

Recommendation No. A.10: Final Draft Of Proposed Parcel Tax Language
Pages 48a-e

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
QUALITY PUBLIC EDUCATION PRESERVATION ACT OF 2003

To preserve quality education despite unprecedented state cuts in public school funding, shall the Santa Monica-Malibu Unified School District levy a qualified special tax of \$225 per parcel each year for 6 years with an exemption for property owned and occupied by persons age 65 and older? Mandatory special citizen oversight and independent annual audits will ensure that revenues are used to compensate for drastically reduced state funding and to sustain achievement in reading, writing, and mathematics.

FULL TEXT OF MEASURE

1. TITLE AND PURPOSE

The revenues raised by this Measure, the “Santa Monica-Malibu Unified School District Quality Public Education Preservation Act of 2003,” shall be used to prevent serious deterioration in the quality of public education in Santa Monica and Malibu in the face of large and sweeping state cuts in funding for public schools and to promote continued student achievement in the core curriculum.

2. SPECIFIC PURPOSES

The revenues raised by this Measure shall be used by the Santa Monica-Malibu Unified School District (the “District”) exclusively for the following purposes:

1. To restore programs and replace funds lost or reduced due to state budget cuts (including state budget reductions that are the result of reduced federal funding of state programs);

2. To sustain achievement in reading, writing, and mathematics for all students at all grade levels and to fulfill the District's core curriculum which includes music, arts, and athletics; and
3. To protect the taxpayer's investment in education and ensure District accountability by providing for special citizen financial oversight and independent annual audits of revenues and expenditures.

3. SEPARATE ACCOUNT

The revenues raised by this Measure shall be deposited in a separate account in accordance with Government Code section 50075.1 (or applicable successor law) and shall be expended solely for the specific purposes identified above.

4. THE TAX LEVY

- A. Tax Base. The qualified special tax shall be levied annually on each parcel of land within the boundaries of the District in an amount not to exceed \$225 per parcel. An exemption to the qualified special tax is available for a person 65 years or older who owns and occupies a parcel as a principal residence and applies for an exemption in accordance with guidelines established by the Board of Education of the District (the "Board"). The Board may set the amount of the qualified special tax at a lesser amount per parcel than is authorized hereunder.
- B. Term. This qualified special tax shall be authorized to be levied each year for six (6) years, beginning in the tax year commencing on July 1, 2003.
- C. Constitutional Appropriations Limit. The Board may increase the appropriations limit for the District in accordance with Section 4 of Article XIII B of the California Constitution and Section 7902.1 of the Government Code (or applicable successor law).

- D. Collection. The District may request that the qualified special tax be collected by the County of Los Angeles, or other lawfully 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 qualified 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.
- 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 a qualified special tax. If any part of this Measure, as written or as applied to any person, is finally determined by a court of competent jurisdiction to be unconstitutional, illegal, or invalid, such determination shall affect only such 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 Board and of the electorate that this Measure would have been adopted had such part thereof not been included.

**5. ACCOUNTABILITY, PLANNING, PUBLIC INFORMATION, AND
COMPLIANCE REVIEW PROVISIONS**

- A. Citizen Oversight. The Board shall appoint a special citizen financial oversight committee that is exclusively charged to review the District's administration of and compliance with the terms of this Measure. The committee so charged by the Board is referred to in this Measure as the "Special Citizens Committee."
- B. Annual Plan. An expenditure plan (the "Annual Plan") shall be developed annually for the succeeding fiscal year by the District staff in consultation with the Special

Citizens Committee. The Annual Plan will recommend expenditures of the tax proceeds that are consistent with the intent of the Measure. The assumptions associated with the recommended expenditures shall be included in the Annual Plan. The Annual Plan shall be presented for Board action each fiscal year in conjunction with the District's annual budget adoption process for the following fiscal year. To facilitate public discussion, the recommended Annual Plan shall be made available for public review two weeks prior to Board action. The Annual Plan together with regular financial and audit reports shall be promptly distributed to the Special Citizens Committee.

- C. Public Comment Process. Members of the public may comment on the plans, reports, and conditions of the Measure during the public comment period of any meeting of the Special Citizens Committee or any meeting of the Board.
- D. Financial Reports. The District shall make available to the public and to the Special Citizens Committee updated budget and financial expenditure reports concerning the special account holding the proceeds of this qualified special tax in conjunction with the regular interim budget reporting required by the State. As part of this reporting, at least once per fiscal year, the chief fiscal officer of the District shall file a report with the Board and the Special Citizens Committee identifying the amount of the funds collected and expended pursuant to this Measure, together with the status of any project required or authorized to be funded hereunder. All of the foregoing reports shall be organized to display clearly how the expenditures relate to the Annual Plan approved by the Board.
- E. Independent Auditors' Annual Report. Each year, an independent auditor retained by the District shall review District records to determine that funds generated by this Measure have been maintained and expended in compliance with the Annual Plan and that other conditions of this Measure have been satisfied. Said audit shall be conducted in accordance with generally accepted accounting principles, the Standards and Procedures for Audits of K-12 Local Educational Agencies, and this Measure.

The independent auditor shall transmit a “Finding of Violation” to the Board if: (1) the funds raised by this Measure have been spent for purposes other than those specified in section 2; or (2) other conditions of this Measure have not been satisfied.

- F. Civil Remedies Available At Law. The provisions of this section are in addition to civil remedies available at law for assuring compliance with the terms of this Measure.