

SRVUSD PARCEL TAX 2015-2016 ANNUAL REPORT

Parcel Tax Oversight Committee

Presented by: Shelley Clark and Sandra Lepley

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Parcel Tax Oversight Committee Members

- ▶ Steve Bried
- ▶ Debbie Choy
- ▶ Shelley Clark, Chairperson
- ▶ Claire Ferguson
- ▶ Nori Gleeman
- ▶ Larry Kupeli
- ▶ Sandra Lee Lepley
- ▶ Andy Li
- ▶ Bridget Pelley
- ▶ Lata Reddy
- ▶ Scott Anderson - SRVUSD staff assisting PTOC
- ▶ Mark Jewett - SRVUSD Board Member Liaison

Why Do We Need a Parcel Tax?

- ▶ State revenues for schools, although “guaranteed” by Proposition 98, are subject to significant fluctuations due to economic conditions
- ▶ Parcel taxes have been approved across the state to help districts protect core programs and provide additional educational opportunities as approved by the local community

Background Information About the Parcel Tax

- ▶ From 2008-09 through 2012-13, school district revenues were subject to deficits that grew to over 20%, severely limiting districts' ability to continue a broad range of educational opportunities
- ▶ SRVUSD voters approved Measure C in 2009 to offset some of that loss
- ▶ Although the recovering economy has restored some of the school district's purchasing power, when the Local Control Funding Formula target is reached, purchasing power will approximately equal 2008-09 levels
- ▶ At that time, the parcel tax will continue to be an important revenue source to protect core services

History of SRVUSD Parcel Tax

- ▶ Measure C approved in 2009 for seven years authorized \$144 tax per parcel
- ▶ Measure C expired on June 30, 2016
- ▶ Measure A was approved by the voters in 2015 to extend the \$144 tax per parcel for nine years
- ▶ The parcel tax generated \$6,797,436 for the 2015-2016 fiscal year

Measure C Ballot language specifies:

- ▶ Parcel Tax Funds Will:
 - ▶ Address the impact of cuts in the State's education budget on teachers, classroom programs and student services
 - ▶ Maintain academic excellence
 - ▶ Retain qualified and experienced teachers
 - ▶ Prepare students for college and careers for a global economy
 - ▶ Maintain math, science, literacy and other academic programs
 - ▶ Provide other financial support, such as the purchase of instructional equipment, materials and supplies
- ▶ Parcel Tax Funds Will Not:
 - ▶ Pay for Administrators' salaries

Measure C Specifies a PTOC

Parcel Tax Oversight Committee Responsibilities:

- ▶ Provide oversight for the SRVUSD School Board on the expenditures funded by the parcel tax in order to ensure that the funds are spent for the purpose approved by the voters
- ▶ Monitor the expenditures of the parcel tax by the District and will report on an annual basis to the Board and community on how the parcel tax funds have been spent

Source: SRVUSD Resolution 02/09-10

PTOC Committee Review Process

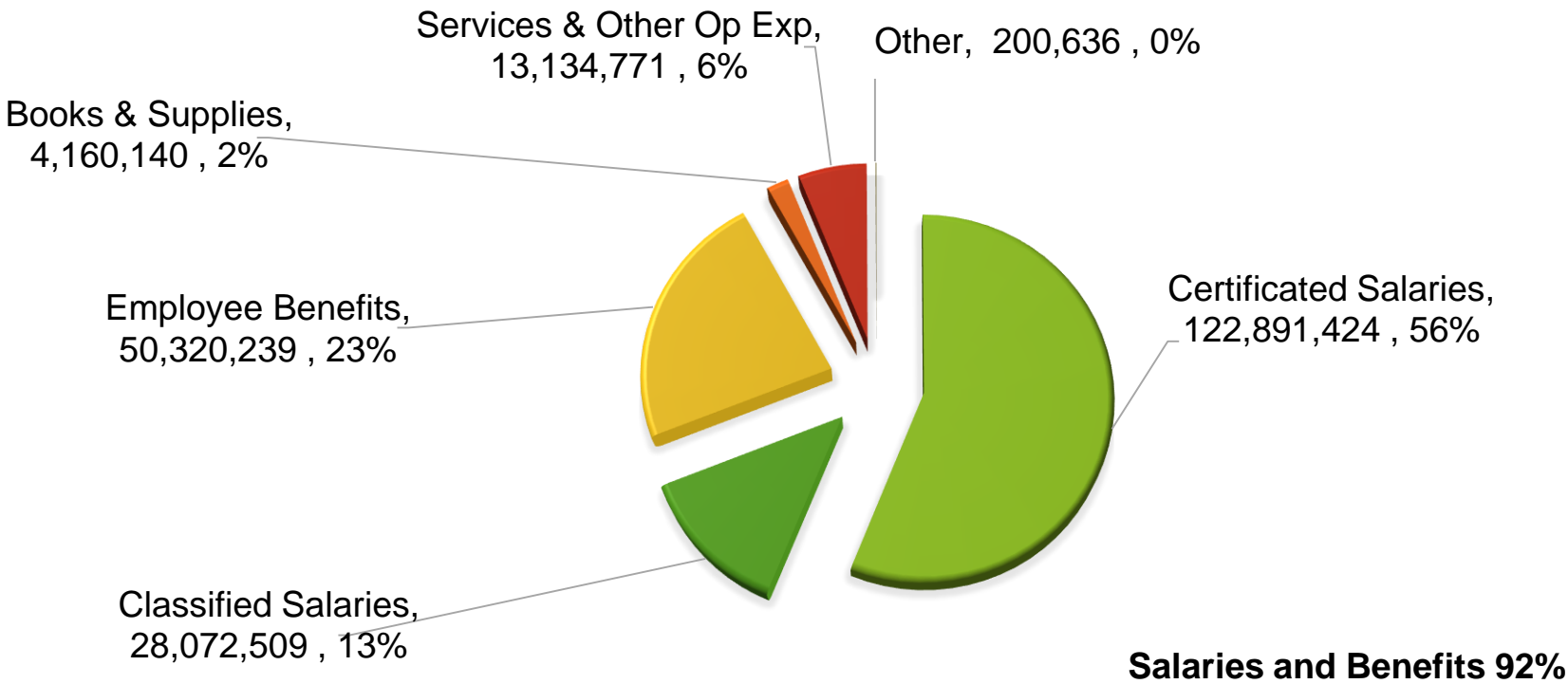
- ▶ Committee members were presented with 2015-2016 financial records detailing all parcel taxes received and expenditures made in accordance with voter authorization.
- ▶ State accounting procedures provide resource accounting codes (required to be used by all school districts) to track both revenues received and expenditures associated with those revenues.
- ▶ The SRVUSD financial system provides referenced documentation for every deposit and expenditure made throughout the fiscal year.

PTOC Committee Review Process

- ▶ Committee members reviewed the financial reports in detail as well as associated analyses prepared by the business department.
- ▶ In addition, the committee was presented with information from the County Tax Collector/Treasurer on the status of the number of homeowners requesting exemptions, delinquencies, and adjustments, which provided additional assurance that the amount received by the District was in line with the amount budgeted and spent in 2015-2016.
- ▶ Further reconciliation as to the net received by the District was provided by the Office of the Auditor-Controller of Contra Costa. The gross amount received is reduced by the collections fees charged per parcel by the County and any refunds issued. (Total deducted for 2015-2016 was \$40,907.67).

Salaries and Benefits represent 92% of total unrestricted expenditures

UNRESTRICTED EXPENDITURES 2015-16



Total Unrestricted Expenditures \$218,779,719

Parcel Tax funded 3.1% of unrestricted expenditures

Use of Parcel Tax Funds

- ▶ In 2015-16 SRVUSD received \$6,797,436 in parcel tax revenue
- ▶ These revenues funded 68.76 FTE classroom teachers (salaries and benefits) using the following account codes:

Code	Description	Elementary	Middle school	High School	Total
1111	Salary	2,480,176	1,236,585	1,518,416	5,235,177
3101	STRS	261,003	121,390	162,214	544,607
3201	PERS	9,543	14,162	0	23,705
3301	Soc. Security	4,766	7,322	0	12,088
3311	Medicare	37,631	18,538	22,680	78,849
3401/3901	Health/CIL	292,825	242,207	267,688	802,720
3501	SUI	1,306	640	786	2,732
3601	Wcomp	46,639	22,848	28,071	97,558
Total		3,133,889	1,663,692	1,999,855	6,797,436
Classroom FTE's		30.45	17.68	20.63	68.76
Percent		44.3%	25.7%	30.0%	100.0%

Conclusion

Based on the PTOC's analysis of the District's audited 2015-16 financials, the PTOC concludes that the parcel tax funds were spent within the purpose of the parcel tax measure for the 2015-16 fiscal year and that no administrative salaries were funded with these revenues