



DAVIS JOINT UNIFIED SCHOOL DISTRICT

DAVIS PUBLIC SCHOOL TEACHING EXCELLENCE ACT OF 2020 PARCEL TAX (MEASURE G)

PARCEL TAX REPORT

FISCAL YEAR 2020-21

JULY, 2020

PURSUANT TO
GOVERNMENT CODE SECTIONS 50075 AND 50079

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DAVIS JOINT UNIFIED SCHOOL DISTRICT

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Alan Fernandes, Trustee
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DISTRICT SUPERINTENDENT

John Bowes, Ed.D.

CHIEF BUSINESS AND OPERATIONS OFFICER

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EXECUTIVE SUMMARY

On March 3, 2020, registered voters in the Davis Joint Unified School District voted to support a parcel tax measure (Measure G), for the purpose of funding teacher and staff compensation at competitive rates consistent with those in neighboring communities, in order to continue to preserve academic programs within the District. Measure G was approved by a margin of 68.05% in favor of levying the special tax in perpetuity, or until the Board or voter modify, replace or eliminate the Parcel Tax in accordance with applicable law, beginning in Fiscal Year 2020-21.

The parcel tax revenues will be used to attract and retain quality teachers and staff in order to preserve and continue to fund the following specific programs and services:

- Preserve outstanding instruction in math, science, reading, writing, history, social studies and technology
- Support athletics, arts and music
- Limit class sizes
- Support counseling services and student health and safety

This Report summarizes the fiscal year 2020-21 Parcel Tax, Method of Apportionment and other related data. The full ballot text for Measure G is included in Appendix A.

For fiscal year 2020-21 there are 18,849 parcels of real property in the Davis Joint Unified School District. These parcels are located in the Counties of Yolo and Solano. Excluding tax-exempt parcels, there are 15,313 taxable parcels subject to Measure G within the District.

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

The special tax is levied each year on each taxable parcel of land within the boundaries of the Davis Joint Unified School District at the following annual rates:

FIGURE 1 – MEASURE G PARCEL TAX RATE

Land Use	Rate FY 2020-21	Unit
Parcel of Taxable Real Property	\$198.00	each

"Parcel of Taxable Real Property " is defined as any unit of real property in the District that receives a separate tax bill for ad valorem property taxes from the Yolo or Sano County Treasurer-Tax Collector's Office, as applicable depending on parcel location. All property that is otherwise exempt from or upon which no ad valorem property taxes are levied in any year shall also be exempt from the special tax in such year.

If more than one adjacent Assessor parcel constitutes a single Subdivision Map Act parcel, such property is considered to be a single parcel of taxable real property and is levied the amount of \$198.00.

An exemption may be granted on any parcel owned by one or more persons aged 65 years or older who occupies the parcel as a principal residence, upon application for exemption. Exempted seniors may voluntarily opt-in to pay the parcel tax.

An exemption may be granted on any parcel owned by one or more persons receiving Supplemental Security Income ("SSI") for disability, regardless of age, who occupies the parcel as a principal residence, upon application for exemption.

An exemption may be granted on any parcel owned by one or more persons receiving Social Security Disability Income ("SSDI") for disability, regardless of age, who occupies the parcel as a principal residence, and whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, upon application for exemption.

An exemption may be granted on any parcel owned by one or more persons who meets the conditions of being a District employee, as detailed in Appendix A herein, upon application for exemption.

The Measure G Parcel Tax is subject to an inflation adjustment annually, commencing as of the 2021-22 tax year and continuing for the life of the tax, based on the change in the Consumer Price Index for All Urban Consumers California.

SPECIAL TAX, FISCAL YEAR 2020-21

PRELIMINARY BUDGET FOR FISCAL YEAR 2020-21

The preliminary special tax budget for 2020 is summarized in Figure 2.

FIGURE 2 – SPECIAL TAX BUDGET 2020

Measure G Employee Compensation Parcel Tax	Total 2020-2021 Costs
Beginning Fund Balance, July 1, 2020	\$0
Annual Gross Revenue from Special Tax	\$3,029,202
Contribution from Unrestricted Resources	\$430,000
Annual Net Revenue + Fund Balance	\$3,459,202
Certificated - Non Mgmnt (DTA)	\$1,700,000
Classified - Non Mgmnt (CSEA)	\$800,000
Management - Certificated	\$200,000
Management - Classified	\$100,000
Benefits	\$659,202
Expenses Subtotal	<u>\$3,459,202</u>

SUMMARY OF SPECIAL TAX REVENUES BY YEAR

The special tax revenue for Fiscal Year 2020-21, for taxable parcels, is summarized in Figure 3 below.

Figure 3 - Summary of Special Tax Revenues – Taxable Parcels

Total Parcels	Parcels with Senior Exemption	Parcels with Employee Exemption	Parcels with SSI Exemption	Parcels with SSDI Exemption	Tax Exempt Parcels	Total Taxable Parcels	Parcel Tax Units*	Tax Amount per Tax unit	Tax Amount
18,849	1,750	206	0	7	1,573	15,313	15,299	\$198.00	\$3,029,202

*Parcels with multiple owners on one parcel of real property are assigned a proportionate amount of the tax for each owner. There are 23 such parcels with a total of 9 tax units.

One “tax unit” is assigned to each taxable parcel of real property. Parcels receiving full exempt value by the county are not taxed.

Figure 4 depicts the comparison of special tax amounts levied on taxable parcels by Fiscal Year, with Fiscal Year 2020-21 being the first year levied.

Figure 4 - Summary of Special Tax Revenues by Fiscal Year

Fiscal Year	Total Parcels	Total Tax Units	Tax Rate	Total Tax	Annual Change	
					Tax Units	Tax Amount
2020-21	18,849	15,299	\$198.00	\$3,029,202	-	-

ADMINISTRATION OF SPECIAL TAXES

INTRODUCTION

Specific details for the administration of the tax are included in the Measure G ballot text in Appendix A of this report. The following narrative provides an overview of the major elements of this administration.

GENERAL ADMINISTRATIVE REQUIREMENTS

The special tax levies are calculated for all parcels on the new fiscal year's assessor roll. This roll includes all parcels that are in existence prior to January 1 of the previous fiscal year. After the special tax levies have been computed, the levy data must be filed with the County Auditor prior to August 10 of each year for inclusion on property tax bills.

After submission of the parcel tax levies, the final levies should be confirmed with the County Auditor prior to the preparation of tax bills, which typically occurs in October. The special tax is collected in two equal installments on the tax bills that are due on December 10 and April 10.

DELINQUENCY PROCEDURES

The District participates in the "Teeter Plan" with the Counties of Yolo and Solano whereby the Counties pay all delinquent parcel taxes to the District and in return the Counties institute collection proceedings and, when collected, keep all delinquent payments with interest and penalties. This plan allows the District to maintain reliable parcel tax revenues and reduces the cost of collection.

The Counties have the option of removing a special levy from the Teeter Plan if delinquencies exceed the threshold of 5%. The District reviews the Counties of Yolo and Solano Tax Collector's public records annually by June 30 to determine the amount of parcel tax revenues and delinquencies during the fiscal year. Provided the delinquency rate on the special taxes is below 5% for the prior fiscal year, the parcel tax levies will continue to be collected under the Teeter Plan.

USE OF PROCEEDS

All proceeds of the tax levied and imposed shall be accounted for and paid into a special account designated for use of operations and maintenance of school facilities only, pursuant to Government Code Section 50075.1(b) and (c).

The Board of Education will hold annual public hearings to set the special tax rate and allocations funded by the Measure. Each year there will be a public accounting of the use of funds during the past year, as required by Government Code Section 50075.3, and approval of the use of funds for the next year, including review by the School Board.

SENIOR EXEMPTIONS

An exemption from payment of the special tax may be granted on any parcel owned by one or more persons 65 years of age or over who occupies parcel as a principal residence, upon application for exemption. To be eligible for the exemption, such property owners must provide satisfactory proof of such status by filing the required application form and supporting documentation.

SUPPLEMENTAL SECURITY INCOME ("SSI") EXEMPTIONS

An exemption from payment of the special tax may be granted on any parcel owned by one or more persons receiving Supplemental Security Income ("SSI") for disability, regardless of age, who occupies the parcel as a principal residence, upon application for exemption. To be eligible for the exemption, such property owners must provide satisfactory proof of such status by filing the required application form and supporting documentation each year.

SOCIAL SECURITY DISABILITY INCOME ("SSDI") EXEMPTIONS

An exemption from payment of the special tax may be granted on any parcel owned by one or more persons receiving Supplemental Security Income ("SSI") for disability, regardless of age, who occupies the parcel as a principal residence, and whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services. To be eligible for the exemption, such property owners must provide satisfactory proof of such status by filing the required application form and supporting documentation each year.

DISTRICT EMPLOYEE EXEMPTIONS

An exemption from payment of the special tax may be granted on any parcel owned by one or more persons who meet the conditions of the following categories as defined by the applicable Education Code: temporary certificated employees of the District; probationary certificated employees of the District; permanent certificated employees of the District; permanent classified employees of the District; and who are guaranteed a half-time or greater assignment with the District for the following school year.

TAX EXEMPT PROPERTY

Property that is exempt from regular ad valorem property taxation shall not be subject to the Special Tax. Examples of such parcels are condominium complex common areas, and publicly owned or government parcels, as well as zero value parcels.

MEASURE G BALLOT RESULTS

YOLO COUNTY ELECTIONS OFFICE AND
SOLANO COUNTY ELECTIONS OFFICE
TUESDAY, NOVEMBER 8, 2016

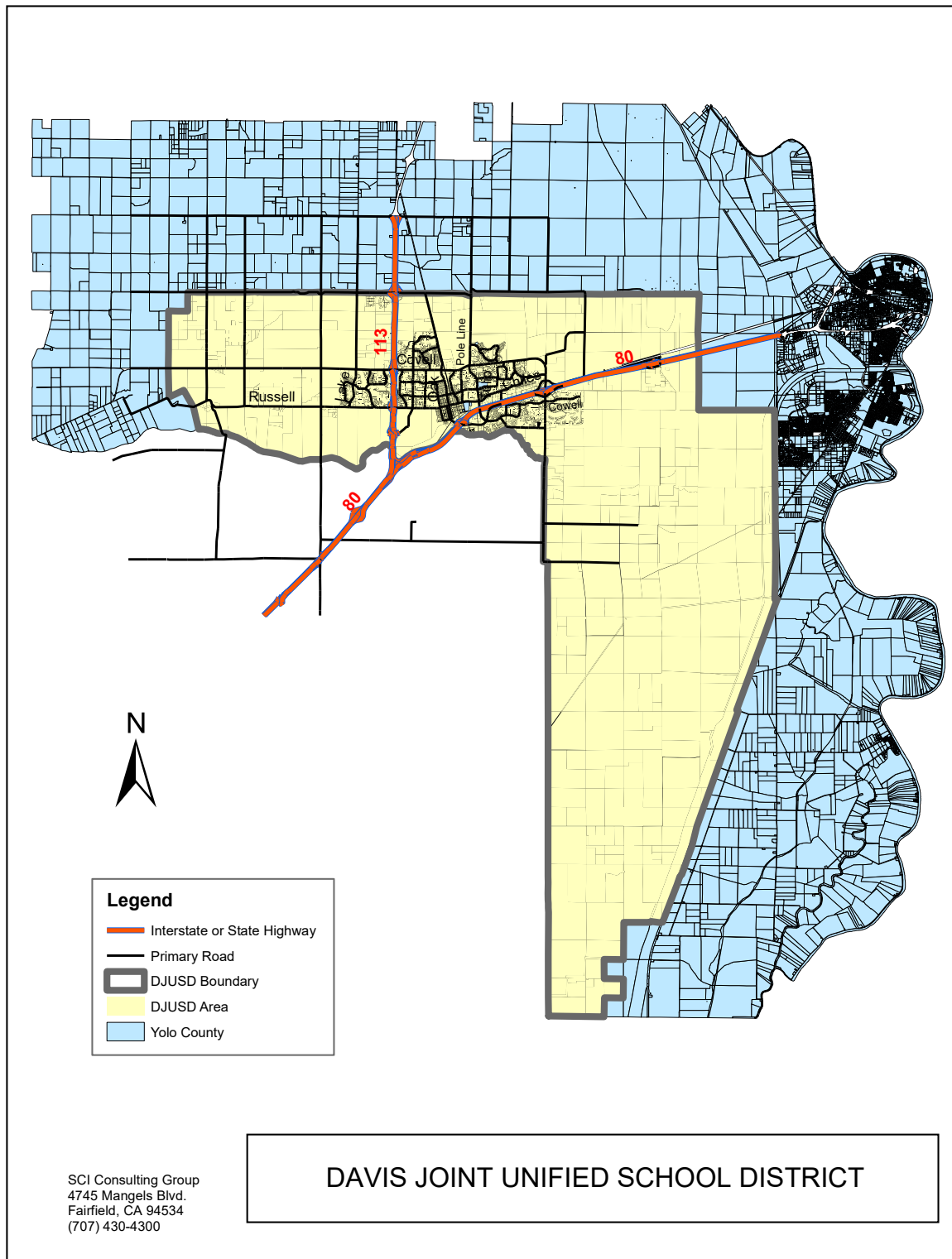
MEASURE G
DAVIS JOINT UNIFIED SCHOOL DISTRICT

OFFICIAL ELECTION RESULTS

Measure G				
County	Yes		No	
	Votes	%	Votes	%
Yolo County	19,230	68.05	9,027	31.95
Solano County	13	68.42	6	31.58
Totals	19,243	68.05	9,033	31.95

DAVIS JOINT UNIFIED SCHOOL DISTRICT BOUNDARY

The following diagram displays the boundaries of the Davis Joint Unified School District.



2020-21 SENIOR, SSI, SSDI AND DISTRICT EMPLOYEE EXEMPTIONS AND TAX EXEMPT PARCELS

A list of the parcels approved for a senior exemption, SSI exemption, SSDI exemption and District employee exemption, as well as tax exempt parcels for 2020-21, has been filed with the District and is included herein by reference.

APPENDIX A –MEASURE G BALLOT TEXT

The full ballot text of Measure G is included on the following pages.

FULL BALLOT TEXT**DAVIS PUBLIC SCHOOLS TEACHING
EXCELLENCE ACT OF 2020****SECTION I: KEY
FINDINGS**

WHEREAS, it is important for the District to continue to retain skilled, experienced, and dedicated teachers and staff and provide them with ongoing training to maintain high-quality education in our schools, but compensation of teachers and staff has fallen below that of surrounding communities as a result of state funding formulas; and

WHEREAS, an adequately funded and well-developed public education program provides numerous benefits and advantages to all of the residents of the community; and

WHEREAS, the Board of Education ("Board") of the Davis Joint Unified School District ("District") is committed to preserving strong academic reading, writing, math, science and technology programs and supporting athletics, arts and music; and

WHEREAS, the Board believes that high performing, safe schools are part of what makes our community a desirable place to live, and that by keeping Davis schools strong, we keep the community strong; and

WHEREAS, funding for the District from the State of California under current funding models and other sources is inadequate to provide the level of support to the District's educational programs and maintain the high-student achievement that the residents of the District expect; and

WHEREAS, the voters of this District have a history of supporting our local schools by voting to support school funding to protect academic excellence in local classrooms, and in 2016, voters approved a qualified special tax known as Measure H; and

WHEREAS, supplementing Measure H with a new, permanent, qualified special tax ("Parcel Tax") is now needed to provide a sufficient, stable local funding source that cannot be taken by the State in order to maintain outstanding programs and retain highly qualified, experienced teachers and staff that our children deserve.

SECTION II: TERMS

A. Purpose of Tax

The broad purposes of the Parcel Tax shall be to attract and retain quality teachers and staff by keeping compensation competitive, thereby preserving outstanding instruction in math, science, reading, writing, history, social studies and technology; supporting athletics, arts and music; limiting class sizes; and supporting counseling services and student health and safety.

The specific purpose of the Parcel Tax is to provide funds to keep competitive compensation for certificated and classified District staff persons to enable the District to keep pace with salaries and benefits in neighboring communities. Funds shall be allocated each year by the Board of Education in the amounts or percentages, and in the manner set forth in existing agreements between the District and its employee associations, including the Davis Teachers Association and California School Employees Association Chapter 572, as may be amended over time.

Expenditures may be made to support the following:

- Competitive compensation and benefits for the purpose of attracting and retaining quality teachers and staff.

In no event shall Parcel Tax proceeds be used to pay compensation and/or fringe benefits for senior level certificated and classified administrators employed by the District under an employment contract.

B. Basis of Tax

The Parcel Tax shall be levied beginning on July 1, 2020 on all Parcels of Taxable Real Property in the District at a rate of One Hundred and Ninety-Eight Dollars (\$198.00) per parcel annually ("Parcel Tax Rate"), increased every July 1 for inflation as described below. The Parcel Tax will be levied every year until such time as the Board or the voters modify, replace or eliminate the Parcel Tax in accordance with applicable law. The Parcel Tax shall be collected by the County Tax Collectors of the Counties of Solano and Yolo ("County Tax Collectors"), as applicable based on parcel location, at the same time, in the same manner, and subject to the same penalties as ad valorem property taxes collected by the County Tax Collectors. Unpaid special taxes shall bear interest at the same rate as the rate for unpaid ad valorem property taxes until paid.

To account for the impact of inflation on the cost of delivering the Programs, the Parcel Tax Rate shall be adjusted annually for inflation by the change in the "Consumer Price Index for all Urban Consumers California (1982-84=100)" published by the U.S. Department of Labor, Bureau of Labor Statistics. The first adjustment shall occur on July 1, 2021 and every July 1 thereafter for

the life of the tax. In the event this index is no longer published, the Board shall adopt a comparable index as it shall reasonably determine. The District shall provide notice each year to the County Tax Collectors of the Counties of Yolo and Solano of the adjusted Parcel Tax Rate. The Board may determine in its discretion to not impose the full Parcel Tax Rate and/or an inflationary adjustment in one or more years during the life of the Parcel Tax.

“Parcel of Taxable Real Property” is defined as any unit of real property in the District that receives a separate tax bill for *ad valorem* property taxes from the Yolo or Solano County Treasurer-Tax Collector’s Office, as applicable depending on parcel location. All property that is otherwise exempt from or upon which no *ad valorem* property taxes are levied in any year shall also be exempt from the Parcel Tax in such year.

If more than one adjacent Assessor parcel constitutes a single parcel under the Subdivision Map Act (California Government Code section 66410 *et seq.*), then the parcel will be treated as a single Parcel of Taxable Real Property for purposes of the amount of tax due, and a claim for refund may be made by the property owner pursuant to the claim procedures outlined below.

C. Exemptions

Pursuant to any procedures adopted by the District, upon application an exemption from payment of the Parcel Tax shall be granted on any Parcel of Taxable Real Property owned by one or more of the following:

- a. Persons who will attain 65 years of age as of July 1 of the tax year and are occupying said parcel as his or her principal residence (“Senior Citizen Exemption”);
- b. Persons receiving Supplemental Security Income for a disability, regardless of age, and occupying said parcel as his or her principal residence (“SSI Exemption”);
- c. Persons receiving Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, and occupying said parcel as his or her principal residence (“SSDI Exemption”);
- d. Persons who own and occupy said parcel as his or her principal residence and who, as of July 1 of the tax year for which an exemption is sought, meet both of the conditions described in (i) and (ii) below:
 - i. Are District Employees. “District Employees” are persons who meet any of the following categories:
 1. Temporary certificated employees of the District, as defined by Education Code

sections 44909, 44919, 44920, and 44921.

2. Probationary certificated employees of the District, as defined by Education Code section 44915.

3. Permanent certificated employees of the District, as defined by Education Code sections 44830 and 44929.21.

4. Permanent classified employees of the District, as defined by Education Code sections 45101, 45103, and 45113.

ii. Are guaranteed a half-time or greater assignment with the District for the following school year.

The District shall make all determinations regarding an employee's eligibility for this exemption, including whether the employee is guaranteed a half-time or greater assignment with the District.

Unless prohibited by law, the District reserves the right through Board action to allow and recognize exemptions for any period of time that are created by law during the time that the Parcel Tax remains in effect, but shall not be required to do so.

In the case of all exemptions specified above, an exemption will only be granted after application for such exemption is made in the manner and at the times required by the District's administrative procedures, which procedures may be adjusted over time by the Board. Exemptions shall continue only for so long as a person continues to qualify for the exemption.

D. Claim Procedures

With respect to all general property tax issues and billing matters within its jurisdiction, the Yolo or Solano County Tax Assessor, as applicable, or other appropriate County tax official shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the special tax, including determination of Senior Citizen Exemption, SSI Exemption, the SSDI Exemption and the District Employee Exemption, the decisions of the District shall be final and binding. In the latter case, a claim for a refund of the special tax shall comply with the following and any additional procedures or as otherwise established by the Board:

1. All claims shall be filed with the Superintendent of the District no later than one year after the date the Parcel Tax was paid. The claimant shall file the claim within this time period and the claim shall be finally acted upon the Board as a prerequisite to bringing suit thereon.
2. Pursuant to Government Code section 935(b), the claim shall be subject to the provisions

of Government Code sections 945.6 and 946.

3. The Board shall act on a timely claim within the time period required by Government Code section 912.4.
4. The procedure described herein, and any additional procedures established by the Board, shall be the exclusive claims procedure for claimants seeking a refund, reduction, or recomputation of the Parcel Tax. Whether any particular claim is to be resolved by the District or by a County shall be determined by the District, in coordination with the County as necessary.

E. Appropriations Limit

Pursuant to California Constitution article XIII B and applicable laws, the appropriations limit for the District will be adjusted periodically by the aggregate sum collected by levy of the Parcel Tax.

F. Accountability Measures

The proceeds of the Parcel Tax shall be applied only to the Programs identified above. The proceeds of the Parcel Tax shall be deposited into a fund, which may include subaccounts if needed, which shall be kept separate and apart from other funds of the District. No later than December 31 of each year while the tax is in effect, the District shall prepare and file with the Board a report detailing the amount of funds collected and expended, and the status of any project authorized to be funded by this measure.

In addition, a Citizens Oversight Committee shall be appointed by the Governing Board to ensure that the Parcel Tax proceeds collected pursuant to this measure are spent for their authorized purposes, and to report annually to the Board and the public regarding the expenditure of such funds. The Board may designate an existing Citizens Oversight Committee to oversee the Parcel Tax collections from this measure if desired.

G. Severability

The Board hereby declares, and the voters by approving this measure concur, that every section and part of this measure has independent value, and the Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure by the voters, should any part of the measure, including the Parcel Tax, the Parcel Tax Rate, the Programs or any other aspect of the measure be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts of the measure hereof shall remain in full force and effect to the fullest extent allowed by law.

H. Protection of Funding

Current law forbids any decrease in State or Federal funding to the District because of the District's levy of the Parcel Tax. However, if any such funds are reduced because of the levy thereof, then the amount of the Parcel Taxes may be reduced annually as necessary in order to restore such State or Federal funding.

APPENDIX B – 2020-21 SPECIAL TAX ROLL

The tax roll listing the Fiscal Year 2020-21 Special Tax for all Assessors' Parcels of land within the boundaries of the Davis Joint Unified School District has been filed with the District and is included herein by reference. The tax attributed to each parcel was computed in accordance with the approved parcel tax methodology as summarized in Figure 1.

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