

MEASURE B

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE B

A school district may levy a special tax upon approval by two-thirds of the votes cast on a measure pursuant to section 4 of article XIII A of the California Constitution and sections 50075 *et seq.* of the California Government Code.

The Board of Trustees (Board) for the Union Elementary School District (District) proposes renewing an existing parcel tax that expires on June 30, 2016. If approved, the renewed parcel tax will commence on July 1, 2016 and expire on June 30, 2026 and will continue to be levied at the current amount of \$96 per parcel per year.

An exemption from the proposed tax is available for any parcel that is occupied by and is a principal residence for (1) a person 65 years or older; (2) a person receiving Supplemental Security Income; or (3) a person receiving Social Security Disability benefits whose yearly income does not exceed 250% of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services.

State law requires the District to state the specific purposes for which the tax proceeds will be used and only spend the proceeds of the tax for these purposes. The stated purposes of the tax proposed are to: (1) support and protect excellence in core academic programs such as English, reading, math, and science; (2) attract and retain qualified teachers; (3) keep schools safe; (4) expand rigorous science, technology, engineering, and math programs district-wide; and (5) help maintain smaller class sizes; (6) protect local schools from ongoing state cuts to education funding by providing a stable local funding source that cannot be taken away by the state; and (7) provide for independent oversight and annual financial audits of revenues and expenditures. The Measure states that revenue generated by the tax will not be used for District administrators' salaries or benefits.

The District is required by law to provide additional accountability measures for the proceeds. These measures include: (1) depositing the proceeds into a fund that is separate and apart from other District funds; and (2) providing an annual written report to the Board detailing the amount of funds collected and expended and the status of any project authorized to be funded from the tax proceeds. The Board will appoint an independent Community Oversight Committee to monitor expenditures funded by the measure. An annual, independent performance and financial audit will also be conducted to determine whether taxes processed have been expended only for the specified purposes.

Measure B was placed on the ballot by the Board.

A "yes" vote is a vote to approve a parcel tax of \$96 per parcel on parcels within the District for ten years commencing on July 1, 2016.

A "no" vote is a vote to not approve a parcel tax of \$96 per parcel on parcels within the District for ten years commencing on July 1, 2016.

Orry P. Korb
County Counsel

By: /s/ Danielle L. Goldstein
Deputy County Counsel

COMPLETE TEXT OF MEASURE B

Union Elementary School District Quality Public Education Preservation Act of 2015

INTRODUCTION

Without increasing the current tax rate, to support high academic achievement for local Union Elementary School District students by protecting strong academic programs like English, reading, math and science, retaining qualified teachers, keeping schools safe, , expanding rigorous science, technology, engineering and math programs district-wide and helping maintain smaller class sizes, shall Union Elementary School District renew its annual education parcel tax of \$96 per parcel for 10 years, exempting seniors, persons receiving Supplemental Security Income ("SSI") for a disability, and persons receiving Social Security Disability Insurance ("SSDI") benefits whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, and guaranteeing: no use of funds for administrator salaries; independent oversight and annual audits; and every dollar staying in our local schools?

PURPOSE

To provide local revenue that cannot be taken by the state and to maintain quality education in our neighborhood schools, the Union Elementary School District proposes to renew its qualified education parcel tax for a period of 10 years, beginning July 1, 2016, at the rate of \$96 per year on each assessor's parcel located within the Union Elementary School District, with an optional exemption annually available, upon application, for senior citizens, persons receiving SSI, and persons receiving SSDI benefits whose yearly income does not exceed 250 percent of 2012 federal poverty guidelines, and to implement accountability measures in connection with the education parcel tax to provide oversight and accountability to help the District ensure that funds are used to:

- Support and protect excellence in core academic programs such as English, reading, math, and science;
- Attract and retain highly qualified and experienced teachers
- Expand rigorous science, technology, engineering and math programs district-wide
- Keep schools safe;
- Help maintain smaller class sizes;
- Protect local schools from ongoing state cuts to education funding by providing a stable local funding source that cannot be taken away by the state; and
- Protect the taxpayers' investment in education by providing for independent oversight and annual financial audits of revenues and expenditures, thus helping to ensure accountability and that all funds are used to support education with no funds used for administrators' salaries.

PROCEDURES

Subject to two thirds approval of the voters, the renewed and extended education parcel tax shall become effective as of July 1, 2016, and be collected by the Santa Clara County Tax Collector at the same time as and along with, and shall be subject to the same penalties as general

COMPLETE TEXT OF MEASURE B-Continued

ad valorem taxes collected by said tax collector. The tax and penalty shall bear interest at the same rate as the rate for unpaid *ad valorem* property taxes until paid. Any tax levied shall become a lien upon the properties against which taxes are assessed and collectible as herein provided.

If approved by two thirds of the voters casting ballots on this measure, the education parcel tax so authorized will extend the levy under 2010 Measure H for an additional 10 years, commencing on July 1, 2016, and remaining in effect through and including June 30, 2026. Whether this measure is approved, the education parcel tax approved by 2010 Measure H shall continue in effect, in accordance with their terms, through and including June 30, 2016.

With respect to all general property tax matters within its jurisdiction, the Santa Clara County Tax Assessor or other appropriate County tax official ("County") 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 education parcel tax, including the Senior Citizen Exemption, SSI Exemption, SSDI Exemption, and "contiguous parcel" treatment as allowed below, the decisions of the District shall be final and binding. The procedures described herein, and any additional procedures established by the Board of Trustees, shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the education parcel 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.

The District's Board of Trustees may adopt such additional or supplemental procedures as it deems necessary or convenient for the administration of the education parcel tax.

SENIOR CITIZEN EXEMPTION AVAILABLE

An exemption from the education parcel tax will be made available annually to each individual in the District who will attain 65 years of age prior to July 1 of the tax year, and who owns a beneficial interest in the parcel, and who uses that parcel as his or her principal place of residence, and who submits a new or renewal application to the School District on or before June 15, 2016, or June 15 of any succeeding tax year, with such applications to be effective for the immediately following tax year commencing on July 1 (the "Senior Citizen Exemption"). Any application for such exemption must be renewed annually. If the due date for a new or renewal application falls on a weekend or legal holiday, the deadline shall be extended to the next business day.

SUPPLEMENTAL SECURITY INCOME ("SSI") EXEMPTION AVAILABLE

An exemption shall also be granted to persons receiving SSI for a disability, regardless of age, who occupy said parcel as a principal residence, and who submit a new or renewal application to the School District on or before June 15, 2016, or June 15 of any succeeding tax year, with such applications to be effective for the immediately following tax year commencing on July 1 (the "SSI Exemption"). Any application for such exemption must be renewed annually. If the due date for a new or renewal application falls on a weekend or legal holiday, the deadline shall be extended to the next business day.

COMPLETE TEXT OF MEASURE B-Continued

SOCIAL SECURITY DISABILITY INSURANCE ("SSDI") EXEMPTION AVAILABLE

An exemption shall also be granted to persons receiving SSDI benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, who occupy said parcel as a principal residence, and who submit a new or renewal application to the School District on or before June 15, 2016, or June 15 of any succeeding tax year, with such applications to be effective for the immediately following tax year commencing on July 1 (the "SSDI Exemption"). Any application for such exemption must be renewed annually. If the due date for a new or renewal application falls on a weekend or legal holiday, the deadline shall be extended to the next business day.

CONTIGUOUS PARCELS

Any parcels that are contiguous to each other, used solely for owner-occupied single-family residential purposes and held under identical ownership may be treated as a single parcel for purposes of the special assessment upon approval of an application from the owners thereof submitted to the School District on or before June 15, 2016, or June 15 of any succeeding tax year, with such applications to be effective for the immediately following tax year commencing on July 1. If the due date for such an application falls on a weekend or legal holiday, the deadline shall be extended to the next business day. Any one approved application from a qualified applicant will provide for such treatment for the remaining term of the assessment, so long as all of the parcels continue to be held under identical ownership and are owner-occupied.

The District shall annually provide to the County Treasurer-Tax Collector or other appropriate County tax official a list of parcels that the District has approved for a Senior Citizen Exemption, SSI Exemption, SSDI Exemption, and/or for "contiguous parcel" treatment.

ACCOUNTABILITY MEASURES

In accordance with the requirements of California Government Code sections 50075.1 and 50075.3, the following accountability measures, among others, shall apply to the education parcel taxes levied in accordance with this Measure: (a) the specific purposes of the education parcel tax shall be those purposes identified above; (b) the proceeds of the education parcel tax shall be applied only to those specific purposes identified above; (c) a separate, special account shall be created into which the proceeds of the education parcel taxes must be deposited; and (d) an annual written report shall be made to the Board of Trustees of the District showing (i) the amount of funds collected and expended from the proceeds of the education parcel taxes and (ii) the status of any projects, programs, or purposes required or authorized to be funded from the proceeds of the education parcel taxes, as identified above.

In addition to the accountability measures required by state law, the Board of Trustees will implement the following additional accountability measures:

- (1) an independent Community Oversight Committee shall be appointed by the Board of Trustees to monitor expenditures funded

COMPLETE TEXT OF MEASURE B-Continued

by the measure so that the District can ensure that said funds are spent for the purposes approved by the voters. The Community Oversight Committee will monitor the expenditures of these funds and will report on an annual basis to the Board and community on how these funds have been spent;

- (2) an annual, independent performance and financial audit will be conducted to ensure that the education parcel tax proceeds have been expended only for the purposes identified above; and
- (3) under no circumstances shall education parcel tax funds be used to pay administrators' salaries.

PROTECTION OF FUNDING

Current law forbids any decrease in state or federal funding to the District because of the District's adoption of an education parcel tax. However, if any such funds are reduced because of the adoption of this education parcel tax, then the amount of the education parcel taxes will be reduced annually as necessary in order to restore such state or federal funding.

SEVERABILITY

The Board of Trustees hereby declares, and the voters by approving this measure concur, that every section and part of this measure has independent value, and the Board of Trustees 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.

ARGUMENT IN FAVOR OF MEASURE B

Vote **Yes on B** to renew stable, local education funding to maintain a first-class education in our neighborhood Union Elementary School District by protecting outstanding academic programs and retaining highly qualified teachers, without increasing taxes by a single penny.

Our strong elementary and middle schools are an integral part of our community. Over 90% of local children attend a neighborhood public school.

High test scores, excellent teachers and strong academic programs rank our schools among the top in the state. Our top-notch schools attract new families to our community, keeping our neighborhoods desirable and property values strong.

Since 2010, thanks to overwhelming community support, our schools have relied on voter-approved local funding to support top-quality education. Measure B renews this vital funding before it expires next year.

Our schools can count on Measure B every year. It is money that stays in our local elementary and middle schools and cannot be taken away by the state.

Vote Yes on B: Protect Our Excellent Neighborhood Schools

- Maintain strong core academic programs like English, reading, math and science
- Attract and retain highly qualified, experienced teachers
- Maintain smaller class sizes
- Expand rigorous science, technology, engineering and math programs district-wide

Measure B Is Fiscally Accountable and Doesn't Increase Taxes

- Every penny stays in local schools and cannot be taken by the state
- Annual audits and citizen oversight continue to ensure all funds are spent as promised
- No funds can be used for administrators' salaries
- Homeowners age 65 and older continue to be eligible to receive an exemption
- Measure B expires in 10 years and cannot be renewed without voter approval

ARGUMENT IN FAVOR OF MEASURE B-Continued

Our excellent elementary and middle schools are a source of community pride. Join parents, teachers and community leaders and **Vote Yes on B** to protect top-notch education in our neighborhoods.

/s/ Carl Guardino

President and CEO, Silicon Valley Leadership Group

/s/ Sam Acchione

Chairperson, Union School District Bond Oversight Committee

/s/ Mike Guglielmo

Small Business Owner

/s/ Sherine Zaky Johnson

Union School District Parent and President, Union Middle School Home & School Club

/s/ Edward L. Chirco

Chairperson, Cambrian Community Council

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE B

Just last year, voters approved a generous \$125,000,000 loan, and now Union Elementary School District is coming back for more loot.

They want us to renew the "**temporary**" \$95 parcel tax approved in 2010 by voters—a whole year before its promised expiration.

Proponents of Measure B say renewing this "temporary tax" can be renewed "**without increasing taxes by a single penny.**"

If that is true, how can revenues have increased \$3,298,814 in just one year?

According to Education Data Partnership, District revenues for school year 2013–14 (latest figures available) were \$40,317,222, and for 2012–13, revenues were \$37,018,408. (Source: www.Ed-Data.K12.ca.us)

That's a one-year \$3,298,814 jump in revenues. That's **MORE THAN THREE AND A QUARTER MILLION DOLLARS**. So, why do they need to renew this \$95 parcel tax early?

Answer: They don't need to.

They spent \$7,614 per student per year in 2013–14, versus \$7,177 per student the prior year. **That's a \$437-per-student hike, year over year.**

If these administrators are already receiving and spending \$437 more per student than the prior year, why do they need an early renewal of this \$95 parcel tax?

Answer: They don't need it.

It's time we said NO to the tax-and-spend, special-interest crowd. It's time to let a temporary tax expire, when we had been promised it would expire!

Throwing more money at school districts never guarantees higher test scores, but it DOES guarantee bigger bureaucracies and fatter pensions.

Please **vote NO on Measure B**.

Please visit www.SVTaxpayers.org/2015-union-elementary-sd-parcel-tax.

/s/ Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

ARGUMENT AGAINST MEASURE B

Just last year, voters approved \$125,000,000 in loans, and now Union Elementary School District is coming back for more loot.

They are asking us to renew the "**temporary**" \$95 parcel tax approved by voters in 2010—a whole year before its promised expiration.

Why are they jumping the gun?

Answer: They are manipulating us.

Holding this election in an "off" election year means that fewer voters will participate—which increases the District's chance of pulling off this tax hike. Hardly "taxation with representation." **Hardly democratic!**

According to Education Data Partnership, District revenues for school year 2013–14 (latest figures available) were \$40,317,222 and for 2012–13, revenues were \$37,018,408. (Source: www.Ed-Data.K12.ca.us)

That's a \$3,298,814 jump in revenues, in just one year. That's **MORE THAN THREE AND A QUARTER MILLION DOLLARS**. So, why do they need to renew this \$95 parcel tax early?

Answer: They don't need to.

They spent \$7,614 per student per year in 2013–14, versus \$7,177 per student the prior year. **That's a \$437-per-student hike, year over year.**

If these administrators are already receiving and spending \$437 more per student than the prior year, why do they need an early renewal of this \$95 parcel tax?

Answer: They don't need it.

Remember: That's on top of the \$125,000,000 bond approved last year—estimated to cost over \$23,000 per student—not counting interest expense.

It's time we said NO to the tax-and-spend, special-interest crowd. It's time to let a temporary tax expire, when we had been promised it would expire! It's time to say NO to this parcel tax.

Throwing more money at school districts never guarantees higher test scores, but it DOES guarantee bigger bureaucracies and fatter pensions.

Please **vote NO on Measure B**.

For more information, visit www.SVTaxpayers.org/2015-union-elementary-sd-parcel-tax.

/s/ Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

REBUTTAL TO ARGUMENT AGAINST MEASURE B

The author of the argument against Measure B consistently opposes measures that fund our local schools and doesn't live in our community.

As business, education and community leaders who believe that strong education is a top priority, we are voting Yes on B. Our first-class Union Elementary School District schools are vital to the strength of our neighborhoods.

Measure B does not increase taxes by a single penny.

Measure B simply renews existing funding for our schools before it expires to ensure ongoing fiscal stability—without increasing taxes.

Measure B funds the keys to student success.

All funds go directly to the classroom to protect strong educational programs in reading, writing, science and math. Measure B retains the highly-qualified, experienced teachers who provide outstanding classroom instruction, ranking our schools among the best in the state.

Citizen oversight ensures Measure B supports education, not administrators.

Measure B requires annual audits and community reports. You can read the Citizen Oversight Committee reports, which verify that all funds have been spent wisely, by visiting tinyurl.com/USDOversightCommittee. No funds can be spent on administrators' salaries.

Measure B cannot be taken away by the state.

Measure B is stable funding that stays right here in our schools and cannot be taken away by the state, providing financial stability for local education.

By supporting our schools, our entire community has benefited. Good schools keep our neighborhoods safe and our property values strong.

Please join us and **Vote Yes on B**.

/s/ Bruce Meisenbach
Retired 28 year resident

/s/ Sheldon Chavan
CPA

/s/ Kulwinder Sandhu
Realtor

/s/ Emmanuel Barbara
Vice President, Silicon Valley Education Foundation

/s/ Jim Cunneen
Former President, San Jose Silicon Valley Chamber of Commerce
and Former Republican Assemblymember