

Meeting Date: November 23, 2010

Item Title: Review of Parcel Tax Measure for March Ballot

Item Type: Information

BACKGROUND: At the November 9 meeting of the Board, the Superintendent presented her recommendations for key terms of a replacement parcel tax. The Board provided staff with direction and feedback as to key terms and requested limited additional information as to possible tax rates with varying maximum amounts. Without completing the First Interim Budget, staff was unable to reliably estimate the amount of revenue that the District needs from a replacement parcel tax. With tonight's presentation of the Preliminary First Interim Budget and Final Strategic Budget Reductions, it is clear that the District requires a minimum of \$12 Million in additional funding to prevent school closures and the most severe reductions to programs.

The Superintendent is recommending the Board call an election on March 8, 2011 for voter approval of a replacement education parcel tax as set forth in the attached Draft Resolution. The key terms of the Recommended Replacement Parcel Tax are:

- Tax will replace Measures A and H
- Tax rate for parcels with buildings is \$0.32 per Bldg. Sqft. uniformly applied to residential and non-residential parcels
- Maximum amount of tax on any one parcel shall be \$8,500, regardless of the number of buildings, which equates to a tax on only the first 26,560 of Bldg. Sqft.
- Tax rate for all other parcels (those parcels without one or more buildings) is \$299 per parcel
- Seniors and recipients of SSI for a disability are exempt from the tax
- Term of the tax is 7 Years, effective July 1, 2011
- The election will be conducted as a special precinct election on March 8, 2011
- The parcel tax funds will be allocated as follows:
 - Small Class Sizes: 13-14%
 - Neighborhood Elementary Schools: 7-8%
 - Enrichment Programs: 9-10%
 - Secondary School Choice Initiative and AP Courses: 7-8%

Programs to Close the Achievement Gap: 15-16%
High School Athletic Programs: 4%
Attract and Retain Excellent Teachers: 25-26%
Adult Education: 4%
Technology: 5%
Counseling and Student Support Services: 6%
Alameda Students in Charter Schools: 3%

FISCAL IMPLICATIONS: Upon approval by the Board on November 30, 2010, the District will incur the costs of a precinct election which are estimated by the Registrar of Voters to be approximately \$5.00 to \$7.00 per registered voter. Currently, Alameda has approximately 42,000 registered voters.

If approved by 2/3 of the voters, this proposed parcel tax measure will generate approximately \$12 Million for Alameda's public schools.

RECOMMENDATION: Provide the Superintendent and staff with direction and feedback so that staff may finalize the Resolution for the Board's approval at a special meeting of the Board on November 30, 2010.

AUSD Guiding Principle: #6-Allocation of funds must support our vision, mission, and guiding principles

Submitted by: Kirsten Vital, Superintendent

Approved for Submission to Board of Education



Kirsten Vital, Superintendent

**Superintendent's
Recommendation for
Spring 2011
Replacement Parcel Tax**

November 23, 2010

Superintendent Vital

Background

- On November 9 the Superintendent presented to the Board and community her recommendations for the key terms of a replacement parcel tax for the Spring 2011 ballot.
- The Board provided staff with direction and feedback as to key terms and requested limited additional information as to possible tax rates with varying maximum amounts.
- Without the First Interim Budget, staff was unable to estimate the revenue that AUSD needs from a replacement parcel tax.

Background

(continued)

- With tonight's presentation of the Preliminary First Interim Budget and Final Strategic Budget Reductions, it is clear that the District requires a minimum of \$12 Million in additional funding to prevent school closures and the most severe reductions to programs.
- To meet the statutory deadlines for placement of a parcel tax on the March 8, 2011 ballot, the Superintendent and staff are seeking the Board's direction on the following specific points:
 - The tax rate for real property with buildings
 - Maximum amount of tax per parcel
 - % allocation of funds for stated purposes

Parcel Tax with \$7,500 Maximum

The Board requested staff analyze additional tax rates for a parcel tax based on building square footage using maximum tax amounts of \$7,500, \$8,500 and \$9,000.

\$7,500 Maximum = \$12,237,400 in Revenue

- \$0.32 per Bldg. Sqft.
- \$299 per parcel for parcels without buildings
- *Allocation of Tax Burden:*
 - Residential = 84%
 - Nonresidential = 15.6%
 - Other Parcels = 0.4%

Parcel Tax with \$8,500 Maximum

\$8,500 Maximum = \$12,397,000 in Revenue

- \$0.32 per Bldg. Sqft.
- \$299 per parcel for parcels without buildings
- *Allocation of Tax Burden:*
 - Residential = 83.3%
 - Nonresidential = 16.3%
 - Other Parcels = 0.4%

Parcel Tax with \$9,000 Maximum

\$9,000 Maximum = \$12,469,200 in Revenue

- \$0.32 per Bldg. Sqft.
- \$299 per parcel for parcels without buildings
- *Allocation of Tax Burden:*
 - Residential = 83%
 - Nonresidential = 16.6%
 - Other Parcels = 0.4%

Final Recommendation for Replacement Tax

- Replacement Tax: March 2011 tax will replace Measures A and H.
- Rate for Parcels with Buildings: **\$0.32 per Bldg. Sqft.** uniformly applied to residential and non-residential parcels.
- Maximum Amount of Tax: No parcel will pay more than **\$8,500**, regardless of the number of buildings, which equates to a tax on only the first 26,560 of Bldg. Sqft.
- Rate for All Other Parcels: All other parcels (those without one or more buildings) assessed \$299 per parcel.

Final Recommendation for Replacement Tax

(continued)

- Exemptions: Exemption for seniors and recipients of SSI
- Term: 7 Years – effective July 1, 2011
- Election: Special precinct election on **March 8, 2011**

Final Recommendation for Replacement Tax

(continued)

Allocation of Parcel Tax Funds

- Small Class Sizes: 13-14% (~\$1,560,000 to \$1,680,000)
- Neighborhood Elementary Schools: 7-8% (~\$840,000 to \$960,000)
- Enrichment Programs: 9-10% (~\$1,080,000 to \$1,200,000)
- Secondary School Choice and AP Courses: 7-8% (~\$840,000 to \$960,000)
- Programs to Close Achievement Gap: 15-16% (~\$1,800,000 to \$1,920,000)
- High School Athletic Programs: 4% (~\$480,000)
- Attract and Retain Excellent Teachers: 25-26% (~\$3,000,000 to \$ 3,120,000)
- Adult Education: 4% (~\$480,000)
- Technology: 5% (~\$600,000)
- Counseling and Student Support Services: 6% (~\$720,000)
- Alameda Student in Charter Schools: 3% (~\$360,000)

Allocation of Parcel Tax Funds

Small Class Sizes: 13-14%

With the Tax:

- Elementary class sizes maintain student to teacher ratios no greater than 25 to 1 in K-3 classrooms.

Without the Tax:

- Student to teacher ratios will increase to 32 to 1 in K-3 classrooms.

Allocation of Parcel Tax Funds

Neighborhood Elementary Schools: 7-8%

With the Tax:

- High quality neighborhood schools remain open.

Without the Tax:

- Scenario B is implemented and 3 or more elementary schools close including Otis, Washington and Franklin.

Allocation of Parcel Tax Funds

Enrichment Programs: 9-10%

With the Tax:

- Maintain elementary music, media centers, and physical education
- Maintain fine arts in secondary schools

Without the Tax:

- Elementary music, media centers and physical education is reduced in 2011-2012 and eliminated in 2012-2013
- Secondary school fine arts programs are reduced to minimum levels

Allocation of Parcel Tax Funds

Secondary School Choice Initiative and AP Courses: 7-8%

With the Tax:

- Maintain or Increase current offerings of Advanced Placement courses
- Maintain ROTC program
- Wood Middle School remains open with investment in school reform to address Program Improvement status

Without the Tax:

- Reduce Advanced Placement courses to minimum
- Eliminate ROTC
- Close Wood Middle School

Allocation of Parcel Tax Funds

Programs to Close the Achievement Gap: 15-16%

With the Tax:

- Restore school year to 180 days of student instruction
- Maintain professional development to accomplish District-wide math initiative and improve instructional practice to advance student learning
- Maintain intervention classes for students struggling in English Language Arts

Without the Tax:

- School year remains reduced to 175 days for 2011-2012
- Reduce or eliminate professional development in math and instructional practice

Allocation of Parcel Tax Funds

High School Athletic Programs: 4%

With the Tax:

- Maintain High School athletic programs at current levels

Without the Tax:

- Reduce High School athletics to varsity sports only in 2011-2012
- One coach per varsity sport for 2011-2012
- Eliminate all High School athletics in 2012-2013

Allocation of Parcel Tax Funds

Attract and Retain Excellent Teachers: 25-26%

With the Tax:

- Maintain current negotiated salaries and benefits for all teachers

Without the Tax:

- With negotiation, implement 7% salary reduction or equivalent reduction in salary and benefits

Allocation of Parcel Tax Funds

Adult Education: 4%

With the Tax:

- Maintain courses in General Education Development Test, courses for English Language Learners and Civics classes
- Maintain selected enrichment programs for seniors
- Adult School remains open

Without the Tax:

- Adult School closes
- State and federally funded courses are integrated with continuation programs

Allocation of Parcel Tax Funds

Technology: 5%

With the Tax:

- Maintain service and technology support to school sites
- Upgrade and invest in technology equipment for sites

Without the Tax:

- No funds allocated to replace and upgrade technology equipment at school sites
- Service and support for school sites eliminated
- Technology funding will be allocated to compliance needs only

Allocation of Parcel Tax Funds

Counseling and Student Support Services: 6%

With the Tax:

- Increase counseling services to students

Without the Tax:

- Further reductions to counseling services to minimum allowable level and maximize counselor to student ratio

Allocation of Parcel Tax Funds

Alameda Students in Charter Schools: 3%

With the Tax:

- Alameda students in Alameda's public charter schools, which are in existence at the approval of this Measure, receive revenue from the Measure.
- Revenue will be annually distributed to charter schools in proportion to each charter's enrollment of Alameda resident students.

Without the Tax:

- Charter schools receive no funding from AUSD.

Next Steps

Tonight: Board will provide direction to staff to finalize the parcel tax Resolution as to the following:

- the tax rate for real property with buildings
- the maximum amount of tax per parcel
- the % allocation of funds for the stated purposes

Note: *Significant changes to the language of the tax or the addition of new programs will delay a final vote on the parcel tax.*

November 30: Board will vote on the final Resolution to place a parcel tax on the ballot for a March 8, 2011 special precinct election.

ALAMEDA UNIFIED SCHOOL DISTRICT

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF EDUCATION OF THE ALAMEDA UNIFIED SCHOOL DISTRICT CALLING AN ELECTION FOR VOTER APPROVAL OF AN EDUCATION PARCEL TAX, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON MARCH 8, 2011

WHEREAS, the Alameda Unified School District (“District”) is committed to offering a high-quality education to all students in the District. Despite continued reductions in state funding for Alameda schools, student achievement scores have continued to rise and remain among the highest in the Bay Area;

WHEREAS, Alameda values its strong tradition and culture of neighborhood schools and seeks to maintain the small class sizes and highly qualified experienced teachers who are essential to the exceptional education offered in AUSD;

WHEREAS, the District recognizes that music, arts, physical education and athletics are integral components of a well rounded education and enable Alameda students to excel in college and career;

WHEREAS, as state funding has continued to be cut over the past several years, it is clear that stabilizing the District’s finances is critical to fulfilling our educational responsibilities and maintaining the high quality of education in Alameda. Although every effort has been made to keep cuts as far away from the classroom as possible by streamlining the District Office and reducing administrative costs, the current budget deficit will require school closures and severe reductions to programs and staff which will impact classroom instruction for every student in Alameda schools;

WHEREAS, after an education parcel tax for Alameda schools failed to pass in June 2010 (Measure E), the Board of Education was forced to implement approximately \$7 million in budget cuts which resulted in increased class sizes, fewer days of instruction for students, reductions to and/or elimination of GATE and other valuable academic programs, reduced salaries for every employee in the District, and the loss of excellent new teachers and staff as a result of layoffs;

WHEREAS, to help minimize the impact of cuts and maintain the quality of education for Alameda children, the Board of Education (“Board”) has determined that increased stable local revenue from a replacement of the existing school parcel taxes is necessary;

*March 2011 Tax
Draft for Public Comment
November 23, 2010*

WHEREAS, the Board desires to replace both existing parcel taxes with a new tax which taxes business and residential properties at the same rate;

WHEREAS, the Board desires to approve a tax based on building square footage which assesses a tax of \$0.32 on approximately the first 26,560 building square feet on a parcel which contains one or more buildings and \$299 on all other parcels;

WHEREAS, by combining and replacing both existing parcel taxes, local voters can ensure that our schools will receive a stable and reliable source of local funding;

WHEREAS, California Constitution, Article XIII A, Section 4 and Government Code Sections 50075 *et seq.* authorizes the District, upon approval of 2/3rds of the electorate, to levy qualified special taxes on property in the District for the purpose of providing quality educational programs in the District and other lawful purposes of the District;

WHEREAS, in the judgment of the Board, following public hearing and comment, it is advisable to request that the Alameda County Registrar of Voters (“County Registrar”) call an election and submit to the voters of the District the question 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 territory that is in part the same.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Resolution Constitutes Order of Election. This resolution shall constitute an order of election pursuant to Education Code Section 5320 *et seq.*

Section 2. Date and Purpose of Measure. Pursuant to Section 4 of Article XIII A of the California Constitution and Government Code Section 50077, a special election shall be held within the boundaries of the District on March 8, 2011, for the purpose of voting on a measure (“Measure”) which will be presented to voters in the forms attached hereto as Exhibits A and B, containing the question of whether the District shall impose a special tax for the educational purposes stated therein. The full text of the Measure (“Full Ballot Text”) shall appear in the ballot pamphlet in substantially the form attached hereto as Exhibit B and shall control over any inconsistencies or ambiguities regarding the terms and conditions of the proposed special tax.

Section 3. Amount and Basis of Special Tax. The special tax shall be levied on all Parcels of Taxable Real Property in the District, as defined in Exhibit B, for 7 years, commencing July 1, 2011, at the rates described below and defined more fully in the Full Ballot Text. The special tax shall replace two existing special tax measures (Measure A and Measure H) in their entirety, and there shall be no overlap in the levy of the new special tax and the prior special taxes.

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Subject to the further definitions, terms and conditions set forth in the Full Ballot Text, the annual special tax rates shall be uniformly assessed as follows:

<u>Property Type</u>	<u>Annual Rate of Tax</u>
Real Property with Buildings	the lesser of \$0.32 per building square foot or \$8,500 per parcel
All Other Real Property	\$299 per parcel

If approved, the proposed new special tax will reduce the amount of District parcel taxes currently assessed on some properties, and increase the amount of tax on other properties. The proposed new special tax will tax business and residential parcels at the same rate.

Section 4. Senior and Social Security Income Recipients' Exemption from Special Tax.

An exemption from payment of the special tax may be granted on any parcel owned by one or more persons 65 years of age or over who occupies said parcel as a principal residence, upon application for exemption ("Senior Citizen Exemption"). In addition, an exemption from payment of the special tax may be granted on any parcel owned and occupied as the principal place of residence by a person receiving Supplemental Social Security Income ("SSI Exemption") for a disability, regardless of age. 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 either a Senior Citizen or SSI Exemption.

Section 5. Collection of the Tax. The special tax shall be collected by the County Tax Collector of the County of Alameda ("County Tax Collector"), at the same time, in the same manner, and subject to the same penalties as *ad valorem* property taxes collected by the County Tax Collector. Unpaid special taxes shall bear interest at the same rate as the rate for unpaid *ad valorem* property taxes until paid.

The special tax shall be levied on all parcels of taxable real property in the District. "Parcel of Taxable Real Property" shall be defined as any unit of real property in the District that receives a separate tax bill for property taxes from the County Tax Collector's Office. All public property that is otherwise exempt from or upon which are levied no *ad valorem* property taxes 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 Senior Citizen and SSI Exemptions, the decisions of a District administrative review panel shall be final and binding.

Section 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.

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

Section 8. Resolution to County Registrar and County Board. The Clerk of the Board is hereby directed to immediately send a copy of this Resolution to the County Registrar, as the officer conducting the election, the Alameda County Superintendent of Schools (“County Superintendent”), and to the Alameda County Clerk of the Board of Supervisors (“County Board”).

Section 9. Formal Notice. The County Superintendent is hereby requested to prepare and execute a formal Notice of Parcel Tax Election and Consolidation (“Notice”) and to call the election by causing the Notice to be posted in accordance with Section 5362 of the Education Code, or otherwise cause the Notice to be published as permitted by law.

Section 10. Conduct of Election.

(a) *Request to County Registrar.* Pursuant to Section 5303 of the Education Code, the County Registrar is requested to take all steps to hold the election in accordance with law and these specifications.

(b) *Voter Pamphlet.* The County Registrar 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 Alameda County Registrar of Voters at [phone number] and a copy will be mailed at no cost to you.

(c) *Consolidation.* The County Registrar and the County Board are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on March 8, 2011, within the District.

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

Section 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.

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Section 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 County Registrar is hereby directed to include the Full Ballot Text in the ballot pamphlet.

Section 13. Ballot Arguments. The President of the Board and/or his 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 County Registrar, which shall be considered the official ballot arguments of the Governing Board as sponsor of the Measure.

Section 14. Official Actions. The District Superintendent, President of the Board, or their designees are hereby authorized to execute any other document and to perform all acts necessary to place the Measure on the ballot, including making alterations to the Measure and Full Ballot Text stated in Exhibits A and B hereto to comply with requirements of law and election officials or which are, in the judgment of the Superintendent, in the best interests of the District.

ADOPTED, SIGNED and APPROVED by the Board of Education of the Alameda Unified School District on the _____ day of November, 2010, by the following vote:

AYES:

NOES:

ABSTENTIONS:

Ron Mooney
President of the Board of Education of the
Alameda Unified School District

Attested to:

Secretary of the Board of Education of the Alameda Unified School District

EXHIBIT A

ABBREVIATED TEXT OF MEASURE

[This summarizes, in 75 words or less, the full text of the proposition which appears below.]

To maintain high-quality Alameda schools by protecting small class sizes; core academic, art, music and athletic programs; neighborhood schools; and retaining excellent teachers, shall Alameda Unified School District replace two existing parcel taxes with one annual parcel tax for 7 years in the amounts described in the voter pamphlet, with an exemption for seniors, strict accountability measures including oversight by an independent citizens' committee and an annual audit, and every dollar staying in Alameda schools?"

EXHIBIT “B”

FULL BALLOT TEXT

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

**ALAMEDA UNIFIED SCHOOL DISTRICT PROTECTION OF QUALITY LOCAL
SCHOOLS MEASURE OF 2011**

This Proposition may be known and referred to as the “Alameda Unified School District Protection of Quality Local Schools Measure of 2011” or as Measure “_____”. [*designation to be assigned by county Registrar of Voters*]

To maintain high-quality Alameda schools by protecting small class sizes; core academic, art, music and athletic programs; neighborhood schools; and retaining excellent teachers, shall Alameda Unified School District replace two existing parcel taxes with one annual parcel tax for 7 years in the amounts described in the voter pamphlet, with an exemption for seniors, strict accountability measures including oversight by an independent citizens' committee and an annual audit, and every dollar staying in Alameda schools?"

FINDINGS

A superior and comprehensive K-12 education program delivers many long-lasting benefits and advantages to all the children and residents of a community. The Alameda Unified School District (“District”) is committed to offering a high-quality educational program to all students in the District through neighborhood elementary schools and multiple educational and career pathways in secondary schools.

Perpetual California State budget problems threaten the District’s many successful educational programs with an increasingly uncertain fiscal future that does not provide adequate state funding. Local funding Measures A and H will sunset in the fiscal year 2012 resulting in the loss of millions of dollars to Alameda’s public schools.

The District has continued to streamline the District Office to maximize efficiencies and reduce administrative costs. Although parent/community donations are generous, without increased local revenues, the District will be forced to close several neighborhood elementary schools, increase class sizes, lay off teachers and eliminate valuable educational programs.

Local voters and taxpayers have provided strong support of the District’s schools with parcel tax measures since 2001.

The Board of Education (“Board”) desires to replace both existing parcel taxes with a new tax which more fairly distributes the tax burden between business and residential properties.

By replacing both existing parcel taxes, local voters can ensure that our schools will receive stable and reliable funding.

PURPOSES

Moneys raised under this Protection of Quality Local Schools Measure of 2011 are authorized to be used only to provide financial support to local school programs in accordance with priorities and conditions set forth below. The District may fund approved programs at amounts other than the stated percentages in cases of Severe Fiscal Emergency or Changed Funding Conditions of Alameda's public schools. In no event shall revenues of the Measure be used for purposes other than those stated herein.

- Small Class Sizes: 13-14 % of the Available Revenues of this Measure shall be dedicated annually to maintaining manageable elementary class sizes with student to teacher ratios no greater than 25 to 1 in K-3 classrooms. Revenues from this Measure will support small class sizes in a manner which may not be achieved solely with support from the District's General Fund. In the event the State of California fully funds class size reduction to support student to teacher ratios of 20 to 1 in K-3 classrooms such that supplemental parcel tax funds are no longer required to maintain small class sizes, the Board of Education may recommend that revenues which were allocated for small class size be reapportioned to the remaining programs supported by this Measure.
- Neighborhood Elementary Schools: 7-8% of the Available Revenues of this Measure shall be dedicated annually to maintaining high quality neighborhood elementary schools. For purposes of this Measure, high quality shall be determined by external measurements, parental choice, and student outcomes. Revenues from this Measure may be used to support programs designed to maximize enrollment in neighborhood schools, such as magnet programs, and programs which improve the academic proficiency of all students through effective instruction and implementation of a challenging and engaging curriculum as more specifically set forth in the District's Master Plan document.
- Secondary School Choice Initiative and AP Courses: 7-8% of the Available Revenues of this Measure shall be dedicated annually to maintaining Advanced Placement Courses and to supporting the secondary school choice initiative to create different educational pathways to careers and college. Revenues from this Measure may be used to create and support more personalized learning environments which are aligned with student interest and coupled with rigorous, relevant and interesting curricula to engage young learners as more specifically set forth in the Master Plan.
- Programs to Close the Achievement Gap: 15-16% of the Available Revenues of this Measure shall be dedicated annually to supporting programs which are specifically designed to close the achievement gap. Revenues from this Measure may be used to support professional development for teachers and staff to accomplish district-wide learning initiatives and to provide targeted intervention and support. Revenues from this Measure will also be used to restore the school year to 180 days of instruction for all students.

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- High School Athletic Programs: 4% of the Available Revenues of this Measure shall be dedicated annually to maintaining high school athletic programs. Revenues from this Measure may be used to support stipends for athletic coaches, transportation costs for athletic events, equipment and other operational costs.
- Enrichment Programs: 9-10% of the Available Revenues of this Measure shall be dedicated annually to maintaining art and music as integral subjects of the K-12 curriculum. Funds may be used to support enrichment programs such as Physical Education and Media Centers in elementary schools and to support highly qualified visual and performing arts professionals, supplies, equipment and facilities.
- Attract and Retain Excellent Teachers: 25-26% of the Available Revenues of this Measure will be dedicated annually to attracting and retaining highly qualified and excellent teachers.
- Counseling and Student Support Services: 6% of the Available Revenues of this Measure shall be dedicated annually to providing a lower and more effective ratio of students to counselors and support providers. Revenues from this Measure may be used to provide students with a range of support services, including college and career counseling.
- Alameda Charter Students: 3% of the Available Revenues of this Measure shall be dedicated annually to supporting Alameda students in Alameda's public charter schools in existence at the approval of this Measure. This revenue shall be annually distributed to existing charter schools in proportion to each charter's enrollment of Alameda resident students.
- Technology: 5% of the Available Revenues of this Measure shall be dedicated annually to providing and maintaining technology at all sites consistent with the District's technology plan as approved by the Board of Education.
- Adult Education: 4% of the Available Revenues of this Measure shall be dedicated annually to supporting the Alameda Adult School to provide lifelong educational opportunities and services for adult learners.

For purposes of this Measure, the following definitions shall apply:

“Available Revenues” shall mean the amount of money provided by this Measure after the deduction of one and one-half (1½%) to two percent (2%) of the Measure's revenues to pay for the following: the cost of the parcel tax election, authorized collection charges by the county or city for collection of the tax, payment of necessary fees and expenses to administer the District's parcel tax, and costs to implement accountability provisions to ensure fiscal transparency through public information, translation services for the District families, and support of the Oversight Committee.

“Severe Fiscal Emergency” may be declared by a majority of the Board of Education when the emergency is the result of financial events which are out of the control of the Board; and either (a) the District's Interim Financial Report is “Qualified” or “Negative” pursuant to AB 1200 and AB 2756 and the Alameda County Office of Education concurs with this determination; or (b) the Alameda County Office of Education has disapproved the District's annual budget.

“Changed Funding Conditions” may be declared by a majority of the Board of Education when local, state or federal funding for programs supported by this Measure is reduced below the 2010-2011 levels of funding as of October 2010, including the receipt of the statutory cost of living adjustment, such that the changed conditions increase the cost of providing the programs supported by this Measure. Changed Funding Conditions may also be declared by a majority of the Board in the event local, state or federal funding for programs supported by this Measure is increased above the 2010-2011 levels of funding such that supplemental parcel tax funds are no longer required to maintain the program and the Board may reapportion revenues to the remaining programs supported by this Measure.

AMOUNT AND BASIS OF TAX

Upon approval of two-thirds of those voting on this Measure, the District shall be authorized to levy an annual qualified special tax (education parcel tax) on all Parcels of Taxable Real Property, commencing on July 1, 2011 for a period of 7 years as follows:

<u>Property Type</u>	<u>Annual Rate of Tax</u>
Real Property with One or More Buildings	the lesser of \$0.32 per building square foot or \$8,500 per parcel
All Other Real Property	\$299 per parcel

For purposes of the tax levy, the following definitions shall apply:

“Parcel of Taxable Real Property,” is defined as any unit of real property in the District that receives a separate tax bill for property taxes from the County Treasurer-Tax Collector’s Office. All public 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.

“Building” is defined as any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person or property of any kind. The word “building” includes the word “structure” and encompasses, without limitation, all residential, commercial and industrial structures.

The District annually shall provide the Alameda County Tax Collector a report indicating the parcel number and amount of tax for each Parcel of Taxable Real Property.

This parcel tax shall replace Measures A and H, the two education parcel tax measures currently in effect. In the event that this Measure is not approved by the requisite two-thirds vote, the existing parcel taxes shall continue in effect until their scheduled expiration. Under no

circumstances shall the education parcel tax approved in this Measure and any of the existing two parcel taxes be collected in the same year.

CLAIM / EXEMPTION PROCEDURES

Upon application, an exemption may be granted on any Parcel of Taxable Real Property which is (a) owned by one or more persons aged 65 years or older, and (b) which is the owner's principal place of residence ("Senior Citizen Exemption"). Upon application, an exemption may be granted on any Parcel of Taxable Real Property which is (a) owned by one or more persons receiving Supplemental Security Income for a disability, regardless of age, and (b) which is the owner's principal place of residence ("SSI Exemption").

With respect to all general property tax matters within its jurisdiction, the Alameda 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 the Senior Citizen and SSI Exemptions, owners must submit applications to the District in the manner and at the time set forth in procedures established by the District. Application forms shall be available from the Office of the Chief Financial Officer. Any one application from a qualified applicant for an exemption will provide an exemption for the parcel for that assessment year only. Owners shall not be required to submit an additional application for exemption provided the property was exempt in the immediately previous assessment year. On an annual basis, the District will review existing exemptions and, if necessary, confirm with the property owner that the parcel still qualifies for the exemption.

In determining the building square footage of Taxable Real Property, the District shall refer to the data reported by the County Assessor's Office, except in cases of demonstrable error, in which case either the property owner may file a claim with the District for re-computation of the tax or the District will re-compute the tax and provide notice to the owner of the re-computation and the right to appeal in accordance with the procedures established by the District.

The decisions of the District regarding exemptions, refunds, reductions, or re-computations shall be final and binding. The procedures described herein, and any additional procedures established by the Board shall be the exclusive claims procedure for claimants seeking an exemption, 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 XIII B 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

Public Information and Fiscal Transparency: The District shall ensure that information regarding the use of funds from this Measure is provided to the public in a timely and transparent manner through frequent communication with the Alameda community, presentation of information to the Oversight Committee and use of the District website. All financial reports and information regarding the use of these funds shall be translated for District families.

Separate Account: Proceeds of this Measure shall be deposited into an account which is separate and apart from other accounts in the District and applied only to the purposes set forth herein.

Oversight Committee: A District Oversight Committee, composed of parents/guardians, staff members, students, and community members representing all school sites, will be established to be advisory to the District. The Committee shall annually review District compliance with the terms of this Measure. The size, structure and scope of duties of the Oversight Committee shall be set by the Board.

Financial Oversight: District will provide the Board of Education and the general public, updated revenue and expenditure reports of the proceeds of this Measure in at least three reports each fiscal year: a report recommending expenditures for the next fiscal year which shall occur before adoption of the District's annual budget; at least one report concurrently with one or more of the State-required interim reports; and an annual report on the Measure ("Annual Report"). The Annual Report will display the revenues generated by the Measure, the expenditures of the revenues and a report on the status of projects funded by the revenues. This report shall be organized to display clearly how the expenditures relate to the purposes of the Measure.

Independent Auditor's Report and Audit Committee: District shall provide an annual audit by an independent auditor to determine that funds generated by the Measure have been allocated and expended in compliance with the provisions of the Measure.

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 hereof 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.

EXHIBIT C

FORMAL NOTICE OF PARCEL TAX ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of the Alameda Unified School District of Alameda 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 March 8, 2011, for the purpose of submitting to the qualified electors of the District the proposition summarized as follows:

To maintain high-quality Alameda schools by protecting small class sizes; core academic, art, music and athletic programs; neighborhood schools; and retaining excellent teachers, shall Alameda Unified School District replace two existing parcel taxes with one annual parcel tax for 7 years in the amounts described in the voter pamphlet, with an exemption for seniors, strict accountability measures including oversight by an independent citizens' committee and an annual audit, and every dollar staying in Alameda schools?"

By execution of this formal Notice of Election the County Superintendent of Schools of Alameda County orders a special election to be held on March 8, 2011, and 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 Alameda County, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Board of Education of the Alameda Unified School District adopted November ____, 2010, in accordance with the provisions of Education Code Sections 5302, 5325 and 5361.

IN WITNESS WHEREOF, I have hereunto set my hand this day, _____, 2010.

Sheila Jordan
County Superintendent of Schools
Alameda County, California