Impartial Analysis of Measure G-26

Bonds are financial instruments used to borrow money. Under the California Constitution, school districts may issue bonds if approved by at least 55 percent of voters within the boundaries of the district who are voting on a measure to authorize the issuance of bonds. Voter-approved bond financing is a common financing method in California for funding new school construction and other improvements to school facilities. Bonds are sold to the public and constitute a debt of the district. The principal and interest on the bonds are repaid by an annual property tax levy on all taxable real property within the jurisdiction of the school district, calculated on the current assessed value of each property (an "*ad valorem*" tax).

The Board of Trustees of the Paso Robles Joint Unified School District ("the District") has placed Measure G-26 on the ballot, proposing the sale of bonds in an amount not to exceed $205 million at interest rates not to exceed legal limits. The District's Tax Rate Statement, included in the voter information guide, which was mailed to voters of the District, reflects an estimate of the maximum property tax levies required to service the bonds.

In accordance with California Constitution, Article XIIIA, proceeds from the sale of the bonds may only be used for the construction, reconstruction, rehabilitation, replacement, furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities. (The specific improvement projects are described in the full text of the measure.) The law prohibits the use of bond proceeds to pay for teacher and administrator salaries or other operational expenses.

Approval of the measure does not guarantee that all proposed projects to be improved with bond proceeds will be funded beyond the local revenues generated by the measure. The District's proposal for the projects assumes the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

As required by law, the District must follow certain accountability provisions to oversee the funds collected and expended, including the establishment of an independent citizens' oversight committee, the annual completion of performance and financial audits, and issuance of an annual report detailing the proceeds received by the sale of the bonds and the expenditures made. All of these requirements are reflected in the full text of measure.

The District's Tax Rate Statement provides the District's best estimate of the average annual tax rate that will be required to fund the bond issue over the duration of the debt service is $49.59 per $100,000 of assessed valuation while the bonds are outstanding. The final fiscal year in which the tax is anticipated to be collected is 2057-58.

A "yes" vote on this measure is a vote in favor of the issuance of $205 million in general obligation bonds to be used for the purposes set forth in Measure G-26.

A "no" vote on this measure is a vote against the issuance of $205 million in general obligation bonds for the purposes set forth in Measure G-26.

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