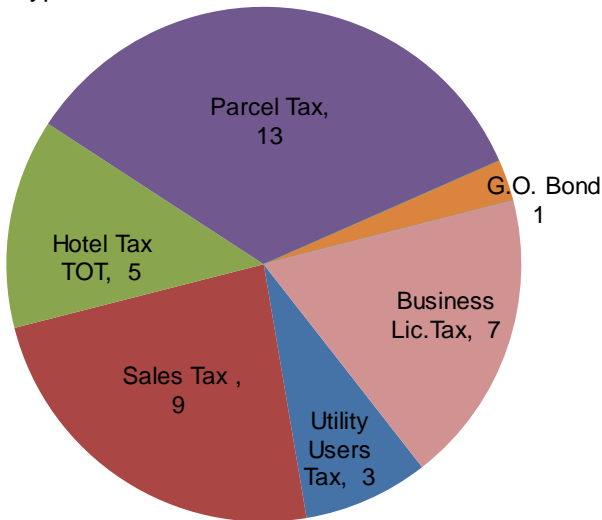


Local Revenue Measures November 8, 2011

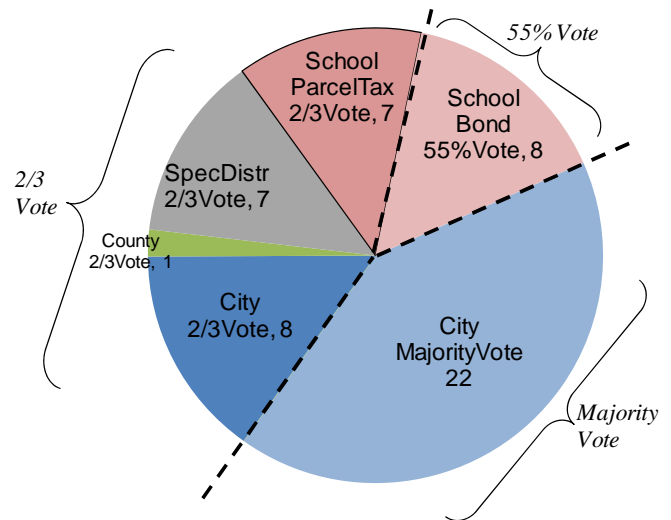
Among 93 local measures put before California voters on Tuesday November 8 were 53 proposals to increase, revise, expand or extend local taxes, fees or bonds. In addition, voters in Holtville considered a citizen referendum and two competing city measures to reduce or phase out the city's utility user tax. There were 30 measures in cities, 7 special district parcel taxes, 1 county measure, and 15 school taxes and bonds.

K-12 schools districts and community colleges requested a total of \$1.315 billion in authorizations for school bonds to construct facilities, acquire equipment and make repairs and upgrades.

Types of Non-School Local Tax Measures Nov 2011



Proposed Local Revenue Measures November 2011



* not including 1 local UUT referendum and 2 city proposed alternative reductions in Holtville.
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Among the 53 non-school local fiscal measures were one general obligation measure and 15 special taxes requiring two-thirds voter approval. The 22 majority vote tax measures included increases and extensions of utility user taxes, add-on sales taxes, hotel taxes, and business license taxes.

Proposed Local Fiscal Measures

| | Nov'07 | Nov'09 | Nov'11 |
|-----------------------------|-----------|-----------|-----------|
| School Bonds 55% | 9 | 3 | 8 |
| School Parcel Taxes | 8 | 11 | 7 |
| City, County Majority Vote | 26 | 36 | 22 |
| City, County, SpecDistr 2/3 | 19 | 7 | 16 |
| | <u>62</u> | <u>57</u> | <u>53</u> |

Local Revenue Measures November 2011

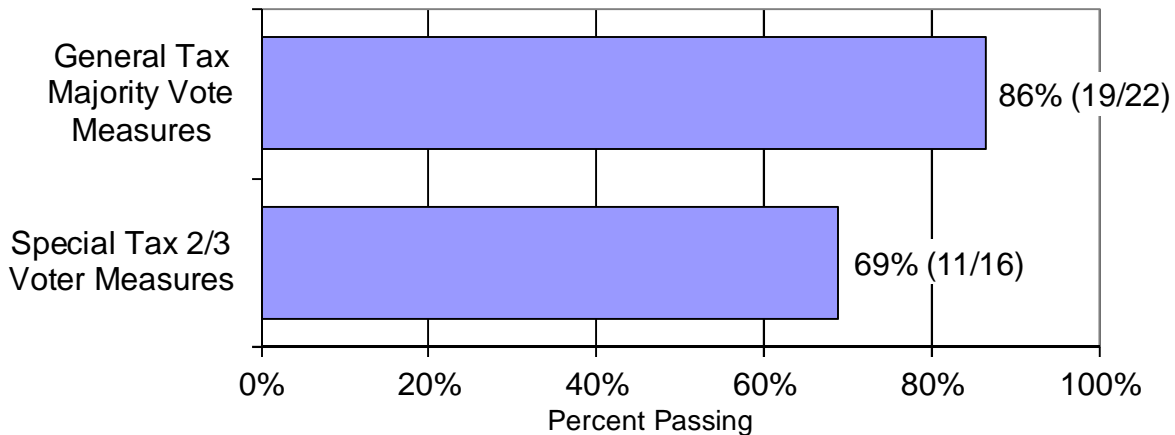
| | Total | Pass | Passing% |
|------------------------|-----------|-----------|------------|
| City Majority Vote | 22 | 19 | 86% |
| County Majority Vote | 0 | 0 | |
| City 2/3 Vote | 8 | 4 | 50% |
| County 2/3 Vote | 1 | 1 | 100% |
| Special District (2/3) | 7 | 6 | 86% |
| School ParcelTax2/3 | 7 | 5 | 71% |
| School Bond 55% | 8 | 6 | 75% |
| Total | 53 | 41 | 77% |
| Referenda | 1 | 0 | 0% |
| Redux(RerendaResponse) | 2 | 0 | 0% |

Overall Passage Rates

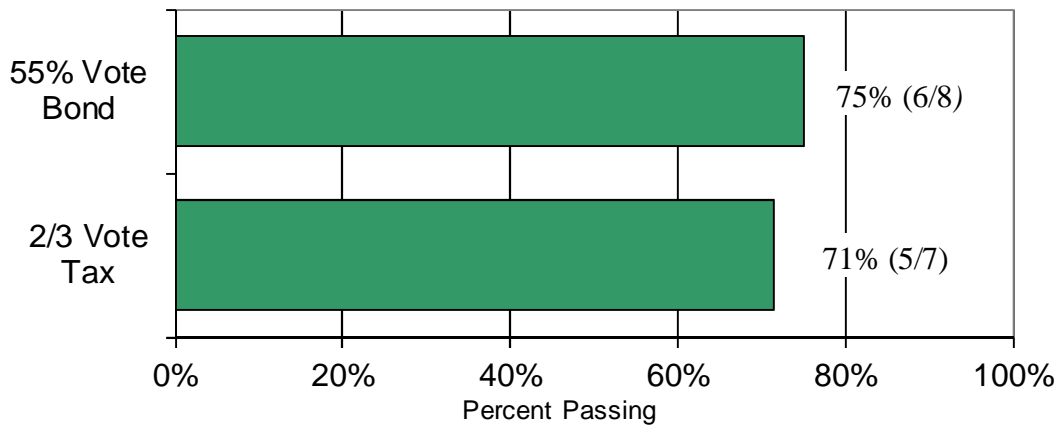
The overall passage rate of non-school local tax measures in November 2011 was better than that of prior elections over the last decade. Of the 22 majority-vote tax measures, 19 passed (86%). Since 2001, 65% of majority vote local tax measures have passed.

Of the 16 special tax measures requiring two-thirds voter approval, 11 passed (69%) exceeding the 46% historic passage rate for special taxes and bonds since 2001.

City / County / Special District Tax & Bond Measures November 2011



School Tax & Bond Measures November 2011



The passage rates for school measures this November were similar to passage rates since 2001. Of the eight 55%-vote school bond measures, six passed (a 75% rate compared to a historic rate of just around 80%).

Local Add-On Sales Taxes (Transaction and Use Taxes)

Eight cities and one county asked their voters to consider new sales tax add-ons (transactions and use taxes). The proposals ranged from a 1/8 percent tax for libraries in Mendocino County to 1 percent add-on taxes for general purposes (majority vote) in Vallejo. Tax increases passed in Fairfax, Palm Springs, Oakdale and Vallejo. Voters in Del Rey Oaks overwhelmingly approved extending their existing one percent add-on tax for another five years. The Mendocino County library tax received the two-thirds supermajority approval needed.

The City of Coachella proposed a general purpose (majority vote tax) but accompanied the measure with an advisory measure regarding the use of the funds. Voters soundly rejected that proposal. In Fillmore, a (3/4 percent) sales taxes also failed and voters in San Francisco soundly rejected a 2/3 supermajority special tax for police and fire services.

Given the sample size, the 67% passage rate for sales tax measures in this election is similar to previous elections. Since 2001, about 60% of measures to increase general purpose (majority vote) local sales taxes passed. Just 36% of two-thirds vote special sales tax increases passed during that time.

Transactions and Use Tax

| Agency Name | County | Rate | Sunset | Needed | YES% | NO% | | |
|----------------------|---------------|-------------------|--------------------|---------------|--------------|--------------|-------------|----------|
| City of Del Rey Oaks | Monterey | Measure S 1cent | 5 yrs | 50.0% | 85.6% | 14.4% | PASS | extend |
| Town of Fairfax | Marin | Measure D 1/2cent | 5 yrs(to3/31/2017) | 50.0% | 64.5% | 35.5% | PASS | increase |
| City of Palm Springs | Riverside | Measure J 1cent | 25 yrs | 50.0% | 57.9% | 42.1% | PASS | increase |
| City of Oakdale | Stanislaus | Measure O 1/2cent | 3 yrs | 50.0% | 56.1% | 43.9% | PASS | increase |
| City of Vallejo | Solano | Measure B 1 cent | 10 yrs | 50.0% | 50.4% | 49.6% | PASS | increase |
| City of Fillmore | Ventura | Measure I 3/4cent | 5yrs | 50.0% | 36.7% | 63.3% | FAIL | increase |
| City of Coachella | Riverside | Measure K 1/2cent | | 50.0% | 26.9% | 73.1% | FAIL | increase |
| | | Measure L | | 50.0% | 51.4% | 48.7% | PASS | advisory |
| Mendocino County | Mendocin | Measure A 1/8cent | 16 yrs | 66.7% | 75.2% | 24.8% | PASS | increase |
| City of San Francisc | San Franci | Measure G 1/2cent | 10 yrs | 66.7% | 46.1% | 53.9% | FAIL | increase |

Transient Occupancy (Hotel) Taxes

There were five measures to increase city Transient Occupancy (Hotel) Taxes. All were majority vote general tax measures. All passed easily. In previous elections since 2001, just 64% (80 of 125) of majority vote general purpose TOT measures passed.

Transient Occupancy Tax Tax Measures: All General Majority Vote

| Agency Name | County | Rate | YES% | NO% | |
|----------------------|---------------|-------------------------|--------------|------------|-------------|
| City of Foster City | San Mateo | Measure P 8%to9.5% | 83.1% | 16.9% | PASS |
| City of Cupertino | Santa Clara | Measure C 10%to12% | 82.6% | 17.4% | PASS |
| City of Pittsburg | Contra Costa | Measure H 8%to12% | 78.1% | 21.9% | PASS |
| City of Redwood City | San Mateo | Measure I 10%to12% | 72.9% | 27.1% | PASS |
| City of Indian Wells | Riverside | Measure H 9.25%to11.25% | 65.9% | 34.1% | PASS |

Utility User Taxes

There were six utility user tax (UUT) measures on the ballot, but three of these, in Holtville, involved reducing, eliminating or sun-setting that city's existing tax. A citizen referendum in Holtville (Measure M) to phase out the city's 5% UUT was met with two competing proposals placed on the ballot by the City Council: Measure N for a more modest reduction and Measure O which would sunset the tax in 5 years with no phase out. All the Holtville measures failed leaving the city's 5% UUT intact.

Voters in Modesto and South Pasadena approved those measures to modernize and expand their UUTs while reducing the tax rate. Brawley voters agreed to extend that city's existing 4% UUT for 5 years to June 30, 2018. These successful measures revised or extended existing taxes. There were no proposals for new or increased UUTs.

Utility User Tax Measures - all majority vote general taxes

| <u>Agency Name</u> | <u>County</u> | | <u>Rate</u> | <u>YES%</u> | <u>NO%</u> | | |
|------------------------|---------------|------------|-------------|--------------|--------------|-------------|------------------|
| City of Modesto | Stanislaus | Measure N | 6%to5.8% | 75.6% | 24.5% | PASS | expand&reduce |
| City of Brawley | Imperial | Measure K | 4%. | 57.2% | 42.8% | PASS | extend |
| City of South Pasadena | Los Angeles | Measure UT | 8%to7.5% | 54.1% | 45.9% | PASS | expand&reduce |
| City of Holtville | Imperial | Measure N | existing 5% | 35.5% | 64.5% | FAIL | reduce to 1.5% |
| City of Holtville | Imperial | Measure O | existing 5% | 43.9% | 56.1% | FAIL | SetSunset2016 |
| City of Holtville | Imperial | Measure M | existing 5% | 48.0% | 52.0% | FAIL | reduce/eliminate |

Business License Taxes

There were seven business license tax measures in five cities. Voters in Emeryville approved an increase in the overall business license tax rate and a second measure increasing the maximum tax. Voters in Vallejo approved a 10% gross receipts tax on Marijuana businesses. Voters in Brisbane approved an increase in the tax applied to recyclers. A citizen initiative to increase city taxes on restaurants and bars in Hermosa Beach was the only failing business license tax measure.

In previous elections since 2001, over 70% of business license tax proposals have passed,

Business License Tax Measures: Majority Vote General

| <u>Agency Name</u> | <u>County</u> | | <u>Rate</u> | <u>YES%</u> | <u>NO%</u> | |
|-----------------------|---------------|-----------|---------------------------------|--------------|--------------|-------------|
| City of Emeryville | Alameda | Measure C | from 0.08% to 0.10% | 81.2% | 18.8% | PASS |
| City of Emeryville | Alameda | Measure D | from \$117k to \$300k | 79.4% | 20.6% | PASS |
| City of Brisbane | San Mateo | Measure J | | 77.0% | 23.0% | PASS |
| City of Vallejo | Solano | Measure C | | 76.2% | 23.8% | PASS |
| City of Hermosa Beach | Los Angeles | Measure N | | 60.5% | 39.5% | PASS |
| City of Redwood City | San Mateo | Measure M | | 55.1% | 44.9% | PASS |
| City of Hermosa Beach | Los Angeles | Measure Q | initiative re: restaurants/bars | 22.8% | 77.3% | FAIL |

Parcel Taxes and Special Taxes (non-school)

There were six city parcel taxes and seven special district parcel taxes. Under a state constitutional provision included in Proposition 13 (1978), parcel taxes require two-thirds supermajority approval. Nine of the measures were for fire and emergency medical transport (EMS) services. Seven passed, including new taxes in Pioneer Fire Protection District (El Dorado County) and Prattville/Almanor Fire Protection District (Plumas County). The West Point Fire Protection District attained voter approval for a tax to replace its previous assessment that had been ruled invalid by an appellate court. A fire service tax in the City of Hesperia failed. A fire services measure in West Almanor Community Services District failed by just three (3) votes short of the two-thirds needed of 186 cast.

Two measures increased existing taxes for police and fire services. Voters in San Marino approved the continuation and increase of that city's tax for police fire and emergency services. Voters in California City fell short of approving a similar tax in that city.

Only two of the parcel taxes were for purposes other than police or fire/EMS services. Voters in Lafayette again turned down a measure to fund that city's ailing street and storm drain system after rejecting previous larger proposals in 2007 and 2004. Voters in the City of Riverside voted to continue that city's tax for library services.

City, County and Special District Parcel Taxes (2/3 vote)

| <u>Agency Name</u> | <u>County</u> | <u>Amount</u> | | | | <u>YES%</u> | <u>NO%</u> | | |
|---------------------------------------------|---------------|---------------|------------------------|-----------------|------------|--------------|--------------|-------------|-----------------|
| Prattville/Almanor Fire Protection District | Plumas | Measure B | \$75/parcel | Fire/EMS | 10 yrs | 87.0% | 13.0% | PASS | new |
| City of Riverside | Riverside | Measure I | \$19/parcel | Library | 10 yrs | 85.2% | 14.8% | PASS | extend |
| West Point Fire Protection District | Calaveras | Measure A | \$78.5/parcel | Fire/EMS | | 82.9% | 17.1% | PASS | new |
| Town of Corte Madera | Marin | Measure C | \$60/parcel+\$5/yr | Fire/EMS | 4 yrs | 82.2% | 17.8% | PASS | extend/increase |
| Pioneer Fire Protection District | El Dorado | Measure F | \$85/parcel | Fire/EMS | Fire/ems | 76.4% | 23.6% | PASS | new |
| Lucas Valley County Service Area 13 | Marin | Measure E | +\$10to\$95/parcel | Fire/EMS | 4yrphasein | 75.5% | 24.5% | PASS | increase |
| City of San Marino | Los Angeles | Measure S | varies | Police/Fire/EMS | 4 yrs | 73.3% | 26.7% | PASS | extend/increase |
| Santa Venetia-Bayside Acres Fire Protecti | Marin | Measure F | +\$10to\$95/parcel | Fire/EMS | 4yrphasein | 72.9% | 27.1% | PASS | increase |
| Marinwood Community Services District | Marin | Measure G | +10to28¢/sft | Fire/EMS | | 66.8% | 33.2% | PASS | increase |
| West Almanor Community Services Distri | Plumas | Measure A | from\$90to\$200/parcel | Fire/EMS | | 65.6% | 34.4% | FAIL | increase |
| City of California City | Kern | Measure A | \$150/parcel | Police/Fire/EMS | 10 years | 63.1% | 37.0% | FAIL | increase |
| City of Lafayette | Contra Costa | Measure G | \$89/parcel | Streets/Roads | | 57.8% | 42.2% | FAIL | new |
| City of Hesperia | San Bernardii | Measure F | \$85/parcel | Fire/EMS | 5 yrs | 19.4% | 80.6% | FAIL | new |

General Obligation Bond

There was just one non-school general obligation bond measure on the ballot. Voters in San Francisco approved with the needed 2/3 vote, a \$248 million bond measure for street and road repairs.

City, County and Special District Bond Measures (2/3 vote)

| <u>Agency Name</u> | | <u>Amount</u> | | <u>YES%</u> | <u>NO%</u> | |
|-----------------------|-----------|---------------|---------------|--------------|------------|-------------|
| City of San Francisco | Measure B | \$248m | Streets/Roads | 68.0% | 32.0% | PASS |

School Parcel Taxes

The ballot included seven local school parcel taxes. Five passed, including three to extend existing taxes.

School Parcel Taxes (2/3 voter approval)

| Agency Name | County | Rate | Sunset | YES% | NO% | | |
|---------------------------------------|---------------------|----------------------------------|---------------|--------------|--------------|-------------|--------|
| Mammoth Unified SD | Mono | Measure S \$59/parcel | 5 yrs | 73.8% | 26.2% | PASS | extend |
| Tamalpais Union High School District | Marin | Measure B \$246/parcel | 10 yrs | 72.4% | 27.6% | PASS | extend |
| Pacifica School District | San Mateo | Measure L from\$96to\$118/parcel | 5 yrs | 68.8% | 31.2% | PASS | |
| Palos Verdes Peninsula USD | Los Angeles | Measure M \$374/parcel | none | 68.3% | 31.7% | PASS | extend |
| Burlingame Elementary School District | San Mateo | Measure E \$76/parcel | 4 yrs | 67.3% | 32.7% | PASS | |
| Pacific Grove USD | Monterey | Measure V \$60/parcel | 4 yrs | 61.4% | 38.6% | FAIL | |
| Las Virgenes Unified School District | Los Angeles/Ventura | Measure K \$95/parcel | 8 yrs | 56.3% | 43.7% | FAIL | |

School Bonds (55% approval)

There were eight school bond measures on the ballot for a total of over \$1.315 billion in bonds. Six of the measures attained the 55% approval needed for a total of \$711 million in approved bonds.

School Bond Measures - all 55% Approval

| Agency Name | County | Amount | YES% | NO% | |
|--------------------------------------|---------------|------------------|--------------|--------------|-------------|
| San Francisco USD | San Francisco | Measure A \$531m | 70.8% | 29.3% | PASS |
| Larkspur School District | Marin | Measure A \$26m | 70.4% | 29.6% | PASS |
| Bradley Union SD | Monterey | Measure T \$1.1m | 68.2% | 31.8% | PASS |
| Newhall School District | Los Angeles | Measure E \$60m | 66.3% | 33.7% | PASS |
| Millbrae School District | San Mateo | Measure N \$30m | 58.1% | 41.9% | PASS |
| Newark Unified School District | Alameda | Measure G \$63m | 55.8% | 44.2% | PASS |
| San Mateo Community College District | San Mateo | Measure H \$564m | 52.7% | 47.3% | FAIL |
| San Bruno Park School District | San Mateo | Measure O \$40m | 50.8% | 49.2% | FAIL |

Employee Benefit Changes

San Francisco approved the somewhat less restrictive of two competing public employee pension reform measures. Voters in Modesto approved three advisory measures to explore moving employees from a defined benefit plan to a defined contribution (401k style) plan for retirement benefits, avoid "pension spiking" by moving to an average of the last three year salary as baseline rather than current last single highest year, and seek retirement formulas that increase employee retirement age to mirror the private sector retirement.

Employee Benefit Changes & Limits

| <u>Agency Name</u> | <u>County</u> | <u>Proposal</u> | <u>YES%</u> | <u>NO%</u> | |
|-----------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------|------|
| City of San Francisco | San Francis | Measure C "Shall the City amend its Charter to adjust pension contribution rates for most current and future City employees based on the City's costs; reduce pension benefits for future City employees; limit cost-of-living adjustments to pension benefits; decrease City contributions to retiree health care costs for certain former employees; require all current and future employees to contribute toward their retiree health care costs; change the composition and voting requirements of the Health Service Board; and make other changes to the City's retirement and health benefits systems?" | 68.7% | 31.3% | PASS |
| City of San Francisco | San Francis | Measure D "Shall the City amend its Charter to increase pension contribution rates for most current City employees based on the City's costs; reduce contribution rates and pension benefits for most future City employees; limit cost-of-living adjustments to pension benefits; prohibit the City from picking up any employee's contribution for pension benefits; and make other changes to the City's retirement system?" | 33.8% | 66.2% | FAIL |
| City of Modesto | Stanislaus | Measure Q Should the City of Modesto: Seek to move employees from a defined benefit plan to a defined contribution (401k style) plan for retirement benefits? | 57.8% | 42.2% | PASS |
| City of Modesto | Stanislaus | Measure R Should the City of Modesto: Seek to avoid "pension spiking" by city employees by moving to an average of the last three year salary as baseline rather than current last single highest year? | 74.6% | 25.4% | PASS |
| City of Modesto | Stanislaus | Measure S Should the City Council seek to increase the minimum age that any city employee must achieve before they are eligible to retire? | 63.1% | 36.9% | PASS |

Appointed City Clerk, Treasurer, Attorney

Voters in Maywood decided to retain their right to directly elect their City Treasurer and City Clerk rather than have the City Council appoint those positions.

Appointed City Clerk / City Treasurer

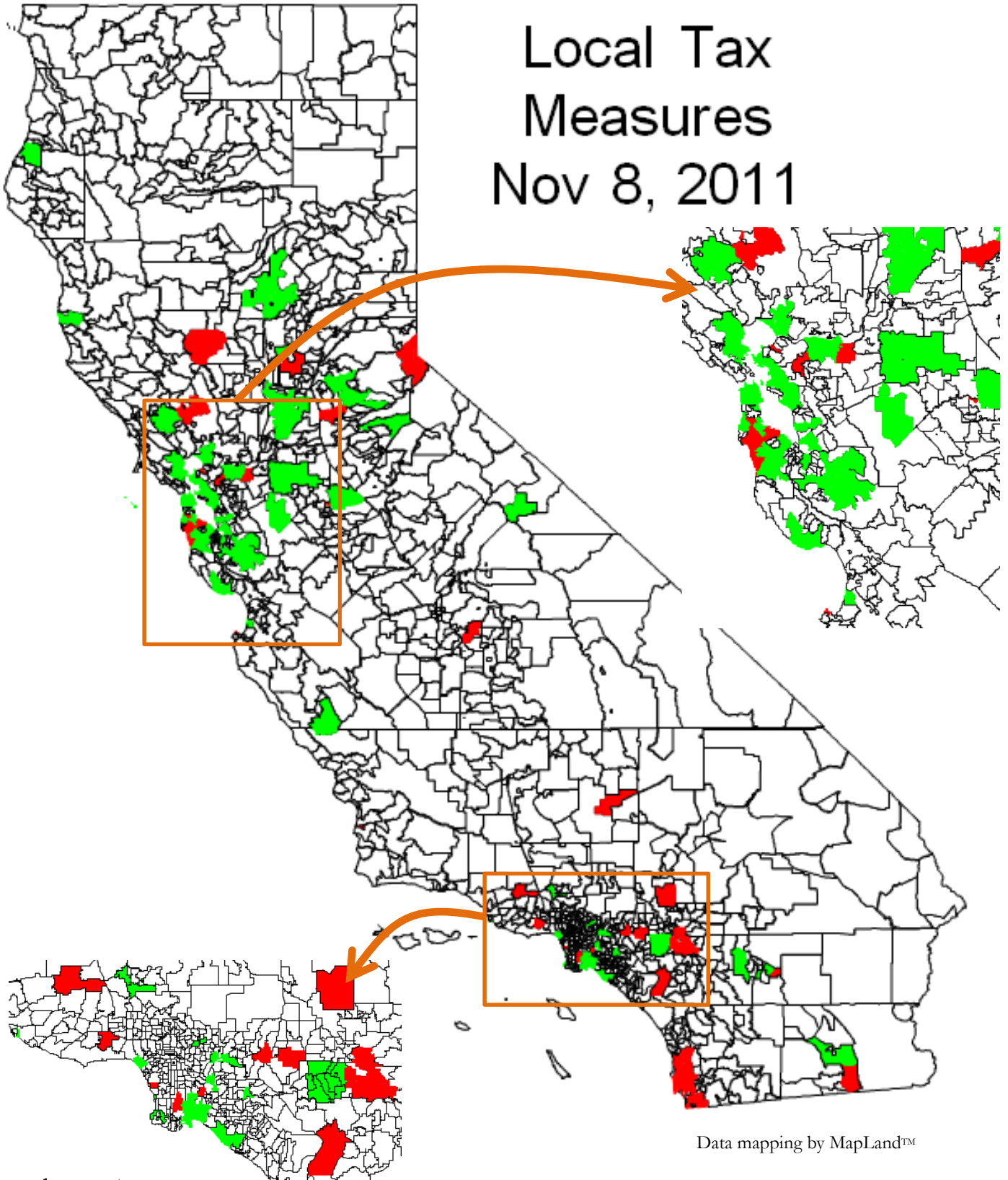
| <u>Agency Name</u> | <u>County</u> | | <u>YES%</u> | <u>NO%</u> | |
|--------------------|---------------|-------------------------|-------------|------------|------|
| City of Maywood | Los Angeles | Measure C apptClerk | 42.9% | 57.1% | FAIL |
| City of Maywood | Los Angeles | Measure T apptTreasurer | 40.6% | 59.4% | FAIL |

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Source: County elections offices.

mc

Local Tax Measures Nov 8, 2011



Data mapping by MapLand™