

Parcel Tax



Albany Unified School District
Board of Education Meeting
September 12, 2023

Jackie Kim, Chief Business Official

Overview

- Why do school districts need parcel taxes?
 - Parcel Tax Comparison
 - Historical Data
 - Key Terms (reserve, structural deficit, ending fund balance, unrestricted funds, restricted funds)
- What is a parcel tax?
- Albany Education Goals For Parcel Tax Revenue
- Albany Parcel Taxes
 - How do we spend Parcel Tax Revenue?

Historical Data of Financials

General Fund – Unrestricted

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Revenues/Other Sources	33,168,360	33,211,764	34,275,935	34,547,512	33,088,783	34,926,828	41,068,677
Expenditures/Other Uses	33,282,657	33,765,091	34,641,261	34,616,955	30,934,696	36,678,071	43,889,423
+/- in Fund Balance (Net Loss)	-114,297	-553,327	-365,326	-69,443	2,154,087	-1,751,243	-2,820,746
Beginning Fund Balance	7,515,253	7,363,456	6,810,129	6,444,803	6,375,360	8,529,447	6,778,204
Ending Fund Balance	7,400,956	6,810,129	6,444,803	6,375,360	8,529,447	6,778,204	3,957,458

Parcel Tax Comparison

District	Parcel Taxes	Donations/Fees	Federal/State Funds	Total Per Student Revenue (ADA)
Emery	\$8,680	\$3,590	\$20,179	\$32,449
Berkeley	\$6,111	\$1,518	\$14,545	\$22,174
Piedmont	\$6,096	\$2,626	\$13,162	\$21,884
Alameda	\$2,846	\$1,168	\$14,020	\$18,034
Albany	\$1,984	\$403	\$13,294	\$15,681
Oakland	\$1,505	\$1,811	\$22,119	\$25,435
West Contra Costa	\$416	\$465	\$17,588	\$18,469
Statewide Average	\$98	\$740	\$17,955	\$18,793

Data for FY 2021–22 from Ed-Data.org. Basis is the Average Daily Attendance (ADA).

Budget Risks

- Loss of revenue if all or part of Golden Gate Fields is transferred to a non-taxable entity (state park, for example) - \$590,000
- Lower enrollment
 - A trend of decreasing enrollment, and may not be able to maintain current enrollment
 - Increased program demands at elementary grades (TK, ELOP, Childcare) limits capacity to increase enrollment
- State budget has been positive, but is declining and confronting risks
- With low reserves and a structural deficit, AUSD will find it difficult to continue offering competitive compensation

What is a Parcel Tax?

Special tax unique to California proposed by a local unit of government, such as a city, county, school district, or special district, and approved by $\frac{2}{3}$ of voters.

The tax is imposed on parcels of real property. Unlike the property tax, a parcel tax is not based on the value of real property.

Albany Education Goals For Parcel Tax Revenue

- Recruit and retain top notch teachers and support staff through competitive salaries
- Maintain and expand critical programs to provide high quality experiences in safe environments to all students including:
 - ◆ music, drama, languages, counseling and mental health, academic interventions, athletics, campus security, and small class sizes

AUSD currently has two parcel taxes that contribute to revenue, **Measure J** (\$4.5 million) and **Measure B** (\$2.3 million)

Albany Parcel Taxes

Measure J: \$4.5 million

- \$591/parcel for residential units
- \$0.11/per square foot of land area for non-residential units

Measure B: \$2.3 million

- \$490/parcel in 2023–24 *

* When originally passed in 2014, legal advice was to adopt a flat tax, which presented a significant funding constraint and inequity (see [Minutes from the 11/19/13 Board of Education meeting](#)). The legal context has changed since then and per-square-foot taxes are preferred.

Measure J contributes towards:

- Hire and retain librarians
- Mental Health services, course offerings,
- Athletics
- Preserve small class sizes
- Attract and Retain highly qualified teachers
- Other financial support for district programs

Measure B contributes towards:

- Attract and retain exceptional teachers and counselors
- Protect funding for science, art, music, language, theater, library, and reading and math support
- Limit class sizes
- Keep schools safe
- Keep classroom technology and materials up to date

Timeline

Contract approved with TeamCivX for polling	September 26, 2023
(Tentative) Regular Board meeting: Discussion for any additional questions	October 10, 2023
Regular Board meeting: Consultant report of survey results, review and discussion of parcel tax exemptions	October 24, 2023
Board meeting: Board discusses placing a parcel tax measure on a 2024 ballot.	October 24, 2023
Regular Board meeting: Board votes to place parcel tax measure on a 2024 ballot.	November 14, 2023
Deadline to submit ballot language for March 2024 election	December 6, 2023
Election date	March 5, 2024