

EXHIBIT B

FULL BALLOT TEXT OF MEASURE B

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

“Protecting Quality Education in Berkeley’s Public Schools”

To protect quality public education despite reductions in State funding, shall Berkeley Unified School District levy a two year special tax at 9.7¢/square foot for Residential Buildings, 14.7¢/square foot for Commercial/Industrial/Institutional buildings and \$50/parcel for unimproved parcels? Funds will be used to improve student achievement, reduce class sizes and enhance libraries, music programs, teacher training and parent involvement. A citizen’s oversight committee will monitor that funds are used for identified Purposes.

1. TITLE AND PURPOSE

"PROTECTING QUALITY EDUCATION IN BERKELEY’S PUBLIC SCHOOLS ACT OF 2004"

The revenues raised by this Measure are to be used to provide quality educational programs to improve achievement of Berkeley’s public schools students.

2. ALLOCATION OF FUNDS

Funds raised by this Special tax shall be deposited in restricted accounts, with the available funds raised by this Special tax to be allocated to the following Purposes:

- Smaller class sizes and expanded course offerings.....68%
- School Libraries.....16%
- Music Programs.....7%
- Educational program evaluation and teacher training.....7%
- Parent outreach and translation services.....2%

3. DEFINITION OF PURPOSES

A. Smaller class sizes and expanded course offerings

Sixty eight percent (68%) of the available revenues of this Measure shall be dedicated annually to the Purpose of reducing class sizes in the elementary

schools, and reducing class sizes and allowing expanded course offerings in the Middle and High Schools.

The goals for class sizes to be achieved with the use of these monies are: a district-wide average class size of 20:1 for grades K-3; 26:1 for grades 4-5; 28:1 for grades 6-12.

The monies dedicated to this Purpose may be spent to cover all personnel, operational and material costs attendant to class size reduction including expenses associated with opening or maintaining classrooms or schools needed to accommodate the additional teachers hired to reduce class size.

B. School Libraries

Sixteen percent (16%) of the available revenues of this Measure shall be dedicated to the Purpose of increasing student access to quality school libraries by providing qualified library staff in all elementary and middle schools, the high school and the district's other specialized libraries.

C. Music Programs

Seven percent (7%) of the available revenues of this Measure shall be dedicated to the Purpose of restoring quality music programs by providing additional qualified music teachers for the 4th thru 8th grades music program and support staff for the music teachers.

D. Educational Program Evaluation and Teacher Training

Seven percent (7%) of the available revenues of this Measure shall be dedicated to the Purpose of assessing the District's educational programs for student achievement results, and providing training programs for teachers and staff.

E. Parent Outreach and Translation services

Two percent (2%) of the available revenues of this Measure shall be dedicated to the Purpose of supporting the families of all Berkeley's public school students to have greater access to and involvement in their children's education.

F. Administrative Costs

Administrative expenses incurred in implementing this Measure shall be paid from the monies from this Measure. These expenses shall be allowed at a rate equivalent to the District's "indirect costs ratio" as established in accordance with the State of California formula for school districts.

The monies for these expenses shall be deducted from the revenues dedicated to each Purpose of this tax before the monies are distributed to the expenditure budget for that Purpose.

4. THE TAX LEVY

A. Tax Base

- i. The special tax shall be levied on the square footage of all Improvements in the Berkeley Unified School District, except where the Improvements are otherwise exempt from taxation. The tax levied shall be at the rate of 9.7 cents/square foot on all Residential Buildings and Improvements and 14.7 cents/square foot on all Commercial, Industrial, and Institutional Buildings and Improvements and \$50 per parcel on Unimproved Property. Unimproved Parcels do not contain buildings or improvements.
- ii. The tax base shall be as described in the Berkeley Municipal Code Section 7.56.020 which defines and delimits the parameters of the square footage applications, and which is incorporated by reference herein. In the event of the expiration of this Municipal Code for any reason, the same Definitions shall continue to apply as the basis for this special tax.
- iii. Exemption for very low-income senior citizens, 65 years of age or older, shall be allowed in accordance with Municipal Code Section 7.56.035, which is incorporated by reference herein. In the event of expiration of this Municipal Code for any reason, the same exemption clause shall continue to apply to this tax.

B. Term

The Measure shall be operative immediately upon passage. The tax shall be levied in FY 2005-2006 and FY 2006-2007. Any proceeds from this Special Tax not spent during those fiscal years may be spent on all authorized Purposes until exhausted.

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. Cost of Living Adjustment

Each year the rates imposed by this Special Tax may be increased by a cost-of-living adjustment of five percent (5%) on the prior year base of this Special Tax or by a percentage equal to the annual percentage increase of the Consumers' Price Index, All Urban Consumers, All Items, for the San

Francisco-Oakland Metropolitan Area, published by the United States Department of Labor, Bureau of Labor Statistics, whichever is greater.

Any increase in funds raised by this Measure due to the cost-of-living adjustment set forth in this Section shall be allocated to each Purpose in proportion to its share of the Measure established in Section 2 of this Measure.

E. Collection

The District may request that the special tax be collected by the County of Alameda, 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.

F. 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 of the several 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 Board and 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.

5. COMPLIANCE REVIEW PROVISIONS

A. Separate Fund

Proceeds of this Special Tax shall be deposited into a Fund which shall be kept separate and apart from other Funds in the District and shall be applied only to the respective Purposes in the percentage specified in Section 2.

B. Annual Report

An Annual Report, including the revenues generated by this Special Tax and the expenditures of these monies and reporting the status of any projects funded by these monies shall be produced by the Chief Financial Officer of

the District for the Board of Education no later than January 1 of the year following the fiscal year during which the monies were expended.

C. Citizen Oversight

The District shall assign an Oversight Committee the responsibility to monitor the expenditures of the monies generated from this Measure. The District shall make available to the Oversight Committee and the general public, updated budget and financial expenditure reports of the revenues and expenditures of this special tax at least four times annually: before adoption of the District's Annual Budget, concurrently with the State-required Interim Reports and the Annual Report. These reports shall be organized to display clearly how the expenditures relate to the Purposes of this Measure.

Subsequent to issuance of the Auditor's Report, the Oversight Committee shall review compliance with the terms of this Measure and shall prepare a report to the District commenting on the District's compliance with the Measure.

D. Independent Auditor's Report

Each year, an independent auditor retained by the School District shall review the District's Annual Report to determine that funds generated by this Measure have been allocated and expended in compliance with the conditions of this Measure, specifically:

- (1) that the Funds raised by this Measure have been allocated to the respective Purposes in the percentages specified in Section 2.
- (2) that the Funds raised by this Measure have been spent for Purposes specified in Section 3.
- (3) 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 California K-12 Local Educational Agencies, and this Measure.

E. Civil Remedies Available at Law

The above provisions are in addition to civil remedies available at law for assuring compliance with the terms if this Measure.