board urges voters to review the Full Text of the Measure and the Tax Rate Statement (see Section 11) to obtain a complete understanding of the terms of the measure including the financial projections and estimates upon which the measure is based.

The President of the Board and the Superintendent are hereby separately authorized and directed to make any changes to the text of the bond measure as described herein to conform to any requirements of the Law or the County Registrar, to changes in applicable legal provisions, to address word count limitations, and upon the advice of its legal counsel. Any such changes shall be directed in writing by the Superintendent to the County Registrar.

Section 5. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Education Code, Article XVI Section 18(b) of the California Constitution and paragraph (b) subsection (3) of Article XIII A. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 6. Proceeds for School Facilities Projects. The Board certifies that the proceeds from the sale of the bonds will be used only for the purposes specified in Article XIII A, Section 1(b)(3) as further specified in Appendix A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Further, as required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Appendix A.

Section 7. Covenants of the Board upon Approval of the Bonds by the Electorate; Accountability Measures. As required by Article XIII A, Section 15278 of the Strict Accountability Act, and Government Code Section 53410, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

- (a) conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Appendix A;
- (b) conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Appendix A;
- (c) establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Strict Accountability Act;
- (d) apply the Bond proceeds only to the specific purposes stated in the ballot proposition;
- (e) cause the creation of accounts into which bond proceeds shall be deposited; and
- (f) cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 8. State Matching Funds. The Board hereby finds that some of the projects identified on the Full Text of the Bond Measure may require state matching funds for completion. As such, the statement required by Education Code Section 15122.5 has been included in the Full Text of the Bond Measure attached hereto which shall be reproduced in the sample ballot. The Board will prioritize the facilities projects and cannot guarantee that funds raised by this measure and state matching funds, if such funds become available, will be sufficient to address each of the identified projects.

Section 9. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to (1) the County Registrar, and (2) the Santa Cruz County Clerk of the Board of Supervisors (the "Clerk of the Board") for purposes of consolidation pursuant to Elections Code Section 10403. The Resolution shall be received by the County Registrar and the Clerk of the Board no later than 88 days prior to the election date, unless otherwise permitted by law.

The County Registrar is hereby requested to print the Full Text of the Bond Measure in the ballot materials as it appears on Appendix A hereto and to provide all required notices of the election and other notices related thereto. With respect to the Tax Rate Statement attached as Appendix C, in accordance with Elections Code Section 9405, the Board of Trustees adopts the procedures identified in said Section.

Section 10. Consolidation of Election; Request to Provide Services. The County Registrar and the Santa Cruz County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 5, 2024 within the District.

Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Santa Cruz County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Santa Cruz

County in full upon presentation of a bill from the County, such services to include the publication of a formal Notice of School Bond Election and the mailing of the sample ballot and Tax Rate Statement (described in Section 9401 of the Elections Code).

Section 11. Approval of Tax Rate Statement. Pursuant to Elections Code Section 9400 and following, a Tax Rate Statement has been prepared in the form attached hereto as Appendix C, which form of Tax Rate Statement is hereby approved for inclusion in the sample ballot. The President of the Board, the Superintendent, or any written designee of the foregoing, are hereby separately authorized and directed to execute the Tax Rate Statement, and to file said Statement with the County Registrar.

Section 12. Ballot Arguments. As provided in Elections Code Section 9501, any and all members of this Board are hereby authorized, at their option, to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument, each of which if filed shall be filed within the time frame established by the County Registrar.

Section 13. Maturity Limit of Bonds. The Bonds may be issued in one or more series by the District from time to time, and each series of Bonds shall mature over a period of time no longer than the expected useful life of the property being financed from the proceeds of such series of Bonds. The Bonds shall be issued under the Strict Accountability Act, under the provisions of Section 53506 *et seq.* of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

Section 14. Estimates Included in Ballot Materials. The measure authorized by this Resolution includes information presented to voters with respect to the estimated amount of money required to repay issued bonds, the estimated rate of the approved tax per \$100,000 of assessed valuation (*ad valorem* tax), and the estimated duration through which the proposed tax supporting bond repayment will be levied and collected, among others.

Any such estimates have been provided by the District in good faith based upon information currently available to the District, but depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan. Such estimates and approximations are not intended by the Board, and shall not be interpreted or construed as additional restrictions on the District's bond program, bond issuances and related tax rate, and, other than the total principal amount of bonds authorized to be issued by the bond measure, do not represent legal maximums or additional limitations beyond applicable legal requirements. Furthermore, the abbreviated and condensed statement of the bond measure set forth in Appendix B, limited by State law to 75 words or less, does not limit the scope and complete meaning provided in the Full Text of the Bond Measure, set forth in Appendix A.

Section 15. Engagement of Professional Services. The firm of Isom Advisors, A Division of Urban Futures, Inc. is hereby designated to act as financial advisor to the District, and the firm of Jones Hall, A Professional Law Corporation, is hereby designated as bond counsel to the District, in connection with the election proceedings authorized under this Resolution and the issuance of any bonds in the event such election is approved by the requisite percentage of voters. Said firms shall be engaged upon the terms and

conditions upon which they have been engaged in connection with prior general obligation bond issues of the District.

Section 16. Official Actions. The President of the Board, the Superintendent and the Chief Business Official are hereby separately authorized and directed to execute and deliver to County officials any directions, requisitions or other writings, and to make any changes to the texts of the measure as described herein and in the Tax Rate Statement, to conform to any legal requirements or the County Registrar, in order to cause the election to be held and conducted in the District.

Section 17. Effective Date. This resolution shall take effect on and after its adoption.

The foregoing Resolution was adopted by the Board of Trustees of the Scotts Valley Unified School District of Santa Cruz County, being the Board authorized by law to make the designations therein contained by the following vote, on July 30, 2024.

Ayes: 4

Noes: 0

Absent: 1



Mitali Weiglein, Clerk of the Board of
Trustees of the Scotts Valley Unified School
District

[2/3 vote of Board required for approval]

APPENDIX A

FULL TEXT OF THE BOND MEASURE

The full text of the bond measure to be printed in the election material begins below the following line. Letter designation of measure shall be assigned and input by the County Registrar.

SCOTTS VALLEY UNIFIED SCHOOL DISTRICT MEASURE _____ FULL TEXT OF MEASURE

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Scotts Valley Unified School District (the "District") of the County of Santa Cruz will be authorized to issue and sell general obligation bonds in the aggregate principal of up to \$85,000,000 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 imposed by law and specified below.

ACCOUNTABILITY REQUIREMENTS

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, the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following), and consistent with the Resolution of the Board of Trustees of the District (the "School Board") placing this measure before District voters.

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 School 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 Oversight Committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board. No employee or official of the District and no vendor, contractor or consultant of the District shall be appointed to the Oversight Committee. The School Board may determine that its existing Oversight Committee which oversees the expenditure of bond proceeds of prior bond measures of the District shall simultaneously serve as the Oversight Committee for this bond measure.

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 Bond 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 Santa Cruz 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 Board of Trustees 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.

NO ADMINISTRATOR OR TEACHER 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.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

Voters are informed that any estimates or projections in this bond measure and related ballot materials, including relating to estimated rates of *ad valorem* property taxes, the duration of issued bonds and related levies and collections of *ad valorem* property taxes are provided as informational only. Such amounts are estimates and are not maximum amounts or limitations on the terms of the bonds, the tax rate or the duration of the levy supporting repayment of issued bonds. Such estimates 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 are 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. In addition, the abbreviated and condensed statement of the bond measure presented to voters on the ballot label which is subject to a word count

limitation imposed by State law does not limit the scope and complete meaning of the measure provided in this Full Text of the Bond Measure and related ballot materials.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended to repair, modernize, upgrade, renovate, remodel, construct, acquire, replace, equip, furnish, rebuild and otherwise improve educational and support facilities within the District. Projects described below may include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, design review, inspections, site preparation, utilities, landscaping, construction management and other planning, regulatory, legal, accounting and similar costs, independent annual financial and performance audits, a customary construction contingency, and other costs incidental to and necessary for completion of the projects.

Bond proceeds may also be expended to acquire real property (or any interest in real property) for future educational and support facilities and to acquire and install furniture, fixtures and equipment at any classrooms and other educational and support facilities within the District. The District may alter the scope and nature of any of the specific projects described below as required by conditions that arise during the course of design and construction.

School Facility Project List. The items presented on the following list are the types of projects authorized to be financed with voter approved bond proceeds. Whenever specific items are included in the following list, they are presented to provide examples and are not intended to limit the generality of the broader description of authorized projects. The appearance of an example on this list does not guarantee that the item will be funded. The order in which projects are listed is not intended to indicate priority for funding or completion. Whenever a particular project or facility is described in the following list, such project or facility may be newly constructed, acquired, modernized, upgraded, renovated, remodeled, replaced, equipped, furnished, rebuilt or otherwise improved, whether or not any or all of such actions are specifically identified.

The types of projects authorized pursuant to this measure are:

- Repair leaky and/or aging and deteriorating roofs and gutters
- Repair and/or replace outdated and inefficient heating, ventilation and air-conditioning systems (HVAC)
- Construct a multi-purpose room at each elementary school, which may include space for cafeteria functions and indoor gatherings sufficient for the whole school
- Build a swimming pool and related improvements
- Increase student access to modern technology, including providing necessary infrastructure, hardware, software, computers, devices and other modern instructional equipment
- Modernize/renovate outdated classrooms and other indoor and outdoor learning spaces, locker rooms and restrooms, including but not limited to paint, tile, doors, hardware, cabinetry, carpet, curtains/blinds, partitions, learning and teaching equipment

- Install solar panels and make other energy-efficiency improvements to reduce utility costs including efficient HVAC systems
- Replace outdated playground equipment at the elementary schools
- Construct a music/performing arts facility for school use and community enjoyment
- Build an all-weather track and field at the high school for safer P.E. classes and sports, and for community use including related facility and site improvements such as seating, restrooms, lighting, and sound systems
- Repair/replace deteriorating pavement and parking areas, and improve traffic circulation during school pickup and drop-off
- Acquire, install and/or upgrade campus safety and security systems, such as intercom and emergency communications systems, lighting systems, bell systems, video surveillance systems, alarms, fencing/gates, point of entry access and door locks.
- Improvements to ensure accessibility for all including full compliance with all applicable laws and regulations such as the Americans With Disabilities Act, including site access, restroom access, relocation of electrical devices and drinking fountain and playground equipment accessibility
- Improvements to outdated, aging or failing infrastructure including water, plumbing, sewer, or electric
- Renovate, repair, or upgrade and reconfigure other facilities serving students, staff and the community, including libraries, cafeterias/food service/kitchens, counselling and other student and administrative support spaces
- Abate and remove hazardous materials identified prior or during construction and make improvements to ensure healthy school facilities
- Improvements to facility exteriors such as landscaping, signage, paving, parking, lighting
- Repair, replace and/or upgrade paved surfaces and other grounds to eliminate any potential safety hazards and provide sufficient pathways

Incidental Expenses. 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, bond project construction management, administration and other planning and permitting, legal, accounting and similar costs; independent annual financial and performance audits and other accounting services arising from the bonds and the bond program; 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; the preparation or restoration of construction, renovation or remodeling; 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; lighting at improved facilities to support all activities; 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; and costs of the election; bond issuance costs; and project administration during the duration of such projects, as permitted by law.

Furnishing and Equipping. Each project is assumed to include its share of furniture, fixtures, equipment, architectural, engineering, and similar planning costs, program/project management, related staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects. The upgrading of technology infrastructure includes, but is not limited to, computers, projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, printers, digital white boards, document projectors, telephone system, call manager and network security/firewall, wireless technology systems and other miscellaneous equipment and software.

Changes in Scope; New Construction. The scope and nature of any of the specific projects described above may be altered by the District as required by conditions that may arise during the course of design and construction or based on other factors that the District Board determines require an adjustment to the scope and nature of the projects. Furthermore, the District Board may determine that a project identified as modernization or renovation may be undertaken as new construction if it is more economical for the District or if the Board determines that there are compelling factors that result in new construction being in the best interests of the District and its students. The authority for new construction extends to land acquisition, relocation, expansion and construction and/or reconstruction, similar purchases, and all costs relating thereto. 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. Each of the foregoing sentences has independent value and is not conditioned on any of the other sentences in this section.

Factors Impacting Project Implementation; No Guarantee All Projects Addressed. Many factors which the District cannot predict or control may impact its ability to address each of the projects, including but not limited to construction cost issues, supply chain issues which can cause project delays, labor shortages, and unknown environmental factors or site conditions, among others. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed. Approval of this bond measure does not guarantee that all of the projects on the Bond Project List will be funded beyond what can be completed with funds generated by this bond measure. As stated below, the Board is vested with the authority to identify project prioritization within the scope of available funding sources.

Interim Financing Included. Authorized projects include reimbursements for project costs previously paid by the District, 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 or lease financings, including 2023 Certificates of Participation, relating to facilities projects and/or equipment previously financed.

Joint Use Projects Authorized. Projects on this list may be undertaken and used as joint use projects with other public agencies.

Bond Project List Not in Order of Priority; Board Determines Prioritization. Approval of this bond measure does not guarantee that the proposed projects will be funded beyond the local revenues generated by the measure. The District's capital needs currently exceed the amount of bonds the voters are being asked to authorize. The order in which particular projects are listed is not intended to suggest priority for funding or completion, and itemization of projects in the list above does not guarantee that all such projects will be undertaken. Project priorities will be determined by the Board of Trustees. The ability of the District to undertake and complete the listed projects is subject to numerous variables including the adequacy and availability of sufficient funding sources. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

Interpretation. The terms of this bond measure 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. Words used in the Bond Project List such as repair, improve, upgrade, expand, modernize, renovate, and reconfigure are used to describe school facilities projects in plain English but are not intended to expand the nature of such projects beyond what is authorized by law. As such, in accordance with legal requirements, 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.

Severability. The District Board hereby declares, and the voters by approving this Bond Measure concur, that every section and part of this bond proposition has independent value, and the District Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure 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 measure are severable.

The Full Text of the Bond Measure ends above the line.

APPENDIX B

ABBREVIATED FORM OF BOND MEASURE

To improve education quality; repair leaky roofs; install energy-efficient HVAC; construct multi-purpose rooms and safer playgrounds at elementary schools; provide all-weather track and field at Scotts Valley High School; and make essential safety improvements; shall Scotts Valley Unified School District's measure be adopted issuing \$85,000,000 of bonds at legal rates, generating on average \$5,000,000 annually while bonds are outstanding at a rate of approximately \$49 per \$100,000 assessed value, with annual audits, independent citizens' oversight, money staying local and none for salaries?

Bonds—Yes

Bonds—No

APPENDIX C

TAX RATE STATEMENT REGARDING PROPOSED

\$85,000,000 SCOTTS VALLEY UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Scotts Valley Unified School District (the "District") on November 5, 2024, to authorize the sale of up to \$85,000,000 of 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.

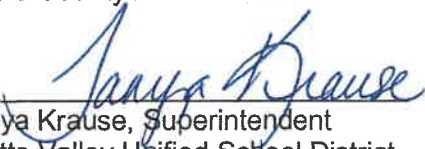
Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate that would be required to fund this bond issue over the entire duration of the bond debt service, based on estimated assessed valuations available at the time of filing of this statement, is \$46 per \$100,000. It is currently expected that the final fiscal year in which it is anticipated that the tax will be collected is 2057-58.
2. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is \$49 per \$100,000 of assessed valuation. This rate is projected to apply in fiscal years 2025-26 through 2052-53.
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 \$170,400,000.

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.

By: 
Tanya Krause, Superintendent
Scotts Valley Unified School District