

BERKELEY UNIFIED SCHOOL DISTRICT

TO: Donald Evans, Ed.D., Superintendent
FROM: Executive Cabinet
DATE: June 13, 2018
SUBJECT: Bond and Special Tax Planning Update

BACKGROUND INFORMATION

The General Obligation Bonds of 1992, 2000 and 2010 have made a significant difference in the quality of our schools since 1992. The Maintenance Special Tax of 2000 and 2010 have allowed the District to keep the schools well maintained. Thanks to these two types of measures, the schools have been well built and well maintained and have also provided some measure of fiscal relief to the General Fund by relieving it from the expense of the maintenance department, the savings accrued from solar projects and other energy saving projects, and have provided technology and furniture replacement, and allowed the District to fund emergency projects without the use of the General Fund.

The current bond measure will likely run out of funds in 2022 with few expenses occurring after 2021. The maintenance special tax will expire in 2023. In the past two election cycles, the Board has brought both a bond and special tax to the same election date. This is the first formal update of a proposed bond and special tax to go to the Board, although there have been many informal discussions about proposing a bond and special tax to go before the voters in 2020.

The Board reviewed educational specifications in June 2016. The Board is being asked to approve a firm to develop a Facilities Master Plan at this Board Meeting. If the District wants to keep the option of proceeding with a 2020 bond and tax, it is time to initiate a steering group or Superintendent's Measure Planning Workgroup. This small group can help guide the master planner, including making refinements to the educational specifications, can help consider alternatives for a special tax, can review and direct the master planner on community outreach efforts and can review the draft of the report. Subsequent to that period, a larger Superintendent Facilities Committee can be convened to broaden the discussion and to consider elements that may not be fully evaluated within the master plan (such as technology allocations, possible large equipment allocations and other ideas which might come from the public). Finally, efforts will be needed to do more detailed financial analysis prior to formal presentations to the Board, a survey will likely be conducted and the Board may make adjustments to the proposal prior to a final recommendation to the Board and ballot measures must be written. Attached to this document is an Appendix which lays out the tasks.

FISCAL IMPACT

The Maintenance Special Tax provides a little more than \$6.1 million in funding. The current bond was approved by the voters for \$210 million. The size of a future bond is unknown at this time.

RECOMMENDATION

Receive and discuss a General Obligation Bond and Maintenance Special Tax Update

Bond and Special Tax Planning Process Summary (Appendix A)

June 2015-June 2016

Educational Specifications

- Hire educational specifications consultant
- Complete educational specifications

July 2018 – February 2019

Masterplan

- June 2018: Hire consultant to help the District develop a masterplan
- Consultant to analyze how well each school can deliver 21st century learning in the current facilities
- Consultant to review and determine the state of the buildings in the District
- Consultant to incorporate previous individual school or building masterplan efforts
- Consultant to lead public outreach efforts as authorized by the District
- Consultant to estimate the cost for all items
- Consultant to prepare a rough prioritization matrix
- Consultant to prepare a draft masterplan
- Consultant to prepare a final masterplan

May 2018 – March 2019

Superintendent's Measure Planning Workgroup

- May 2018: Create a Superintendents Planning Group
- June 2018: Discuss linkage between maintenance special tax and any new bond
- June 2018: Develop a maintenance special tax plan with no increase and one with an increase that covers the split role issue and PERS increases
- July 2018- February 2019: Direct Masterplan Consultant
- July –August 2018: Review outreach effort proposed by the masterplan consultant.
- September 2018: Verify whether all the planned maintenance activities from 2010 can still fit into a maintenance special tax. This can inform what may need to be covered in a new bond.
- February 2019: Discuss final recommendation for the maintenance special tax.
- February 2019: Review and comment on draft masterplan

January 2019 – June 2019

Superintendent's Facilities Committee

- January 2019: Formulate a Committee
- February 2019-May 2019: Discuss and consider priorities
- March 2019: Hold a workshop to solicit other ideas that could be considered for a bond measure
- April 2019: Review prioritized list of projects
- May 2019: Hold a workshop discussing revised prioritized projects
- Early June 2019: Hold additional outreach on revised plan
- June 2019: Finalize a report to the Board on priorities

September 2019 – December 2019

Groundwork for Spring Decisions

- September: Preliminary voter poll on tax rate (both measures) and support

- Ongoing: Executive Cabinet, FSMOC, CBOC, and possibly Ed Services to review options
- Ongoing: Outreach and presentations to community partners
- November: Report on activities and revised components for both measures

January – March 2020

Budget Workshops and Public Opinion Surveys

- February: Stakeholder Focus Groups
- March: Public survey on tax rate for both measures and planned projects for the bond

April 2020

Board Hearing on Bond and Parcel Tax Renewal

- Outline of new measures (percentages/purposes; Additional considerations for Funding

May 2020

Final Recommendation on Measure Components to Board

- Include project list for the bond

June 2020

Board Resolution Approving Final Version of the Measures

November 2020

November 3 Election Ballot. Bonds could be approved to be issued after that date. The parcel tax would presumably go into effect in 2022.