

X. INFORMATION/DISCUSSION ITEMS

B. Measure D Oversight Committee – Annual Report to the Community

**BACKGROUND:**

In November 2004 the Livermore electorate passed Measure D bringing funds into the Livermore Valley Joint Unified School District. These funds restore critical programs for students. Specific in the ballot language is the formation of an independent citizens' oversight committee to perform annual audits. This committee audits the expenditures to assure the community that the money has been spent in the way intended by the voters. At its February 15, 2005 meeting, the Board of Education approved the formation of the committee and the application process.

**STATUS:**

Committee members Kathy Coyle, Jim O'Connor, Tonya Clenney, Stewart Gary, Julie Orvis, Victoria Morgan, and Kathy Streeter have met regularly throughout the 2007-2008 school year and reviewed all aspects of the Measure D Parcel Tax budget. This summary meets the requirement to provide an annual Report to the Board of Education prior to July 1 of each year in a public session with a written report.

**FISCAL IMPACT:**

N/A

**2007–2008 BOARD GOALS:**

Maintain Fiscal Solvency  
Enhance Community Relations  
Improve Educational Performance  
Meet Student Needs

**SUPERINTENDENT'S RECOMMENDATION:**

This is an information item and requires no action by the Board of Education.

2007/2008 CITIZENS' MEASURE D PARCEL TAX OVERSIGHT COMMITTEE  
LIVERMORE VALLEY JOINT UNIFIED SCHOOL DISTRICT

THIRD ANNUAL REPORT TO THE COMMUNITY

JUNE 3, 2008

**Synopsis:** On November 2, 2004, the citizens of Livermore approved Measure D (Parcel Tax) by 71.3% of the vote. This measure authorized the Livermore Valley Joint Unified School District (the "District") to levy an annual tax of \$120 per parcel with exemptions for citizens over 65 years of age, if they applied. This parcel tax commenced on July 1, 2005 and remains in effect for five (5) fiscal years. This report is for the third fiscal year of the tax. The purpose of Measure D was to maintain quality education in all Livermore schools by retaining and attracting qualified teachers and library staff, implementing smaller class sizes, restoring college and career preparatory classes, restoring high school counselors, providing instructors/equipment for science education, and maintaining art/music programs. Requirements associated with this measure included the formation of an independent Citizens' Oversight Committee (the "Committee"). The Committee is charged with conducting an annual, independent performance audit to ensure monies collected associated with this parcel tax are spent in accordance with the guidelines outlined in the measure. The Committee is also responsible for submitting an annual report to the Livermore Valley Joint Unified School District with its assessment.

**Membership:** The 2007/2008 Measure D Parcel Tax Citizens' Oversight Committee was established in November 2007 with membership as follows:

Kathy Coyle, Chair  
Jim O'Connor, Recorder  
Tonya Clenney  
Stewart Gary  
Julie Orvis  
Victoria Morgan  
Kathy Streeter

**Committee History:** The Committee's first meeting of year three was held on January 10, 2008. Meetings are held periodically, based on need and information availability. Occasionally, more than one meeting is held in a calendar month. Meetings are conducted in accordance with the Brown Act and are open to the public. District staff provides necessary help and information to the Committee and attends all meetings when requested.

**Measure D Revenue and Expenses 2007-2008 Fiscal Year:** With the voter approval of Measure D, the Livermore School District estimated that it would receive \$3,284,640 in revenue for the 2007/2008 fiscal year as of May 1, 2008. The amount of reserve carried over from the 2006/2007 school year was \$133,059, bringing the total Measure D account to \$3,417,699. The budgeted expenditure of Measure D funds total \$3,109,211, leaving a reserve of \$308,488 (See attachment 1)

**Parcels & Exemptions:** The Measure D allotment is based on the number of parcels in Livermore and some parcels in Contra Costa County. For the 2007/2008 fiscal year, the estimated number of paying parcels was 27,372 and 1,456 exemptions, compared to 26,977 paying parcels and 1,327 exemptions in 2006/2007. The net gain to the District is \$47,400.

The District pays an assessment fee to the county for supplemental taxes. This charge is included in the budget costing the District about \$54,000 per year. Consequently, the total of county assessed fees during the five year duration of Measure D will approach \$300,000.

**Programs funded by Measure D:** The funds spent this fiscal year were in accordance with Measure D. The majority of funds went toward maintaining the reduced student-to-teacher ratios. The number of additional teachers is based on the number of students at each location. However, the student-to-teacher ratios were relatively the same at each site. In the middle and high schools, Measure D money was spent in order to restore or add electives in areas such as Art and Life, Choir, Music, Drama and Foreign Language. With all schools covered by Measure D, the number of teachers paid directly with Measure D money was reduced from 63.84 in 2006/2007 to 62.80 in 2007/2008.

Specialists were also maintained at District schools. At the elementary level, a science specialist was maintained, which would not have been possible without Measure D. The number of hours for each library technician was increased as well due to Measure D monies.

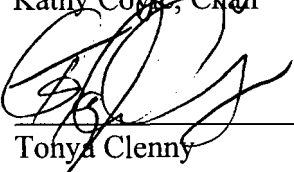
At the two high schools, Granada and Livermore, two counselors have remained at each location. Once again, these positions exist because of the availability of Measure D funds.


**Measure D Future Projections:** The Committee is satisfied that the Measure D Parcel Tax funds are being spent appropriately for the 2007/2008 fiscal year. However, the Committee is concerned about future projections. Last year the projections showed a shortfall of \$183,158 for 2007/2008, but with increased revenue, the data now shows a reserve of \$308,488. This figure assumes no changes in salaries. If we assume, for instance, a 1.5% increase, the reserve carry over would drop to \$185,268. The 2008/2009 projections indicate an approximate deficit of \$283,479, again assuming no changes in salaries, with a shortfall of over \$1,000,000 by the end of the 2009/2010 fiscal year. The District maintains a separate reserve in the general fund of \$1,000,000 specifically for Measure D overruns. Current available projections indicate this reserve may either be depleted or not sufficient by the end of the 2009-2010 fiscal year.

**Conclusion:** It is with confidence that the 2007/2008 Citizens' Measure D Parcel Tax Oversight Committee finds that funds collected by the Livermore Valley Joint Unified School District in conjunction with Measure D have been earmarked or spent appropriately as described in the text of the ballot as voted on by the community of the City of Livermore.


Respectively submitted:

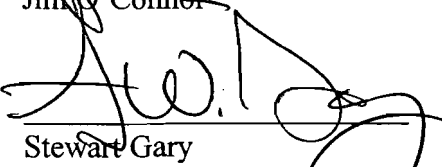
  
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Kathy Coyle, Chair

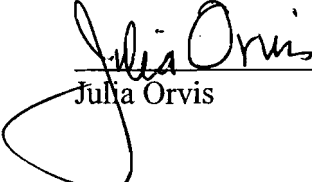
  
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Tonya Clenny

  
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Victoria Morgan

  
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Kathleen Streeter

  
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Jim O'Connor

  
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Julia Orvis