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 2025-26**

DATE: **May 14, 2025**

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 2025-26, which would result in the maximum 2% increase above the 2024-25 rate. The 2% increase, if adopted by the Board, is expected to yield PUSD **an additional $234,466 in revenue for the 2025-26 school year**, based on the base School Support Tax amount for the current year of $11,702,844. On a per parcel basis, this increase would add $59.82 to the current per parcel levy of $2,990.76 making the total tax levy per parcel $3,050.58 for 2025-26.

Further, based on Staff's projections of revenues and expenditures for this fiscal year and the next two fiscal years, 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 Measure H School Support Tax (Parcel Tax) will be replaced in 2025-26 by Measure P, approved by voters in November 2024. The tax rate of Measure P will be $0.50 per square foot of building improvements.

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 for 2025-26 was shared with the Budget Advisory committee at the January 23, 2025, March 8, 2025, and April 24, 2025, meetings. The 2% increase is assumed in the budget as currently projected.

The biggest challenge to the budget in 2025-26 is the unknown impacts of recent and ongoing federal policy changes. These impacts could be to both the revenue side of the budget and to the costs. The District receives most federal funds through the State programs for special education and for child nutrition. If the federal funds are reduced, the State may not be able to back-fill the shortfall, leaving the District with finding a way to cover the costs. The impacts of tariffs on the cost of materials and supplies is also unknown. The District does not have the flexibility to reduce costs

mid-year, when the true impact of these policies will emerge. To be prepared, the District must look at all possible revenues, including the 2% increase to the Measure G tax.

To provide a buffer against the unknown economic circumstances of the coming year, and to continue to attract and retain the best educators 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," **this Subcommittee recommends that the School Board increase the Measure G School Support Tax for 2025-26 by the full 2% allowed in Measure G.**

Respectfully submitted,

School Support Tax Advisory Subcommittee, 2024-25

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