

CITY OF PIEDMONT

Piedmont Schools Parcel Tax Advisory Committee

School Board Presentation
February 11, 2009





Committee Background

- Advisory to PUSD School Board
- Formed November 2008
- Charge
 - gather input from community
 - recommend parcel tax measure specifics
 - lead public campaign for passage



Situation

- Measures B & C expire June 2010
- Currently represent 27% of PUSD budget
- \$1.1+ million annual cutback in state revenue
 - \$1.5 million with loss of COLA
 - cuts effective in 2009/10 school year
- Very challenging economic environment
- PUSD seismic program has generated broad mistrust



Information Gathering

- Telephone survey in mid-January
 - 300 likely voters
 - broad demographic cross-section
- Two community-wide meetings
 - 120+ attendees
 - input on size and scope of possible tax
- Parent Clubs and Support Clubs
- Email, telephone, walking the dog



Findings

- Maintaining high-quality educational program a priority
- PUSD has taken significant cost-control steps
- “Baseline” parcel tax will no longer fully fund program
 - state cutbacks of \$1.5 million next year
 - classroom-level cuts necessary
 - possible further takeaways in out years
- Baseline tax is essential to survival of district program
- Voters strongly support baseline tax
- Support somewhat less strong for additional tax



Additional Tax

Catalysts for Support

- Excellent program, excellent teachers, excellent results
- Minimize damage from state budget cutbacks
- Preserve program excellence
- Appreciation for “burden sharing”
 - relatively low administrative spending at PUSD
 - willingness of employees to work with district
 - large annual financial contributions by school families



Additional Tax Obstacles to Support

- Increased taxes for fixed-income households
- General financial uncertainty in current environment
- Cost-cutting effort not widely recognized
- Skepticism about PUSD fiscal responsibility
- Lingering dissatisfaction with handling of seismic program



Recommendations

- ⑥ Two measures
 - ⑥ A renewal of the combined baseline tax for four years
 - ✓ average cost per parcel: \$2,082
 - ✓ takes effect for 2010/11 school year
 - ⑥ A second tax to partially offset state cutbacks
 - ✓ average cost per parcel: \$249
 - ✓ begins immediately for 2009/10 school year
- ⑥ Limitations on the second tax
 - ⑥ only a three-year term
 - ⑥ no 5% annual escalator
- ⑥ Enhanced citizen review/input
 - ⑥ revised structure for Budget Advisory Committee
 - ⑥ formal annual recommendations on parcel tax size/increase
 - ⑥ ensure that second tax will no longer be assessed if state and/or federal money is restored



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