Special Governing Board Agenda

CABRILLO UNIFIED SCHOOL DISTRICT

District Office Board Room
498 Kelly Avenue, Half Moon Bay, California 94109
Monday, August 5, 2019 • 4:00 PM

1. CALL TO ORDER

2. ROLL CALL / QUORUM

___ Ms. Sophia Layne, President
___ Ms. Kimberly Hines, Vice President
___ Ms. Lizet Cortes, Clerk to the Governing Board
___ Ms. Mary Beth Alexander, Member
___ Ms. Freya McCamant, Member

3. PLEDGE OF ALLEGIANCE

4. ADOPTION OF AGENDA

5. COMMENTS FROM THE PUBLIC RELATED TO ITEMS NOT ON THIS AGENDA

6. REPORTS / INFORMATION / PRESENTATIONS

a. Financial Overview and Considerations to Inform Mid-Term Financial Solvency

6.a.1 Board Financial Overview Presentation.pdf (p. 3)

7. PUBLIC HEARINGS

a. Public Hearing in Connection with Proposed Education Parcel Tax on November 5, 2019

7.a.1 Board Memo Public Hearing (Parcel Tax).pdf (p. 11)

7.a.2 Notice of Public Hearing (Parcel Tax).pdf (p. 12)

8. ACTION ITEMS

a. Adopt Resolution No. 14-19: Calling an Election, Establishing Specifications of the Election Order, and Requesting Consolidation with Other Elections Occurring on November 5, 2019

8.a.1 Board Memo Calling Parcel Tax Election.pdf (p. 13)

8.a.2 Resolution No. 14-19 Calling Parcel Tax Measure.pdf (p. 14)

9. ADJOURNMENT

Meeting Curfew

Board Bylaw 9323 stipulates that the meeting of the Board shall conclude no later than 10:00 pm. The Board, at its discretion, may extend the meeting for a defined time to finish the business at hand.

CUSD Financial Overview and Considerations to Inform Mid-Term Financial Solvency

Cabrillo Unified School District Governing Board Special Meeting

August 5, 2019

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Objectives

- Discuss the current funding situation in Cabrillo Unified
- Discuss a preliminary plan for mid-term financial solvency
- Present information to inform a subsequent public hearing
- Inform Board's decision on potential parcel tax ballot measure

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Review of Tonight's Board Agenda

- Presentation on financial overview for CUSD
- Potential strategies for mid-term financial solvency
- Decision points for a recommendation for a replacement parcel tax
- Discussion of Board on information received
- Public Hearing on proposal for replacement parcel tax
- Board asked to take action and vote on CUSD Board Resolution

Introduction

- K-12 education **funding is inadequate and underfunded** in California
- There is increasing **statewide advocacy** for full and fair funding of schools, but there is ongoing state budget fiscal prudence and districts are struggling
- Many districts continue to rely on **local parcel tax measures** to supplement LCFF and other K-12 revenues; rates vary widely across San Mateo County
- **CUSD forecasts significant budget gaps** as our reserves have diminished because our **costs continue to outpace revenues** for a host of reasons
- At a minimum, short-term **CUSD budget stabilization is needed now,** and a **mid-term financial solvency strategy** is strongly advised

San Mateo County – Per-Student Funding Highlights

CUSD 6th lowest LCFF, parcel tax; 80% of avg LCFF and 66% of avg parcel tax

2016-17 SAN MATEO COUNTY SPENDING PER STUDENT[1]

Elementary School Districts[1]	Spending per Student
Bayshore	$13,004
Belmont-Redwood Shores	$10,307
Brisbane	$16,726
Burlingame	$9,894
Hillsborough City	$18,850
Jefferson	$10,780
Las Lomitas	$18,022
Menlo Park City	$15,903
Millbrae	$9,442
Pacifica	$ 9,927
Portola Valley	$ 22,860
Ravenswood City	$16,282
Redwood City	$12,315
San Bruno Park	$10,321
San Carlos	$11,564
San Mateo-Foster City	$10,151
Woodside	$25,385

High School Districts[1]	Spending per Student
Jefferson Union High	$11,901
San Mateo Union High	$16,990
Sequoia Union High	$16,658

Unified School Districts[1]	Spending per Student
Cabrillo Unified	$10,747
La Honda-Pescadero Unified	$18,615
South San Francisco Unified	$11,027

County-Level Data[1]	Spending per Student
County Average	$12,773

CUSD LCFF 6th lowest overall and lowest among local Unifieds

CUSD parcel tax 6th lowest overall and mid among local Unifieds

	$ tax/parcel/year average (range)
All districts	**$227 ($0 to $828)**
Top quartile	$380 ($297 to $828)
Bottom quartile	$61 ($0 to $150)

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CUSD Financial Outlook

Continued flat revenues and increasing costs continue to erode CUSD reserves; we forecast a significant budget gap, increasing to >25% of revenues by 2022-23

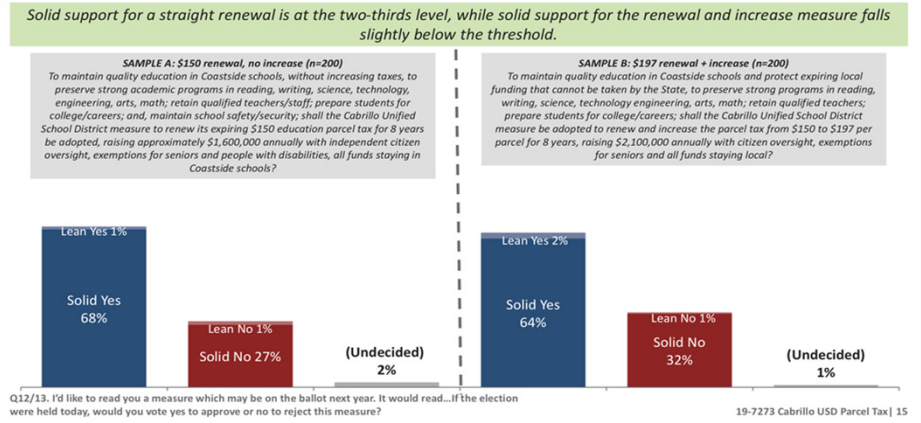
	2019-2020	2020-2021	2021-2022	2022-2023
Revenues	36,516,722	35,226,699	36,029,748	36,883,713
Expenditures	(38,169,791)	(39,153,182)	(39,842,950)	(40,283,819)
Beginning balance	5,043,876	3,390,807	**(535,676)**	NA
Ending balance	3,390,807	**(535,676)**	**(4,438,878)**	NA
Cash/inventory/prepaid	35,500	35,500	35,500	NA
Restricted/committed/assigned	655,714	655,714	655,714	NA
Minimum reserve (3%)[1]	1,145,094	1,174,599	1,195,292	1,208,515
Budget gap[2]	1,544,499	**(2,401,489)**	**(6,235,384)**	**(9,806,280)**

Note: General Fund as reported at CUSD Governing Board Meeting June 6, 2019. **Figures do not include salary schedule increases for CUTA, CSEA, administrators, or other staff during this time frame.**

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CUSD Parcel Tax Polling Results

Solid support for $150 renewal tax meets minimum ⅔ voting level; solid support for increase falls slightly below but approaches minimum when including 'lean yes' (and historically parcel tax ballot actual results trend slightly higher than in polls)



Note: All parcel tax proposals include full exemptions for seniors and people with disabilities.

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Budget Impact of Potential Parcel Tax Measures

Even with a renewal parcel tax at current rate or a slightly higher rate, major cuts will need to be implemented in CUSD, up to $4.9M+ over three years (2022-23)

Budget gap scenarios	2020-2021	2021-2022	2022-2023
No parcel tax	(-2,401,489)	(-6,235,384)	(-9,806,280)
$150/parcel tax renewal	(-752,459)	(-2,937,324)	(-4,858,890)
$197/parcel tax renewal	(-208,623)	(-1,849,652)	(-3,227,382)

Note: FTE fully loaded cost is approximately $100K - e.g., $1M translates to approximately 10 FTE

Note: General Fund, as reported at CUSD Governing Board Meeting June 6, 2019. **Figures do not include any salary schedule increases for CUTA, CSEA, administrators, or other employees during this time frame.**

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Financial Advisory Committee

Recommendations are important context for financial solvency planning

- A committee of community members was convened and led by CUSD's former CBO in Spring of 2019 to brainstorm and compile a potential list of ranked budget cuts
- There was a total $3.2M+ of recommended budget cuts, including consolidation, reduction, or elimination of services as well as the exploration of transferring costs to partner organizations, and these potential cuts were then compiled and ranked
- CUSD must explore creative efficiencies; however, budget cuts and staff reductions may require reducing student services and/or increasing staff workload in CUSD
- **No Board decisions on budget cuts are proposed today**; a draft listing, as well as additional recommendations from the district (e.g., FCMAT consult), will be shared with school communities in Fall/Winter 2019 for Board decisions in Winter/Spring 2020

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PROPOSAL

Preliminary Strategy for Mid-term Financial Solvency

- ***Propose $150/parcel measure*** *on November 2019 ballot*
- ***Cut $750K+*** *for 2020-21 school year in Spring of 2020*
- ***Assess feasibility for a second parcel tax measure*** *for November 2020 and/or March 2021 ballots*
- *Plan for* ***further cuts to achieve long-term solvency***

$	2020-2021	2021-2022	2022-2023
Post measure (Dec '19)	(-752,459)	(-2,937,324)	(-4,858,890)
Post cuts (Jun '20)	0	(-1,432,406)	(-2,601,513)
Post measure (Apr'21)	0	167,594	598,487

PROs:

- **Solid support for $150 November 2019 ballot measure**
- **Budget cuts needed for 2020-21 are challenging ($750K)**

CONs:

- Risk of voter fatigue and economic downturn,and costs for 2nd measure
- **If 2nd measure is not passed, an additional $2.6M of drastic cuts by '22-23 would be needed**
- Additional cuts will likely be needed to manage the long-term budget ahead

Note: General Fund, as reported at CUSD Governing Board Meeting June 6, 2019. **Figures do not include any salary schedule increases for CUTA, CSEA, administrators, or other staff during this time frame. All plans subject to change based on internal and external factors.**

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ALTERNATIVE A

Preliminary Strategy for Mid-term Financial Solvency

- ***Propose $197/parcel measure*** *on November 2019 ballot*
- ***Cut $210K+*** *for 2020-21 school year in Spring of 2020*
- ***Assess feasibility for second $150/parcel tax measure*** *for November 2020 or March 2021 ballots*
- *Plan for* ***further cuts to achieve long-term solvency***

$	2020-2021	2021-2022	2022-2023
Post measure (Dec '19)	**(-208,623)**	**(-1,849,652)**	**(-3,227,382)**
Post cuts (Jun '20)	**0**	**(-1,432,406)**	**(-2,601,513)**
Post measure (Apr'21)	**0**	**167,594**	**598,487**

PROs:

- **Budget cuts for 2020-21 manageable ($200K)**

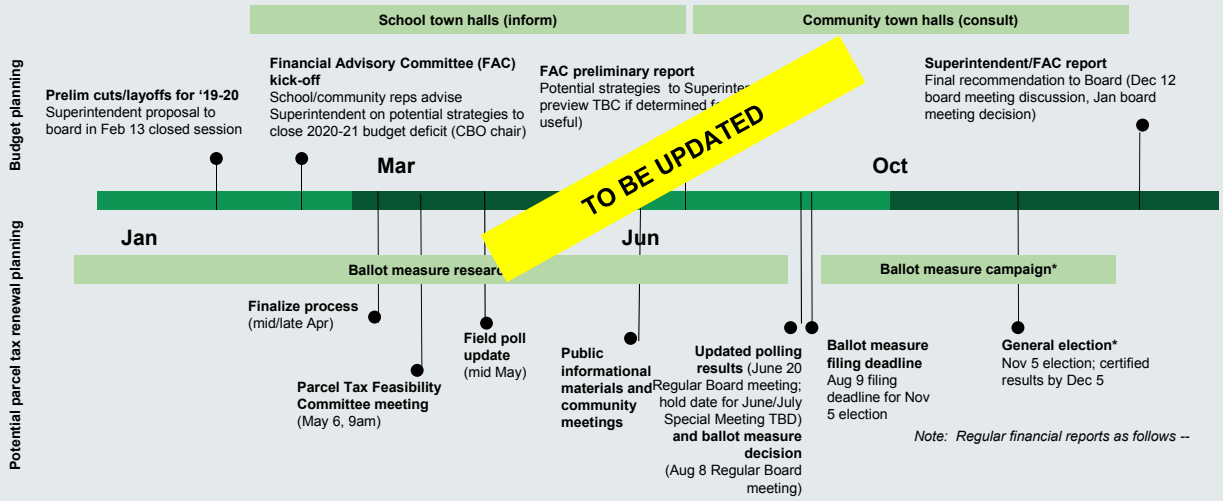
CONs:

- **Slightly less solid support for $197 Nov 2019 ballot measure**
- Risk of voter fatigue, economic downturn, and costs for 2nd measure
- **If 2nd measure is not passed, additional $2.6M of drastic cuts by '22-23 are needed**
- Further cuts will still likely be needed to manage long-term budget ahead

Note: General Fund, as reported at CUSD Governing Board Meeting June 6, 2019. **Figures do not include any salary schedule increases for CUTA, CSEA, administrators, or other staff during this time frame. All plans subject to change based on internal and external factors.**

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Financial planning process - overview



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San Mateo County parcel tax rates - detail (1)

Elementary School Districts	LCFF	Parcel Tax (PT)	PT % of LCFF
San Bruno Park	$10,321	$0.00	0.00%
Jefferson	$10,780	$68.00	0.63%
Redwood City	$12,315	$85.00	0.69%
Millbrae	$9,442	$97.00	1.03%
Bayshore	$13,004	$102.94	0.79%
Pacifica	$9,927	$118.00	1.19%
Ravenswood City	$16,282	$196.00	1.20%
San Carlos	$11,564	$246.00	2.13%
Burlingame	$9,894	$256.00	2.59%
Woodside	$25,385	$290.00	1.14%
Belmont-Redwood Shores	$10,307	$292.00	2.83%
Brisbane	$16,726	$297.00	1.78%
Las Lomitas	$18,022	$311.00	1.73%
San Mateo-Foster City	$10,151	$442.96	4.36%
Portola Valley	$22,860	$581.00	2.54%
Hillsborough City	$18,850	$651.00	3.45%
Menlo Park City	$15,903	$828.00	5.21%

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San Mateo County parcel tax rates - detail (2)

High School Districts	LCFF	Parcel Tax (PT)	PT % of LCFF
San Mateo Union High	$16,990	$0.00	0.00%
Sequoia Union High	$16,658	$0.00	0.00%
Jefferson Union High	$11,901	$118.00	0.99%
Unified	**LCFF**	**Parcel Tax (PT)**	**PT % of LCFF**
SSF Unified	$11,207	$0.00	0.00%
La Honda-Pescadero Unified	$18,615	$100.00	0.54%
Cabrillo Unified	$10,747	$150.00	1.40%

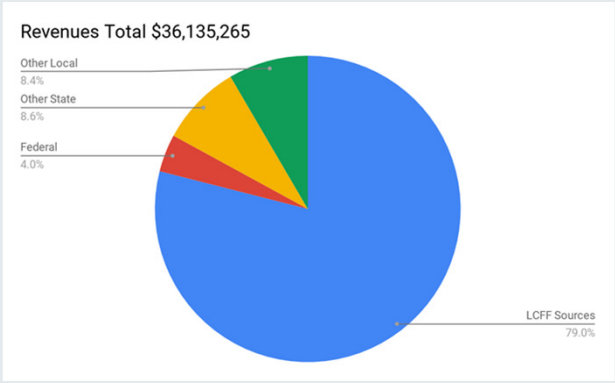
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Cabrillo Unified Operating Budget Snapshot

Heavy reliance on community support; bulk of budget goes to employee costs

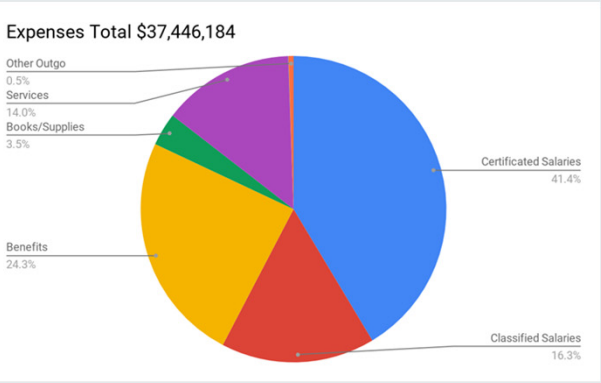
MONEY IN

8.4% of funding comes in from 'other local sources' including parcel tax, PTOs, and foundations



MONEY OUT

82% of CUSD funding is spent on employee salaries and benefits



Note: 2017-2018 General Fund (operating budget) Unaudited Actuals, as reported at CUSD Governing Board Meeting September 13, 2018.

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Board Discussion

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CABRILLO UNIFIED SCHOOL DISTRICT

498 Kelly Avenue, Half Moon Bay, California, 94019 • 650 712-7100 • Fax 650 726-0279 • www.cabrillo.k12.ca.us

SUPERINTENDENT
Sean McPhetridge, Ed.D.

GOVERNING BOARD
Mary Beth Alexander
Lizet Cortes
Kimberly Hines
Sophia Layne
Freya McCamant

MEMORANDUM

MEETING DATE: August 5, 2019
TO: Members of Board of Education
FROM: Sean McPhetridge, Ed.D., Superintendent
CATEGORY: Public Hearing
RECOMMENDATION: **Conduct Public Hearing in Connection with Proposed Education Parcel Tax on November 5, 2019**

BACKGROUND INFORMATION

On June 3, 2014, the District passed Measure B, a $150 per-parcel "education parcel tax" for the District. Measure B is for a five (5) year term and will expire on June 30, 2020.

Based on community polling, feedback and ongoing program needs, it is recommended that the District place a measure on the November 5, 2019 ballot to renew this revenue source for a period of eight (8) years at the same rate. Prior to the Board considering a resolution to specify the terms for a renewal of the education parcel tax, the Government Code requires that the Board conducts a noticed public hearing seeking any public input. Notice of a public hearing has been given.

REPORT/PROPOSAL:

That the Board now open a public hearing seeking any public comments or input in connection with a proposed education parcel tax measure to renew the current education parcel tax at the same rate for another 8 years.

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

CABRILLO UNIFIED SCHOOL DISTRICT

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NOTICE OF PUBLIC HEARING
REGARDING QUALIFIED SPECIAL TAX

NOTICE IS HEREBY GIVEN that the Board of Education ("Board") of the Cabrillo Unified School District ("District"), at a special Board meeting to be held on August 5, 2019, will hold a public hearing pursuant to Government Code section 50077 on the issue of calling an election on November 5, 2019, to impose a qualified special tax ("Parcel Tax") on all parcels of taxable real property in the District's boundaries. At the hearing, public input will be solicited concerning the proposed Parcel Tax measure. The public hearing will begin at approximately 7:00 p.m., or as soon thereafter as practicable, at the District Office, located at 498 Kelly Avenue, Half Moon Bay, California. Further information concerning this hearing and the proposed Parcel Tax may be obtained from Dr. Sean McPhetridge, District Superintendent, at (650) 712-7100.

Monday, August 5, 2019 at 4:00 PM
Cabrillo Unified School District
District Board Room
498 Kelly Avenue
Half Moon Bay, California 94019

CABRILLO UNIFIED SCHOOL DISTRICT

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SUPERINTENDENT
Sean McPhetridge, Ed.D.

GOVERNING BOARD
Mary Beth Alexander
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Sophia Layne
Freya McCamant

MEMORANDUM

MEETING DATE: August 5, 2019
TO: Members of Board of Education
FROM: Sean McPhetridge, Ed.D., Superintendent
CATEGORY: Action
RECOMMENDATION: **Adopt Resolution No. 14.19 Calling an Election, Establishing Specifications of the Election Order, and Requesting Consolidation with Other Elections Occurring on November 5, 2019**

BACKGROUND INFORMATION

On June 3, 2014, the District passed Measure B, a $150 per-parcel "education parcel tax" for the District. Measure B is for a five (5) year term and will expire on June 30, 2020. Based on community polling, feedback and ongoing program needs, it is recommended that the District place a measure on the November 5, 2019 ballot to renew this revenue source for a period of eight (8) years at the same rate.

Education parcel tax measures have historically been supported by the voters within the District and education parcel tax revenues have been used within the District to provide Coastside schools with educational program support such as preserving strong academic reading, writing, science, technology engineering, arts, and math programs, retaining qualified teachers and staff, protecting programs to keep struggling students on the right track, providing college and career counselors for middle and high school students, maintaining updated classroom technology, and keeping all of the District's schools open.

REPORT/PROPOSAL:

That the Board consider and take formal action to place an education parcel tax measure on the November 5, 2019 ballot.

FINANCIAL IMPACT:

Voter approval of this proposed bond measure would result in renewed parcel tax revenues of approximately $1.6 million dollars per year over a period of eight (8) years beginning in 2020 to continue to support District educational programs. Parcel tax funds would augment the General Fund by providing dollars for needed and anticipated District programs to maintain the high quality of education in Coastside schools.

No District funds will or may be used to advocate or campaign for a parcel tax measure once the measure is placed on the ballot, but impartial information may still be provided by the District to educate voters about the measure.

RESOLUTION NO. 14-19
BEFORE THE BOARD OF EDUCATION
OF THE CABRILLO UNIFIED SCHOOL DISTRICT
SAN MATEO COUNTY, CALIFORNIA

RESOLUTION OF THE BOARD OF EDUCATION OF THE CABRILLO UNIFIED SCHOOL DISTRICT CALLING AN ELECTION, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 5, 2019

WHEREAS, the Cabrillo Unified School District ("District") is committed to offering a high-quality, well-rounded education to all students in the District; and

WHEREAS, the Board of Education ("Board") believes that good schools are part of what makes our community a desirable place to live and by keeping Coastside schools strong we keep the community strong; and

WHEREAS, the District is committed to preserving strong academic reading and writing programs; and

WHEREAS, the District is committed to preserving strong academic programs in science, technology, engineering, arts and math (STEAM); and

WHEREAS, it is essential to continue to offer hands-on and innovative science curriculum, Advanced Placement courses and other specialized instruction to prepare students for success in college and future careers; and

WHEREAS, it is important for the District to continue to retain skilled, experienced, and dedicated teachers and provide them with ongoing training to maintain high-quality education in our schools; and

WHEREAS, it is crucial for the District to protect vital programs to keep struggling students on the right track; and

WHEREAS, due to inadequate state funding it is essential that the District have stable, reliable, local funding to shield its schools from the instability of the state budget situation to preserve its strong academic programs; and

WHEREAS, the District has created a Financial Advisory Committee, comprised of parents, teachers, and staff, to help assess the District's budget shortfall; and

WHEREAS, contributions from parent clubs and educational foundations, while generous, are not adequate to fund academic core programs; and

WHEREAS, future funding for the District from the State of California and other sources is projected to be inadequate to provide the level of support to the District's educational programs and maintain the high student achievements that the residents of the District expect; and

WHEREAS, the State is an unreliable partner when it comes to funding education and funding for our schools has continued to be reduced over the past several years; and

WHEREAS, the voters of this District have a history of supporting our local schools by voting to support school funding to protect academic excellence in local classrooms; and

WHEREAS, the existing education parcel tax is set to expire, and unless renewed by voters will result in a dramatic reduction of funding, which will force reductions to the District's academic programs, intervention services and teachers and staff; and

WHEREAS, renewing this parcel tax would not increase the $150 per parcel rate, but simply extend the tax for eight years and could not be renewed without voter approval; and

WHEREAS, renewing this valuable source of stable, local funding that cannot be taken by the State or used for administrator salaries, benefits or pensions is necessary to maintain outstanding educational programs and retain highly qualified, experienced teachers; and
WHEREAS, the California Constitution and Government Code authorize 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; and

WHEREAS, in the judgment of this Board, following public hearing and comment, it is advisable to request that the San Mateo County Chief Elections Officer ("Chief Elections Officer") call an election and submit to the voters of the District the question of whether the District shall renew a special tax within the District for the purpose of raising revenue for the District; and

WHEREAS, pursuant to the Education Code and Elections Code 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. **Recitals.** The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. **Resolution Constitutes Order of Election.** This resolution shall constitute an order of election pursuant to the Education Code to the San Mateo County Superintendent of Schools ("County Superintendent") to call an election within the boundaries of the District on November 5, 2019.

Section 3. **Date and Purpose of Measure.** Pursuant to the California Constitution and Government Code, an election shall be held within the boundaries of the District on Tuesday, November 5, 2019, for the purpose of voting on a measure ("Measure") which will be presented to voters in substantially the form attached hereto as **Exhibit A**, containing the question of whether the District shall continue to impose a qualified special tax (hereinafter, an "education parcel tax") for the purposes stated therein. In addition, the full text of the Measure ("Full Ballot Text") shall appear in the ballot pamphlet in substantially the form attached hereto as **Exhibit B**.

Section 4. **Exemptions from Education Parcel Tax.** Pursuant to any procedures adopted by the District, and upon application, an exemption from payment of the education parcel tax may be granted on any parcel owned by one or more:

(a) Persons who will attain 65 years of age prior to June 1 of the tax year, own a beneficial interest in the parcel, and use that parcel as his or her principal place of residence ("Senior Citizen Exemption"); or

(b) Persons receiving Supplemental Security Income for a disability, regardless of age, who own a beneficial interest in the parcel and use that parcel as his or her principal place of residence ("SSI Exemption"); or

(c) Persons receiving Social Security Disability Insurance 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 own a beneficial interest in the parcel and use that parcel as his or her principal place of residence ("SSDI Exemption").

Exemptions may be granted based on a one-time application submitted pursuant to any procedures adopted by the District. Exemptions granted under prior education parcel taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption. The District shall annually provide to the San Mateo County Tax Collector ("County Tax Collector") or other appropriate County official a list of parcels that the District has approved for an exemption.

Section 5. **Collection of the Tax**. Beginning July 1, 2020, the education parcel tax shall be collected by the 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 education parcel tax shall be levied on every Parcel of Taxable Real Property in the District.

To the extent allowed by law "Parcel of Taxable Real Property" shall be defined as:

(a) Any unit of real property in the District that receives a separate tax bill for *ad valorem* property taxes from the County Tax Collector's Office.

(b) All property that is otherwise exempt from or upon which are levied no *ad valorem* property taxes in any year shall not be considered a Parcel of Taxable Real Property for purposes of the education parcel tax in such year.

(c) Subject to application by a property owner and confirmation by the District, multiple parcels which are contiguous, under common ownership, and that constitute one economic unit, meaning that they have the same primary purpose as the principal parcel and are not separate and distinct properties that may be independently developed or sold, shall comprise a single Parcel of Taxable Real Property for purposes of the education parcel tax.

If any portion of this definition is deemed contrary to law, the Board declares and the voters by approving the Measure concur, that every other section and part of this definition has independent value, and the Board and voters would have adopted each other section and part hereof regardless of every other section or part hereof. If all sections or parts of this definition are deemed contrary to law, "Parcel of Taxable Real Property" shall be defined as any real property in the District assigned an assessor's parcel number.

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 education parcel tax, including the Senior Citizen Exemption, the SSI Exemption, the SSDI Exemption, the legality or validity of the education parcel tax, the application of the definition of "Parcel of Taxable Real Property" to any parcel(s) or any other disputed matter specific to the application of the education parcel tax, the decisions of the District shall be final and binding.

Section 6. **Accountability and Transparency Requirements**.

(a) *Specific Purpose*. The proceeds of the education parcel tax shall be applied only to the specific purposes identified in the Full Ballot Text as required by Government Code section 50075.1. The proceeds of the education parcel tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District.

(b) *Annual Report*. No later than December 31 of each year while the education parcel tax is in effect, 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 authorized to be funded by this Measure. The report may relate to the calendar year, fiscal year, or other appropriate annual period, as an officer of the District shall determine, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.

(c) *Advisory Committee*. An advisory committee of citizens shall be appointed or designated by the Board to ensure that the education parcel tax proceeds are spent for their authorized purposes, and to report annually to the Board and the public regarding the expenditure of such funds. The Board may extend the duties of the existing education parcel tax advisory committee to include oversight over the Measure. The

Board shall provide by resolution for the composition, duties, funding, and other necessary information regarding the committee's formation and operation.

Section 7. **Authority for Ordering Election.** The authority for ordering the election is contained in the Education Code, Elections Code, Government Code, and California Constitution.

Section 8. **Authority for Specifications.** The authority for the specification of this election order is contained in the Education Code.

Section 9. **Resolution to County Officials.** The Secretary to the Board is hereby directed to cause certified copies of this Resolution and order to be delivered no later than August 7, 2019 to the County Superintendent, the Chief Elections Officer of San Mateo County ("Chief Elections Officer"), and the Clerk of the Board of Supervisors of San Mateo County ("Board of Supervisors").

Section 10. **Formal Notice**. The County Superintendent 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 the applicable law no later than August 7, 2019, or to otherwise cause the notice to be published as permitted by law. The Secretary to the Board, on behalf of and as may be requested by the County Superintendent, is authorized to cause all notices required by law in connection herewith to be published and posted, as the case may be.

Section 11. **Conduct of Election**.

(a) *Request to Chief Elections Officer.* Pursuant to State law, the Chief Elections Officer is requested to take all steps to hold the election on November 5, 2019, in accordance with law and these specifications. The election shall be held and conducted in the manner prescribed by Elections Code section 10418.

(b) *Voter Pamphlet.* The Chief Elections Officer 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 the Elections Code. In the event the Full Ballot Text will not be reprinted in the voter information pamphlet in its entirety, the Chief Elections Officer 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 San Mateo County Chief Elections Officer at [phone number] and a copy will be mailed at no cost to you."

(c) *Consolidation.* The County Superintendent and the Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections as may be held on the same day in the same territory or in territory that is in part the same.

(d) *Canvass and Declaration of Results.* The Board of Supervisors is authorized to canvass the returns of the election and declare the result pursuant to the Elections Code.

(e) *Cost of Election.* The District will reimburse the Chief Elections Officer and the County for costs associated with the election as required by law.

Section 12. **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 education parcel tax may be spent for its authorized purposes.

Section 13. **Ballot Arguments.** The President of the Board and/or her designees are hereby authorized to prepare and file with the Chief Elections Officer any ballot argument prepared in connection with the election, including a rebuttal argument, each within the time established by the Chief Elections Officer, which shall be considered the official ballot arguments of the Board as sponsor of the Measure and to take all necessary action to prevent inclusion of false and/or misleading information in ballot materials related to the Measure.

Section 14. **Official Actions.** The District Superintendent, President of the Board, or their respective 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, and to this Resolution, to comply with requirements of law and election officials or which are, in the judgment of the Superintendent, President of the Board, or their respective designees, in the best interests of the District.

Section 15. **Effective Date**. This Resolution shall take effect from and after its adoption.

ADOPTED, SIGNED and APPROVED by the Board of Education of the Cabrillo Unified School District on the 5th day of August, 2019, by the following vote:

Mary Beth Alexander:	_____	Aye	_____	No	_____	Abstain	_____ Absent
Lizet Cortes:	_____	Aye	_____	No	_____	Abstain	_____ Absent
Kimberly Hines:	_____	Aye	_____	No	_____	Abstain	_____ Absent
Sophia Layne:	_____	Aye	_____	No	_____	Abstain	_____ Absent
Freya McCamant:	_____	Aye	_____	No	_____	Abstain	_____ Absent

Certified by:

_____ _____
Lizet Cortes Date
Clerk to the Board of Education
Cabrillo Unified School District

Attest by:

_____ _____
Sean McPhetridge Date
Secretary to the Board of Education
Cabrillo Unified School District

EXHIBIT A

BALLOT LABEL

The Measure shall be summarized in the following form, and the San Mateo County Chief Elections Officer is requested to cause this summary of the Measure to appear on the ballot:

**** BEGIN BALLOT LABEL ****

To maintain quality education in Coastside schools without increasing taxes; preserve strong academic programs in reading, writing, science, technology, engineering, arts, math; retain qualified teachers/staff; prepare students for college and careers; and maintain school safety and security; shall a Cabrillo Unified School District measure to renew its expiring $150 education parcel tax for eight years be adopted, raising approximately $1,600,000 annually with independent citizen oversight, exemptions for seniors and others, and all funds staying in Coastside schools?

Yes _____ No _____

**** END BALLOT LABEL ****

EXHIBIT "B"

FULL BALLOT TEXT

**** BEGIN FULL TEXT ****

CABRILLO UNIFIED SCHOOL DISTRICT

Measure __
[*letter designation to be assigned by San Mateo County Chief Elections Officer*]

RECITALS

1. An adequately funded and well-developed public education program provides numerous benefits and advantages to all of the residents of the community.

2. The Board of Education ("Board") of the Cabrillo Unified School District ("District") has established the goals of improving academic performance and the quality of education for all children in the District so that they are prepared for college and to compete for good jobs. Furthermore, the District aims to enhance local control of our schools and reduce our dependence on the State of California for education funding.

3. The Board believes that good schools are part of what makes our community a desirable place to live and, by keeping Coastside schools strong, we keep the community strong.

4. The District is committed to preserving strong academic reading, writing, science, technology, engineering, arts, and math (STEAM) programs.

5. It is essential to continue to offer hands-on and innovative science curriculum, Advanced Placement courses and other specialized instruction to prepare students for success in college and future careers.

6. It is important for the District to continue to retain skilled, experienced, and dedicated teachers and provide them with ongoing training to maintain high-quality education in our schools.

7. It is crucial for the District to protect vital programs to keep struggling students on the right track.

8. Due to inadequate funding, it is essential that the District have stable, reliable, local funding it can count on every year to maintain its quality academic programs.

9. The District has created a Financial Advisory Committee, comprised of parents, teachers, and staff, to help assess the District's budget shortfall.

10. Contributions from parent clubs and educational foundations, while generous, are not adequate to fund academic core programs.

11. Future funding for the District from the State of California and other sources is projected to be inadequate to provide the level of support to the District's educational programs and maintain the high-student achievement that the residents of the District expect.

12. The voters of this District have a history of supporting our local schools by voting to support school funding to protect academic excellence in local classrooms.

13. The existing education parcel tax is set to expire, and unless renewed by voters will result in a dramatic reduction of funding, which will force reductions to the District's academic programs, intervention services and teachers and staff.

14. Renewing this parcel tax will not increase the $150 per parcel rate, but simply extend the tax for eight years and could not be renewed without voter approval.

15. Renewing this valuable source of stable, local funding that cannot be taken by the State or used for administrator salaries, benefits or pensions is necessary to maintain outstanding educational programs and retain highly qualified, experienced teachers.

TERMS

To maintain quality education in Coastside schools without increasing taxes; preserve strong academic programs in reading, writing, science, technology, engineering, arts, math; retain qualified teachers/staff; prepare students for college and careers; and maintain school safety and security; shall a Cabrillo Unified School District measure to renew its expiring $150 education parcel tax for eight years be adopted, raising approximately $1,600,000 annually with independent citizen oversight, exemptions for seniors and others, and all funds staying in Coastside schools?

The purpose of the Measure is to fund the following specific types of programs and services:

1. Preserving strong academic reading, writing, science, technology engineering, arts, and math programs;

2. Retaining qualified teachers and staff;

3. Protecting programs to keep struggling students on the right track;

4. Providing college and career counselors for middle and high school students;

5. Maintaining updated classroom technology; and

6. Keeping all of the District's schools open.

Under no circumstances shall any of the proceeds of the education parcel tax be used for administrators' salaries, pensions or benefits. Decisions regarding the specific programs, schools, and expenditures to be supported in any given year, and the priority and method of allocation of funds to specific programs, shall be made by the Board of Education in its sole discretion and may vary from year to year as needs arise or change.

A. <u>Amount and Basis of Tax</u>

The education parcel tax shall continue to be $150 per Parcel of Taxable Real Property beginning on July 1, 2020, and continuing for a period of eight (8) years. The District shall provide the San Mateo County Tax Collector ("County Tax Collector") a report indicating the parcel number and amount of tax for each Parcel of Taxable Real Property.

To the extent allowed by law "Parcel of Taxable Real Property" shall be defined as:

(a) Any unit of real property in the District that receives a separate tax bill for *ad valorem* property taxes from the County Tax Collector.

(b) All property that is otherwise exempt from or upon which are levied no *ad valorem* property taxes in any year shall not be considered a Parcel of Taxable Real Property for purposes of the education parcel tax in such year.

(c) Subject to application by a property owner and confirmation by the District, multiple parcels which are contiguous, under common ownership, and that constitute one economic unit, meaning that they have the same primary purpose as the principal parcel and are not separate and distinct properties that may be independently developed or sold, shall comprise a single Parcel of Taxable Real Property for purposes of the education parcel tax.

If any portion of this definition is deemed contrary to law, the Board declares and the voters by approving the Measure concur, that every other section and part of this definition has independent value, and the Board and voters would have adopted each other section and part hereof regardless of every other section or part hereof. If all sections or parts of this definition are deemed contrary to law, "Parcel of Taxable Real Property" shall be defined as any real property in the District assigned an assessor's parcel number.

B. Exemptions

Pursuant to any procedures adopted by the District, upon application, an exemption from payment of the education parcel tax may be granted on any parcel owned by one or more:

(a) Persons who will attain 65 years of age prior to June 1 of the tax year, own a beneficial interest in the parcel, and use that parcel as his or her principal place of residence ("Senior Citizen Exemption"); or

(b) Persons receiving Supplemental Security Income for a disability, regardless of age, who own a beneficial interest in the parcel and use that parcel as his or her principal place of residence ("SSI Exemption"); or

(c) Persons receiving Social Security Disability Insurance 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 own a beneficial interest in the parcel and use that parcel as his or her principal place of residence ("SSDI Exemption").

Exemptions may be granted based on a one-time application submitted pursuant to any procedures adopted by the District. Exemptions granted under prior education parcel taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption.

C. Claims / Exemption Procedures

With respect to all general property tax matters within its jurisdiction, the County Tax Collector 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 education parcel tax, including the Senior Citizen Exemption, the SSI Exemption, the SSDI Exemption, the legality or validity of the education parcel tax, the application of the definition of "Parcel of Taxable Real Property" to any parcel(s) or any other disputed matter specific to the application of the education parcel tax, the decisions of the District 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 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.

D. Appropriations Limit

Pursuant to California Constitution Article XIIIB and applicable laws, the appropriations limit for the District will be adjusted periodically by the aggregate sum collected by levy of this education parcel tax.

E. Accountability Measures

1. *Specific Purposes*. The proceeds of the education parcel tax shall be applied only to the specific purposes identified above.

2. *Annual Reports.* The proceeds of the education parcel tax shall be deposited into an account, which shall be kept separate and apart from other accounts of the District, pursuant to the Government Code. No later than December 31 of each year while the tax is in effect, 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 authorized to be funded by this measure. The report may relate to the calendar year, fiscal year, or other appropriate annual period, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.

3. *Advisory Committee*. An advisory committee of citizens shall be appointed, re-appointed or designated by the Board to ensure that the education parcel tax proceeds are spent for their authorized purposes, and to report annually to the Board and the public regarding the expenditure of such funds. The Board may extend the duties of the existing education parcel tax advisory committee to include oversight over the Measure. The Board shall provide by resolution for the composition, duties, funding, and other necessary information regarding the committee's formation and operation.

F. Protection of Funding

Current law forbids any decrease in State or federal funding to the District resulting from the adoption of an education parcel tax. However, if any such funding is reduced or affected because of the adoption of the Measure, then the Board may reduce the amount of the education parcel taxes levied as necessary in order to restore such State or federal funding and/or maximize the District's fiscal position for the benefit of the educational program. As a result, whether directly or indirectly, no funding from this Measure may be taken away by the State or federal governments.

G. 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 the 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.

**** END FULL TEXT ****

EXHIBIT C

FORM OF FORMAL NOTICE OF SPECIAL TAX ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of the Cabrillo Unified School District of San Mateo County, California, that in accordance with the provisions of the Education Code and the Government Code of the State of California, a special election will be held on November 5, 2019, for the purpose of submitting to the qualified electors of the District the proposition summarized as follows:

> To maintain quality education in Coastside schools without increasing taxes; preserve strong academic programs in reading, writing, science, technology, engineering, arts, math; retain qualified teachers/staff; prepare students for college and careers; and maintain school safety and security; shall a Cabrillo Unified School District measure to renew its expiring $150 education parcel tax for eight years be adopted, raising approximately $1,600,000 annually with independent citizen oversight, exemptions for seniors and others, and all funds staying in Coastside schools?

By execution of this formal Notice of Election the County Superintendent of Schools of San Mateo 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 San Mateo County, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Board of Education of the Cabrillo Unified School District adopted August 5, 2019, in accordance with the provisions of Education Code sections 5302, 5325, and 5361.

IN WITNESS WHEREOF, I have hereunto set my hand this day, August ___, 2019.

_____
County Superintendent of Schools
San Mateo County, California