MEASURE HH

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE HH

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

The Board of Trustees (Board) for the Franklin-McKinley School District (District) proposes an education parcel tax. If approved, the parcel tax will be levied in the amount of $72 per parcel per year beginning July 1, 2018 and ending nine years later. The District currently has a $72 per parcel per year tax that is expiring.

Parcels which are (i) contiguous; (ii) used solely for owner-occupied, single family residential purposes; and (iii) held under identical ownership may upon annual application be treated as a single parcel for purposes of the levy. An exemption from the proposed tax is available upon annual application for any parcel that is used only for owner-occupied, single-family residential purposes by a person 65 years or older. All property that would otherwise be exempt from property tax will also be exempt from the proposed tax.

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 proposed tax are: (1) expanding reading, counseling and tutoring programs for at-risk students; (2) enhancing academic programs in reading, math and science; (3) expanding student access to after school programs; (4) bringing back performing arts and music programs for grades K-6; (5) improving student access to computers and modern technology; (6) maintaining small class sizes; and (7) maintaining or expanding performing arts and music programs. The Resolution accompanying the Measure states that no funds are to be used for administrator 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 stating the amount of funds collected and expended, and the status of any project authorized to be funded from the tax proceeds. The Board will also appoint an independent citizens' oversight committee to provide oversight as to expenditures of parcel tax revenues.

Measure HH was placed on the ballot by the Board.

A "yes" vote is a vote to approve a parcel tax of $72 per parcel on parcels within the District for nine years.

A "no" vote is a vote to not approve the proposed parcel tax.

James R. Williams
Acting County Counsel

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

COMPLETE TEXT OF MEASURE HH

LOCAL ELEMENTARY SCHOOL DISTRICT ACHIEVEMENT MEASURE HH
Franklin-McKinley School District

INTRODUCTION AND PURPOSE

To ensure reliable funding to improve the overall quality of education and enhance student achievement in local schools by enhancing reading, math, and science instruction; ensuring small class sizes; bringing back performing arts and music program; and expanding reading, counseling and tutoring programs for at-risk students, the Franklin-McKinley School District proposes to establish an education parcel tax for a period of nine years, beginning July 1, 2018, at the rate of $72 per year, on each assessor's parcel located within the Franklin-McKinley School District, with an exemption available for senior citizens, and to implement accountability measures in connection with the temporary levy that are over and above those required by law, including the appointment of an independent citizen oversight committee to provide oversight and accountability to ensure the funds are used to:

- Expand reading, counseling and tutoring programs for at-risk students.
- Enhance academic programs in reading, math and science.
- Expand student access to after school programs.
- Bring back performing arts and music programs for grades K-6.
- Improve student access to computers and modern technology.
- Maintain small class sizes.
- Maintain or expand performing arts and music programs.

AMOUNT OF EDUCATION PARCEL TAX; PERIOD OF ASSESSMENT

The education parcel tax shall be $72 (or less as provided below) per year for nine (9) full years assessed against each parcel.

The proceeds of the education parcel tax shall be deposited into a separate account created by the District.

DEFINITION OF "PARCEL"

For purposes of this special tax, the term "Parcel" means any parcel of land which lies wholly or partially within the boundaries of the Franklin-McKinley School District, that receives a separate tax bill for *ad valorem* property taxes from the Santa Clara County Assessor/Tax Collector. All 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 education parcel tax in such year.

EXEMPTION FOR CONTIGUOUS PARCELS

For purposes of this special tax, any such "Parcels" which are (i) contiguous, (ii) used solely for owner-occupied, single-family residential purposes, and (iii) held under identical ownership may, by submitting an application of the owners thereof by June 15 of each year to the Board of Trustees of the Franklin-McKinley School District in accordance with rules and regulations adopted by the Board, be treated as a single "parcel" for purposes of the levy of the education parcel tax.

COMPLETE TEXT OF MEASURE HH-Continued

EXEMPTION FOR SENIORS

Pursuant to California Government Code Section 50079 (b), any owners of a Parcel used solely for owner-occupied, single-family residential purposes and who are 65 years of age or older, may obtain an exemption from the education parcel tax by annually submitting an application, by June 15 of each year, to the Board of Trustees of the Franklin-McKinley School District in accordance with rules and regulations adopted by the Board.

With respect to all general property tax matters within its jurisdiction, the Santa Clara County Assessor/Tax Collector, or other appropriate County tax officials 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 and the classification of property for purposes of calculating the tax, the decisions of a District administrative review panel shall be final and binding.

REDUCTION IN TAX IF RESULT IS LESS OTHER GOVERNMENT SUPPORT

The collection of the education parcel tax is not intended to decrease or offset any increase in local, state or federal government revenue sources that would otherwise be available to the Franklin-McKinley School District during the period of the education parcel tax. In the event that the levy and collection does have such an effect, the Franklin-McKinley School District shall cease the levy or shall reduce the education parcel tax to the extent that such action would restore the amount of the decrease or offset in other revenues.

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 tax 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 tax 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 tax and (ii) the status of any projects or programs required or authorized to be funded from the proceeds of the education parcel tax, as identified above.

In addition to the accountability measures required by law, an independent citizen oversight committee shall be appointed by the Board of Trustees of the District to advise the Board on the expenditures funded by the measure in order to ensure that said funds are spent for the purposes approved by the voters. The oversight committee will monitor the expenditures of these funds by the District and will report on an annual basis to the Board and community on how these funds have been spent.

ARGUMENT IN FAVOR OF MEASURE HH

Vote Yes on HH to provide critical funding for our local elementary and middle school students–**without raising taxes by a single penny.**

Measure HH renews existing, voter-approved funding for our local Franklin-McKinley schools to support the keys to student success–strong academic programs in math, science, reading, and writing, and quality teachers.

All Measure HH funds go directly to our local schools, are controlled locally, and cannot be taken away by the state.

Measure HH will continue to improve student achievement by providing a strong education for all students. It will support tutoring and counseling programs for at-risk students. Measure HH will also help expand student access to after-school programs, keeping kids on the right track.

Measure HH ensures local students receive a strong, 21st Century education, with up-to-date technology and classroom instruction to excel in today's global society.

Vote YES on HH to:
- Enhance academic programs in reading, math, and science
- Expand counseling and tutoring programs for at-risk students
- Improve student access to computers and modern technology
- Bring back performing arts and music programs for kindergarten through sixth grade
- Maintain small class sizes

Strong Fiscal Accountability Protections:
- Measure HH does not increase taxes—it simply renews existing funding for our local schools before it expires
- All Measure HH funds will benefit local elementary and middle schools and cannot be taken away by the State
- No funds can be spent on administrators' salaries
- Independent citizen oversight and annual audits ensure all funds are used wisely
- Senior citizens can receive an exemption
- Measure HH expires in 9 years and cannot be renewed without voter approval

Strong neighborhood schools help improve property values in our community, whether or not you have children in school.

ARGUMENT IN FAVOR OF MEASURE HH

Join neighbors, community leaders, and parents in supporting local students. **Vote YES on Measure HH!**

/s/ Carl Guardino
   President and CEO, Silicon Valley Leadership Group

/s/ Tam Nguyen
   San Jose City Councilmember, Dist. 7

/s/ Buu Thai
   Former, Franklin-McKinley School Board Member

/s/ Muhammed Chaudhry
   CEO, Silicon Valley Education Foundation

/s/ Corazon B. Tomalinas
   Community Member

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE HH

In 2010, voters approved a $50,000,000 bond debt measure and now the District is coming back for more loot.

In 2008, voters approved a $72 parcel tax and now they're coming back to renew it for another 9 years.

According to the web site: www.ed-data.org, the district revenues for 2014-15 (latest figures available) were $88,644.011 and for 2013-14 school-year, revenues were $79,725,473.

That's a $8,938,538 jump in revenues in just one year. So, why do they need to renew the $72 parcel tax?

Answer: they don't.

They are spending $10,270 per student per year in 2014/15 which is 107% of the statewide average. That's a whopping $1,440 per student revenue increase year over year.

The district's ADA (Average Daily Attendance) has declined by 951 students since the 2010-11 school year, which should mean lower costs.

If they are already receiving and spending $1,440 per student more than last school year, why do they need to renew the $72 parcel tax?

Answer: they don't.

And that's on top of the $50,000,000 bond measure debt approved in 2010--NOT counting interest expense on that debt.

It's time we said no to the tax and spend special interest crowd and reject this parcel tax.

<u>Just once, wouldn't you like to see a "temporary tax" actually be temporary?</u>

More tax money will NOT result in higher test scores, but will result in bigger bureaucracies and fatter pensions. Please **vote NO on Measure HH**.

For more information, visit www.SVTaxpayers.org/2016-franklink-mckinley-school-parcel-tax

/s/ Mark W.A. Hinkle
   President: Silicon Valley Taxpayers Association

ARGUMENT AGAINST MEASURE HH

In 2010, voters approved a $50,000,000 bond debt measure and now the District is coming back for more loot.

In 2008, voters approved a $72 parcel tax and now they're coming back to renew it for another 9 years.

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It's time we said no to the tax and spend special interest crowd and reject this parcel tax.

Just once, wouldn't you like to see a "temporary tax" actually be temporary?

More money spent on schools will NOT result in higher test scores, but will result in bigger bureaucracies and fatter pensions. Please **vote NO on Measure HH**.

For more information, visit www.SVTaxpayers.org/2016-franklink-mckinley-school-parcel-tax

/s/ Mark W.A. Hinkle
    President: Silicon Valley Taxpayers Association

REBUTTAL TO ARGUMENT AGAINST MEASURE HH

The sole opponent of Measure HH consistently opposes measures that fund our local schools and doesn't live in our community. He hasn't taken the time to understand our needs and wants to tell us how to vote on an issue that impacts our schools.

Measure HH does not increase taxes by a single penny.
It simply renews existing funding for our schools before it expires to ensure ongoing fiscal stability—without increasing taxes.

Measure HH must be used for key academic priorities in our schools.
All funds go directly to the classroom to enhance academic programs in reading, math, and science. Measure HH also expands counseling and tutoring programs for at-risk students, improves student access to computers and modern technology, brings back performing arts and music programs, and maintains small class sizes.

Citizen oversight ensures Measure HH supports education, not administrators.
Measure HH requires annual audits to ensure funds are spent as promised to voters. No funds can be spent on administrators' salaries.

Measure HH cannot be taken away by the state.
Measure HH 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.

We know what is best for our kids. Join our community's leaders in voting YES on HH—support our local schools, without increasing taxes.

/s/ Maya Esparza
    Community Leader & Resident

/s/ George Sanchez
    Educator, East Side Union High School District

/s/ John Lindner
    Board President, Franklin-McKinley School District

/s/ Ronald Masuda
    32-Yr. Local Resident

/s/ Phillip W. Renteria
    Chair, FMSD Citizens' Bond Oversight Committee