

Preliminary Recommendations for New Special Tax Measure

On November 6, 2019, BUSD staff plan to introduce for first reading a new special tax that would generate revenue for educator recruitment and retention. The Board of Education will hear a second reading of this new tax on November 20, 2019. If approved by the Board on that date, the measure will then be added to the March, 2020 ballot.

This document describes preliminary recommendations for this ballot measure. Members of the public should read these recommendations as drafts that are distributed on October 23, 2019 for the purpose of transparency. Additional updates to these recommendations may occur up to the Board of Education's final approval on November 20, 2019.

Target Amount	\$9.88M per year
Rate per square foot	\$0.123 per year on developed properties, \$60/year on undeveloped parcels.
Term	8 or 12 years
Structure	95% of available revenues* to be directed to educator** compensation; 5% of available revenues to be directed to BUSD programs designed to recruit staff for hard-to-fill positions such as Special Education
Exemption***	Low Income Seniors and residents who qualify for Supplemental Security Income (SSI)/ Social Security and Social Security Disability Insurance (SSDI).
COLA	Bay Area CPI. Board may opt to reduce COLA if state funds increase.

**"Available Revenues" means the amount of money after deduction of authorized charges for services provided by the County of Alameda and the City of Berkeley for the preparation and collection of the tax, legal and audit fees, and less (1%) of the remaining revenues for planning, oversight and evaluation of measure fund use.

A reserve for rebates is also calculated; with the proposal to expand exemptions to a wider group of taxpayers it is difficult to predict the effect on revenues in the first year. For BSEP, available revenues are about 98% of the collections, for this measure, with expanded exemptions, available revenues could be lower. At 97% of the \$9.88M target amount, available revenues could be \$9.58M. [95% of 9.58M is \$9.1M, 5% is \$480K]

**"Educator" means a salaried employee of the district (certificated or classified), but excludes contracted employees, including the Superintendent, Associate and Assistant Superintendents.

***School districts are limited in the number of exemptions that may be granted as part of a tax measure. Specifically, the district may exempt seniors, or categories of seniors (such as low income), or residents depending upon SSDI, but a district may not apply tax exemptions more broadly. Currently BSEP and Maintenance Taxes exempt "Very Low Income" Seniors. This exemption would expand the number who qualify for the exemption.