

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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