

TO: PIEDMONT UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION
FROM: SCHOOL SUPPORT TAX ADVISORY SUBCOMMITTEE
SUBJECT: REPORT AND RECOMMENDATIONS FOR MEASURE G AND MEASURE H
TAX LEVIES FOR 2024-25
DATE: May 22, 2024

Executive Summary and Recommendation

The School Support Tax Advisory Subcommittee recommends that the Piedmont Unified School District (PUSD) levy the Measure G School Support Tax (Parcel Tax) at its maximum level in 2024-25, which would result in the maximum 2% increase above the 2023-24 rate. The 2% increase, if adopted by the Board, is expected to yield PUSD **an additional \$229,878 in revenue for the 2024-25 school year**, based on the base School Support Tax amount for the current year of \$11,493,910. On a per parcel basis, this increase would add \$58.54 to the current per parcel levy of \$2,932.12 making the total tax levy per parcel \$2,990.76 for 2024-25.

Further, based on Staff's projections of revenues and expenditures for this fiscal year and the next two fiscal years out to 2025-26, the subcommittee recommends that the full amount raised by the recommended 2% increase in the School Support Tax be allocated to the **General Fund**.

The School Support Tax Advisory Subcommittee recommends that the District continue to levy the Measure H School Support Tax (Parcel Tax) at its current maximum level of \$0.25 per square foot of building improvements in 2024-25.

Basis of the Subcommittee's Recommendation

The Subcommittee has participated in the Budget Advisory Committee throughout the year to better understand the revenue constraints and expenditure pressures on the District's budget. The District's anticipated budget and budget shortfalls for 2024-25 were shared with the Budget Advisory committee at the January 18, 2024 and March 14, 2024 meetings.

Although the State of California adjusts its per pupil funding amount by a Cost of Living Adjustment (COLA) every year, the District does not receive a commensurate increase in revenues. Declining enrollment reduces the "per pupil" side of the equation, even as the "amount per pupil" is increased. It is also worth noting that only 60% of the District's revenues come from the State.

A significant portion of the District revenues – 28% - is from the Measure G and Measure H parcel taxes. Even with the proposed 2% increase in the Measure G tax levy, the District's revenues do not keep pace with the rising costs of doing business in California. A major concern is that the district has not been able to grow compensation for staff in line with inflation. To

attract and retain the best educators with competitive salaries and in recognition of the increased cost of living in the San Francisco Bay Area, the Subcommittee recommends the 2% increase to Measure G.

Measure G's stated goal is "To maintain the high quality of education in Piedmont schools, continue funding programs in math, science, technology, engineering, English, music, and arts, keep textbooks and instructional technology up to date, maintain smaller class sizes, and attract and retain qualified teachers..." The proposed 2% increase to the Measure G tax levy will help to position PUSD to have the fiscal means to maintain this excellence.

Conclusion

On the basis of the current budget projections, consistent with the goal of Measure G to "maintain the quality of Piedmont's schools," and the goal of Measure H to provide critically needed funding to attract and retain high quality teachers and educational support staff, **this Subcommittee recommends that the School Board increase the Measure G School Support Tax for 2024-25 by the full 2% allowed in Measure G, and maintain the Measure H School Support Tax at the current level.**

Respectfully submitted,

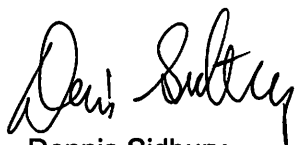
School Support Tax Advisory Subcommittee, 2023-24



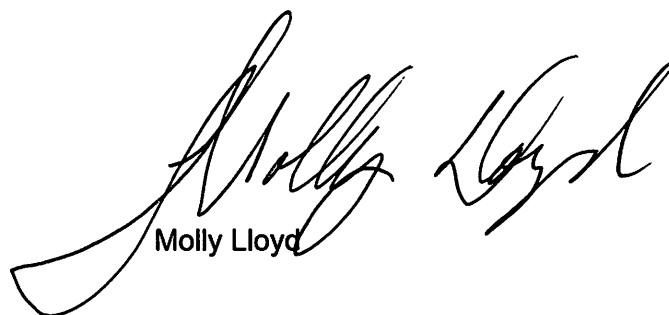
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