

Measure M Annual Report – 2013-2014 (Year Four)

From: Measure M Parcel Tax Citizens' Oversight Committee (the "Committee")

To: Livermore Valley Joint Unified School District Board of Trustees (the "Board")
685 East Jack London Boulevard
Livermore, CA 94551

Dated: May 6, 2014

Background:

On November 3, 2008, 76.2% of Livermore voters approved Measure M (Parcel Tax). This measure authorized the Livermore Valley Joint Unified School District (the "District") to levy an annual tax of \$138 per parcel with exemptions for citizens over the age of 65, if they applied. This parcel tax commenced on July 1, 2010 and remains in effect for five (5) fiscal years. This report covers the fourth fiscal year of the tax.

The stated purpose of Measure M is to maintain the quality of Livermore's schools during the State budget crisis by providing additional funds to:

- Attract and retain highly qualified Teachers;
- Maintain small class sizes;
- Maintain college, career, and job preparation classes;
- Maintain art, music, and foreign language programs;
- Maintain computers, infrastructure and instructional technology upgrades;
- Maintain elementary science specialists; and
- Maintain High School Counselors.

The measure requires the formation of an independent Measure M Parcel Tax Citizens' Oversight Committee. The Committee is responsible for conducting an annual, independent performance audit to verify that parcel tax monies are spent in accordance with Measure M. The Committee is also responsible for submitting an annual report to the Board.

Membership:

The Committee was selected by the Board in January 2014 and convened in February 2014 with the following members:

Tyler Olson, Chair
Craig Bueno
Neal Cavanaugh
Kyle Dickenson
Peg Hauselt
Betty Mangadu
Mary Mele

Committee History:

The Committee's first meeting was held on February 6, 2014. Two of the members are serving their second term while five members are new to the Committee. Meetings were held to provide all members with an opportunity to review and discuss the information and documents upon which this report is based. Meetings were conducted in accordance with the Brown Act and were open to the public. The District provided reports, answered questions, and assisted the Committee as requested. In particular, Susan Kinder (Chief Business Official) and Nancy Ramirez (Confidential Secretary, Business Services) assisted the Committee and were available to answer questions, provide support, and attend meetings as requested by the Committee.

Measure M Revenue FY2013-2014:

During the budgetary process, the District estimated it would receive \$3,834,330 in revenue from Measure M for fiscal year 2013-2014. There was no reserve carry-over noted from the prior fiscal year (2012-2013).

Parcels and Exemptions:

Measure M funding for fiscal year 2013-14 was based upon the number of parcels submitted to the Contra Costa County and Alameda County Auditor's offices for placement on the tax roll. Pursuant to the September 12, 2013 report (the "Final Assessment Report") prepared by Francisco & Associates, Inc., on behalf of the District, there were 29,357 taxable parcels in the District in Alameda County and 126 taxable parcels in the District in Contra Costa County for fiscal year 2013-14. The Final Assessment Report indicates there were 1,698 exemptions granted. After deducting the 1,698 exempted parcels, the Final Assessment Report placed the number of parcels paying the tax at 27,785. Compared to fiscal year 2012-13, this represents an increase of 253 taxable parcels and a reduction of 46 exemptions for a net gain of 299 tax paying parcels. In fiscal year 2012-13 there were 27,486 tax paying parcels in the District after deducting the 1,744 exemptions that were granted. (See Third Annual Report for Measure M dated June 4, 2013.) This translates to an increase in Measure M funding of \$41,262, or approximately 1.1-percent.

Assessment Fees:

The District pays an assessment fee to Alameda County and Contra Costa County for collecting this supplemental tax. This year the total fee is budgeted at \$63,000, which represents 1.6-percent of total Measure M funding.

Programs Funded by Measure M:

Based on the information provided to the Committee by the District, the Committee is satisfied that the Measure M funds for fiscal year 2013-14 were budgeted and, if expended as budgeted, will be spent in accordance with Measure M (see Attachment-1). Examples as to how Measure M funds have been, or will be, spent in fiscal year 2013-14 are set forth below and are categorized according to the stated purposes of Measure M:

Attract and Retain Highly Qualified Teachers and Maintain Small Classes

Class size reduction represents the largest portion of Measure M expenditures with 45.5-percent of the parcel tax fund equaling \$1,741,763. Measure M funding has allowed the District to maintain the following ratio of students to teacher:

- 24:1 for K-3;
- 30:1 for Middle Schools; and
- 31:1 for High Schools.

Measure M provides the supplemental funding necessary to maintain 29 full-time equivalent (FTE) teacher positions in the elementary schools and fully fund 10.92 FTEs in the middle and high schools, for a total of 39.92 FTEs funded by Measure M. In comparison to 2012-13, the number of teaching positions funded has been decreased by 8.15 FTEs.

Maintain College, Career, and Job Preparation Classes

While no funds were specifically categorized as College/Career Prep this fiscal year, Measure M funding did provide elective classes so students could explore various career options, technical training, or positions in the military as they plan for their future. Specifically, Measure M has allowed Livermore High School to offer unique college and career classes and pathways including the Green Engineering Academy, as well as Agriculture based curriculum. Granada High School was able to offer Advanced Placement Physics, Astronomy, Robotics and Studio Broadcast, in addition to offering Metals.

Maintain Middle School Art, Music and Foreign Language Programs

Measure M continues to fund valuable electives at our Middle Schools such as Art, Choir, Band, Orchestra, and Spanish. Additionally:

- William Mendenhall's Wheel Program has allowed 7th graders to experience art, woodshop, and music/drama classes on a rotating basis;
- East Avenue has been able to expose students to Environmental Science and STEM curriculum; and
- Andrew N. Christensen has been able to enhance their electives with Advanced Art, Vocal Music Performance, and STEM-1 and 2.

This curriculum supports Measure M's goal of maintaining art, music, and foreign language programs in our Middle Schools. The cost of providing these classes is included in the above-referenced category titled "Attract and Retain Quality Teachers and Maintain Small Classes" and represents 45.5-percent of the Measure M funding.

Maintain Computers, Infrastructure and Instructional Technology Upgrades

Measure M will provide \$200,000, or 5.2-percent of the total available funds, to school sites and the District office for the purpose of maintaining computers, infrastructure and instructional technology upgrades. Principals at each school determined how to best utilize their funds to support their school's goals and priorities within this category. A similar approach was used at the District office to purchase needed equipment, materials, and supplies for District wide use. For 2013-14 Measure M funded the following:

- Instructional Assistants in the computer labs to support existing labs and aging equipment;
- Academic web-based programs – Study Island and Accelerated Reader;
- Memory upgrades, toner, splitters, battery packs, and other required supplies;
- Two computers at Marilyn Avenue Elementary (one for the Librarian and another for a 2nd Grade classroom);
- Projector and ink cartridges at Sunset Elementary;
- Document camera, printers, and computers at Junction Avenue K-8 School;
- Repair Teacher laptops and repair/replace worn out printers at Joe Michell K-8 School;
- Christensen Middle School and East Avenue Middle School updated their computer labs to the newest operating system;
- District supporting Innovative Grants, providing iPads for Project Lead the Way, computers for specific intervention program needs, and memory upgrades to extend existing computer life; and
- District awarding five \$2,000 Innovator Grants to classroom teachers.

Maintain Elementary School Science Programs

Measure M will provide \$1,342,885, or 35-percent of the available funds, to retain 14.21 FTE Science Specialist positions that support all ten Elementary Schools. This translates to 398 science classes held each week throughout the school year.

Maintain High School Counselors

High School Counselor positions continued to be funded as a result of Measure M. Specifically, Measure M allowed:

- Granada High School and Livermore High School to each keep their two Counselors; and
- Del Valle/Phoenix Continuation High School to partially fund its part-time Counselor at a rate of 0.25 FTEs (position is augmented by the General Fund to provide a total FTE of 0.75).

The foregoing 4.25 FTE positions are fully funded by Measure M at a cost of \$486,682, or 12.7-percent of the parcel tax funding.

Conclusion:

Based upon the information provided to the Committee by the District, the Committee is satisfied that the funds received for fiscal year 2013-14 from proceeds of the Measure M Parcel Tax, as approved by voters November 8, 2008, valued at \$3,834,330.00, were in fact budgeted in accordance with the ballot language of Measure M and, if ultimately expended as budgeted by the District, those funds will have been spent by the District in accordance with Measure M.

[Signatures on following page.]

Respectfully submitted,

Tyler Olson, Chair (Year-1)

Craig Bueno (Year-1)

Neal Cavanaugh (Year-1)

Kyle Dickerson (Year-1)

Peg Hauselt (Year-2)

Betty Mangadu (Year-1)

Mary Mele (Year-2)

LIVERMORE VALLEY JOINT UNIFIED SCHOOL DISTRICT

Measure M Parcel Tax

2013/2014 Parcel Tax Programs

Revenue:

Current Year		\$ 3,834,330
	Total	\$ 3,834,330

Expenditures:

Elementary Science		\$ 1,342,885
High School Counseling		\$ 486,682
Technology		\$ 200,000
K-3 Class Size Reduction		\$ 750,464
Middle School and High School Smaller Classes		\$ 991,299
Fees paid to County		\$ 63,000
	Total	\$ 3,834,330

13/14 Parcel Tax Expenditures

