

TAMALPAIS UNION HIGH SCHOOL DISTRICT

P.O. Box 605 - Larkspur, CA 94977 - (415) 945-1000 - Fax (415) 945-1026 - www.tamdistrict.org
Redwood, San Andreas, Sir Francis Drake, Tamalpais and Tamiscal High Schools

March 23, 2018

To the Tamalpais Union High School District Community:

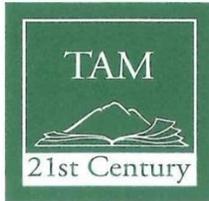
The purpose of this email is to provide information about the Tamalpais Union High School District's fiscal situation.

The District's primary revenue sources are local property taxes. The District does not receive additional State funding based on student enrollment growth, and enrollment has been growing for several years. Since 2014, our enrollment has increased by approximately 16% and we expect enrollment growth to continue over the next four years (through the 2021-22 school year). This means that in four years we will have seen an increase of approximately 1000 students since 2014 without a commensurate increase in revenue. In addition to enrollment growth costs, unfunded state mandated programs and pension costs are also causing greater District expenditures. The District has historically maintained a significant reserve (fund balance) to afford our District the ability to respond to emergencies and in this case, to respond to the additional growing costs associated with enrollment growth, unfunded state mandates, and rising pension costs.

The District has been monitoring the costs associated with the increased enrollment for over several years. The Superintendent directed work groups to evaluate the enrollment growth, budget, and facility needs. Work from these groups resulted in program adjustments and efficiencies, but these adjustments are not enough to address the magnitude of our growing costs. Per the latest budget update Second Interim report, the cumulative impact of the additional costs is an 82% decline in our reserve over the current plus two subsequent years, leaving the district with little to no reserve in June 2020.

The District is planning to have a parcel tax increase on the November ballot. However, we cannot assume that this measure will pass. To be prudent, the District, with oversight of the Marin County Office of Education, is developing a deficit reduction and recovery plan without taking into consideration any potential revenue from this measure. The extent to which this reduction and recovery plan will be implemented depends on whether the revenue measure passes. We are extremely fortunate that the parent community at our five schools is supportive. However, the Board represents the entire community and it is incumbent on the Board to understand and acknowledge the concerns and value of the entire community. To that end, we anticipate making some reductions to our expenditures even if a revenue measure passes. We will strive to make reductions in areas that cause minimal impact to our students.

The Board gave the Superintendent direction at a budget workshop on January 31, 2018, to begin working on the deficit reduction and cost recovery plan with the Local Control Accountability (LCAP)/Fiscal Advisory (FA) Committee. This *ad hoc* committee was charged with identifying areas for potential cost reductions that align with District priorities and cause the least impact on our students. This committee is comprised of individuals representing the District's educational services, students, College of Marin, teacher and staff leadership, multiple educational services, parent groups, school foundations, city management, and community representatives. Two Trustees, Laura Anderson and Michael Futterman, participate as observers. Trustees Anderson and Futterman will continue to observe the processes used to develop the plan and will report their observations to the full Board during upcoming Board of Trustee meetings.



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The Board approved Resolution 17-11 at its March 13, 2018 meeting. This resolution directed the District to implement budget reductions in the 2018-2019 school year for a *targeted* amount of \$3 million dollars (or approximately 3% of the budget) working with the LCAP/FA committee as part of this deficit reduction and cost recovery plan process. The resolution also noted that the District is actively engaged with its stakeholders and is also soliciting input from staff and the community. The Superintendent will make a recommendation based on this committee's work to the Board at the April 17 Board of Trustees meeting. The Board will make the final determination. The meeting will take place at 6:00 pm at Kreps Conference Center at Redwood High School.

The Board also approved Resolution 17-10 at the March 13, 2018 meeting. This resolution included the elimination and/or reduction of the number of Certificated Employees due to reduction in particular kinds of services. The Board passed this resolution before the completion of the deficit reduction and cost recovery plan because the State Education Code requires the District to issue notices to certificated employees prior to March 15 although *elimination of positions are not final until May 15*. The impact from these reductions will be considered as part of the LCAP/FA committee's work. Again, elimination of positions are not final until May. No final decisions with respect to any staff or program reductions have made nor approved by the Board. We are committed to taking a thoughtfully planned and transparent approach to cost saving measures while we move forward to plan for a revenue measure.

The Board remains committed to providing every student access to programs and services that support learning and maintain high-quality education. This includes supporting each student's emotional and social growth and a well-rounded educational experience at our schools.

The District is working to improve our communication methods. In the meantime, if you would like additional information about the impact from enrollment growth and the structural deficit, please see the District website at the following link <https://www.tamdistrict.org/domain/1430>

We will provide you further updates as we move forward.

Respectfully,

Leslie Lundgren Harlander
Board President, Tamalpais Union High School District