

Opening Statement by Terry London, Parcel Tax Campaign Co-Chair

League of Women Voters Parcel Tax Panel

May 29, 2009

- We'd like to start by thanking the League of Women Voters for hosting tonight's forum.
- I'd also like to thank our campaign co-chair, the amazing Sarah Pearson, who couldn't be here tonight.
- And I want to thank Ray, Anne-Marie, and Andrea. Our campaign is lucky to have them presenting the case tonight for a "Yes" vote on Measures B and E.
- That case really boils down to two key factors that have made public education in Piedmont so extraordinary: Academic Excellence and Fiscal Discipline.
- Let's start with Academic Excellence. Many of you know that US News magazine has had Piedmont High in its ranking of the top 100 high schools in the country for the last couple of year. What you may not know is that our most recent Academic Performance Index, or API, score ranks Piedmont as the #2 unified school district in California.
- That API reflects the fact that Piedmont elementary and middle school students produce some of the highest STAR test scores in the state. That our high school SAT and ACT results are always well above average. And that the advanced placement test scores of our high school juniors and seniors are also very high relative to other districts.
- So it's probably no surprise that 95% of PHS graduates go to four-year colleges, including some of the best in the country.

- Test scores and statistics, of course, are only half the story. Anyone who has been in a Piedmont Middle or High School classroom can tell you that they are in an extraordinary learning environment. Walk through the halls of Wildwood and Beach and Havens and you'll see excited, engaged students doing amazing projects in science, music, art, social studies, English, and math. This is district that teaches children the joy of learning, and that prepares young adults for a lifetime of personal and professional success.
- That's how you get a long-term reputation for excellence. What's amazing in Piedmont is how *efficiently* we produce that excellence. These aren't private schools costing \$20,000 a year. This is a public school district and everyone knows that public schools in California have been steadily starved for money over the last two decades.
- That's where the Fiscal Discipline comes in. The Piedmont Unified School District has always been extremely careful in how it manages its budget. We have to be. Remember, California ranks near the bottom nationally in per-student spending. And here in Piedmont, we receive far less than most other districts in the state.
- Last year, for example, the PUSD received about \$7,600 per student – which was twelve hundred dollars less than the average California district.
- The way we have overcome this deficiency in state funding, of course, is through a combination of private donations and our parcel tax. Since 1985, Piedmonters have passed a series of four-year parcel taxes that have allowed our schools to maintain a high level of excellence even as state funding has slowed.

- It's interesting to note, though, that those tax dollars haven't been at all excessive. This past school year, parcel tax revenue enabled the district to spend \$11,450 per student. Which is good, but it is still far less than many of our peer unified districts, such as Berkeley, Oakland, and Palo Alto.
- In short, here in Piedmont we do a lot with a little. We raise what we can and then make the absolute most of it.
- That's the very definition of fiscal discipline.
- Now, this notion of fiscal discipline is really the core issue of this campaign. There are some in town who contend that the district hasn't been efficient with tax dollars. They say that the budget has grown too fast.
- There are two answers to that.
- The first answer is: No, not really.
- The audit shows that since 2001 the PUSD budget has grown, on average, between 3 and 4 percent a year – right in line with the cost of living and other school districts.
- By the way, over the same period state funding to the district grew about 2 ½ percent a year. So the PUSD has built the #2 academic program in California despite a primary source of funding that hasn't keep up with the basic costs of running the district.
- Importantly, in that same timeframe the district's footprint didn't grow at all. In 2001 the PUSD had 364 certificated teachers and classified staff. In 2008, we actually had one less, 363. Again, very disciplined fiscal management.
- So why *did* the budget go up? Because of state-mandated increases in benefits and because of higher salaries. What many people don't realize is that Piedmont

- teachers used to be nearly the worst paid among our peer districts. So a few years ago the school board made it a priority to improve comparative compensation.
- But they did it very carefully, and today the midpoint salary for certificated teachers in Piedmont is a little over \$64,000 – which is still below the average for unified districts in Alameda County and in the state as a whole.
 - That’s hardly an “inefficient” use of district dollars.
 - Beyond these numbers, though, there is another reason why district spending can’t realistically be characterized as wasteful.
 - And that is because the district has spent *exactly* what the community has asked it to spend. Remember, the PUSD budget has to balance every year. When the community passes a parcel tax, voters know precisely what investment they are making in the schools.
 - In the past eight years, Piedmonters have overwhelmingly passed two school parcel tax measures. Voters in those elections looked at declining state support and the increasing cost of education, and then voted to increase the amount of money we give our schools.
 - It just doesn’t make sense to say that our school board and administration are somehow fiscally undisciplined because they have spent money that the community told them to spend.
 - Today, the community is being asked to consider a renewal of the parcel tax and, as in the past two elections, this ballot is reflective of the times. We are in a period of economic uncertainty where individuals, businesses, and governments are having to tighten their belts and make do with less. And that is exactly what Measures B and E demand of our schools.

- Measure B is a straight renewal that does *not* raise the base parcel tax. In the 2009/10 fiscal year, the final year of the current tax regime, the average parcel in Piedmont will pay \$2,082 to keep our schools great. If Measure B passes, the average parcel in 2010/11 will pay exactly the same: \$2,082.
- In its second year, the core tax could indeed increase up to 5% a year, *if needed*, to reflect higher cost of living and declining state revenue, but without that ability to maintain the financial status quo, our district will start to slip steadily backward. Great cities and great schools sometimes have to slow their progress. But I don't think anyone in this room would ask this great district to go backward.
- Measure E is also appropriate for the current economic climate. It is an emergency three-year tax that would only partially offset the \$1.5 million state takeaway announced in December. Even if B and E pass, the school district will be making more than \$900,000 in cuts next year. That's the best-case scenario.
- There is nothing profligate or wasteful about these two tax measures. And there is nothing inefficient or irresponsible about the PUSD. Just the opposite: this is an extraordinarily well managed school district. We spend less than peer districts on our students. We pay our teachers fairly. We invest in our schools exactly as the community has asked for the past 24 years. And we provide one of the best academic programs of any public school district in the state.
- Measures B and E reflect this twin commitment to academic excellence and fiscal discipline. They are a reflection of what most of us love about our city and about our schools. And all of us on the panel tonight hope you will join us in voting Yes on Measures B and E.
- Thank you.