



LOS ANGELES UNIFIED SCHOOL DISTRICT

Board of Education Report

Report Number:	221 – 09/10
Date:	February 16, 2010
Subject:	Resolution Ordering an Election to Authorize a Qualified Special Tax, Establishing Specifications of the Election Order, and Requesting Consolidation with Other Elections Occurring on June 8, 2010
Responsible Staff:	
Name	James Morris, Chief of Staff
Office/Division	Office of the Superintendent
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BOARD REPORT

Action Proposed: Approval of Resolution Ordering an Election to include a special tax measure asking voters within the District to approve a \$100 per parcel tax for four years.

Background: In order to mitigate some of the effects of the budget crisis that the District is facing, we recommend placing a parcel tax initiative on the consolidated Los Angeles County ballot in June 2010. The Office of the Chief Operating Officer, in conjunction with the Office of the Superintendent and the Office of the General Counsel, coordinated an effort to determine voter support for such an initiative.

In June 2009, the District administration began to research the feasibility of putting a parcel tax initiative to a vote of District constituents. The District, and members of various stakeholder groups, began meeting in late summer 2009 to plan for parcel tax initiative development. The stakeholder groups included bargaining unit representatives, community groups, parents groups, and staff from Board Member offices. Additionally, the District hired a consultant to manage the parcel tax process.

The initial step was to conduct polling of likely voters to determine the likelihood of a measure passing. On September 11, 2009, the team sent an Informal Request for Proposal to four political polling firms that have experience with ballot initiatives and with the District. All four were invited to interviews that were conducted by representatives of the stakeholder groups. The team selected the firm of Fairbank, Maslin, Maullin & Associates (FMM&A). FMM&A has an extensive library of



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research on the District and takes great pride in having served as the lead public opinion research firm for Proposition BB, and Measures K, R and Y, as well as having conducted tracking research for the Measure Q campaign.

Beginning in mid-October, FMM&A met with stakeholder groups. They have also met individually with several of the Board Members and their staff, and other District staff. They developed a 20 to 25 minute telephone survey, which they conducted with 800 likely November 2010 voters.

FMM&A completed their preliminary research in January 2010, and found that results were mostly favorable. There is a possibility that the District will be able to pass such a measure. Although the poll focused on likely November 2010 voters, based on the results, there is still a feasibility of passing a measure in the June 2010 Los Angeles County Gubernatorial election.

The Resolution of the Board of Education of the Los Angeles Unified School District Ordering an Election to Authorize a Qualified Special Tax, Establishing Specification of the Election Order, and Requesting Consolidation with Other Elections Occurring on June 8, 2010, requests the County of Los Angeles to place a special tax measure on the ballot asking voters if they will approve a \$100 per parcel tax for four years. The *Emergency Neighborhood School and Teacher Retention Measure of 2010* states the intention of the Board to collect funds from a special tax to help offset the District's severe budget reductions.

Expected Outcomes: Not applicable

Board Options and Consequences: Support of this resolution will result in the placement of a parcel tax measure on the Los Angeles County ballot on June 8, 2010.

Policy Implications: Not applicable

Budget Impact: If approved, the District will be required to share the cost for placing this measure on the ballot. The Los Angeles County Registrar-Recorder/County Clerk's Office estimates this cost to be between \$3 million and \$4 million. Additionally, there will be a budget impact associated with an internal communication campaign, which has not yet been determined.

Issues and Analysis: Based on the number of parcels within District boundaries and the amount of the proposed tax, the District could obtain approximately \$92.5 million



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per year with a parcel tax. The resolution proposes that the tax be levied for a period of four year.

Attachments: Resolution of the Board of Education of the Los Angeles Unified School District Ordering an Election to Authorize a Qualified Special Tax, Establishing Specifications of the Election Order, and Requesting Consolidation with Other Elections Occurring on June 8, 2010

Informative

**Desegregation
Impact Statement**

Respectfully submitted,

RAMON C. CORTINES
Superintendent of School

APPROVED BY:

JAMES MORRIS
Chief Operating Officer

APPROVED &
PRESENTED BY:

REVIEWED BY:

DAVID HOLMQUIST
General Counsel

No legal issues

Legal informative

YUMI TAKAHASHI
Budget Director

No budget issues

Budget informative

JAMES MORRIS
Chief Operating Officer
Office of the Superintendent

REVISED: 2/16/10

**RESOLUTION OF THE BOARD OF EDUCATION OF THE LOS ANGELES
UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION TO AUTHORIZE A
QUALIFIED SPECIAL TAX, ESTABLISHING SPECIFICATIONS OF THE
ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER
ELECTIONS OCCURRING ON JUNE 8, 2010**

WHEREAS, The Los Angeles Unified School District (“District”) is committed to offering a high-quality educational program to all students within the District and securing adequate funding to meet that purpose; and

WHEREAS, The District is now faced with the most severe fiscal emergency of the post-Proposition 13 era; and

WHEREAS, The District has cut, re-allocated and/or delayed over \$1.3 billion in school services over the past two years, including the use of funding from the federal American Recovery and Reinvestment Act of 2009; and

WHEREAS, The District now must address a budget deficit for the 2010-2011 fiscal year currently projected to be \$640 million, which will necessitate further harmful cuts to District programs, schools and employees, including teacher and employee lay-offs and increased class sizes; and

WHEREAS, The State of California has failed to adequately provide funding to meet the minimum voter required educational goals of our community; and

WHEREAS, This failure on the State’s part to adequately fund public education dramatically impacts the District’s ability to maintain current class-sizes, retain teachers, offer reform opportunities to its parents and school communities, and otherwise provide a high-quality educational program for all students; and

WHEREAS, The property values within the District will be adversely affected by a further decline in the services provided by the District; and

WHEREAS, Section 4 of Article XIII A of the California Constitution and Sections 50075 and 50079 of the California Government Code authorize a school district, upon approval of two-thirds of the electorate voting on the measure, to levy a special tax for specified purposes following notice and a public hearing; and

WHEREAS, The purpose of the special tax shall be to maintain services provided by the District by supporting the following:

- Working towards every student reading at grade level;

- Reducing additional teacher layoffs, including math, science and English teachers;
- Protecting student health by keeping bathrooms and schools clean and safe;
- Maintaining vocational education and job training programs; and
- Forestalling further increases in class size; and
- Alleviating cuts to school police officers, counselors and nurses.

WHEREAS, Notice and hearing required under Section 50077 have been provided.

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 Election. Pursuant to Section 4 of Article XIII A of the California Constitution and Government Code section 50075 et seq., as part of the regular election that shall be held within the boundaries of the District on Tuesday, June 8, 2010, for the purpose of voting on a proposition, substantially in the form attached hereto as Exhibit A, containing the question of whether the District shall impose a parcel tax for the purposes stated therein. In addition, the full text of the ballot proposition (the "Full Text") attached hereto and marked as Exhibit B shall appear in the ballot pamphlet. The parcel tax shall be a tax of \$100 per year on each parcel of taxable real property within the District. The District shall provide such information to the Los Angeles County Treasurer-Tax Collector as is necessary to assist in the determination of the parcel number and amount of tax for each parcel of taxable real property. The parcel tax shall be collected by the Los Angeles County Treasurer-Tax Collector at the same time, in the same manner, and subject to the same penalties as *ad valorem* property taxes collected by the Treasurer-Tax Collector. Unpaid taxes shall bear interest at the same rate as the rate for unpaid *ad valorem* property taxes until paid. The collection of the parcel tax shall not decrease the funds available from other sources of the District in any period from the effective date hereof. The special tax authorized by this resolution shall be collected in each of four consecutive years from the date it was first collected by the County of Los Angeles.

"Parcel of taxable real property" shall be defined as any unit of real property in the District that receives a separate tax bill for *ad valorem* property taxes from the Los Angeles County Treasurer-Tax Collector's Office. All property that is otherwise exempt from or on which are levied no *ad valorem* property taxes in any year shall also be exempt from the parcel tax in such year.

The Los Angeles County Tax Assessor's determination of exemption or relief of any parcel from taxation for any reason shall be final and binding for the purposes of the

parcel tax. Taxpayers wishing to challenge the County Assessor's determination must do so under the procedures for correcting a misclassification of property pursuant to Section 4876.5 of the California Revenue and Taxation Code or other applicable procedures. Taxpayers seeking a refund of parcel taxes paid shall follow the procedures applicable to property tax refunds pursuant to the California Revenue and Taxation Code.

An exemption from payment of the special tax may be granted on any parcel owned by one or more low-income persons 65 years of age or over who occupies the parcel as a principal in residence, upon application for exemption ("Senior Citizen Exemption").

Section 3. Audit. The District shall arrange for an external audit of any funds received under this measure.

Section 4. Authority for Ordering Election. That 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 5. Authority for Specifications. That the authority for the specifications of this election order is contained in Section 5322 of the Education Code.

Section 6. Resolution to County Registrar and Clerk and County Superintendent of Schools. That the Clerk of the Board is hereby directed to cause certified copies of this Resolution and Order to be received not later than March 12, 2010, by the Los Angeles County Superintendent of Schools, to the Los Angeles County Registrar-Recorder/County Clerk (the "County Clerk"), as the officer conducting the election, and to the Los Angeles County Clerk of the Board of Supervisors (the "County Board").

Section 7. Formal Notice. That the Los Angeles County Superintendent of Schools is hereby requested to prepare and execute a Formal Notice of Parcel Tax Election and consolidation order in substantially the form attached hereto as Exhibit C (the "Formal Notice"), and to call the election by causing the Formal Notice to be posted in accordance with Section 5362 of the Education Code no later than March 12, 2010, or to otherwise cause the notice to be published as permitted by law. The Clerk of the Board, on behalf of and as may be requested by the County Superintendent of Schools, is authorized to cause all notices required by law in connection herewith to be published and posted, as the case may be.

Section 8. Full Text. That the Board hereby determines to include within the ballot pamphlet text substantially in the form of the Full Text attached hereto as Exhibit B, which is hereby approved and adopted by the Board.

Section 9. Conduct of Election. (a) *Request to Registrar of Voters.* Pursuant to Section 5303 of the Education Code, the Registrar of Voters is requested to take all steps to hold the election in accordance with law and these specifications.

(b) *Voter Pamphlet.* That the Registrar of Voters is hereby requested to reprint the measure in its entirety (the Full Text) in the voter information pamphlet to be distributed to voters pursuant to Section 13307 of the Elections Code. In the event the Full Text will not be reprinted in the voter information pamphlet in its entirety, the Registrar of Voters 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 Los Angeles County Registrar of Voters at (phone number) and a copy will be mailed at no cost to you.

(c) *Consolidation.* That the County Registrar and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on June 8, 2010, within the District.

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

Section 10. Appropriations Limit. That the Board of Education shall provide in each year (pursuant to Section 7902.1 of the Government Code or any successor provision of law) for any increase in the District's appropriations limit as shall be necessary to ensure that proceeds of the parcel tax may be spent for the authorized purposes.

Section 11. Ballot Arguments. That the President of this Board or her designees are hereby authorized to prepare and file with the Registrar of Voters a ballot argument in favor of the proposition contained in Exhibit A hereto, or act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument, each within the time established by the Registrar of Voters, which shall be considered the official ballot arguments of this Board as sponsor of the proposition.

Section 12. Official Actions. That the Superintendent, President of the Board, or their designees are hereby authorized to execute any other documents and to perform all acts necessary to place the parcel tax measure on the ballot, including making alterations in the ballot language stated in Exhibits A and B hereto in order to comply with the requirements of law and of the pertinent election officials.

Section 13. Effective Date. That this resolution shall take effect immediately from and after its adoption.

ADOPTED, SIGNED and APPROVED by the Board of Education of the Los Angeles Unified School District on the 16th day of February, 2010, by the following vote:

AYES:

NOES:

ABSTENTIONS:

/s/ Monica Garcia

President of the Governing Board of the
Los Angeles Unified School District

Attested to:

/s/

Executive Officer of the Governing Board of the
Los Angeles Unified School District

REVISED: 2/16/10

EXHIBIT A

ABBREVIATED TEXT OF MEASURE

EMERGENCY NEIGHBORHOOD SCHOOL AND TEACHER RETENTION MEASURE. To offset severe state budget cuts; promote student achievement in reading/mathematics/science/arts; maintain vocational education/job training programs; limit class size increases; reduce teacher/staff layoffs; keep schools safe/bathrooms clean; shall the Los Angeles Unified School District levy a temporary \$100 annual education parcel tax ending after four years, exempting low-income seniors, no money for central district administrators' salaries, mandatory audits, with all funds going to neighborhood schools?

EXHIBIT B

FULL TEXT

The following is the full text of the proposition to be presented to the voters by the Los Angeles Unified School District in the ballot pamphlet:

EMERGENCY NEIGHBORHOOD SCHOOL AND TEACHER RETENTION MEASURE. To offset severe state budget cuts; promote student achievement in reading/mathematics/science/arts; maintain vocational education/job training programs; limit class size increases; reduce teacher/staff layoffs; keep schools safe/bathrooms clean; shall the Los Angeles Unified School District levy a temporary \$100 annual education parcel tax ending after four years, exempting low-income seniors, no money for central district administrators' salaries, mandatory audits, with all funds going to neighborhood schools?

I.

TITLE AND PURPOSE

This Measure shall be known as the "Emergency Neighborhood School and Teacher Retention Measure of 2010" or as "Measure ___." The revenues raised by this Measure shall be used to provide quality educational programs to improve achievement of Los Angeles Unified School District students.

II.

FINDINGS

The Los Angeles Unified School District ("the District") is supported by a community that is committed to creating and maintaining a high-quality learning environment for all of its approximately 617,000 students. With the support of the community, the District has made major progress in improving test-scores and offering educational innovations and choices to students, parents and community partners so as to prepare students to lead responsible and productive lives in the 21st Century.

Notwithstanding the District's efforts to continue to improve student achievement and offer educational reform opportunities, however, successive State fiscal crises has led to a dramatic reduction in the fiscal support for our local schools. The State has failed to adequately fund public education and, given the severity of the State's current fiscal crisis, is unlikely to do so in the near future. The District has cut, re-allocated and/or delayed over \$1.3 billion in school services over the past two years, including the use of funding from the federal American Recovery and Reinvestment Act of 2009. The District now must address a budget deficit for the 2010-2011 fiscal year currently projected to be nearly \$500 million, which will necessitate further harmful cuts to District

programs, schools and employees, including possible teacher and employee lay-offs and increased class sizes. In short, the District is now faced with the most severe fiscal emergencies of the post-Proposition 13 era.

The impact of these budget reductions, necessitated by the State fiscal emergency, is and will continue to be endured by every student, parent, school and employee in this District. The sheer magnitude of these cuts will require class size increases and reductions in personnel, including lay-offs of qualified teachers and other school employees. The District is striving to continue improving the quality and excellence of its educational programs across the District despite the sharp reduction of fiscal support.

By enacting this measure, the electors are providing Los Angeles schools with an additional \$ 92.5 million per year. This sum is sufficient to allow the District to offset some of the direct impacts to the classroom, including (from the 75 word statement.)

III.

DEFINITION OF PURPOSES

The available revenues from this Measure shall be dedicated annually to the following purposes:

1. Working towards every student reading at grade level;
2. Reducing additional teacher layoffs, including math, science and English teachers;
3. Protecting student health by keeping bathrooms and schools clean and safe;
4. Maintaining vocational education and job training programs; and
5. Forestalling further increases in class size; and
6. Alleviating cuts to school police officers, counselors and nurses.

IV.

TAX LEVY

A special tax shall be levied on parcels in the District, to be operative immediately upon passage, as follows.

A. Tax Base and Rate

1. The special tax of \$100 per year shall be levied on every parcel of taxable real property. "Parcel of taxable real property" means any unit of real property in the District that receives a separate tax bill for *ad valorem* property taxes from

the Los Angeles County Treasurer-Tax Collector's Office. All property that is otherwise exempt from or on which are levied no *ad valorem* property taxes in any year shall also be exempt from the parcel tax in such year.

2. An exemption from payment of the special tax may be granted on any parcel owned by one or more low-income persons 65 years of age or over who occupies the parcel as a principal in residence, upon application for exemption ("Senior Citizen Exemption").
3. The District shall provide the Los Angeles County Treasurer-Tax Collector a report indicating the parcel number and amount of tax for each parcel of taxable real property.

B. Term

The levy shall be effective July 1, 2010, and shall continue to be effective until July 1 of the fourth year thereafter.

C. Constitutional Spending Limit

Pursuant to Article XIII B of the California Constitution, the Constitutional Appropriations Limit of the School District shall be increased by the amount collected by the levy of this special tax in accordance with the applicable requirements of the state law.

D. Collection

The District may request that the special tax be collected by the County of Los Angeles, or other designated agency. The collection of taxes under this Measure, including the imposition of penalties, additional fees, and interest upon persons who fail to remit the special tax imposed by this Measure, or who fail to remit any delinquent remittance, shall be subject to and governed by the rules, regulations, and procedures authorized by law. Every penalty imposed and such interest as accrues under the provisions of this Measure shall become a part of the tax herein required to be paid to the School District.

E. Savings Clause

The provisions of this Measure shall not apply to any person, association, or corporation or to any property as to whom or which it is beyond the power of the District to impose the tax herein provided. If any sentence, clause, section, or part of this Measure or any tax against any individual or any groups specified herein is found to be unconstitutional, illegal, or invalid, such unconstitutionality, illegality, or invalidity shall affect only such clause, sentence, or part of this Measure and shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or other parts of this Measure. It is hereby declared to be the intention of the electorate that this Measure

would have been adopted had such unconstitutional, illegal, or invalid sentence, clause, section, or part thereof, not been included.

V.

ACCOUNTABILITY

The proceeds of the special tax shall be applied only for the specific purposes identified above. The proceeds of the special tax shall be deposited into an account, which shall be kept separate and apart from other accounts of the District. No later than January 1 of each year while the tax is in effect, commencing January 1, 2011, the chief fiscal officer of the District shall prepare and file with the Board a report detailing the amount of funds collected and expended during the prior fiscal year, and the status of any project or description of any programs authorized to be funded by this Measure. Funds collected pursuant to this Measure shall also be subject to an annual independent financial audit which shall be made public, including by posting on the District's website.

EXHIBIT C
FORM OF
FORMAL NOTICE OF PARCEL TAX ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of the Los Angeles Unified School District of Los Angeles 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 June 8, 2010, for the purpose of submitting to the qualified electors of the District the proposition summarized as follows:

EMERGENCY NEIGHBORHOOD SCHOOL AND TEACHER RETENTION MEASURE. To offset severe state budget cuts, improve student achievement in reading/mathematics/science, maintain vocational education and job training programs, limit class size increases, reduce teacher layoffs, keep schools safe and bathrooms clean, shall the Los Angeles Unified School District levy a temporary \$100 annual education parcel tax ending after four years, exempting low-income seniors, no money for central district administrators' salaries, mandatory audits, with all funds going to neighborhood schools?

By execution of this formal Notice of Election the County Superintendent of Schools of Los Angeles County 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 Los Angeles County, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Board of Education of the Los Angeles Unified School District adopted February __, 2010, in accordance with the provisions of Education Code Sections 5302, 5325 and 5361.

WITNESS WHEREOF, I have hereunto set my hand this day, February __, 2010.

/s/ _____.

County Superintendent of Schools

Los Angeles County, California