

Financial Advisory Parcel Tax Oversight Committee

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2019-20 Budget Year Report

November 19, 2020



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

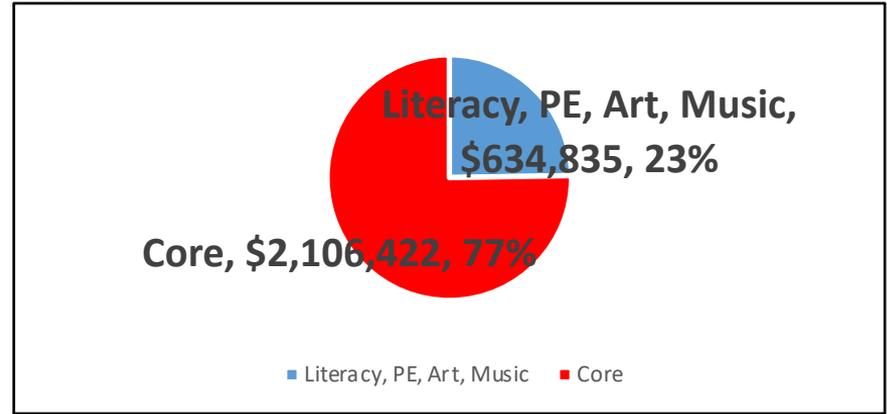


Collection and expenditure summary

Revenue



Expenditures



- Minimal change in parcel tax collections, increase of \$25K from 2018-19
- Collections represented 6.22% of total revenue for 2019-20.
- 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 approximately 25 teaching positions**
 - 77% of funded positions in core programs: reading, writing, science and math
 - 23% of funded positions to maintain literacy, physical education, music and art programs

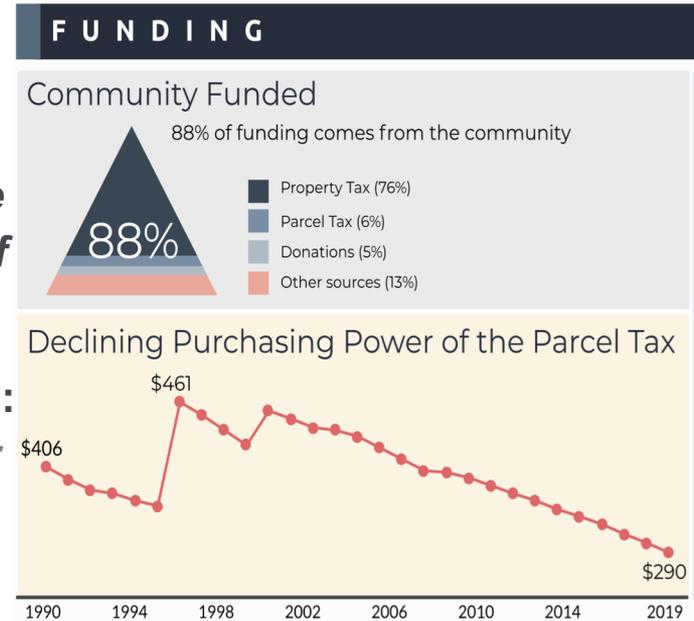


Findings and Recommendations

Committee finds parcel tax collections in the 2019-20 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 public communication:

- Parcel tax collections have become a smaller contribution to the District's annual budget
- Declining purchasing power with no annual inflation adjustor
- Provides essential benefits including retaining highly qualified teachers and maintain reading, writing, math, science art and science. This is equivalent to approximately 25 current teachers.
- **FAPTOC will convene in spring to evaluate District's proposed Parcel Tax spending allocation.**



20-21 Projections

Projected Revenue \$2,750,000

Projected Expenses \$614,826 Specialists 22.4%

Projected Expenses \$2,135,174 Core Classroom Teachers 77.6%

20 Teachers

Parcel Tax Expires in 2022



