

RESOLUTION NO. 23-24-04

**BOARD OF TRUSTEES
HAPPY VALLEY ELEMENTARY SCHOOL DISTRICT**

RESOLUTION ORDERING AN ELECTION FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE DISTRICT THE QUESTION OF CONTINUING THE LEVY OF AN EDUCATION PARCEL TAX UPON EACH PARCEL IN THE DISTRICT FOR EDUCATIONAL PURPOSES AND ESTABLISHING THE SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Happy Valley Elementary School District (the “District”) is devoted to providing high quality public education for its students; and

WHEREAS, in 2018 the District identified a need for a local funding source in order to ensure it could maintain its high quality educational programs and submitted a parcel tax measure to District voters on June 5, 2018 which received more than the requisite two-thirds approval (the “2018 Parcel Tax”); and

WHEREAS, the 2018 Parcel tax was approved for a term of six years at a rate of \$99 per parcel, with the final fiscal year of levy and collection being fiscal year 2023-24; and

WHEREAS, the revenues produced by the 2018 Parcel Tax are critical for the District to maintain its art and music programs, provide modern technology to students, to support classroom instruction and attract qualified teachers and staff; and

WHEREAS, the District has determined that it is necessary to call an election in the District to submit to District voters the question of whether the 2018 Parcel Tax should continue to be levied and collected for an additional eight years; and

WHEREAS, Section 4 of Article XIII A of the California Constitution and California Government Code Sections 50079 et seq. and 50075 et seq. (the “Law”) authorize a school district, upon approval by two-thirds (2/3) of the electorate voting on the measure, to levy a qualified special tax for specified purposes following notice and a public hearing; and

WHEREAS, March 5, 2024 is an established election date and a statewide election date pursuant to the provisions of the California Elections Code; and

WHEREAS, the Board has on this date held a public hearing, which was duly noticed, where all interested persons have been heard on the matter of holding an election in the District on the matter of levying a qualified special tax on each parcel in the District; and

WHEREAS, the Board of Trustees desires at this time to order an election to be held on March 5, 2024 in the District for the purpose of submitting to the voters in the District the matter of continuing the levy of a qualified special tax on each parcel in the District pursuant to the Law for educational purposes (sometimes referred to herein and in the exhibits attached hereto as an “education parcel tax”) and to designate the specifications thereof, pursuant to Education Code Section 5320 et seq. and to request consolidation with all other elections held in the District on such date, and to request the Santa Cruz County Registrar of Voters to perform election services for the District; and

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE HAPPY VALLEY ELEMENTARY SCHOOL DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether an education parcel tax shall be levied and collected in the District for the specific purposes as set forth more fully in the ballot proposition approved herein and as set forth on Exhibits A and B hereto. This Resolution constitutes the order of the District to call such election and shall constitute the “specifications of the election order” pursuant to Education Code Section 5322.

Section 2. Election Date. The date of the election shall be March 5, 2024, and the election shall be held solely within the boundaries of the District, which the District represents have not changed since the last District election.

Section 3. Purpose of Election; Ballot Proposition. The purpose of the election shall be for the voters in the District to vote on a proposition, a full copy of which is attached hereto and marked Exhibit “A”, containing the question of whether the District shall levy an education parcel tax in the District for the specific purposes stated therein, together with the accountability requirements of Government Code Section 50075.1.

As required by Education Code Section 5322 and Elections Code Section 13247 and 9051, and in accordance with Elections Code Section 13119, the abbreviated form of the measure (75 words or less) to appear on the ballot is attached hereto and marked as Exhibit “B”. The Board of Trustees hereby authorizes and directs the President of the Board and the Superintendent to make any changes to the text of the measure as set forth in Exhibit A and Exhibit B hereto as required or recommended, upon the advice of the District’s legal counsel to conform to any requirements of the Law, the Santa Cruz County Registrar of Voters, or to otherwise clarify or provide technical corrections to the measure to reflect the terms of this Resolution.

Section 4. Authority for Election. The authority for ordering the election is contained in Section 4 of Article XIII A of the California Constitution and California Government Code Sections 50079 et seq. and 50075 et seq. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 5. Type of Tax Rate, and Method of Collection. If approved by District voters, said education parcel tax shall be levied in an equal amount against each parcel of taxable real property in the District in the amount of \$99 per parcel for a period of eight years, commencing with the first levy in fiscal year 2024-25.

A parcel shall be defined as any unit of land in the District that receives a separate tax bill from the Santa Cruz County Tax Collector and shall be collected in the same manner and subject to the same penalty or penalties as other taxes fixed and collected by the County on behalf of the District.

Section 6. Exemptions. The following exemptions apply to the levy of the education parcel tax:

(a) *Otherwise Exempt Property.* All property that would otherwise be exempt from property taxes shall also be exempt from the education parcel tax.

(b) *Senior Citizen Exemption.* An exemption shall be available to persons who are 65 years or older and own and occupy as a principal residence a parcel (as defined in Section 5 above) and apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Santa Cruz County Tax Collector. The exemption granted shall remain in effect until the taxpayer become ineligible and the applicant shall not have to re-apply annually for such exemption for so long as the parcel continues to qualify for said exemption. Exemptions granted in connection with the 2018 Parcel Tax shall continue in place for the renewed tax and owners do not need to submit a new exemption application. The District shall continue in place its administrative review processes to review and grant exemptions.

Section 7. Accountability Requirements.

(a) *Government Code 50075.1 Requirements.* The members of the Board, the Superintendent and officers of the District are hereby directed, individually and collectively, to comply with the accountability measures pursuant to Government Code Section 50075.1, to wit: (a) the measure shall include a statement indicating the specific purposes of the education parcel tax, (b) the measure shall require that the proceeds of the education parcel tax be applied only to the specific purposes identified in the ballot measure, (c) the measure shall require the creation of an account into which the proceeds of the education parcel tax shall be deposited, and (d) the measure shall require that the District prepare, or cause to be prepared by a third party auditor, an annual report pursuant to Government Code Section 50075.3. Such accountability measures are forth on the ballot in the form of Exhibit A attached hereto and are incorporated herein by reference.

(b) *Citizens' Oversight Committee.* The Board of Trustees will continue maintaining a Citizens' Oversight Committee charged with the responsibility of annually reviewing the expenditures of proceeds of the education parcel tax to ensure such funds have been spent for the specific purposes set forth in the measure. Such Committee will continue to provide an annual report to the District Board and the public summarizing its review of expenditures of the proceeds of the education parcel tax and findings relating thereto. The Bylaws adopted by the Board of Trustees governing administration of the Committee will continue to govern the proceedings of the Committee.

Section 8. Annual Report. Pursuant to Government Code Section 50075.3, the Board directs the chief fiscal officer of the District to file a report with the Board each year containing (a) the amount of education parcel tax funds collected and expended and (b) the status of any project required or authorized to be funded from the proceeds of the education parcel tax as identified in the measure.

Section 9. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution for receipt no later than 88 days prior to the March 5, 2024 election date (which date is by December 8, 2023), as follows:

- (a) County Elections Officer (as required pursuant to Education Code Section 5322 and Elections Code Section 10403),

- (b) County Board of Supervisors (as required pursuant to Elections Code Section 10403), and
- (c) County Superintendent of Schools for the purposes of noticing the election on the measure pursuant to Education Code Section 5325(a).

Section 10. Consolidation of Election. The County Elections Officer and the Santa Cruz County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on March 5, 2024, within the District. The District acknowledges that the election shall be held and conducted in accordance with Elections Code Section 10418. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Santa Cruz County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Santa Cruz County in full from District general funds upon presentation of a bill from the County, such services to include the publication of notices of election and the mailing of the sample ballot.

Section 11. Ballot Arguments. As provided in Elections Code Section 9501, any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The Superintendent, President of the Board, or their designees, are hereby authorized to execute any document and to perform all acts necessary to place the measure on the ballot.

Section 12. Notice of Election. The County Elections Officer is hereby requested to prepare a formal Notice of Election in time, form and manner as required by law, and the County Superintendent of Schools is hereby requested to post such notice in accordance with Education Code Section 5325. The suggested form of notice of the election is as follows:

**HAPPY VALLEY ELEMENTARY SCHOOL DISTRICT
ELECTION NOTICE**

NOTICE IS HEREBY GIVEN to the qualified electors of the Happy Valley Elementary School District (the "District") of Santa Cruz County, that in accordance with law, an election will be held on Tuesday, the 5th day of March, 2024 in the District, at which election there will be submitted the question of continuing the levy of the existing education parcel tax of \$99 per parcel annually for an additional eight years, with a senior exemption and citizens oversight, for the purpose of raising money to support educational costs.

Section 13. Reimbursement for Services Performed. The District agrees to reimburse the County Elections Officer/Registrar of Voters for services performed with respect to the election called herein following completion of such services and upon presentation of a bill.

Section 14. Legal Services. The Board affirms the continued engagement of the firm of Jones Hall, A Professional Law Corporation as Special Legal Counsel in connection with its parcel tax proceedings. The Superintendent is authorized to execute an amendment to the 2018 Agreement with Jones Hall reflecting the legal services rendered in connection with the proceedings described herein.

Section 15. Election Pursuant to Law. In all particulars not recited in this Resolution, said election shall be held and conducted as provided by law for holding school district elections in the District.

Section 16. Certification by Clerk of the Board. The Clerk of the Board shall certify as to the passage and adoption hereof and shall make minutes of the passage and adoption therefore in the records of the proceedings of the Board of Trustees of the District, in the minutes of the meeting at which the same is passed and adopted.

Section 17. Compliance with AB 2576 (Effective January 1, 2017). If the requisite number of votes cast on the question of an education parcel tax are obtained, the District and the County shall coordinate on compliance with the terms of Assembly Bill 2576 effective January 1, 2017, which requires that notice of a new parcel tax be provided to taxpayers residing outside of the jurisdiction of the taxing agency.

Section 18. Compliance with AB 2458 (Effective January 1, 2020) - Annual Information to be Provided to County. If the requisite number of votes cast on the question of an education parcel tax are obtained, the District shall request that the County collect the education parcel tax. The Superintendent is authorized to contract directly with the County for said purposes. As such, the District shall provide the County on an annual basis:

- a. A hyperlink to the location on the Internet Web site of the District that contains exemption information, if available.
- b. A hyperlink to the location on the Internet Web site of the District that contains the application for the exemption.
- c. A phone number to provide persons with exemption information or direct persons requesting exemption information.

Section 19. Severability. The Board of Trustees of the District hereby declares that every section, paragraph, sentence and clause of the qualified special tax measure has independent value, and that the Board of Trustees would have approved each provision regardless of every other provision. If approved, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts shall remain in full force and effect to the fullest extent allowed by law.

Section 20. Effective Date. This resolution shall take effect on and after its adoption.

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The foregoing Resolution was adopted by the Board of Trustees of the Happy Valley Elementary School District of Santa Cruz County, being the Board authorized by law to make the designations therein contained by the following vote, on November 8, 2023.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

President of the Board

Attest:

Clerk of the Board

EXHIBIT A

BALLOT MEASURE FULL TEXT OF MEASURE

The full text of bond measure to be printed in the election material begins below the following line. Letter designation of measure shall be assigned and input by the County Registrar.

HAPPY VALLEY ELEMENTARY SCHOOL DISTRICT FULL TEXT OF MEASURE ____

PURPOSES

To provide local revenue that cannot be taken by the State and to maintain high-quality public education in schools in the Happy Valley Elementary School District (the “District”) of Santa Cruz County, California, the District proposes to continue to levy and collect its existing education parcel tax which was previously approved by District voters in 2018 annually for a renewed term of eight years as more fully described below under “EDUCATION PARCEL TAX AND PROCEDURES,” and to implement accountability measures in connection with the education parcel tax to ensure that funds are used only for the following specific purposes:

- Supporting quality art and music programs,
- Providing for the integration of modern technology into classrooms, including devices and instructional equipment,
- Attracting and retaining qualified teachers and staff, and
- Supporting classroom instruction.

The Board of Trustees will not fund any program other than those listed above from the proceeds of the education parcel tax.

EDUCATION PARCEL TAX AND PROCEDURES

Amount of Education Parcel Tax. Subject to two-thirds approval of the voters, the existing education parcel tax of \$99 per parcel (except exempt parcels, as described below) shall become renewed and effective for an additional eight years commencing with fiscal year 2024-25 and be collected by the Santa Cruz County Tax Collector at the same time as and along with, and shall be subject to the same penalties as general *ad valorem* taxes collected by said tax collector.

Definition of Parcel. A parcel shall be defined as any unit of land in the District that receives a separate tax bill from the Santa Cruz County Tax Collector.

Exemptions. The following exemptions shall apply to the levy of the qualified special tax.

- *Otherwise Exempt Property.* All property that would otherwise be exempt from property taxes shall also be exempt from the education parcel tax.
- *Senior Citizen Exemption.* An exemption shall be available to persons who are 65 years or older and own and occupy as a principal residence a parcel (as

defined above) and apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Santa Cruz County Tax Collector.

Property owners seeking the senior citizen exemption must apply to the District for such exemption under procedures established by the District or otherwise as required by law or by the Santa Cruz County Tax Collector. When a senior exemption has been granted to a parcel, the senior will not have to re-submit an exemption application annually if the facts are such that said parcel continues to qualify for the senior exemption described in this measure. Please note that taxpayers that have been granted an exemption in connection with the 2018 parcel tax will not have to re-submit a new exemption application. The exemption will continue to apply, and the District will continue its existing administrative review procedures.

Exclusive Procedures. The procedures described herein with respect to the levy and collection of the education parcel tax and exemptions, and any additional procedures established by the Board of Trustees of the District, shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the qualified special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary. The District's Board of Trustees may adopt such additional or supplemental procedures as it deems necessary or convenient for the administration of the education parcel tax.

ACCOUNTABILITY MEASURES

Government Code Accountability. 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 qualified special taxes levied in accordance with this Measure:

- the specific purposes of the education parcel tax shall be those purposes identified above under the heading "PURPOSES,"
- the proceeds of the education parcel tax shall be applied only to those specific purposes identified above under the heading "PURPOSES,"
- a separate, special account shall be created into which the proceeds of the education parcel tax must be deposited; and
- the District shall annually prepare and file or cause to be prepared and filed a written report with the Board of Trustees of the District showing (1) the amount of funds collected and expended from the proceeds of the education parcel tax and (2) the status of any projects, programs, or purposes identified above under the heading "PURPOSES."

Citizens' Oversight Committee. In addition to the accountability measures required by the Government Code, the District will continue to maintain and support an independent Citizens' Oversight Committee to review the expenditures funded by the measure to ensure that said funds are spent only for the purposes approved by the voters. The Citizens' Oversight Committee will continue to review 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.

PROTECTION OF FUNDING

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

SEVERABILITY

The Board of Trustees of the District hereby declares, and the voters by approving this measure concur, that every section, paragraph, sentence and clause of this measure has independent value, and the Board of Trustees and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law.

The Full Text of Measure ends above the line.

EXHIBIT B

**BALLOT MEASURE
ABBREVIATED FORM**

To support academic excellence for Happy Valley students without increasing the current tax rate, maintain quality art and music programs, integrate modern technology into classrooms, retain high quality teachers and provide local funding that cannot be taken by the State, shall Happy Valley Elementary School District's measure be adopted renewing its existing parcel tax for eight years at the same rate of \$99 per parcel raising approximately \$61,000 annually with an exemption for seniors and with citizens' oversight?
