

Financial Advisory Parcel Tax Oversight Committee

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2018-19 Budget Year Report

November 6, 2019



Los Gatos Union School District

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Parcel tax overview

- Voters initially approved \$180 per parcel tax in **1990** and increased to \$290 in **2002**
- **Measure B:** Most recent measure to extended \$290 per parcel tax in May 2013
 - 8-year term expiring in June 2022
- **Measure B Accountability Measures**
 - Tax collections **applied as prescribed** in ballot measure
 - Collections deposited into a **separate fund** apart from other revenues
 - **District to report on parcel tax collections and disbursements** for each year of the parcel tax; includes status of any project authorized for funding with parcel tax proceeds
 - Board of Trustees to **appoint a citizen advisory committee** to confirm parcel tax collections are spent as promised in the ballot measure
 - Advisory committee to **produce an annual oversight report** detailing the District's use of parcel tax collections



Promise to community



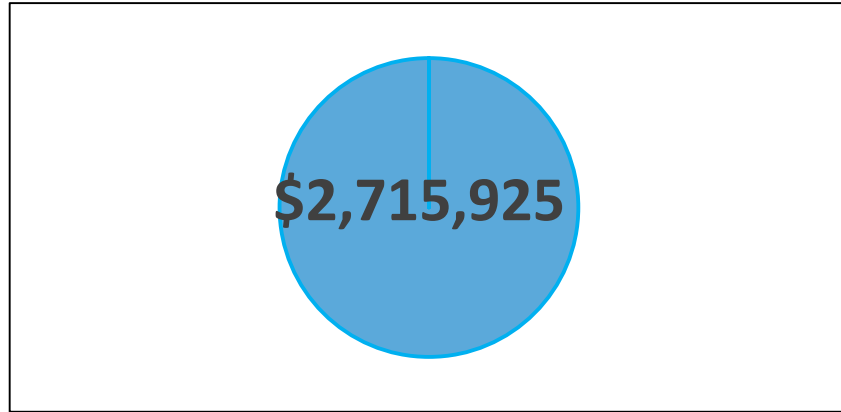
Measure B to fund specific types of programs:

- Protect academic programs in reading, writing, math and science
- Retain highly-qualified teachers
- Keep classroom technology, science resources, books and instructional materials updated
- Maintain art and music

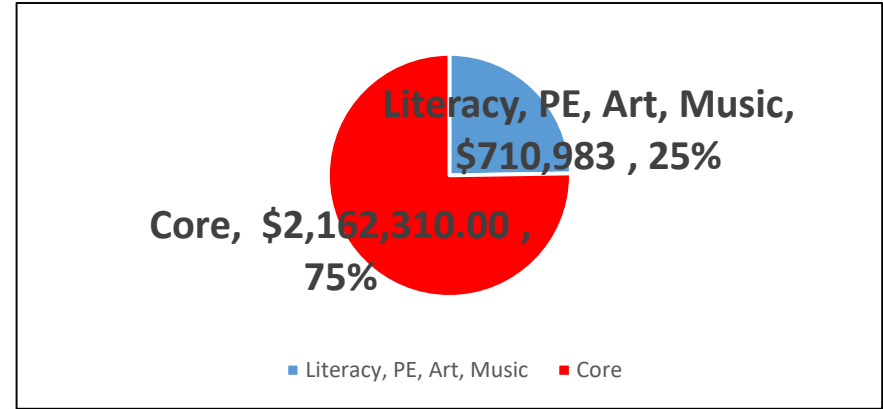


Collection and expenditure summary

Revenue



Expenditures



- Minimal change in parcel tax collections, within \$19K from 2017-18
- Collections represented 6.25% of total revenue for 2018-19. PY 6.75% of revenue
- 100% of expenditures used to retain highly-qualified teachers in support of core programs, literacy, physical education, music and art programs
- Parcel tax funding **100% of actual costs for 22 teaching positions**
 - **75%** of funded positions in core programs: reading, writing, science and math
 - **25%** of funded positions to maintain literacy, physical education, music and art programs



Findings and Recommendations

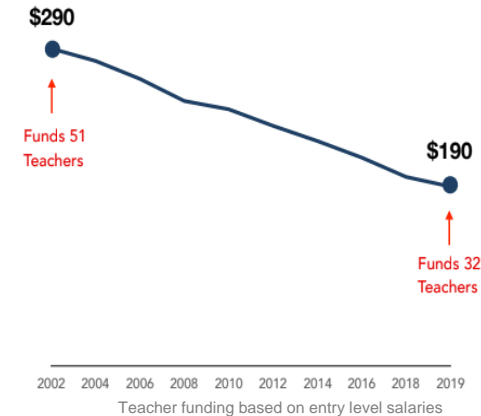
Committee finds parcel tax collections in the 2018-19 budget year were ***used in accordance with the ballot language of Measure B and in the spirit of the promise made to voters***

Recommendations:

- FAC to release public communication that:
 - Reinforces **essential benefits** provided by tax revenues and headwinds of **declining purchasing power**
 - Conveys how **tax collections have** become a **smaller contribution to the District's annual budget**
- PTOAC will convene in spring to evaluate District's proposed Parcel Tax spending allocation.

Purchasing Power of Los Gatos Parcel Tax

Since the \$290 value was first passed in 2002





Los Gatos Union School District

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