

Menlo Park District Council Meeting Minutes - December 4, 2015

The meeting was called to order by District Council Co-President, Aarti Chandra at 8:53am.

Maurice Ghysels takes the floor.

Parcel Tax Update: *As parent leaders it is important that we listen to you and discuss the presentation we are getting ready to show. two methodologies based on enrollment and the budget*

Maurice Ghysels, Terry Thygesen (School Board), Jeff Child (School Board) and Ahmad Sheikholeslami report on the current state of Parcel Tax C.

Background of Measure C Parcel Tax

Measure C was only supposed to be a temporary increase to deal with expected enrollment growth based on enrollment projection study in 2009. looking at handling enrollment growth and the recession. District has grown by over 400 students since 2009. Oak Knoll had a reduction this year because we are working to reduce Oak Knoll and then Encinal as Laurel's second campus opens to new students next fall. Hillview's average academy size used to be 250-260 students, but now they are growing up to 295 students per academy.

Provides 1.5m annually rate is \$201 per parcel and seniors are exempt (if they want) and is increased annually up to the increase in Bay area

In 2015 another study was completed with a 10 year projection. This new study shows that by 2019 we will have about 300 more students than projected. Studies are accurate for first 5 years - but after that the projections are more difficult to make.

Total expenditure in 2008/2009 by the District was \$27,331,516

Current expenditure for 2015/16 is \$41,390,216

Over \$7.475m has been enrollment growth, CPI impact was \$4,368m, Program Excellence - \$2.215m

Terry Thygesen - Our spending today is only slightly more than it was five years ago. The vast majority of the increase in expenditure is due to enrollment growth and CPI impact. Our community is getting a lot of value for the \$12,765 per pupil spending (2013/14 data). We spend much more than the CA state average - \$9,220 but also more than the National Average \$10,700. We are delivering a lot of value for that.

Maurice Ghysel - New parents actively chose to move to Menlo Park to live here due to

our wonderful school district.

MPCSD Mission, Vision & Values

Strategic Directions: Teaching and Learning, Wellness, Talent, Technology, Vertical Experience (Birth to grade 12)

Terry Thygesen - Our Teachers are a Priority, we've made it a top priority to compensate our teachers. We have been giving more of our revenue to our teacher's salaries. We are in the top 10 statewide for compensating our teachers. Most of the districts which are close in proximity to us are in the top 10- Woodside, Portola Valley, Las Lomas, Hillsborough, Palo Alto, Belmont RWS.

We don't pay as well as the Northeast of the US. Those districts pay more per student - up to \$19K in States like New York.

Total Teacher Compensation by State -Menlo Park -we are ranking 2 out of 9 to 4 out of 9 in every area of Compensation.

Relative to school districts in expensive high cost areas we rank very favorably - we are either 1st , 2nd or 3rd. Even though our total amount spent per student is less than the other districts in the top ten statewide, we are still paying are teacher more.

Projected Operating Budget -Ahmad Sheikholeslami

Planned deficit spending, start to spend down reserves in Parcel Tax, we are now facing some long term deficits that we need to address.

Secured Property Tax Assumption (main revenue source) - 9%

Total revenue \$42,346,398m

expenditures \$42,296,175m

deficit -\$512,436

Operating deficit will increase to \$1.9m in 16/17 and \$2.9m in 17/18.

What is not included is any salary increases to overall salary schedule. This past year we adjusted our schedule by an increase by 3%.

Jeff Child - We have to figure out either to raise revenue or cut expenses as our ongoing expenditures go up. We are seeing a decrease enrollment out of Atherton and a considerable amount of growth in attached housing in Menlo Park. A lot of the growth is due to turnover. New families moving into older neighborhoods and refurbishing

houses.

Historical Reserve Levels

We have accumulated a hefty reserve. Board policy is to have a 15-20% reserve in order to us to have an adequate amount to deal with changes or adjustments in case property tax revenue doesn't come in as expected.

Parcel Tax Needs

289 more students projected for 2019 which current per pupil spending \$14,078 equates to \$4.068m in additional growth cost. Calculated per parcel tax impact is \$518. We need to continue the current parcel tax at current rate of \$212.00 per parcel. but also another \$306.00 of new money to continue current instructional excellence. We are hoping our property taxes will cover this but we will need something to allow us to keep pace competitively with other districts in the area.

Parcel Tax Timeline

1. Parcel Tax Communication Tour- Presentation to Staff, PTO, District Council, and MPAEF
2. Special Board meeting discussion on December 15th and January 19th.
3. February 2, 2016 Special Evening Board Meeting
4. Volunteer led Parcel Tax Election Campaign
5. Special May 3, 2016 Election

Scott Hinshaw has agreed to co-chair the Campaign Citizens Committee to help pass the Parcel Tax.

Today we are opening up a verbal input discussion with the council.

- Should we do it?
- How Much?
- Anything special we should use it for?
- Do you agree with the timing?

Philanthropic giving is the only source that is under our control. For the 14/15 school year - the district received \$1,240 per student from MPAEF, \$258 from PTOs - about \$1500 per student. One way would be to double our philanthropic donations.

Alka Gupta - Enrollment growth needs to be the main focus of the campaign to sell it to the community at large.

Treasurer's Report - Gina Skinner

Taxes - Finished and have been filed. As of the end the year we are all done. We have also received our certificate of insurance.

Vote on Changes to Bylaws - Erin Reyes

Please review the proposed changes to the Council Bylaws -we will vote on them at January's meeting.

Motion to pass November Minutes - Deanna Schroder makes a motion to pass minutes. Aarti Chandra seconds motion. All in favor. Motion was passed.

Meeting adjourned at 10:25am

Next District Council Meeting - Friday, January 8th, 8:45am, TERC

January Snack - Hillview PTO