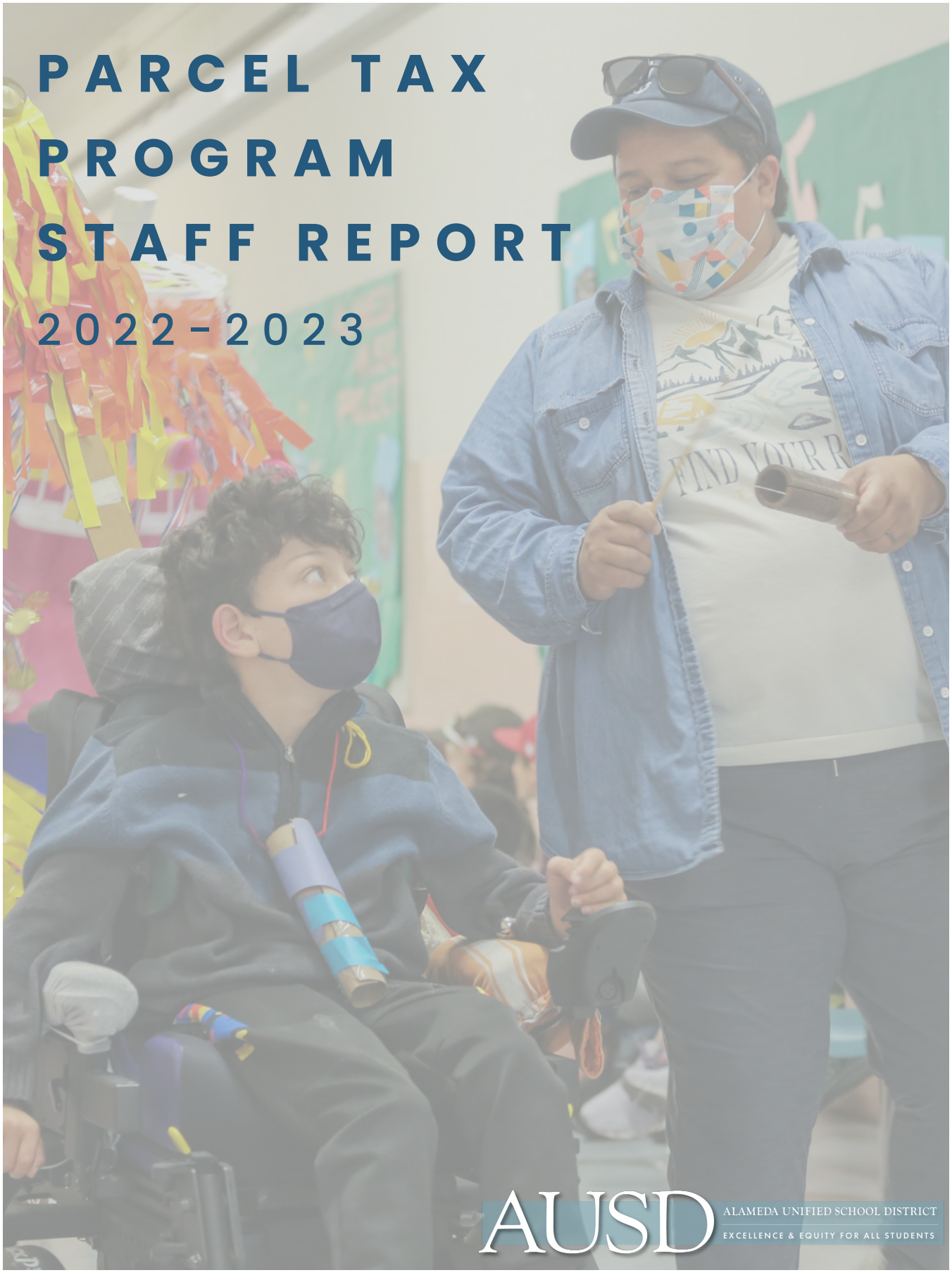
PARCEL TAX PROGRAM STAFF REPORT

2022-2023



AUSD ALAMEDA UNIFIED SCHOOL DISTRICT
EXCELLENCE & EQUITY FOR ALL STUDENTS

Published by AUSD'S Business Services Department January, 23, 2024



SUPERINTENDENT'S INTRODUCTION

DEAR COMMUNITY,

Currently, AUSD students and staff benefit from two parcel taxes generously approved by the Alameda community:

- Measure B1, which provides about $12 million per year to protect highly valued programs such as arts, sports, small class sizes, neighborhood elementary schools, and counselors and academic programs for both struggling and high-achieving students
- Measure A, which provides about $10 million per year to help AUSD attract and retain high-quality employees by increasing salaries by nearly 10 percent

Together, these two taxes provide nearly $24 million to AUSD's annual budget. That is more than 20 percent of AUSD's annual revenues and as such is a crucial source of our funding for high-quality programs and employees.
The following Staff Report summarizes 2022-23 Measure A and Measure B1 revenues and expenditures. The Parcel Tax Program Oversight Committee's Annual Report is available here.

The following Staff Report summarizes 2022-23 Measure A and Measure B1 revenues and expenditures. The Parcel Tax Program Oversight Committee's Annual Report is available here.
New to this year's report is information on two major developments:

First, after years of litigation, the courts have definitively decided that AUSD's parcel tax structure is legal and valid. This was affirmed by an opinion released by the First District Court of Appeals in August and then the state Supreme Court's refusal to review a challenge to that opinion in October. These opinions and decisions validate our long-held position that AUSD's parcel tax structure (a square footage tax levied uniformly across all properties but capped for very large properties) is progressive and fair for all tax payers in our community. More information about this is available on page _____.

Second, due to the very significant revenue provided by the two parcel taxes, in November of 2023, AUSD's Board of Education voted to put a replacement parcel tax measure on the March 2024 ballot. This replacement tax would combine and extend the two existing measures without increasing taxes for our local property owners. More information about this new measure is available on page _____.

I remain deeply grateful to the Alameda community for their support of our students, our staff, and our educational programs. At a time of ever-changing educational priorities and budgetary allocations at the federal and state level, having a stable source of funding at the local level allows us to plan and build stronger programs and attract and retain the high-quality teachers our students need and deserve.

Sincerely,
Pasquale Scuderi
Superintendent, AUSD



WHAT IS A PARCEL TAX?

California public schools receive the bulk of their revenue through the state government. School districts can raise additional money for programs only one way: through special "parcel taxes." (To raise funds for facilities, districts can put construction bonds on election ballots, but bonds cannot be used for instructional programs or teachers' salaries.)

A "parcel" refers to a unit of property. Under state law, parcel taxes can be "flat" (meaning all property owners pay the same amount, no matter the size of their property) or based on a set amount per square foot. Parcel taxes cannot be based on the vaule of the property, and districts cannot use other types of taxes - such as income or sales taxes – to generate revenue for their schools. Moreover, these parcel taxes need a supermajority (66.67%) vote to pass if the district puts the measure on the ballot or a simple majority (50%+ 1) vote to pass if it is put on the ballot via the citizen initiative process.

About 10% of school districts in California use parcel taxes to supplement their state funding, which has been sharply limited by the 1978 Proposition 13. The majority of those districts are in the Bay Area.

AUSD PARCEL TAXES AT A GLANCE

	MEASURE B1	MEASURE A
Approved	November, 2016	March, 2020
Structure	$0.32/building square foot with a cap of $7,999; $299 for unimproved parcels	$0.265/building square foot with a cap of $7,999
Revenues	~$12 million	~$10 million
Expenditures	~$12 million	~$10 million
Purpose	Supports academic, enrichment, and athletic programs in 11 categories	Supports attracting & retaining high-quality teachers and school
Sunsets	June 2025	June 2027



PARCEL TAX PROGRAM OVERSIGHT COMMITTEE

Both Measure B1 and Measure A stipulate that a "District Oversight Committee" be created to "annually review District compliance with the terms of this Measure." The measures also mandate that the Board of Education "sets the size, structure, and scope of duties of the Oversight Committee." In October 2020, AUSD's Board of Education voted to combine oversight and reporting of the two parcel taxes to facilitate unified oversight of and reporting on AUSD's parcel tax program. The resulting changes are reflected in AUSD's Board Policy 3471.01. During the 2022-23 school year, the Oversight Committee reviewed Measure B1 and Measure A revenues and expenditures and made suggestions on how to better analyze and communicate the results of the parcel tax program as a whole.

The current members of the Parcel Tax Program Oversight Committee provide experience in accounting, public school finance and administration, government, organizational development, policies, and regulations, and non-profit management. We are grateful to the committee's expertise, respectfulness, suggestions, and willingness to serve our district's community.

Meeting agendas and minutes, as well as background on AUSD parcel taxes and all Annual Reports dating back to 2011 are available on AUSD's Parcel Tax Program web page.

PARCEL TAX PROGRAM OVERSIGHT COMMITTEE MEMBERS

Doug Biggs	Bob Kreitz
Joyce Boyd	Mark Ouimet
Roxanne Clement	Sean Noonan
Carrie Hahnel | Chair	Adam Schlosser
Steve Kellner	Steven Smith

**We'd like to express deep gratitude to Bob Kreitz, who served on the combined oversight committee for three years and who passed away in July, 2023. Bob was a committed, engaged committee member who provided insight and support to the committee's deliberations. We will miss his presence at our meetings.*

2022-23 OVERSIGHT COMMITTEE MEETINGS

The 2022-23 parcel Tax Oversight committee met four times:

September 5, 2023
November 8, 2023
December 14, 2023
January _____

Each of these meetings was open and noticed to the public.

Agendas, minutes, and supporting documents for these meetings are available on the Parcel Tax Program Oversight Committee page.



STAFF PRESENTATIONS TO THE BOARD OF EDUCATION

AUSD Board Policy 3471 (Parcel Tax Funds) requires that district staff generate three reports about both Measure B1 and Measure A.
For the 2022-23 school year, staff gave the following four presentations about Measure B1 and Measure A to the Board of Education:

June 14, 2022: "Public Hearing of Budget Proposal 2022-23"
June 28, 2022: The Board approved those recommendations as part of the "Budget for Fiscal Year 2022-23"
May 24, 2023: "Approval of Superintendent's Recommendations for Members of the 2022-23 Parcel Tax Oversight Committee"
March 28, 2023: "Parcel Tax Program Reports for 2021-22"

This Annual Report, as well as the Oversight Committee's report, will be presented to the Board of Education in January, 2023. Both reports will be posted to the AUSD Parcel Tax Program Oversight Committee web page.

At the request of the committee, a sample of parcel tax expenditures was tested by the auditor as part of the general audit of district finances this year. The auditor has reported:

In an election held on November 8, 2016, the voters approved, by 74.25%, the Measure B1 parcel tax. The parcel tax replaces the existing school parcel tax (Measure A). Residential and commercial property owners will pay $0.32 per square foot on buildings, with a maximum tax of $7,999 per parcel. Properties with no buildings on them will pay $299. Revenues raised by Measure B1 are authorized to be used only for those educational programs and activities set forth in the eleven specific categories set forth in the Measure B1 ballot language. Revenue of $12,761,141 and expenditures of $12,761,141 for the Measure B1 parcel tax for the year ended June 30, 2022 are included in these audited financial statements.

In an election held on March 3, 2020, the voters approved, by 67.10%, the Measure A parcel tax. Under Measure A, property owners will be levied $0.265 per building area square foot annually for seven years. The tax goes into effect July 1, 2020 and sunsets June 30, 2027. There is an annual cap of $7,999 per parcel; vacant parcels will be charged $299, annually. Seniors and community members who receive Social Security Disability payments can apply to be exempt from the parcel tax. Revenue from the Measure A parcel tax will be used for the specific purpose of attracting, recruiting, and retaining teachers and school employees, such as counselors, as set forth in the full text of the Measure A ballot. Revenue of $10,840,656 and expenditures of $10,840,656 for the Measure A parcel for the year ended June 30, 2022 are included in these audited financial statements.

The full auditor's report is available on our District Financials Information page.

2022-23 MEASURE B1 REVENUES

In June 2022, when the Board adopted its 2022-23 budget, the District projected that Measure B1 would generate revenues of $12,803,706 that fiscal year. This projection was based on tax information from Alameda County.

At the time of audited actuals ("closing of the books") for 2022-23 in September 2023, the actual Measure B1 revenues received for the year were $12,959,328 – $155,602 more than expected.

Note: *As parcels on Alameda Point continue to be divided and sold, we expect tax revenues to continue to increase. This is because each time a large parcel is divided, the $7,999 cap is lifted and the resultant new parcels generate more revenue. In addition, new homes being built on the island will also be contributing to the Measure B1 revenues.*

REVENUE CATEGORY	MEASURE B1
2022-23 payments	12,737,627
Possessory Interest on government property*	162,171
Prior Year Revenue	22,960
Accounts Receiveable Write-Off	-
TOTAL	$12,959,358

EXEMPTIONS

A property that is the primary residence of a community member aged 65 or older or who receives Social Security Income for a disability is eligible to be exempted from the parcel tax.

Exemption forms are available on AUSD's Measure B1 web page.

CATEGORY	NUMBER
Seniors	12,737,627
Supplemental Security Income (SSI)	162,171
Social Security Disability Insurance (SSDI)	22,960

2022-23 MEASURE B1 ALLOCATIONS AND EXPENDITURES

The amounts allocated for Measure B1's expenditure categories in the ballot measure, as well as the actual revenue spent per category in 2022-23, are shown below.

Item No.	Expenditure Category	Percent Originally Allocated	Percent Spent (2022-2023)	Amount Spent (2022-2023)
1	Small Class Sizes K-3 • Maintaining 25:1 K-3 Class Sizes	13-14%	14.10%[1]	$1,798,000
2	Neighborhood Elementary Schools	7-8%	7.17%[1]	915,000
3	Secondary School Choice Initiative & AP Courses • EHS 8 AP Sections • AHS 9 AP Sections • ASTI (maintaining small class sizes) 2 FT [2] • Island (maintaining small class sizes) [2].8 FTE	7-8%	7.90%	1,008,027
4	Programs to Close Achievement Gap • Restore 5 days of instruction [3] • SIM Initiative	15-16%	13.11%	1,672,000
5	High School Athletic Programs • Coach Stipends • Athletic supplies • Outside services	4%	3.99%	508,726
6	Enrichment Programs • Elementary schools - music, PE, and libraries • Middle schools - 4 Fine Art Sections • High schools - 10 Fine Art Sections	9-10%	9.36%	1,194,273
7	Attract and retain excellent teachers • Maintenance of current AEA salary schedule	25-26%	30.08%[1]	3,836,825
8	Counseling and student support services • Counselors: 6 FTE • College Career Techs: .8 FTE	6%	5.98%	763,089
9	Alameda Charter Students	3-4%	3.32%	422,881
10	Technology • Equipment • 3.5 FTE	5%	5.00%	635,908
11	Adult Education	4%	0%[1]	0
	Subtotal (Measure B1)			$12,754,729
	Accountability and Transparency	1.5-2%	1.6%	204,559
	Total 2022-2023 parcel tax expenditures			$12,959,328

1. Allocations for this category were adjusted due to changed funding circumstances. Please see page 8 for details.
2. FTE: Full-time employee equivalent
3. These days were cut in 2010 when a prior parcel tax, Measure E , did not pass.

2022-23 MEASURE B1 ALLOCATIONS CHANGES



The former Measure A (2011) and the current Measure B1 (2016) clearly articulate the percentage of parcel tax revenue that should be allocated to the 11 categories. The Measures also allow for the Board of Education to change the allocations under two scenarios: 1) a fiscal emergency; or 2) a changed funding circumstance.

AUSD's Board of Education has adjusted the allocations for Measure A and B1 two times.

In **2015-16**, the California Department of Education began funding adult education after a four-year hiatus. Because Measure A allowed for a re-allocation of funds in the event of "changed funding circumstances," the Board of Education approved distributing the $480,000 typically spent on Adult Education to the three most expensive categories of Measure A funding:

- Attracting and retaining excellent teachers
- Programs to close the achievement gap
- Small class sizes in grades K-3

This redistribution has continued with Measure B1.

In **2018** the Board approved a resolution reallocating $395,788 from the Program to Close the Achievement Gap category to Attracting and Retaining Excellent Teachers due to increased Local Control Funding Formula (LCFF) Supplemental revenues aimed at helping our struggling learners.

As such, in the following pages, category descriptions include both the original allotment described in the Measure B1 ballot language and, where relevant, the percentage actually spent due to these changed funding circumstances.

Resources

AUSD: Measure B1 web page
AUSD: Measure A web page
AUSD: Board Policy 3471: Parcel Taxes
AUSD: District Financials
Ed100: "Parcel Taxes and Bonds Demystified"

1. MAINTAINING SMALL CLASS SIZES IN GRADES K-3

"Small class sizes: 13-14 % of the Available Revenues of this Measure shall be dedicated annually to maintaining manageable elementary class sizes with student to teacher ratios no greater than 25 to 1 in K-3 classrooms. Revenues from this Measure will support small class sizes in a manner which may not be achieved solely with support from the District's General Fund."

Percentage originally allocated in Measure B1: 13-14% of parcel tax revenues
Re-allocated percentage: 14-15%
Percentage spent in 2022-23: 14.10%



In 2022-23, the District spent $1,798,000 to keep K- 3 classes staffed at a 25:1 maximum. Without this measure, K-3 class sizes most likely would need to be higher. Smaller class sizes have been linked to better outcomes for students, especially for those students who have traditionally been underserved in education systems. As such, maintaining smaller class sizes provides an important foundation to learning for all students, especially when combined with high-quality teaching.

2. MAINTAINING HIGH-QUALITY NEIGHBORHOOD ELEMENTARY SCHOOLS

"Small class sizes: 13-14 % of the Available Revenues of this Measure shall be dedicated annually to maintaining manageable elementary class sizes with student to teacher ratios no greater than 25 to 1 in K-3 classrooms. Revenues from this Measure will support small class sizes in a manner which may not be achieved solely with support from the District's General Fund."



Percentage originally allocated in Measure B1: 13-14% of parcel tax revenues
Re-allocated percentage: 14-15%
Percentage spent in 2022-23: 14.10%

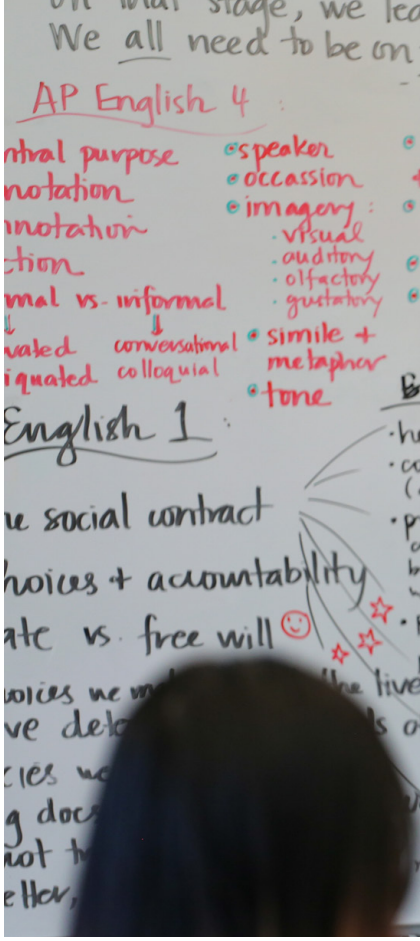
In 2022-23 the District spent $915,000 to support principals, office managers, health clerks, and custodians at AUSD's elementary schools.

Neighborhood schools confer a number of benefits. Key among these benefits are creating optimal conditions for learning by developing a sense of community across campuses. This, in turn, can lead to wider accessibility, stronger and more inclusive relationships between families, students, and staff, and greater feelings of safety, all of which are associated withbetter outcomes for students.

In addition, enabling walking and biking to school helps reduce traffic and pollution in our community, supports student independence, and improves student health.

3. MAINTAINING ADVANCED PLACEMENT COURSES, SUPPORTING SECONDARY SCHOOL

"7-8% of the Available Revenues of this Measure shall be dedicated annually to maintaining Advanced Placement Courses and supporting the secondary school choice initiative to create different educational pathways to careers and college. Revenues from this Measure may be used to create and support more personalized learning environments which are aligned with student interest and coupled with rigorous, relevant, and interesting curricula to engage young learners as more specifically set forth in the Master Plan. Revenues from this Measure may also be used to sustain secondary courses with student to teacher ratios less than 35 to 1."







Amount allocated in Measure B1: 7-8% of parcel tax revenues
Percentage spent in 2022-23: 7. 9%

In 2022-23, the District spent $1,008,027 on this category. This allocation funded:

- 9 AP sections at Alameda High: $238,746
- 8 AP sections at Encinal High School: $172,943
- Smaller class sizes at ASTI to support its programs: $277,029
- Smaller class sizes at Island High School to support its programs: $319,309

Providing options for secondary learning, including Advanced Placement courses and Career Technical Education, gives students more opportunities to engage in rigorous and varied academic pathways that support their interests and goals.

4. SUPPORTING PROGRAMS DESIGNED TO CLOSE THE ACHIEVEMENT GAP

"15-16% of the Available Revenues of this Measure shall be dedicated annually to supporting programs which are specifically designed to close the achievement gap. Revenues from this Measure may be used to support professional development for teachers and staff to accomplish district-wide learning initiatives and to provide targeted intervention and support."

Amount originally allocated in Measure B1: 15-16% of parcel tax revenues
Re-allocated percentage: 13-14%
Percentage spent in 2022-23: 13.11%



In 2022-23, the District spent $1,672,000 to maintain five extra days in the school year. This investment provides much-needed time for in-depth professional development (PD) for teachers, which Measure B1 specifically allows in this category. In 2022-23, that PD included: sessions on best practices for teaching reading, writing math, history, and Ethnic Studies, as well as sessions focused on English Learners, students receiving special education services, and restorative practices.

The 2022-23 Parcel Tax Committee requested data on how these allocations have supported the district in narrowing its achievement gap since 2014-15, when the California Department of Education implemented the California Assessment of Student Performance and Progress System. It is difficult to find a direct



correlation between parcel tax allocations and increased achievement due to:

- Confounding factors Over the years, AUSD has implemented a wide range of programs to help close the achievement and opportunity gaps. Not all of them are funded by parcel taxes. This makes it hard to correlate specific results to specific programs.
- A lack of uniform, systemic data on the effectiveness of professional development programs.
- The COVID-19 pandemic, which resulted in the state suspending standardized testing in 2019-20 and 2020-21. It also resulted in declines in standardized test scores across the country

While limitations on the data are significant, staff have reported to the committee that:

- Overall, AUSD students tend to outperform the average across California.
- AUSD student achievement has largely bounced back to prior levels since the pandemic, unlike scores across the state.
- Achievement for African American and Hispanic students who are not socio-economically disadvantaged was improving before the pandemic.
- African-American students' math scores have improved since the pandemic.
- Still, a persistent gap remains between African-American and Hispanic students, on the one hand, and White and Asian students, on the other.

Under the 2023 Strategic Plan, AUSD is implementing several programs designed specifically to close the opportunity gap, including full-day kindergarten, providing mentor/advisors to African-American students, and creating a scholar program to support students and families with demonstrated need. The committee has also suggested that AUSD create more standardized goals and metrics for assessing professional development.



5. MAINTAINING HIGH SCHOOL ATHLETICS PROGRAMS

"4% of the Available Revenues of this Measure shall be dedicated annually to maintaining high school athletic programs. Revenues from this Measure may be used to support stipends for athletic coaches, transportation costs for athletic events, equipment, and other operational costs."

Amount allocated in Measure B1: 4% of parcel tax revenues
Percentage spent in 2022-23: 3.99%

In 2022-23, the District spent $508,726 in Measure B1 funds to maintain high school athletics. These funds contribute to stipends, uniforms, and equipment at both Alameda High School and Encinal High School. (Students at ASTI and Island High School are permitted to play on the comprehensive high schools' teams.)

6. MAINTAINING ART, MUSIC, DRAMA, PE, AND LIBRARY AS INTEGRAL SUBJECTS OF THE K-12 CURRICULUM



"9-10% of the Available Revenues of this Measure shall be dedicated annually to maintaining art, music, and drama as integral subjects of the K-12 curriculum. Funds may be used to support enrichment programs such as Physical Education and Media Centers in elementary schools and to support highly qualified visual and performing arts professionals, supplies, equipment, and facilities."

Amount allocated in Measure B1: 9-10% of parcel tax revenues
Percentage spent in 2022-23: 9.36%

In 2022-23, the District used $1,194,273 in Measure B1 funds to support:

- One-third of the salaries of elementary music teachers,PE teachers, and teacher librarians: $1,002,220
- Middle High school fine arts sections: $76,351
- High school fine arts sections: $115,702

7. ATTRACTING AND RETAINING HIGHLY QUALIFIED AND EXCELLENT TEACHERS

"25-26% of the Available Revenues of this Measure will be dedicated annually to attracting and retaining highly qualified and excellent teachers."



Amount originally allocated in Measure B1: 25-26% of parcel tax revenue
Re-allocated percentage: 30-31%*
Percentage spent in 2022-23: 30.08%

In 2022-23, the District spent $3,836,825 in Measure B1 funds for maintenance of the current salary for Alameda Education Association members. This is the equivalent of 6.3% AUSD teachers' salaries.

Multiple studies have shown that one of the strongest determinants for student success is teacher quality. Without parcel tax revenues, teacher salaries would be lower, and AUSD would have more difficulty attracting and retaining high-quality teachers. For more information, please see page ___ about Measure A's effect on hiring and retention.

*In the wake of increased LCFF supplemental funding from the State, in May 2018 the Board of Education approved a resolution calling for $395,788 per year to be shifted from the "Programs to Close the Achievement Gap" category to this category. This reallocation, which is due to changed funding circumstances, is consistent with Measure B1 language and was in addition to the reallocation due to the State's re-funding of Adult Education programs (see page ___).

More details are available in this resolution.

8. PROVIDING A LOWER AND MORE EFFECTIVE RATIO OF STUDENTS TO COUNSELORS AND SUPPORT PROVIDERS

"Counseling and Student Support Services: 6% of the Available Revenues of this Measure shall be dedicated annually to providing a lower and more effective ratio of students to counselors and support providers. Revenues from this Measure may be used to provide students with a range of support services, including college and career counseling."

Amount allocated in Measure B1: 6% of parcel tax revenue
Percentage spent in 2022-23: 5.98%

In 2022-23, the District spent $763,089 on:

- $705,373 for 6 FTE academic counselors
- $57,716 for 0.8 FTE college and career technician

The funds brought our student to counselor ratio to ___ in our middle schools and ___ in our high schools.





9. SUPPORTING ALAMEDA STUDENTS IN ALAMEDA'S PUBLIC CHARTER SCOOLS

"3-4% of the Available Revenues of this Measure shall be dedicated annually to supporting Alameda students in Alameda's public charter schools in existence at the approval of this Measure. This revenue shall be annually distributed to existing charter schools in proportion to each charter's enrollment of Alameda resident students."

Amount allocated in Measure A: *3-4% of parcel tax revenue*
Percentage spent in 2022-23: *3.32%*

Measure B1 funds are distributed to charter schools that were in existence at the time of the measure's passage. They are distributed in proportion to each charter's enrollment of Alameda resident students. In 2022-23, the District provided $422,881 of Measure B1 revenues to support Alameda students in Alameda's charter schools. Charter schools are free to spend their Measure B1 funds as they see fit.

CHARTER SCHOOL NAME	P-2 ADA	ALLOCATION PERCENTAGE	ALLOCATION AMOUNT
ACLC	201.31	22.94%	229,183
NEA	293.45	43.63%	435,893
Academy of Alameda	382.88	33.44%	334,081
TOTAL	877.64	100%	999,157

10. PROVIDING AND MAINTAING TECHNOLOGY AT ALL SITES

"5% of the Available Revenues of this Measure shall be dedicated annually to providing and maintaining technology at all sites consistent with the District's technology plan as approved by the Board of Education."

Amount allocated in Measure B1: 5% of parcel tax revenue collected
Percentage spent in 2022-23: 5.00%

In 2022-23, AUSD used $635,908 to pay for:

- 3.5 FTE staff positions: $368,952
- Technology replacements and upgrades: $266,956

Those replacements and upgrades included Chromebooks, document cameras, projectors, iPads, desktop computers, and carts for Chromebooks, laptops, short throw projectors, and iPads. Indeed, every teacher in the district now receives a new laptop every three years. These purchases provide up-to-date technology and educational programs for all students in AUSD, including those who otherwise might not have access to the computer equipment, programs, and information they need to fully engage in their learning.



11. SUPPORTING ALAMEDA ADULT SCHOOL CHOICE



"4% of the Available Revenues of this Measure shall be dedicated annually to supporting the Alameda Adult School to provide lifelong educational opportunities and services for adult learners. In the event the State of California provides the District ongoing funding to support Adult Education such that supplemental parcel tax funds are no longer required to Adult Education, the Board of Education may recommend that revenues which were allocated for Adult Education be reapportioned to the remaining programs supported by this Measure."

Amount allocated in Measure B1: 4% of parcel tax revenue collected
Percentage spent in 2022-23: 0%

In 2015-16, the California Department of Education began funding adult education after a four-year hiatus. Because Measure A (which preceded Measure B1) allowed for a re-allocation of funds in the event of "changed funding circumstances," the Board of Education approved distributing the $480,000 typically spent on Adult Education to the three most expensive categories of Measure A funding: attracting and retaining excellent teachers; programs to close the achievement gap; and small class sizes in grades K-3. This redistribution has continued with Measure B1.





ACCOUNTABILITY AND TRANSPARENCY

"For purposes of this Measure, the following definitions shall apply: "Available Revenues" shall mean the amount of money provided by this Measure after the deduction of one and one-half (1 1/2%) to two percent (2%) of the Measure's revenues to pay for the following: the cost of the parcel tax election, authorized charges by the county or city related to the tax, payment of necessary fees and expenses to administer or defend the District's parcel tax, and costs to implement accountability provisions to ensure fiscal transparency through public information, translation services for the District families, and support of the Oversight Committee."

Measure B1: 1.5- 2% of parcel tax revenue
Percentage spent in 2022-23: 1.6%

In 2022-23, the District spent $204,599 of the parcel tax revenue for staffing, supplies/materials, and parcel tax administration. Consistent with the relevant language of Measure B1, these funds, which support accountability and transparency with the community, are "taken off the top" before Measure B1's available funds are allocated into the primary expenditure categories. The funds paid for 50% of the cost of staffing one position (Senior Manager, Community Affairs) and 50% of the cost of staffing a Fiscal Manager.

2022-23 MEASURE B1 EXPEDITURES BY GRADE LEVEL, SITE, AND DEPARTMENT

ALL ELEMENTARY SCHOOLS	ACTUAL EXPENDITURES
Elementary Music-PE-Media	$1,002,220
Neighborhood Elementary Schools	915,000
Small Class Sizes in K-3	1,798,000
ALL K-12 SCHOOLS	
Attract Excellent Teachers	3,836,825
Restore 5 Days for Teachers	1,672,000
AUSD DEPARTMENTS	
Technology Department	635,908
Business Services (Accountability & Reporting)	204,599
ALAMEDA HIGH	
Counseling & Student Support	267,154
Enrichment Programs	40,968
High School Athletics – Boys	122,381
High School Athletics - Coed	34,861
High School Athletics – Girls	73,068
Secondary School Choice	238,746
ASTI	
Secondary School Choice	277,029
BAY FARM 6-8 PROGRAM	
Counseling & Student Support	36,801
ENCINAL JR. SR. HIGH	
Counseling & Student Support	275,713
Enrichment Programs	74,735
High School Athletics - Boys	132,110
High School Athletics - Coed	57,231
High School Athletics - Girls	89,075
Secondary School Choice	172,943
ISLAND HIGH	
Secondary School Choice	319,310
LINCOLN MIDDLE	
Counseling & Student Support	116,325
Enrichment Programs	26,296
WOOD MIDDLE	
Counseling & Student Support	67,096
Enrichment Programs	50,054
CHARTER SCHOOLS	
Charter Schools	422,881
TOTAL	**$12,959,328**



2022-23 MEASURE B1 EXPENDITURES BY TYPE

DESCRIPTION	AMOUNT	% TOTAL PARCEL TAX EXPENDITURES
Certificated Salaries	$9,246,812	71.35%
Classified Salaries	457,662	3.53%
Payroll Related Benefits	2,564,516	19.79%
Books and Supplies	201,247	1.55 %
Services and Contracts	66,210	.51%
Capital Expenditures	-	0.00%
Transfer to Charter Schools	422,881	3.26%
TOTAL	$12,959,328	100.00%

MEASURE A
A HISTORIAL LOOK AT AUSD SALARIES

AUSD salaries have long lagged behind those of our neighboring districts in Alameda County, due to a number of factors.

In an attempt to address this gap, between 2018 and 2020, AUSD steadily increased employee salaries, often by making budget cuts. In 2018, for instance, the Board of Education approved $3.2 million in cuts to programs for the 2018-19 school year in order to provide a 4.5% salary increase to AUSD employees. Programs reduced or eliminated that year included full-day kindergarten, English language coaches, District Office services, deferred maintenance spending, and various software licenses. (More information about those budget readjustments is available here.) In 2019, the Board approved another $3 million in budget cuts and adjustments to provide an additional 4% raise to employees.

Despite these raises, in 2019 AUSD salaries were still about 11% lower than the average of districts in Alameda County. As such, many of our employees were taking on second jobs to support themselves and their families, and less than half were able to live on the Island. In addition, AUSD was losing nearly 20% of its teachers and staff to other school districts annually – largely because neighboring districts offered higher compensation and stronger benefits.



On March 3, 2020, Alameda voters approved Measure A, a parcel tax designed to retain and attract high-quality AUSD employees. Revenue from the parcel tax is being used to bring AUSD employee salaries in line with the county average. Due to Measure A, in 2020-21 AUSD salaries were 4.7% below the county average, rather than 11%. As of 2022-23, AUSD salaries were __% below the county average.

AUSD continues to monitor public education salaries around the county and is now beginning to take a more granular look at how our compensation packages compare to those of districts in our region. For instance, some parts of our teacher's salary schedule are fairly close to the county average, while other parts of the salary schedule are lower. In comparison to some districts, our salaries are lower but we provide more help with benefits, and in comparison to other districts our salaries are higher but benefits are lower. Moving forward, we will continue to analyze these nuances and provide them for both our Parcel Tax Program Oversight Committee and the general public.



2022-23 MEASURE A REVENUES

In June 2022, when the Board adopted its 2022-23 budget (including specific allocations for Measure A for that year), the District projected that the parcel tax would generate revenues of $10,878,852 that fiscal year. This projection was based on tax information from Alameda County.

At the time of audited actuals ("closing of the books" for 2022-23) in September 2023, the actual Measure A revenues received for the year were $10,982,465 -- $103,613 more than expected.

Note: *As with Measure B1, we expect that as parcels on Alameda Point continue to be divided and sold, tax revenues will continue to increase.*

for assessing professional development.

CATEGORY	MEASURE A
2022-23 payments	$10,810,587
Possessory Interest on government property	151,191
Prior Year Revenue	20,867
TOTAL	$10,982,465

Exemptions
A property that is the primary residence of a community member aged 65 or older or who receives Social Security Income for a disability is eligible to be exempted from the parcel tax.

Exemption forms are available on AUSD's Measure A page.

CATEGORY	
Seniors	3038
Supplemental Security	1
Social Security Disability	6



MEASURING THE IMPACT

The 2021-22 Parcel Tax Oversight Committee asked staff to provide metrics showing the benefits of increasing AUSD salaries. For that report, staff analyzed patterns of Provisional Internship Permits (PIPs) Short-Term Staff Permits (STSPs), General Education Limited Assignment Permits (GELAPs), and Special Education Limited Assignment Permit (SELAPs) – all of which are issued when fully credentialed teachers cannot be found for a vacancy. The hypothesis is that higher salaries will attract and retain employees, which means AUSD would need to hire fewer educators on emergency credentials.

The analysis is likely to be somewhat confounded by a nation- wide shortage of teachers and an especially acute shortage of special education teachers. The following table, however, shows these measures over the last three years.

YEAR	NO. OF EMERGENCY CREDENTIALS GRANTED
2020-21	15 (8 for SPED)
2021-22	16 (8 for SPED)
2022-23	27 (8 for SPED)

"Without question, our parcel tax revenues help us to maintain higher salary levels," says Assistant Superintendent of Human Resources Tim Erwin. "Without these revenues, our ability to hire and retain employees would be diminished."



The 2022-23 Parcel Tax Oversight Committee asked for additional data on the correlation between the increased salaries provided by Measure A and teacher retention. In response, AUSD's Human Resources Department generated reports on how many teachers had left since 2020-21 and for what reasons they had left, as shown below.

YEAR														
2020-21	9	4		2	1	14		6	6	35		8	5	90
2021-22	16	4	3	1	1	1	1	11	4	20	1	5		83
2022-23	18	2	1	3	2	17	3	5	4	18		3		76

MEASURE A LAWSUIT



In 2020, a local community member filed a lawsuit against Measure A, claiming that the $7,999 cap made the tax illegal because it was not applied uniformly to all taxpayers.

Although judges had found two previous AUSD parcel taxes with caps to be valid, the trial judge in this case ruled that Measure A is not legal.

AUSD appealed the judge's decision. Several organizations, including the California School Board Association, filed "amicus curae" (or "friend of the court") briefs in support of AUSD. The justices for the First District Court of Appeals issued an opinion in August 2023 reversing Judge Spain's decision. "The Measure A tax applies uniformly within the meaning of section 50079," the justices wrote, "because every nonexempt taxpayer and every improved parcel in the District is taxed using the same formula."

On September 11, Mr. Traiman filed a petition asking the Supreme Court to review the Court of Appeal's opinion. Yesterday, during its weekly conference, the Supreme Court refused to hear this legal challenge. The denial means that this measure can no longer be challenged, and the district can continue to use the revenue raised to support AUSD's high-quality schools.

"We structure our parcel taxes to raise revenue for local programs and salaries while also being fair to our local property owners," Superintendent Pasquale Scuderi said in the district's October 26, 2023 press release. "A small group of residents has challenged this structure repeatedly over the years. It is an enormous relief to know that our structure is sound, this revenue is safe, and we can continue to focus our resources on providing high-quality schools and instruction for our community's children."





2023 MEASURE A ALLOCATION AND EXPENDITURES

DESCRIPTION	AMOUNT	% TOTAL PARCEL TAX EXPENDITURES
Certificated Salaries	$5,541,694	50.46%
Classified Salaries	2,030,149	18.49%
Payroll-Related Benefits	2,211,297	20.13%
Books and Supplies	-	0.00%
Services and Contracts	200,168	1.82%
Capital Expenditures		0.00%
Transfer to Charter Schools	999,157	9.10%
TOTAL	$10,982,465	100.00%

2022-23 MEASURE A AND MEASURE B1 COMBINED EXPENDITURES







DESCRIPTION	MEASURE A	MEASURE B1	TOTAL
Certificated Salaries	$5,541,694	$9,246,812	$14,788,506
Classified Salaries	2,030,149	457,662	2,487,811
Payroll Related Benefits	2,211,297	2,564,516	4,775,813
Books and Supplies	-	201,247	201,247
Services and Contracts	200,168	66,210	266,378
Capital Expenditures		-	
Transfer to Charter Schools	999,157	422,881	1,422,038
TOTAL	$10,982,465	$12,959,328	$23,941,793

MEASURE A AND MEASURE B1 REVENUES AND EXPENDITURES MULTI-YEAR

(TO BE ADDED)



COMBINING AND RENEWING AUSD'S PARCEL TAXES TO EXTEND LOCAL FUNDING

Currently, AUSD's parcel taxes provide 20% of the district's revenue and are crucial to supporting AUSD's
ability to attract and retain quality educators as the cost of housing and living continues to rise in our community. It also helps the District provide educational technology, support career technical education, and sustain strong programs in science, technology, engineering, arts and math.

Measure B1 sunsets in 2025, and Measure A sunsets in 2027. Without these sources of funding, the District could be forced to consider cuts and layoffs up to $24 million annually. Because of this, in the spring of 2023, AUSD began exploring options to renew its local parcel tax funding. The new measure would replace both Measures B1 and A and extend them without increasing taxes for local property owners.

At its public meeting on November 14, 2023, the Board of Education voted unanimously to place a new measure to replace the current measures on the March 5, 2024 primary ballot. Information about that ballot measure is available AUSD's "Maintaining Local Funding" page.



Board Presentations

- June 27, 2023: "Update on Exploration of Potential Parcel Tax Renewal"
- October 24, 2023: Update on Exploration of Potential Parcel Tax Renewal; Results From Community Poll
- November 3: "Consideration of Ballot Language to Extend Local Revenue Measures Supporting Alameda Schools"
- November 14: "Proposed Ballot Language and Resolution Ordering Election for the Alameda Unified School District Creating Local Support for the Teacher Retention & Local Academic Excellence Measure of 2024"