

PVP WATCH NEWSLETTER

MEASURE PV

On Tuesday March 3, 2020, voters on the Palos Verdes Peninsula will cast a ballot regarding Measure PV, a bond measure to raise \$389,000,000 for the Palos Verdes Unified School District (PVPUSD).

PVP Watch understands that a school district comprised of 18 campuses with numerous buildings, many which were built decades ago, needs maintenance, modifications and upgrading. We agree that current safety and learning standards might dictate some of these needs. We agree that a successful school district benefits the community in helping to maintain property values.

However, we are concerned with saddling the citizens of PVPUSD with a debt of \$779 million, the total cost of raising the \$389 million. This indebtedness extends to 2057, which begs the question: How many more times will the district return to their constituency during this time period for more funding? The bond cost will not be excessive for some, but for others it may be a financial burden.

Rancho Palos Verdes, the largest city in the district, since its formation has strived to keep its tax base as low as possible and PVP Watch always factors that into considerations of finance. Also, whereas we understand that good schools are a draw for a community, a high tax base is not. Another concern is what future legislation will be passed in Sacramento regarding taxation. California is currently controlled by one party and that party has unabashedly indicated it will do all that it can to eliminate Proposition 13. Indeed, there is current proposed legislation to abolish Prop 13 exemptions for businesses. If this is successful, the insatiable desire of politicians to spend the public's money will not stop there and we all will be adversely affected.

For these reasons PVP Watch has decided to take a neutral stand on Measure PV. We have asked both sides of the issue to provide information to educate the voter regarding this important matter using our newsletter as a forum. We urge all residents eligible to vote to carefully consider both sides of this important issue before casting a ballot on March 3, 2020.

Michele Beilke a Palos Verdes Peninsula resident, graduate from the PVPUSD, mother of children currently attending schools in the PVPUSD and a practicing attorney presents the argument opposing Measure PV.

Suzanne Seymour, the president of PVPUSD Board of Education and Rick Phillips, the vice-president of PVPUSD Board of Education present the argument for Measure PV.

The arguments are presented as submitted, with no verbiage or font alterations.

Vote “No” on \$800,000,000 Pork Barrel Bond That Allocates \$0 Money to Teachers and Classroom Education

Measure PV will authorize the Palos Verdes Peninsula School District (“PVPUSD”) to incur up to an additional \$400,000,000 in bonded debt to be used for facility improvements. Measure PV will end up costing Palos Verdes (“PV”) almost \$800,000,000 after it is paid off and not one penny is allocated to our teachers in the classroom. Measure PV will be the 4th bond (Measure K was \$46 million, Measure R was \$30 million and Measure S was \$10 million) PV will be asked to pay for in addition to *permanent Parcel Tax* of \$374 per parcel.

Initial disclosure: I have no personal stake in the outcome of Measure PV. I am not a consultant. I live in PV and I am an alumni of PV schools. My kids attend PV schools. I care deeply for the students and teachers which is why I cannot in good conscience support Measure PV. My overall belief and guiding light is money belongs in classrooms with teachers, not in the pockets of high paid consultants. I am not opposed to all bonds as I have previously voted to approve bonds and parcel tax. However, for the reasons discussed in this article, I oppose Measure PV and will vote “No” on March 3rd!

Consultants Get Rich: Of the \$400,000,000 total bond, \$90,000,000 will go to high paid consultants and will have zero benefit to the PVPUSD students. See <https://www.pvpusd.net/apps/spotlightmessages>.

No Money for Teachers or School Programs: Measure PV contains no funding for school programs or teacher salaries. PVPUSD test scores and rankings are on the decline and the Bond does nothing to address this. According to US News, PVPUSD High Schools 2019 overall proficiency in reading is 58% and overall proficiency in mathematics is 48%. This is unacceptable and PVPUSD must allocate resources to classrooms/teachers to provide additional support to students, not air conditioning and new gymnasiums. See <https://ww.usnews.com/education/best-high-schools/California>

Measure PV Hurts Teachers: Expanding campuses and installing air conditioning throughout the district will increase operating costs. There is no buffer in budget for higher operating costs and therefore District will inevitably reallocate money from teachers to pay operating costs. This will result in one or all of the following: teacher layoffs; cutting teacher salaries; larger class sizes and/or reducing teacher assignments. PVPUSD lacks funding to meet current obligations and therefore increasing expenses is irresponsible.

Prioritize Teaches, Not Air Conditioning and New Gyms: PVPUSD teachers deserve salaries competitive with neighboring communities. Increased operating costs will result in less money for our teachers and classrooms. I do not prioritize spending \$58 million on air conditioning and \$24 million on school gymnasiums over our teachers.

Reduced Donations to PEF/Booster Club/Athletics: Higher property taxes earmarked for PVPUSD will result in reduced donations to PEF and other community funded organizations (booster clubs and athletics). If PEF donations go down, there is less money for teachers.

Seniors Must Pay Too: Many PV seniors live on a fixed income and Measure PV does not have an opt-out process for seniors. Between potential Prop 13 tax increase and Measure PV tax increase, I am very worried for seniors. I cannot support a Bond that fails to protect the elderly in our community.

No Cap on Measure PV: The bond is \$38 dollars for every \$100k assessed value with *no cap*. Thus, if a PV resident's home is worth \$2 million, Measure PV bond tax is \$760 a year. If home is assessed at \$3 million, Measure PV bond tax is over \$1,100 per year and so on! The Bond will be paid over a 37 year time period.

If Proposition 13 modified, Home Assessments Increase: If attacks on Prop 13 are successful, property assessments will go up. If that happens, Measure PV taxes will increase since formula is \$38 for every \$100k assessed value. Measure PV timing is off given uncertainty with Proposition 13.

Failure to Disclose Potential Conflict of Interest: PTA president and Advisory Committee member advocated in community meeting for Measure PV yet failed to disclose professional role as CEO and Senior Client Executive for a project management company that *might* bid on PVPUSD project. I asked PTA president if consulting company intends to bid the PVPUSD project and she is *understandably* keeping her options open: "I cannot tell you today whether or not we would bid on any PVPUSD projects in the future, related to the bond measure or otherwise. . . . I presume from your statements that you recognize we are imminently qualified for the work. I agree. I frankly do not understand why you would want to disqualify a qualified local firm who knows this community for the benefit of our schools." If there is even a 1% chance the consultant might bid the PVPUSD project, the community needs to know so we can filter arguments in support of Bond.

PV Families Pay \$63.68 per \$100,000 assessed home value, not \$23.58 District is Claiming: If you include three existing bonds and parcel tax, PV residents pay \$63.68 per \$100,000 assessed value. If we add Measure PV, residents will be at \$102.14 per \$100,000 assessed value which is considerably higher than other districts. The average cost to residents will be \$1,143 and will increase every year. This will make our tax burden highest among our neighboring school districts.

Property Value Scare Tactics: PV is a beautiful coastal community in Southern California. Home prices are high because people want to live close to the ocean in a safe neighborhood. To suggest PV home values will plummet because we do not have air conditioning and new middle school gymnasiums, is simply false.

Need vs Want: Over \$170,000,000 of prioritized projects are consulting fees and "nice to have," but not necessary. For example:

- \$58 million in air conditioning

- \$11 million for new PVIS gymnasium
- \$12 million for new RIS gymnasium
- \$ 2 million shade structures
- \$3 million window coverings
- \$90 million in consulting costs

I support PVPUSD, I do **not** support **this** Bond. Measure PV has too much waste and it does not reflect the priorities of maintaining quality education and supporting our teachers. I encourage everyone in this community to research the facts and vote accordingly. Learn more at: [www/facebook.com Citizens for Responsible Education Spending](http://www.facebook.com/CitizensforResponsibleEducationSpending) or www.pvpcres.org.

Vote Yes on Measure PV

Measure PV is a school facilities improvement measure that will be on the March 3, 2020 ballot for voters within the boundaries of the Palos Verdes Peninsula Unified School District (PVPUSD). The funds from Measure PV will repair and update our school facilities. Our high performing schools form the backbone of our community and are a major component of our enduring high property values. All funds raised by Measure PV will be spent in Palos Verdes and remain under local control. No money will go to Sacramento or be under State control.

Commented [RM1]:

The district's 18 schools were all constructed at least 55 years ago. Our schools are in need of seismic retrofitting; restroom renovation and upgrades; and plumbing, sewer, roofing, and electrical repairs. Many need HVAC replacement and upgrading, including air conditioning. Safety and security also will be addressed. Our Board of Education, working with Superintendent Alex Cherniss, former CFO of the Los Angeles County Department of Education, has come up with a plan and a specific project list to get this work done.

<https://4.files.edl.io/222c/11/19/19/210742-9cc32194-c9a4-4ca8-ab76-2a8e1c20c7c0.pdf>

All Measure PV funds would remain in the district, with complete local control of how the money is spent. All funds will be used at our active school site facilities for improvements that directly impact the daily lives and educational experience of our kids. No funds will be used for salaries, by law, or at the Malaga Cove administration site. A citizens' oversight committee would be appointed from community members to review all spending. We would love to see PVP Watch board members on this committee! There will also be both an independent financial audit and performance audit to ensure that all funds are used appropriately.

Investing in our schools now is the fiscally responsible thing to do. Pushing the burden off until later will significantly increase costs as conditions continue to deteriorate and construction costs escalate. With historically low interest rates, we are also able to get more bang for our bucks. There is no other way to fund school repair in California besides a facilities measure; a parcel tax, or cutting costs (which we have done repeatedly) simply won't generate enough funds to, for example, replace a seismically unsound building.

We cannot control what Sacramento has in store for the future; we can only keep our schools strong as one of the core values of the Peninsula. All recent State-funded facility programs have required local matching funds. Without Measure PV, we won't even have the capability to apply for State funds to address a portion of our facility needs. Sacramento, as we all know, is not going to address the funding needs of our local community here in Palos Verdes. As we have always done thorough volunteerism and fundraising, we have to overcome our challenges ourselves with local initiatives.

Our district's schools attract young families, which leads to high property values. Having a great school district protects our investments and makes this community a desirable place to live. Not only do we need to invest in education, we also need to invest in the facilities that support our students' education. The cost of Measure PV, \$39 a year per \$100,000 of assessed value (not market value), is a small price to pay to protect the value of what is many families' largest asset, their home.

This measure, if approved by 55 percent of voters, will maintain the Palos Verdes Peninsula Unified School District's excellent schools. Facts about the measure can be found at www.yesonPV.com and on the PVPUSD website at <https://www.pvpusd.net/apps/spotlightmessages/752>

If you have questions about the measure, do what the PVP Watch Board did: meet with Superintendent Cherniss and board members to learn about the details and get your questions answered. Don't get sucked into neighborhood gossip, false information on Next Door, or other unreliable sources of information. Supt. Cherniss and the Board of Education are happy to answer questions at any time.

Suzanne Seymour, President, PVPUSD Board of Education
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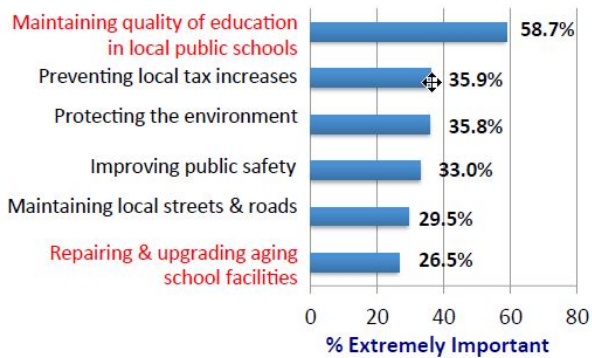
Learn the Facts about Measure PV

- \$389M bond + \$389M interest¹ = Massive Debt = Increased Taxes
→ \$32,000 per household²
- Bond measure can pass with only 55% of the votes
- **THERE IS NO SENIOR EXEMPTION**

Ask Questions. Demand Answers!

- What kind of “emergency” requires this much money immediately?
- Why so much money for our small school district?
- How will the money **REALLY** be used?

2018 PVPUSD Survey of District Voter Priorities³



School Board's "Plan"⁴ → Infrastructure Bond



1. PVPUSD Resolution No. 3-2019/20, 11/6/19. 2. Debt/# households 3. TrueNorth Research "Bond Feasibility Survey" Report, 1/8/18. 4. PVPUSD Facility Modernization List 11/1/19. 5. Soft costs – construction and project management, architects, inspections, fees, etc.

