



TAMALPAIS UNION HIGH SCHOOL DISTRICT

**TAMALPAIS UNION HIGH SCHOOL DISTRICT
PARCEL TAX OVERSIGHT COMMITTEE**

ANNUAL REPORT FOR 2019-20 FISCAL YEAR

**Presented to TUHSD Board of Trustees
October 13, 2020**

Current Committee Members:

**Robin Moses, Chairperson
John Richard, Vice-Chairperson
Jennifer Ginsburg
Bill Levinson
Tammy Wilks Kornfeld**



TAMALPAIS UNION HIGH SCHOOL DISTRICT

Introduction

The Tamalpais Union High School District Parcel Tax Oversight Committee (PTOC Committee) was established by the District's Board of Trustees as required by the November 2018 voter-approved ballot Measure J. Measure J required the creation of an independent citizens' oversight committee to oversee expenditure of the funds collected pursuant to Measure J to ensure that funding raised under Measure J are spent only for the purposes described in Measure J.

The PTOC Committee confirms that Tamalpais Union High School District has received positive financial audits and is spending these tax dollars in accordance with the voter-approved ballot measure. The committee wishes to highlight to the Board of Trustees, its recognition of the importance and value of these funds to support high quality education in our schools. Without the parcel taxes, the students would have experienced a reduction in core academic programming and art and music elective offerings, higher class sizes, reduction in counseling support services to students and the loss of highly qualified teachers to other school districts.

The Committee commends the Board of Trustees and District Administration for recognizing the critical need for these essential funds and maximizing the benefits for our public school students in the allocation and spending of these dollars. Our community should be thanked for their continued support by passing Measure J.

Background

Since 1989, Tamalpais Union High School District has relied upon stable local parcel tax funding approved and renewed multiple times by our community voters. In 2012, voters approved Measure B which authorized a parcel tax of \$238.78 per parcel with an annual 3% annual increase and with senior exemptions that would expire at the end of June 2022.

On November 6, 2018, voters approved Measure J, which is a supplementary parcel tax, that authorized an additional parcel tax of \$149 per parcel with an annual 3% annual increase with senior exemptions that would also expire at the end of June 2022. Measure J funding would be in addition to Measure B funding during the four-year duration of Measure J.

The Board of Trustees authorized the formation of the Parcel Tax Oversight Committee with approved by-laws. It was formed in the 2019-20 school year once Measure J funds were actually received in December 2019, per the ballot measure language. The Committee has met



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three times (January, March, September 2020) since that time to review district financial reports and independent financial audits prepared by the auditing firm Christy White & Associates.

The Measure J parcel tax rates and annual amount collected from November 7, 2018 to present are listed below. Given the ballot measure language, voters authorized an annual prorated tax amount collected for the remainder of the 2018-19 tax year from November 7, 2018 through June 30, 2019 to be collected on the November 2019 tax bill in addition to the regular annual amount collected for the 2019-20 tax year.

Tax Year	Parcel Tax Rate	Annual Amount Collected
2018-19	\$149.00 per parcel	\$0
2019-20	\$153.47 per parcel	\$8,638,017 (\$5,356,947 for 2019-20 + \$3,281,070 for 11/7/2018 through 6/30/2019)

Note: 'Annual Amount Collected' is based on the number of parcels and the rate of tax and fluctuates annually with the number of exemptions.

Voter Approved Authorization of Parcel Tax Proceeds:

Measure J: Tamalpais Union High School District Special Tax - November 6, 2018

"To protect high quality education with local funding that cannot be taken by the State, shall Tamalpais Union High School District attract and retain highly qualified teachers, counselors and staff; provide excellent science, technology, engineering, math, reading/writing; protect art/music programs; and maintain small class sizes by levying \$149 per parcel, providing \$5.1 million annually for 4 years, with senior exemptions, annual cost of living adjustments, independent citizens' oversight and all funds for local high school students?"

Measure J further noted:

"Moneys raised under this Measure shall be authorized to be used only for the following purposes in accordance with priorities established by the Board and to the extent of available funds:

- To provide high quality education



TAMALPAIS UNION HIGH SCHOOL DISTRICT

- To attract and retain highly qualified teachers, counselors and staff
- To provide excellent science, technology, engineering, math, reading, writing, art and music instruction
- To maintain small class sizes

No funds will be spent on administrative salaries or benefits.”

Exemptions

Per the ballot measure language, Measure J includes all legal exemptions (Senior, SSI, SSDI) and the process and forms needed to apply for all exemptions are [linked here](#) on the District home webpage.

Annual Summary of Expenditures for 2018-19

For the \$3,281,070 collected for the pro-rated annual amount from November 7, 2018 through June 30, 2019, the entire revenue collected paid for mathematics department teacher compensation at the three comprehensive high schools given the election was in the middle of a school year.

18/19 RE 0140		
Revenue		3,281,070.00
Expenses		
Math/THS	1,049,942.00	
Math/DHS	918,700.00	
Math/RHS	1,312,428.00	(3,281,070.00)
Balance		0.00

Annual Summary of Expenditures for 2019-20

Detailed table of 2019-20 Annual Expenditures of Measure J proceeds are [linked here](#).



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Parcel Tax Oversight Committee Review and Findings:

The Committee reviewed district financial reports, annual independent district financial audits and met with Chief Financial Officer Corbett Elsen and confirmed the district allocations were consistent with the voter-approved ballot measure language. Likewise, the Committee confirmed these allocations were expended as authorized.

Appendices:

Parcel Tax Oversight Committee agendas, materials and minutes are [linked here](#) on the 'TUHSD PTOC Communications' website.

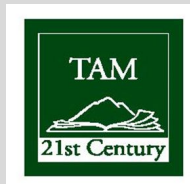
		REDWOOD				High School 1327				TAMALPAIS				SAN ANDREAS		TAMISCAL	
DEPARTMENT	Code	Staff Name	1.0 FTE	Staff Name	0.30 FTE	Staff Name	1.0 FTE	Staff Name	0.30 FTE	Staff Name	1.0 FTE	Staff Name	0.30 FTE	Staff Name	0.30 FTE	Staff Name	0.30 FTE
ENGLISH	GO 1210	Teacher X	\$137,195.36	Teacher X	\$28,763.92	Teacher X	\$125,708.63	Teacher X	\$35,177.48	Teacher X	\$129,938.24	Teacher X	\$38,981.54	Teacher X	\$49,036.12	Teacher X	\$47,153.01
		Teacher X	\$79,164.74			Teacher X	\$60,131.38			Teacher X	\$58,629.25						
SOCIAL STUDIES	GO 1410	Teacher X	\$149,883.64	Teacher X	\$51,292.51	Teacher X	\$124,583.96	Teacher X	\$32,282.14	Teacher X	\$111,830.57	Teacher X	\$33,549.25	Teacher X	\$33,092.53	Teacher X	\$39,892.00
MATH	GO 1310	Teacher X	\$130,247.94	Teacher X	\$41,544.65	Teacher X	\$103,692.05	Teacher X	\$44,907.39	Teacher X	\$137,497.22	Teacher X	\$44,131.56	Teacher X	\$43,696.20	Teacher X	\$49,066.52
SCIENCE	GO 1390	Teacher X	\$125,708.63	Teacher X	\$31,250.35	Teacher X	\$137,191.30	Teacher X	\$43,696.20	Teacher X	\$132,973.12	Teacher X	\$33,549.25	Teacher X	\$41,148.71	Teacher X	\$49,045.58
WORLD LANGUAGE	GO 1230	Teacher X	\$107,607.01	Teacher X	\$37,712.76	Teacher X	\$128,743.51	Teacher X	\$49,034.12	Teacher X	\$124,514.12	Teacher X	\$34,819.86	Teacher X	\$41,148.71	Teacher X	\$34,269.82
FINE ARTS	GO 1450	Teacher X	\$163,243.65	Teacher X	\$27,720.99	Teacher X	\$163,485.36	Teacher X	\$36,087.94	Teacher X	\$118,205.74	Teacher X	\$49,045.58	Teacher X	N/A	Teacher X	\$15,398.06
																Teacher X	\$31,435.34
PE	GO 1131	Teacher X	\$128,743.51	Teacher X	\$38,623.22	Teacher X	\$96,128.86	Teacher X	\$33,544.91	Teacher X	\$137,195.36	Teacher X	\$42,430.32	Teacher X	N/A	Teacher X	N/A
APPLIED TECH	GO 1474	Teacher X	\$98,091.23	Teacher X	\$25,748.75	Teacher X	\$60,319.98	Teacher X	\$113,041.88	Teacher X	\$54,878.24	Teacher X	\$71,832.52	Teacher X	N/A	Teacher X	N/A
						Teacher X	\$65,392.73	Teacher X	\$32,695.51								
COUNSELING	FN 3110	Counselor X	\$125,801.32	Counselor X	\$38,717.38	Counselor X	\$137,875.39	Counselor X	\$52,856.97	Counselor X	\$134,847.43	Counselor X	\$31,193.39	Counselor X	\$36,485.91	Counselor X	\$51,239.17
			\$1,245,687.03		\$321,374.53		\$1,203,253.15		\$473,324.54		\$1,140,509.29		\$379,533.27		\$244,608.18		\$317,499.50
Note: Teacher and counselor names have been redacted for privacy																	
					\$1,567,061.56				\$1,676,577.69				\$1,520,042.56		\$244,608.18		\$317,499.50
														Total 2019-20 Parcel Tax (Measure J) Expenditures:		\$5,325,789.49	
														Total 2019-20 Parcel Tax (Measure J) Revenue:		\$5,356,947.32	
														Balance (carried over to 2020-21):		\$31,157.83	




TAMALPAIS UNION HIGH SCHOOL DISTRICT

2020-21 Budget Proposal

June 2, 2020



What is included in the budget adoption process?

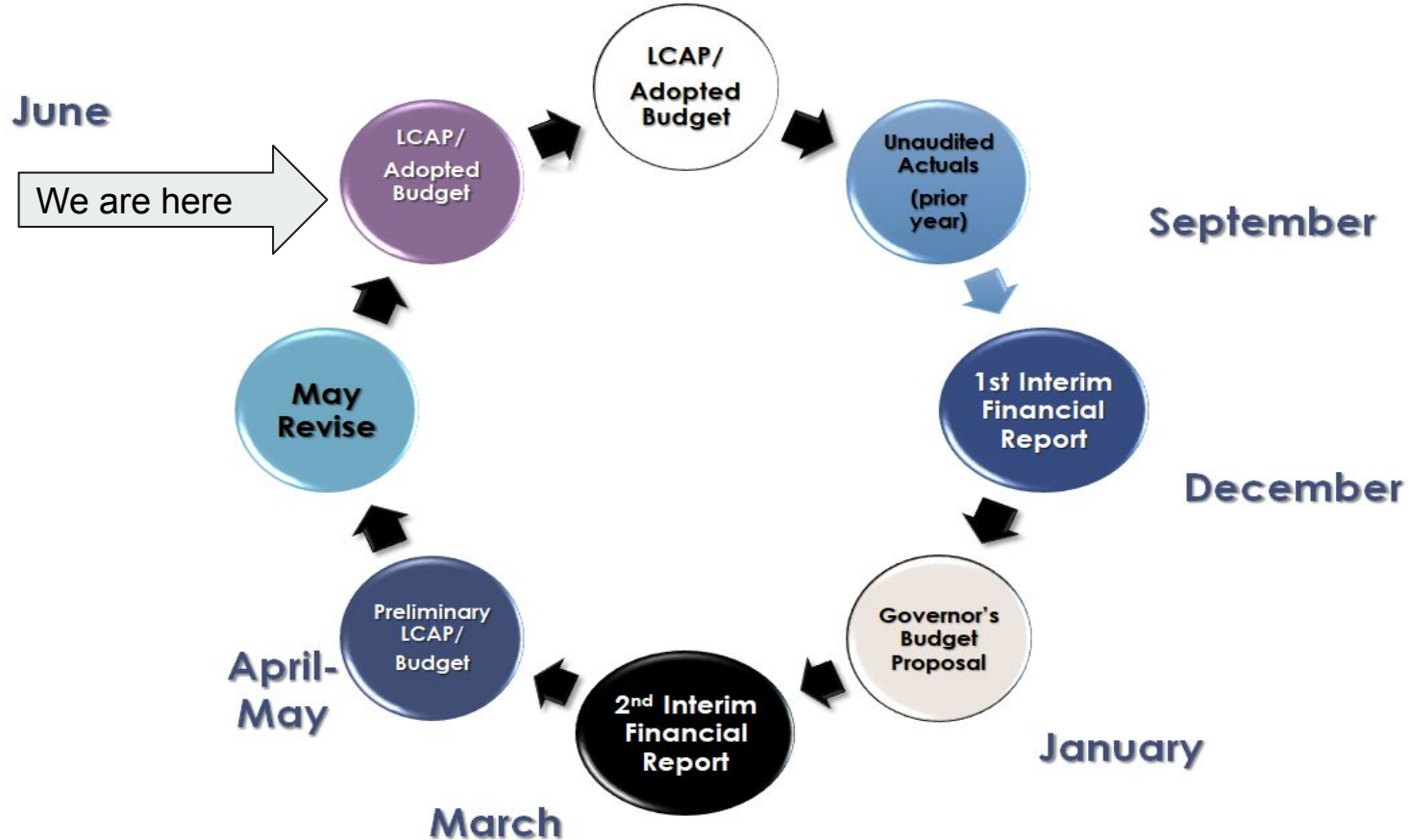
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- The 2019-20 'Estimated Actuals' reports:
 - Actual financial activity through April & projects financial activity through June 30th
 - Estimated Actuals will be compared to the Unaudited Actuals in September
 - Similar to a '3rd Interim' Budget report for 2019-20
 - 2020-21 Proposed Budget aligns resources to the LCAP goals & action steps
 - Inclusive of stakeholder feedback: Public Hearing, Community Forums, Site Budget Updates, Budget Update feedback, LCAP Committee, etc.
 - Provides an opportunity to:
 - Adopt a budget based on any significant changes since 2nd Interim in March
 - Recalculate Multi Year Projections
 - Discuss any needed changes or actions

Agenda




- Budget Reporting Cycle
- National, State & Local economic context & Governor's 'May Revise' Budget
- 2019-20 Estimated Actuals
- 2020-21 Budget & Multi-Year Projection for 2021-22 & 2022-23
 - Key Assumptions - Revenues & Expenditures
 - Reserves
 - Other Funds
- Uncertainties & Prudence
- Next Steps & Questions

'Normal' Budget Reporting Cycle



2020-21 Budget Calendar & Key Dates



June 2020

CA State Legislature must propose budget plan by June 15th
TUHSD must adopt a budget by June 30th

July 2020

State & Federal personal income tax deadline extension on 7/15

August 2020

Governor's 'August Revision' to State budget & State Legislature enactment
TUHSD 45-day budget revision for 2020-21

September 2020

Unaudited Actuals Budget Report for 2019-20

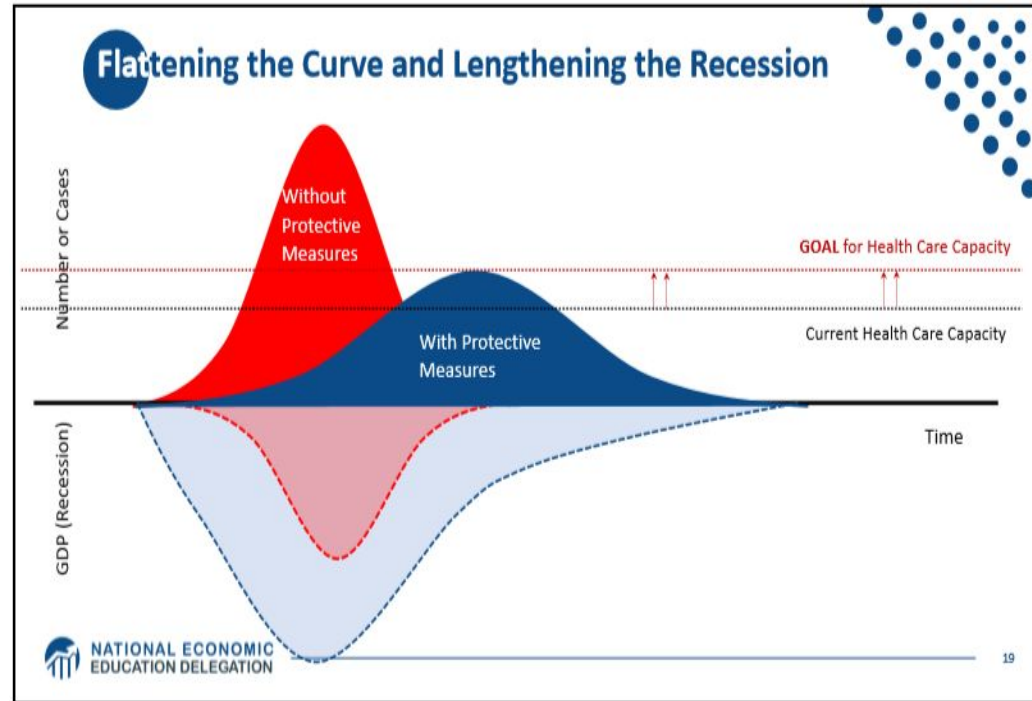
December 2020

LCAP & 1st Interim Budget Report for 2020-21

National, State & Local Economic Context

COVID & Economic Impact

- Significant economic slowdown is expected
 - Depth and duration is still unknown
- Short-term impacts are widespread
 - Increased unemployment
 - Declining economic activity and tax revenues
 - Increased demand for disaster response and safety net services
- Federal and State stimulus packages will help offset short term impacts
- 'Time lag' or delay for impact on many government entities given annual tax collection cycle



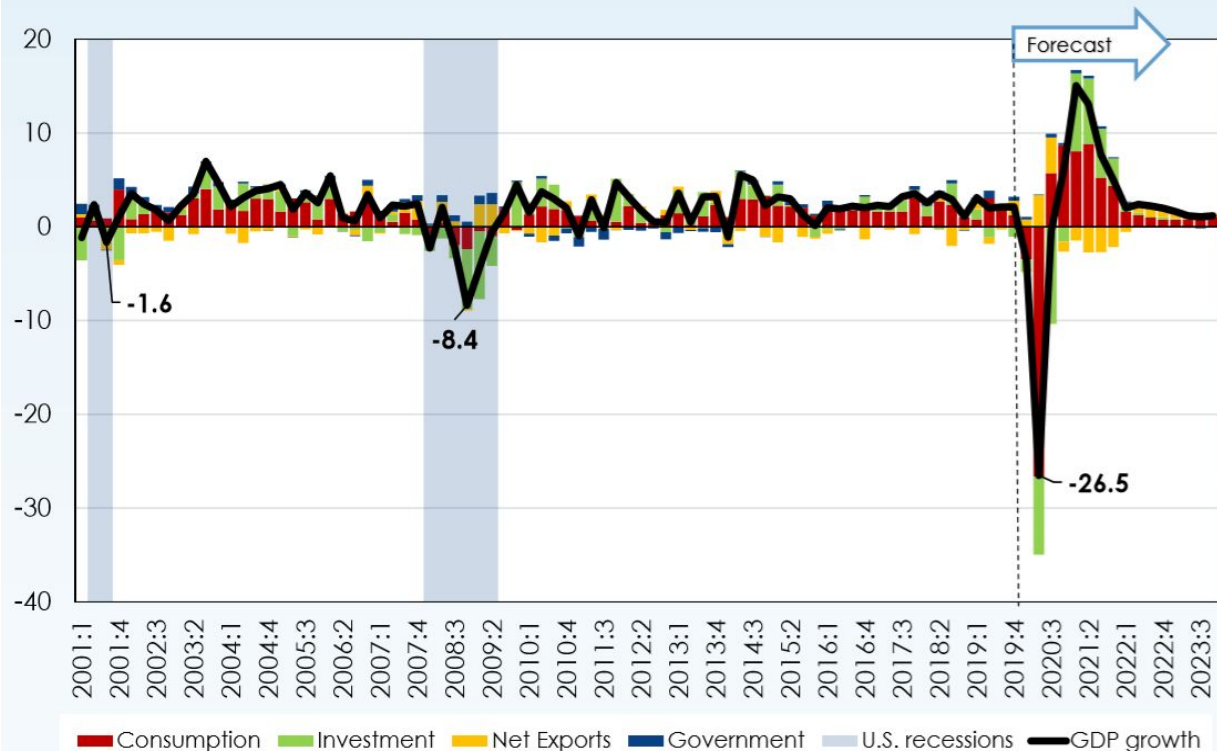
Source: National Economic Education Delegation

National Economic context

- The U.S. is currently in a recession
- COVID-19 recession projected to lead to declines in GDP, employment, and personal income that are worse than declines during the Great Recession
- U.S. GDP projected to decrease by 26.5% in spring of 2020

Source: CA Dept of Finance

Contributions to U.S. Real GDP



Source: U.S. Bureau of Economic Analysis; CA Department of Finance, May Interim Forecast.

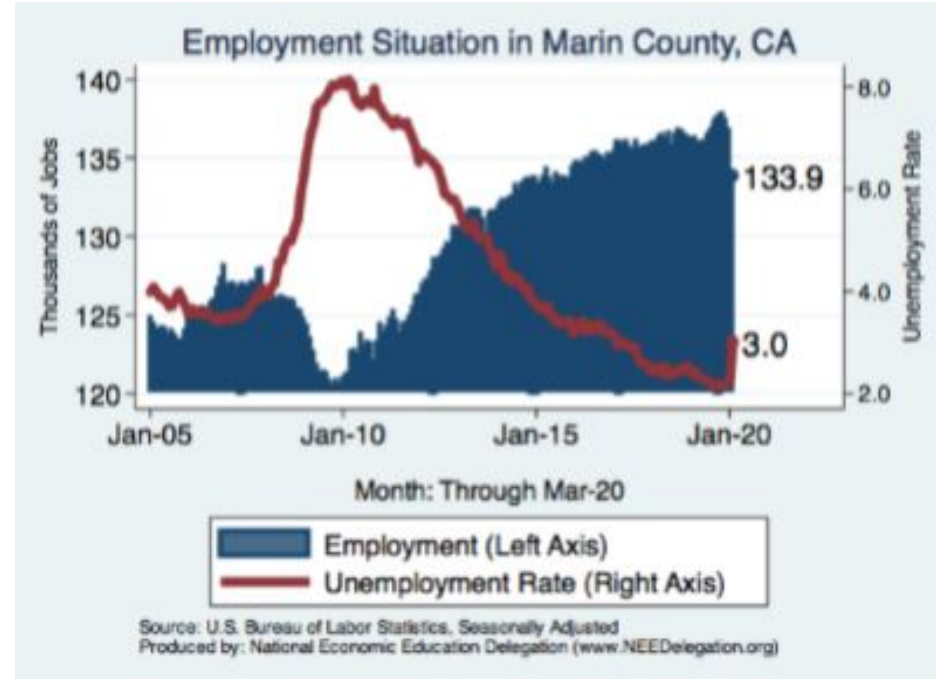
State Economic Forecast - May Revision by CA Dept of Finance (5/7)



- COVID-19 Recession Projected Deficit through 2020-21
 - Surplus at Governor's January Budget - \$5.6 billion
 - Changes at May Revision:
 - May Revision Revenue reduction of **\$41.2 billion**
 - Health & Human Services expenditure increases of **\$7.1 billion**
 - Other expenditure increases of **\$6.0 billion**
 - Overall Deficit of **\$54.3 billion**
- Reserves of \$20 billion are unlikely to be sufficient to mitigate impacts
 - Significant reliance on volatile revenue sources such as income tax and sales tax
- Under Proposition 98's constitutional calculation, this revenue decline results in a lower required funding level by **\$19 billion** General Fund for K-12 schools and community colleges.

Local Economic Forecast - Marin County Property Tax Forum (5/13/20)

- Marin County unemployment increased since COVID
 - 2% to 3% (through March 20th)
 - 3% to 11% (since April)
- Property tax revenues are more stable compared to volatile personal income, sales and corporate income taxes
- In 2020-21, property tax revenues are predicted to be relatively stable
- But predicted to drop in 2021-22 and beyond depending on depth & duration of 'shelter in place' and economic recovery
 - Projected reduction of 2% in 2021-22 & 2% in 2022-23 as 'most likely' scenario



2019-20 Estimated Actuals

COVID Shelter-in-Place: Savings & Expense Differentials



Save in....

- Utilities
- Student transportation (Bolas bus to Tam High & Special Education)
- Materials and supplies
- Some contracted services

Increased spending in....

- Procuring technology devices & internet access
- Technology infrastructure
- Online learning resources
- Cafeteria funds (averaged 500 meals per day on Mondays/Tuesdays since April)
- Custodial supplies
- Hazard pay & overtime in certain departments


Comparison of 2nd Interim vs. Estimated Actuals



<i>Description</i>	<i>Unrestricted Projected Operating Surplus</i>
2019-20 2nd Interim Projection (March)	\$ 460,115
<i>Changes</i> (See Next Slide)	\$ 257,962
2019-20 Estimated Actuals Projection (June)	\$ 718,077


Operating Surplus occurs when the current year revenues exceed current year expenditures, which results in increasing reserves.

Changes from 2nd Interim vs. Estimated Actuals



<i>Description of Changes (Unrestricted)</i>	<i>Amount</i>
Decrease in local revenue for facilities rentals due to 'shelter in place'	(\$35k)
Increase in certificated salaries as a result of maternity leave changes	(\$114k)
Decrease in budgeted expenditures for 'books and supplies' & services given distance learning	\$456k
Increase in transfer out to Fund 13 (Nutrition Services) given reduced food sales revenue	(\$95k)
Net other	\$46k
Total Changes	\$258k

Comparison of 2nd Interim vs. Estimated Actuals - Impact on Reserves



<i>Description</i>	<i>Unrestricted Projected Operating Surplus</i>	<i>Ending Fund Balance (Reserve)</i>
2019-20 2nd Interim Projection (March)	\$ 460,115	\$ 16,292,666
<i>Changes</i>	\$ 257,962	\$ 257,962
2019-20 Estimated Actuals Projection (June)	\$ 718,077	\$ 16,550,628

2020-21 Budget Proposal

Multi-Year Projection for 2021-22 & 2022-23

TUHSD Impact of Governor's 'May Revision' Budget

- For TUHSD, significant implications include:
 - Basic aid district 'fair share reduction' proposed in trailer bill language
 - In 2009, TUHSD's 'fair share reduction' was \$2.6M of \$3.3M in Minimum State Aid
 - In 2020-21, TUHSD projected to receive \$704k in Minimum State Aid
 - Analogous to 10% reduction for LCFF districts, a potential 10% 'fair share reduction' for basic aid districts equates to a \$70.4k given current trailer bill language
 - No change to state Special Education funding
 - Reduced funding by 50% for CTEIG & K12/SWP programming (vocational education) & 12% for adult education
 - Reallocation of state pension funding of \$2.3B from paying down unfunded liability to STRS/PERS employer rates
 - STRS employer rate reduction of 2.25% & 2.18% in '20-21 & '21-22 respectively (one-time savings for 2 years)
 - PERS employer rate reduction of 1.93% & 2.16% in '20-21 & '21-22 respectively (one-time savings for 2 years)
- Nothing is final until the State Legislature passes and enacts a State Budget by June 15th
 - Expected Governor's 'August Revision' given personal income tax extension to July 15th
 - As a result, a TUHSD 45-day budget revision likely in Fall to include any significant changes

TUHSD Summary of Multi-Year Projections

	2019-20	2020-21*	2021-22*	2022-23* **
Operating Surplus (Deficit) (March 2020)	\$460k	\$(1.3M)*	\$(207k)*	--
Ending Fund Balance/Reserve (March 2020)	\$16.3M (17.0%)	\$14.9M (15.4%)	\$14.5M (14.7%)	--
Operating Surplus (Deficit) (June 2020)	\$718k	\$342k*	\$(134k)*	\$(2.6M)* **
Ending Fund Balance/Reserve (June 2020)	\$16.3M (17.3%)	\$16.9M (17.8%)	\$16.8M (17.1%)	\$14.1M (13.7%)

Key Assumptions:

* Figures do not include any potential increase in staff compensation

** Figures assume a straight renewal of existing parcel taxes despite expiration in June 2022 (per MCOE's guidance)

Potential Multi-year Projection - *No parcel tax renewal?*

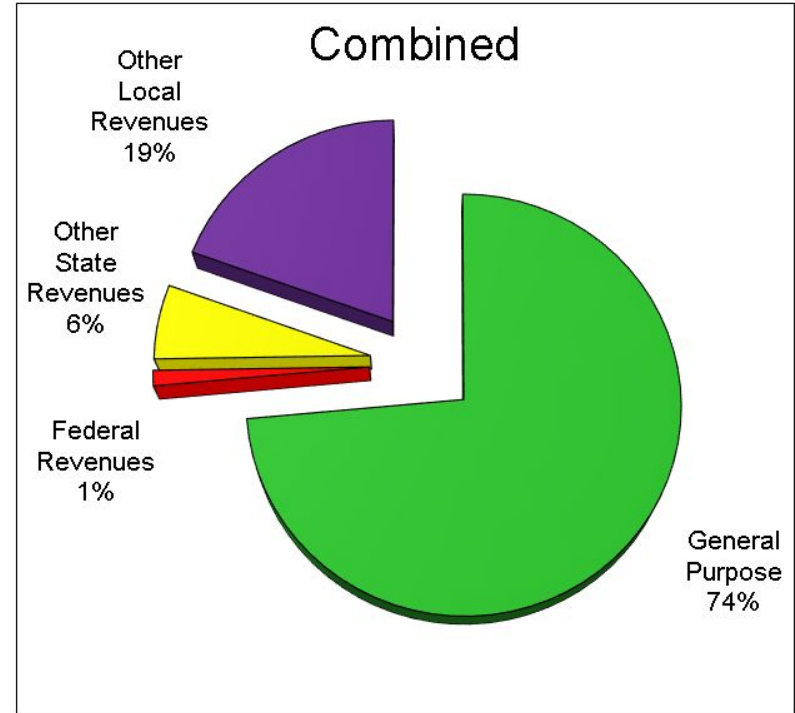
	2019-20	2020-21*	2021-22*	2022-23*
Operating Surplus (Deficit) <i>(June 2020)</i> Straight Renewal of Parcel Tax for '22-23	\$718k	\$342k*	\$(134k)*	\$(2.6M)*
Ending Fund Balance/Reserve <i>(June 2020)</i>	\$16.3M (17.3%)	\$16.9M (17.8%)	\$16.8M (17.1%)	\$14.1M (13.7%)
Operating Surplus (Deficit) <i>(June 2020)</i> <u>No</u> renewal of Parcel Tax for '22-23	\$718k	\$342k*	\$(134k)*	\$(18.8M)*
Ending Fund Balance/Reserve <i>(June 2020)</i>	\$16.3M (17.3%)	\$16.9M (17.8%)	\$16.8M (17.1%)	Insolvent in March 2023

Key Assumptions: * Figures do not include any potential increase in staff compensation

Revenue Sources for 2020-2021 (combined)



➤	General Purpose	\$	70,116,843
	○	Property taxes, Education Protection Account, minimum State Aid	
➤	State Funding	\$	5,489,391
	○	Lottery, Special Education, CTEIG, ROP, etc.	
➤	Federal Funding	\$	1,134,613
	○	Title I, Title II, IDEA, etc.	
➤	Local Revenue	\$	18,591,408
	○	Parcel tax, Foundations, facilities fees, interest	
	TOTAL:	\$	95,332,255



TUHSD Property Tax revenue scenarios



- Given information provided at Marin County Property Tax Forum by the County Department of Finance & MCOE, TUHSD looked at three possible scenarios & used the 'most likely' scenario for budget adoption
- These figures will updated as more information is provided in the future by County Dept of Finance

Scenario	2020-21	2021-22	2022-23
<i>2nd Interim figures in March</i>	6.0%	4.9%	4.9%
Optimistic	6.0%	3.9%	3.9%
<u>Most Likely</u>	<u>6.0%</u>	<u>2.9%</u>	<u>2.9%</u>
Pessimist	6.0%	1.9%	1.9%

Key Budget Assumptions - Revenues



Property Tax Revenue growth (per Marin County Department of Finance)

- 6.0%* in 2020-21 (6.0% in March 2020)
- 2.9% in 2021-22 (4.9% in March 2020)
- 2.9% in 2022-23 (4.9% in March 2020)
 - Note: Potential downward risk for commercial/retail mid-year re-assessments down (i.e. malls)

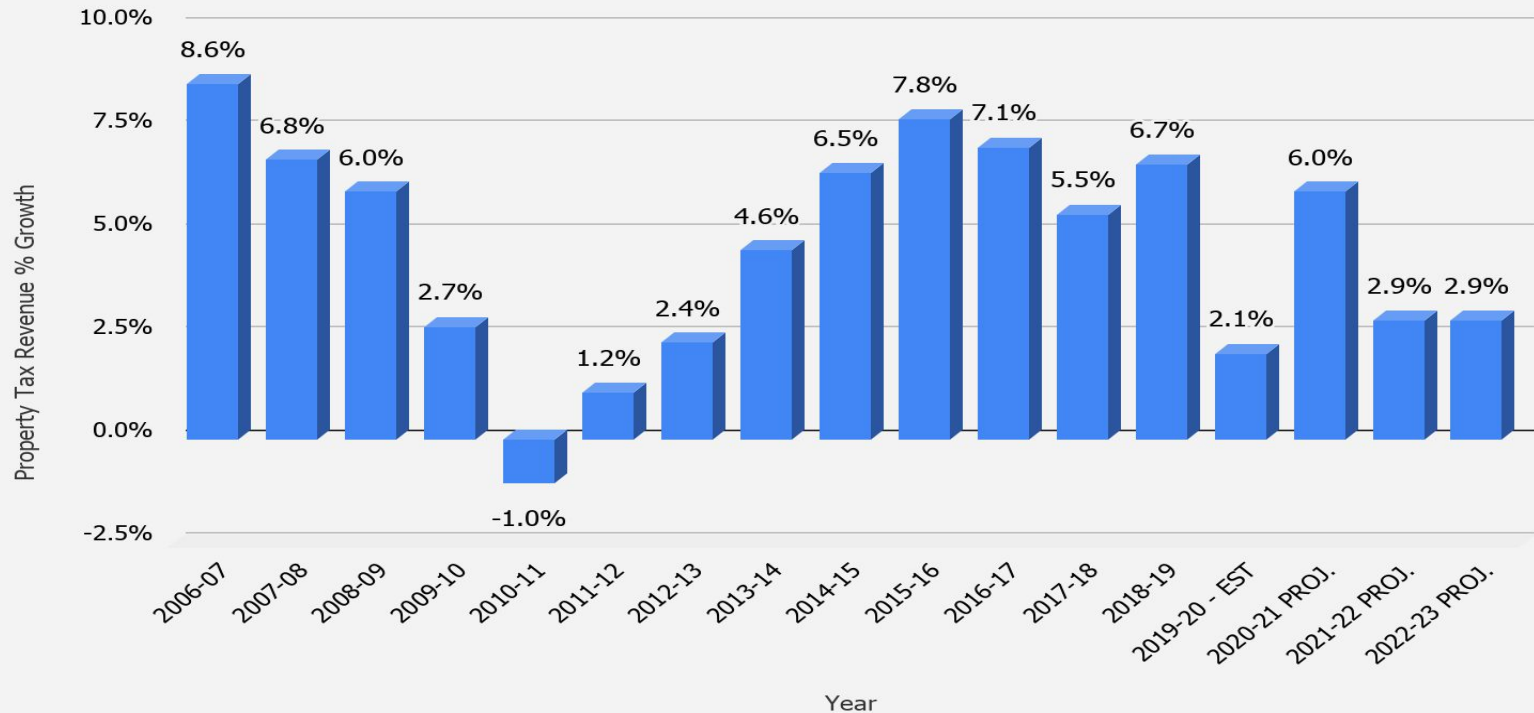
Parcel Tax Revenue

- Increase of 3% with annual inflation adjustment
- Significant uptick in Senior Exemptions processed for 2020-21 resulting in less revenue
- 2020-21 Parcel Tax revenue projected to be \$15.8M

Facilities Rental Revenue

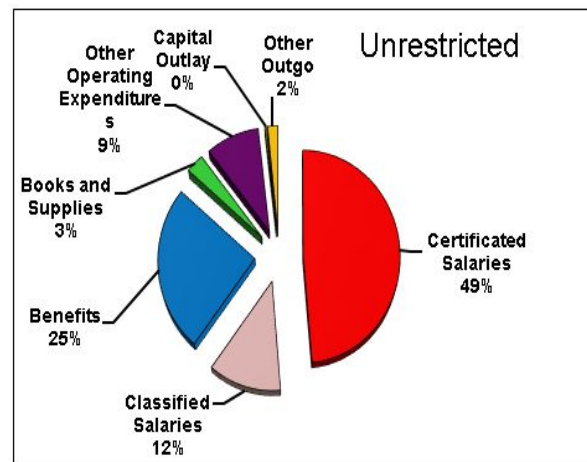
- Due to COVID 'shelter in place' guidelines, revenue is projected to be \$300k, which is a decrease of \$168k from 2019-20

TUHSD Historical Property Tax Revenue Growth



General Fund Expenditures

Description	Unrestricted	Combined
Certificated Salaries	\$32,277,512	\$37,358,685
Classified Salaries	\$7,890,841	\$11,157,812
Benefits (Payroll Taxes and Health & Welfare Contributions)	\$16,921,508	\$24,983,241
Books and Supplies	\$2,010,439	\$2,698,609
Other Operating Expenditures	\$6,006,765	\$13,148,163
Capital Outlay	\$158,200	\$158,200
Other Outgo	\$1,124,343	\$3,462,611
TOTAL	\$66,389,608	\$92,967,321



Salaries and benefits comprise approximately 86% of the District's unrestricted expenditures, and approximately 79% of the combined General Fund expenditures.

Key Budget Assumptions - Expenditures



- Enrollment:
 - 2019-20: 5,113 students
 - 2020-21: 5,191 students (projected)
 - 2021-22: 5,179 students (projected)
 - 2022-23: 5,100 students (projected)
- Certificated Staffing (teachers & counselors):
 - 2019-20: 292.3 fte (full time equivalents)
 - 2020-21: 291.3 fte (projected)
 - 2021-22: 291.7 fte (projected)
 - 2022-23: 298.7 fte (projected) - *'Increased Class Size' MOU expired*

Key Budget Assumptions - Expenditures (cont'd)



- No employee groups have settled on compensation with TUHSD in 2020-21 & beyond
 - Cost of a 1% raise for all staff is \$557k
- Step & Column increases are 1.40% for Certificated and 4.38% for Classified
- \$1.1M of 2020-21 budget reductions Board-approved on 5/12/20 included
- Health & Welfare employee benefit increases up 5%
- Utilities expenses projected to increase 4% annually (i.e. MMWD, PG&E, etc)
- STRS/PERS Pension employer rates reduced by Governor's 'May Revision' is included (*next slide*)
- Continued historic trend of Special Education costs average annual increase of \$1.1M (*later slides*)

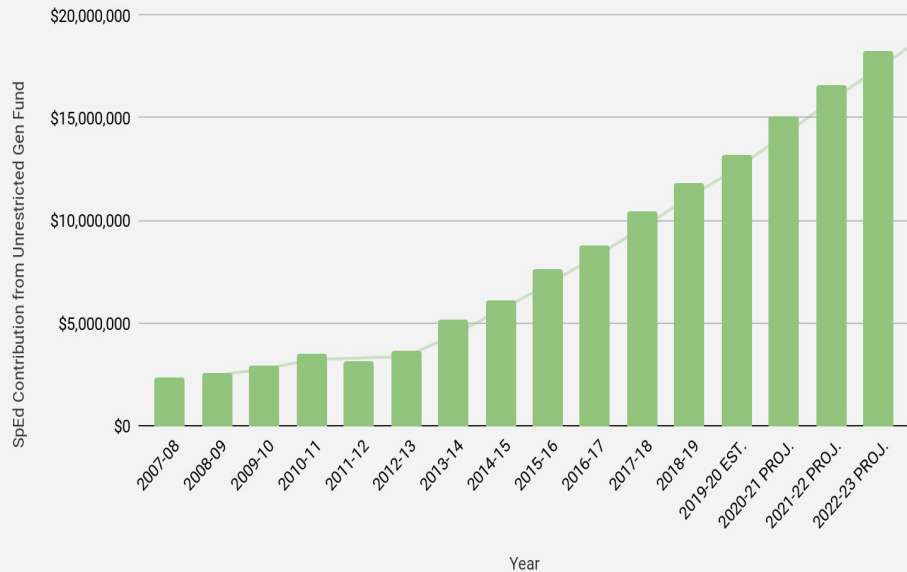
STRS & PERS Pension Employer Rates & Costs

- In 2013, pension rates were re-calculated based on the Public Employee Pension Reform Act that restructured retirement age and benefits
- Compared to 2013-14, increased pension employer rates & costs have more than doubled
- 'May Revise' proposed pension relief is 'one-time' savings of \$1,068,000 for 2020-21 & 2021-22 and is included in our budget proposal

	CalPERS Rate Comparison								
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24 est
Employer Rates	11.85%	13.89%	15.53%	18.06%	19.72%	20.70%	22.84%	25.50%	26.20%
Change		2.04%	1.64%	2.53%	1.66%	0.98%	2.14%	2.66%	0.70%
	CalSTRS Rate Comparison								
Employer Rates	10.73%	12.58%	14.43%	16.28%	17.10%	16.15%	16.02%	18.10%	18.10%
Change		1.85%	1.85%	1.85%	0.82%	-0.95%	-0.13%	2.08%	0.00%

Special Education Costs

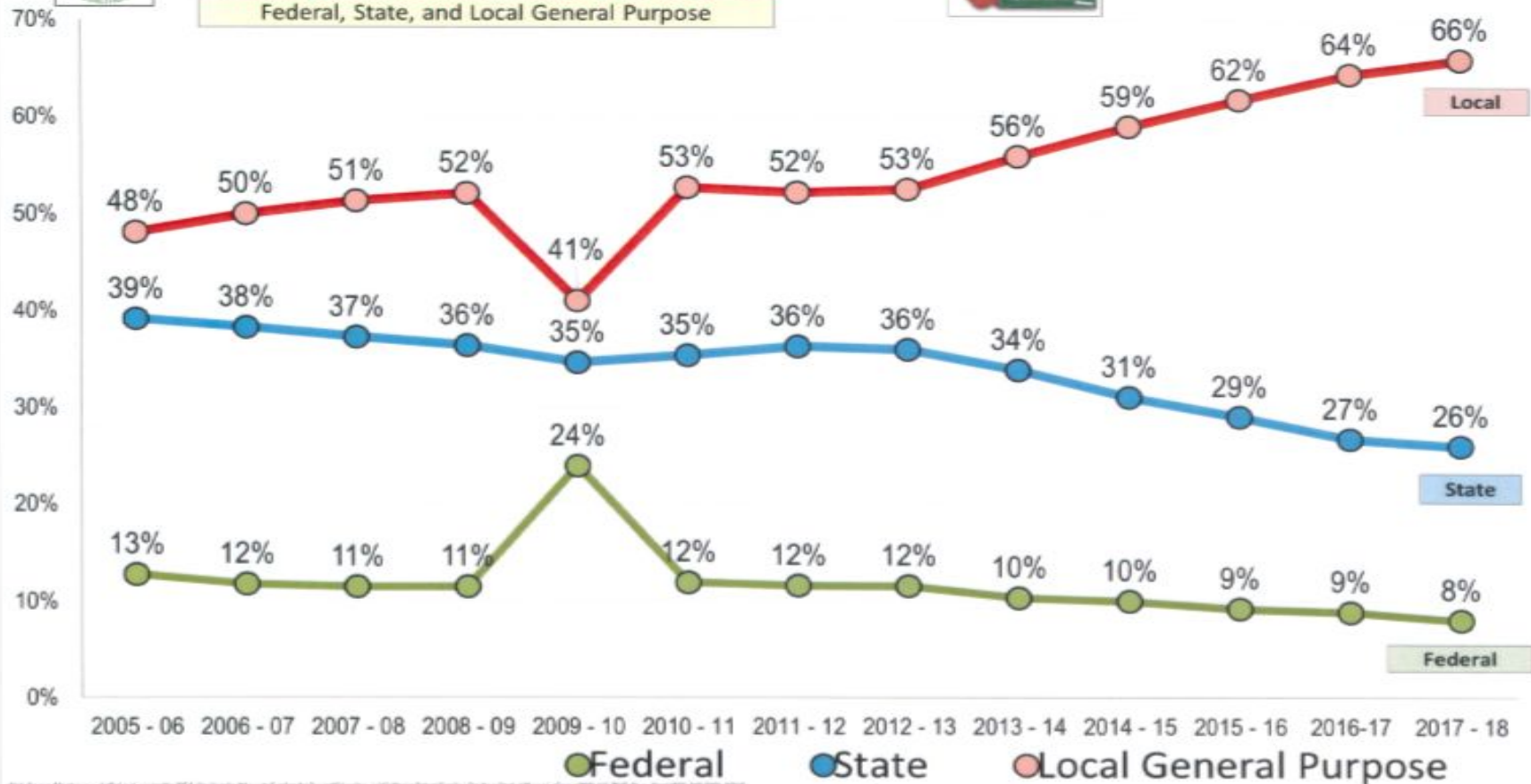
Historic Contribution to Special Education from Unrestricted General Fund



- TUHSD SpEd contributions have increased from \$2.4M to \$15.1M in 12 years
 - Avg. of \$1.1M increase annually
- In 2012, CA law changed increasing district responsibility for funding special education (NPS, mental health)
- 2016 TUHSD Special Education Audit
 - Recommendation to reduce NPS expenses
- TUHSD currently has 4 Counseling Enriched Classrooms (CEC) and opening 5th at San Andreas in the Fall
 - Estimated savings is \$560k annually per CEC
 - Total savings of about \$2.8M annually



California Special Education Funding for *Extra Costs*
Percentage of Total Contribution by Funding Source
Federal, State, and Local General Purpose



Source: Coalition for Adequate School Funding for Special Education (via JLAC)

Description	2020-21 Proposed Budget			2021-22 Projected Budget			2022-23 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
REVENUES									
General Purpose Revenue (A)	70,116,843	-	70,116,843	72,051,807	-	72,051,807	74,042,498	-	74,042,498
Federal Revenue (B)	-	1,134,613	1,134,613	-	1,134,613	1,134,613	-	1,134,613	1,134,613
State Revenue (B)	823,363	4,666,028	5,489,391	823,363	4,666,028	5,489,391	823,363	4,666,028	5,489,391
Local Revenue (C)	16,098,654	2,492,754	18,591,408	16,531,833	2,492,754	19,024,587	17,019,207	2,492,754	19,511,961
TOTAL REVENUES	87,038,860	8,293,395	95,332,255	89,407,003	8,293,395	97,700,398	91,885,068	8,293,395	100,178,463
EXPENDITURES									
Certificated Salaries (D)	32,277,512	5,081,173	37,358,685	32,886,997	5,152,309	38,039,306	34,005,415	5,224,441	39,229,856
Classified Salaries (D)	7,890,841	3,266,971	11,157,812	8,317,460	3,410,064	11,727,524	8,681,765	3,559,425	12,241,190
Benefits (E)	16,921,508	8,061,733	24,983,241	17,666,928	8,298,946	25,965,874	19,357,410	8,684,044	28,041,454
Books and Supplies (F)	2,010,439	688,170	2,698,609	2,010,439	688,170	2,698,609	2,010,439	688,170	2,698,609
Other Services & Oper. Exp (G)	6,006,765	7,141,398	13,148,163	5,753,765	7,777,398	13,531,163	5,964,565	8,466,398	14,430,963
Capital Outlay (F)	158,200	-	158,200	158,200	-	158,200	158,200	-	158,200
Other Outgo (H)	1,168,213	2,326,555	3,494,768	1,177,142	2,646,555	3,823,697	1,186,419	2,999,555	4,185,974
Transfer of Indirect Costs	(43,870)	11,713	(32,157)	(43,870)	11,713	(32,157)	(43,870)	11,713	(32,157)
TOTAL EXPENDITURES	66,389,608	26,577,713	92,967,321	67,927,061	27,985,155	95,912,216	71,320,343	29,633,746	100,954,089
EXCESS / (DEFICIENCY)	20,649,252	(18,284,318)	2,364,934	21,479,942	(19,691,760)	1,788,182	20,564,725	(21,340,351)	(775,626)
OTHER SOURCES/USES									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out (I)	(2,022,552)	-	(2,022,552)	(1,922,552)	-	(1,922,552)	(1,847,552)	-	(1,847,552)
Net Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Contributions to Restricted (J)	(18,284,318)	18,284,318	-	(19,691,760)	19,691,760	-	(21,340,351)	21,340,351	-
TOTAL OTHER SOURCES / USES	(20,306,870)	18,284,318	(2,022,552)	(21,614,312)	19,691,760	(1,922,552)	(23,187,903)	21,340,351	(1,847,552)
Net Increase (Decrease)	342,382	-	342,382	(134,370)	-	(134,370)	(2,623,178)	-	(2,623,178)
FUND BALANCE, RESERVES									
Estimated Beginning Balance	16,550,628	994,894	17,545,522	16,893,010	994,894	17,887,904	16,758,640	994,894	17,753,534
Estimated Ending Balance	16,893,010	994,894	17,887,904	16,758,640	994,894	17,753,534	14,135,462	994,894	15,130,356
Nonspendable	12,000	-	12,000	12,000	-	12,000	12,000	-	12,000
Restricted	-	994,894	994,894	-	994,894	994,894	-	994,894	994,894
Assigned	3,757,548	-	3,757,548	3,623,178	-	3,623,178	1,000,000	-	1,000,000
Unassigned - REU @ 3%	2,849,700	-	2,849,700	2,935,100	-	2,935,100	3,084,100	-	3,084,100
Unassigned - Other	10,273,762	-	10,273,762	10,188,362	-	10,188,362	10,039,362	-	10,039,362
Total - Est. Fund Balance	16,893,010	994,894	17,887,904	16,758,640	994,894	17,753,534	14,135,462	994,894	15,130,356

Fund Balance Reserve Percentage
(Combined Assigned & Unassigned)

17.77%

17.12%

13.74%

TUHSD Summary of Multi-Year Projections

	2019-20	2020-21*	2021-22*	2022-23* **
Operating Surplus (Deficit) (March 2020)	\$460k	\$(1.3M)*	\$(207k)*	--* **
Ending Fund Balance/Reserve (March 2020)	\$16.3M (17.0%)	\$14.9M (15.4%)	\$14.5M (14.7%)	--
Operating Surplus (Deficit) (June 2020)	\$718k	\$342k*	\$(134k)*	\$(2.6M)* **
Ending Fund Balance/Reserve (June 2020)	\$16.3M (17.3%)	\$16.9M (17.8%)	\$16.8M (17.1%)	\$14.1M (13.7%)

Key Assumptions:

* Figures do not include any potential increase in staff compensation

** Figures assume a straight renewal of existing parcel taxes despite expiration in June 2022 (per MCOE's guidance)


Potential Multi-year Projection - *No parcel tax renewal?*

	2019-20	2020-21*	2021-22*	2022-23*
Operating Surplus (Deficit) <i>(June 2020)</i> Straight Renewal of Parcel Tax for '22-23	\$718k	\$342k*	\$(134k)*	\$(2.6M)*
Ending Fund Balance/Reserve <i>(June 2020)</i>	\$16.3M (17.3%)	\$16.9M (17.8%)	\$16.8M (17.1%)	\$14.1M (13.7%)
Operating Surplus (Deficit) <i>(June 2020)</i> <u>No</u> renewal of Parcel Tax for '22-23	\$718k	\$342k*	\$(134k)*	\$(18.8M)*
Ending Fund Balance/Reserve <i>(June 2020)</i>	\$16.3M (17.3%)	\$16.9M (17.8%)	\$16.8M (17.1%)	Insolvent in March 2023

Key Assumptions: * Figures do not include any potential increase in staff compensation

Summary of All Funds

Below is a summary of each Fund's fund balance (or reserve) and estimated changes.



FUND	2019-20	Est. Net Change	2020-21
GENERAL (UNRESTRICTED & RESTRICTED)	\$17,545,522	\$342,382	\$17,887,904
ADULT EDUCATION	\$11,274	\$129,092	\$140,366
CAFETERIA	\$23,732	\$155,750	\$179,482
DEFERRED MAINTENANCE	\$0	\$0	\$0
SPECIAL RESERVE	\$9,192	\$100	\$9,292
FOUNDATION SPECIAL RESERVE	\$52,327	\$0	\$52,327
BUILDING	\$0	\$0	\$0
CAPITAL FACILITIES	\$0	\$20,000	\$20,000
CAPITAL OUTLAY	\$2,958,458	\$305,000	\$3,263,458
BOND INTEREST & REDEMPTION	\$9,065,161	\$0	\$9,065,161
SELF-INSURANCE	\$65,012	\$0	\$65,012
TOTAL	\$29,730,676	\$952,324	\$30,683,000

Reserves & Assignments

Reserves & Assignments

2020-21 Estimated Ending General Fund Balance - \$17,887,904 (17.8% reserve level)



Non-Spendable - \$12,000

Restricted - \$994,894

Assigned - \$3,757,548

- 2021-22 Operating Deficit (Unrestricted) - \$134,370
- 2022-23 Operating Deficit (Unrestricted) - \$2,623,178
- Textbook Adoption Purchases (Next Gen Science Standards) - \$500,000
- Distance Learning materials & supplies - \$500,000

Unassigned - 3% minimum reserve for economic uncertainty (REU) - \$2,771,700

Unassigned (Other) - \$10,273,762


Reminder: TUHSD Board Policy (BP 3100) establishes a targeted minimum reserve level at 17% of expenditures.

Uncertainties & Prudence



- Unknown depth and duration of economic downturn & impact on local property tax revenues
- 'May Revise' proposal: Basic aid 'fair share' reduction of 10%
- TUHSD at 'peak enrollment' in 2020-21, but history suggests possible future increases from private schools given economy
- No employee groups have settled on compensation with TUHSD in 2020-21 nor moving forward
- Concerns about future increases to STRS & PERS pension rates given stock market losses despite State relief
- Statewide trend of Special Education costs increases continue (unfunded mandate)
- Class size MOU & both parcel taxes expire in June 2022
- Given \$6.7M of TUHSD budget reductions over past 3 years are assumed ongoing; staff need to monitor to ensure practice continues align with this policy

2020-21 Budget Calendar & Key Dates



June 2020

CA State Legislature must propose budget plan by June 15th
TUHSD must adopt a budget by June 30th

July 2020

State & Federal personal income tax deadline extension on 7/15

August 2020

Governor's 'August Revision' to State budget & State Legislature enactment
TUHSD 45-day budget revision for 2020-21

September 2020

Unaudited Actuals Budget Report for 2019-20

December 2020

LCAP & 1st Interim Budget Report for 2020-21

Questions? Comments?



Special thanks to our many new Site & Department budget secretaries across the District for their help to prepare this report!




TAMALPAIS UNION HIGH SCHOOL DISTRICT

2019-20 Unaudited Actuals

September 8, 2020

So.... why do Unaudited Actuals?

- 
- Unaudited actuals are the last major 'look back' at the previous fiscal year
 - Looking at actual revenues & expenditures for 2019-20
 - Not budgeted or estimated (i.e. Budget Adoption, 1st & 2nd Interim, Estimated Actuals)
 - Comparison: Estimated Actuals (June 2020) vs. Unaudited Actuals (Sept 2020)
 - Goal: provides feedback on accuracy of District's budgeting process
 - Accuracy = as close to zero as possible (either 'black' or 'red' numbers)
 - Difference between the two only impacts the 2020-21 Beginning Fund Balance (Reserve)
 - Difference does not impact our 2020-21 budget & multi-year projection
 - Primarily focused on Unrestricted & other key funds for analysis
 - Required by Ed Code

Agenda



- Revenue Drivers & Factors
- General Fund Revenue & Expenditure Categories
- Contributions & Transfers from General Fund
- General Fund Activity Summary
- Reconciliation of Estimated to Actuals (Unrestricted)
- Activity & Balances (all Funds)
- Next Steps & Questions

Revenue Drivers & Factors

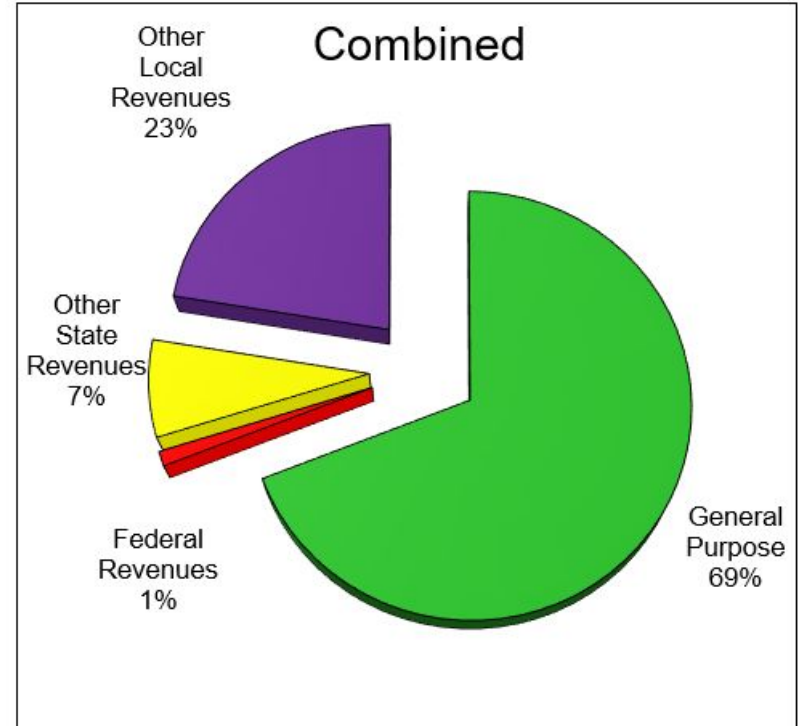


- 2019-20 Average Daily Attendance (ADA)
 - Actual ADA was 4,929, which is an increase of 82 students from 2018-19
 - Reminder: ADA is different than enrollment (5,126) & this figure excludes MCOE ADA
- Due to the fact that TUHSD is 'basic aid', the increase in ADA from 2018-19 does not significantly impact operating revenues
- Property taxes received during the fiscal year were \$65.6M, which was an increase of approximately \$2.0M from 2018-19, which is a 3.15% increase
 - Note: Without the property tax 'remapping' of Corte Madera Village mall, the property tax revenue growth would have been 5.03%

Sources of 2019-20 General Revenue (combined)

- General Purpose \$ 66,309,502
 - Property taxes, EPA, minimum State Aid
- State Funding \$ 7,068,580
 - Not part of LCFF (Lottery, Special Education, etc.)
- Federal Funding \$ 1,066,158
 - Title I, Title II, etc.
- Local Revenue \$ 21,529,536
 - Parcel taxes, Foundations, facilities fees, interest

TOTAL: \$ 95,973,776



Education Protection Account (EPA)



- Approved by CA voters in 2012 (Prop 30) after 'Great Recession'
- Funding must be used for instructional purposes

Education Protection Account (EPA) Budget <i>2019-20 Fiscal Year</i>	
Description	Amount
BEGINNING BALANCE	\$54
EPA REVENUES:	
<i>Actual EPA Funds</i>	\$985,824
EPA EXPENDITURES:	
<i>Certificated Instructional Salaries</i>	\$715,837
<i>Certificated Instructional Benefits</i>	\$270,041
TOTAL	\$985,878
ENDING BALANCE	\$0

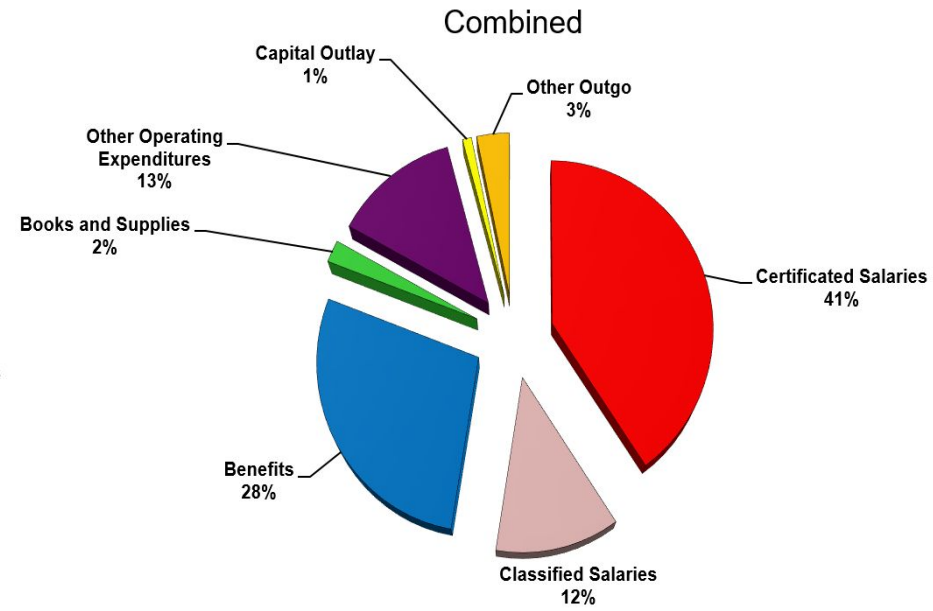
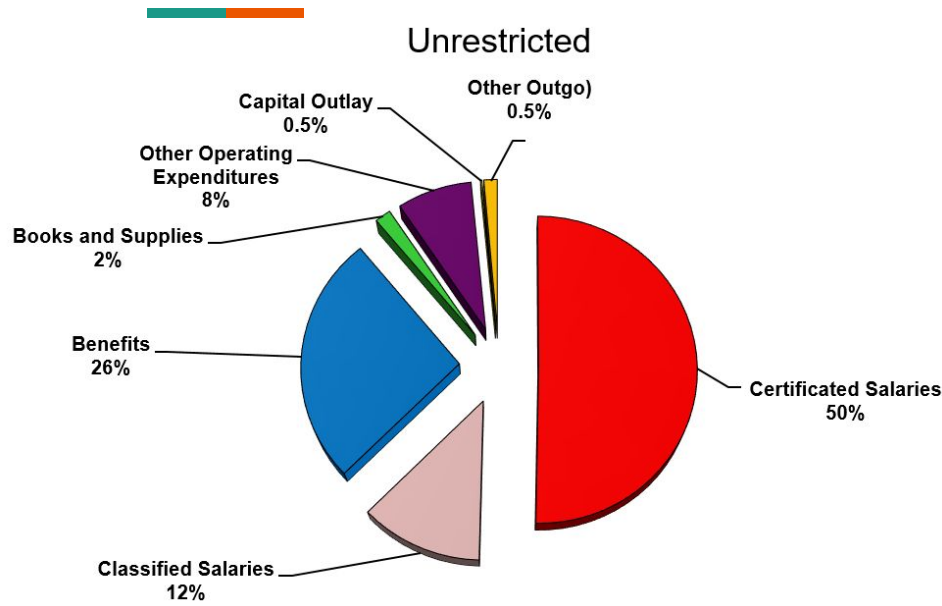
General Fund Expenditures



Description	Unrestricted	Combined
Certificated Salaries	\$31,850,362	\$36,474,868
Classified Salaries	\$7,725,700	\$10,859,637
Benefits (Payroll Taxes and Health & Welfare Contributions)	\$16,652,871	\$25,275,327
Books and Supplies	\$1,063,638	\$1,927,518
Other Operating Expenditures	\$4,969,320	\$11,613,123
Capital Outlay	\$93,291	\$837,546
Other Outgo (Including Indirect Cost Recaptures)	\$885,244	\$3,045,564
TOTAL	\$63,240,425	\$90,033,583

81% of combined General Fund expenditures are salary and benefits

General Fund Expenditures



88% of Unrestricted General Fund expenditures are salary & benefits

General Fund Contributions & Transfers



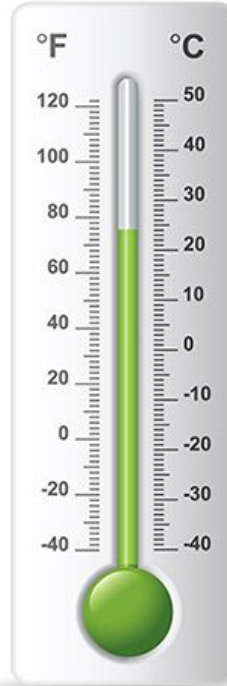
Description	Unaudited Actuals
Special Education - Instruction	\$12,203,198
Restricted Maintenance Account	\$2,884,000
Career Technical Education	\$202,915
Contributions from Foundations	(\$160,575)
TOTAL CONTRIBUTIONS	\$15,129,538

In addition to the above contributions, the District transferred \$800k to the Cafeteria Special Revenue Fund, and \$2.7 million to the Capital Outlay Reserve Fund.

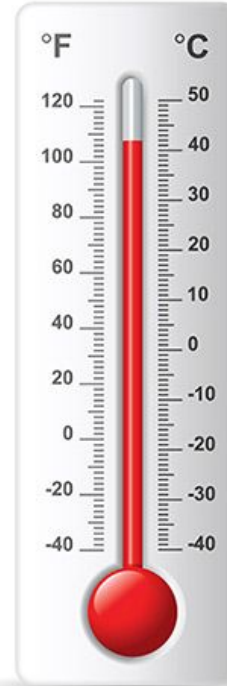
Unaudited Actuals 'Success Criteria'



+/-1% = Great
(about \$935k)




+/-2% = Good
(about \$1.87M)



+/-3% = OK
(about \$2.8M)

Note: Percentage is difference relative to total expenditures & other sources/uses

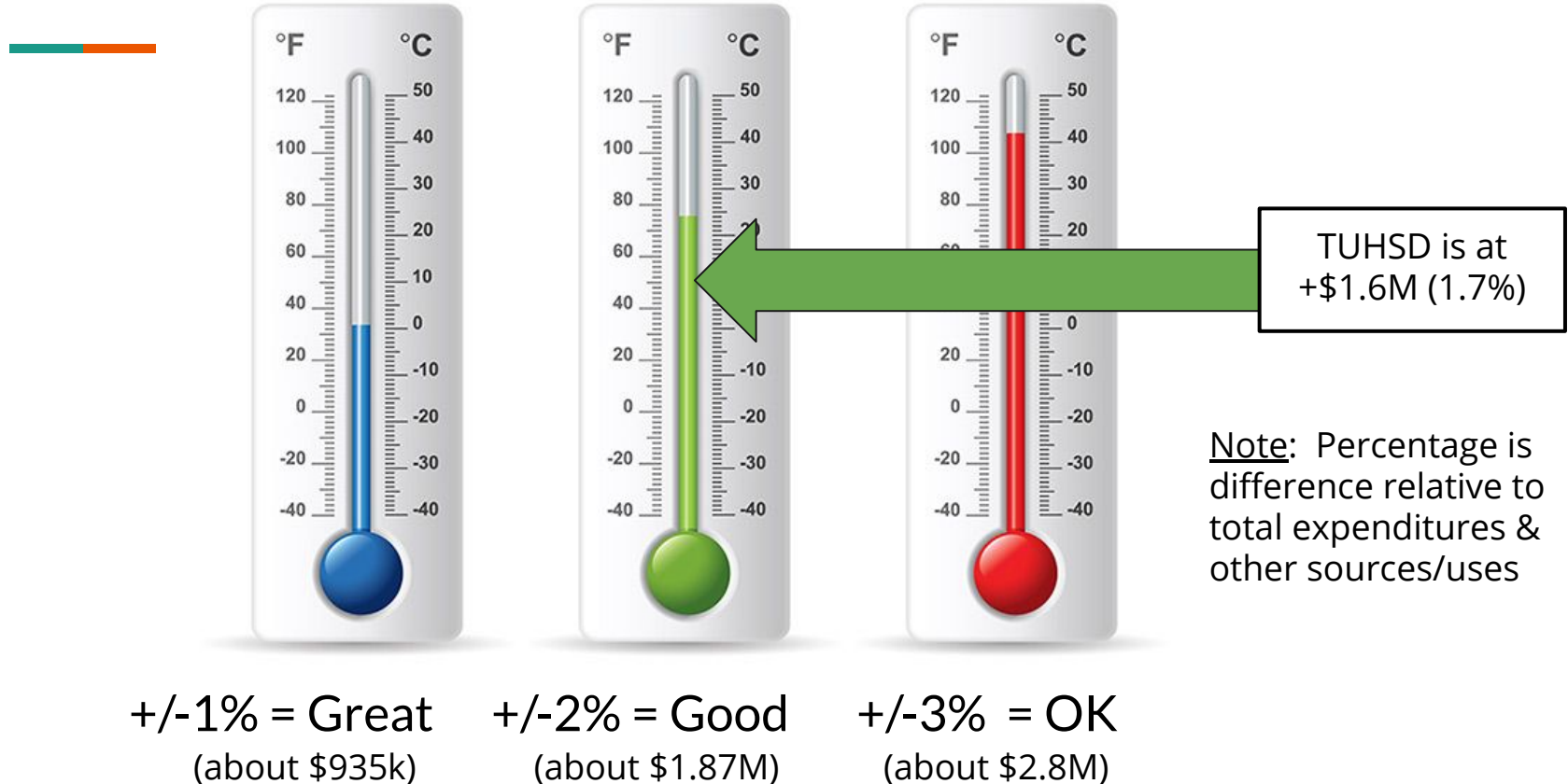
Looking back at 2019-20... June and tonight



Again, we are looking back at 2019-20 and are comparing our Estimated Actuals (June 2020) to our Unaudited Actuals (September 2020).

- Overall changes between Estimated Actuals and Unaudited Actuals provide savings
- Unrestricted variance between Estimated Actuals and Unaudited Actuals was just over \$1.6 million, or 1.7% of the Unrestricted budget
- Restricted General Fund had an operating surplus of \$114k primarily due to Special Education revenues & expenditures, State pension on-behalf payments, Foundations, grants and donations. Per usual, these amounts will carryover to 2020-21 and budgeted accordingly.

Unaudited Actuals 'Success Criteria'



Comparison of Estimated Actuals vs. Unaudited Actuals - Impact on Reserves

<i>Description</i>	<i>Unrestricted Projected Operating Surplus</i>	<i>Ending Fund Balance (Reserve)</i>
2019-20 Estimated Actuals Projection (June)	\$ 718,077	\$ 16,550,628
<i>Changes</i>	\$ 1,602,626	\$ 1,602,626
2019-20 Unaudited Actuals Projection (September)	\$ 2,320,704	\$ 18,153,255

Components for Change in Unrestricted General Fund Reserve

Description of Significant Variance Components	Amount
Property taxes revenues higher than estimated in June	\$44k
Parcel taxes revenues higher than estimated in June	\$46k
Contributions to Special Education were less than estimated (both increased revenues & decreased expenditures primarily for Non Public School placements)	\$1.0M
Transfers out to other funds were more than estimated (Nutrition, Capital Outlay - Facilities)	(\$1.1M)
Expenditures less than anticipated in all categories (primarily during Spring COVID-19 school closures)	\$1.6M
Total Variance	\$1.6M

2019-20 General Fund Summary: In June, the estimated operating surplus for 2019-20 was \$718k. In September, the surplus is \$1.6M more than predicted and the unaudited actuals operating surplus for 2019-20 is now \$2.3M.

Components of 2019-20 Ending General Fund Balance (Reserve)

As a result of operations for 2019-20, the General Fund unrestricted ending fund balance is \$18.2M (estimated at \$16.6M in June), and restricted portion is \$2.9M, for a total of \$21.1M.

The components of the District's combined fund balance are as follows:

• Revolving cash & other nonspendable items	-	\$3.1M
• Assignments:	-	\$3.8M
• Economic Uncertainty (3%)	-	\$2.8M
• Unassigned /Unappropriated	-	\$11.4M

The combined minimum reserve for economic uncertainty plus the unassigned represents 19% reserve. The reserve as of budget adoption (June 2020) is projected to still increase by \$342k in the current year, but is projected to decrease by \$134k & \$2.6M in 2021-22 & 2022-23 respectively.

Note: These figures do not include any potential increase in staff compensation in all three years of the current Multi-Year Projection and assumes a straight renewal of existing parcel taxes despite expiration in June 2022.

2019-20 Ending Fund Balances (all funds)

As illustrated below, all Funds have a positive ending fund balance at June 30, 2020.

FUND	2018-19	Net Change	2020-21
GENERAL (UNRESTRICTED & RESTRICTED)	\$18,640,599	\$2,435,193	\$21,075,791
ADULT EDUCATION	\$786,876	(\$204,098)	\$582,778
CAFETERIA	\$223,620	\$278,214	\$501,834
DEFERRED MAINTENANCE	\$1,944,769	\$490,712	\$2,435,481
SPECIAL RESERVE	\$9,092	\$189	\$9,280
FOUNDATION	\$52,327	\$1,086	\$53,413
BUILDING	\$0	\$0	\$0
CAPITAL FACILITIES	\$218,241	\$89,931	\$308,172
CAPITAL OUTLAY	\$2,781,945	\$1,161,929	\$3,943,873
BOND INTEREST & REDEMPTION	\$8,716,411	\$393,699	\$9,110,109
SELF INSURANCE	\$65,012	\$1,759	\$66,771
TOTAL	\$33,438,889	\$4,648,614	\$38,087,503

Uncertainties & Prudence: *Moving forward...*

- Parcel taxes expire in June 2022
- COVID-19 and related downturn in the economy & impact of property tax revenues
- Scheduled large facilities projects ahead (multiple field replacements, pool replastering, etc)
- State Teachers' Retirement System (STRS) and Public Employees' Retirement System (PERS) pension rate increases larger than revenue increases
- Statewide trend of Special Education costs increases (unfunded mandate)
- Class size MOU expires in June 2022
- Salary compensation agreements in place through 2019-20, but not in 2020-21 & beyond

While the current MYP shows a balanced budget in '20-21, there is still significant 'downward budgetary pressure'. Given the above, a return to deficit spending is currently projected for '21-22 & '22-23 and 5-year horizon.

Next Steps



- Business staff has finished closing the books - *BIG shout-out to the Business Office staff!*
- The auditors express an opinion
 - *“In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020...”*
 - This is the opinion we want and expect to see!
 - District’s external auditors will conduct fieldwork in November and will render an opinion by December 15th
 - Audit report will be shared with the Board in January

Questions & Comments?

AGENDA

Tamalpais Union High School District

Parcel Tax Citizens Oversight Committee (PTCOC)

April 1, 2020 - Notes

8:30-10:30am

<https://zoom.us/j/769703054>

Committee Members:

Robin Moses - Chairperson

John Richard - Vice Chairperson

Jennifer Ginsburg

Tammy Wilks Kornfeld

Bill Levinson

TUHSD Staff:

Corbett Elsen, Chief Financial Officer & PTCOC Secretary

Lorie Perez, Administrative Assistant of Business Services

Our Mission:

THE TAMALPAIS UNION HIGH SCHOOL DISTRICT is dedicated to the development of creative, passionate, and self-motivated learners. Upon graduation, students will be prepared for engaged citizenship and able to contribute individually and collaboratively in order to address the challenges of a dynamic and diverse world. To these ends, all students will demonstrate mastery of core competencies and will be offered meaningful learning experiences to enable them to access and critically analyze information, pose substantive questions, and communicate effectively..

NOTE: Members of the public who wish to address the Committee are asked to use Zoom 'Reactions' feature at the bottom of your Zoom window and either use the 'hand' symbol to communicate to the Chairperson that you would like to address the Committee. When the Chairperson calls your name to make your public comment, please do not forget to 'unmute' your audio feature at this time so you can be heard..

Members of the public may comment on agenda items as follows: Once an item is introduced, the staff will review the item for the Committee and then comments will be accepted from the public. A total of 20 minutes may be allotted for public comment on any specific topic or agenda item.

Public comment on matters within the subject matter jurisdiction of the Committee but not on the agenda will be taken at the conclusion of all substantive action and discussion items on the agenda, as indicated on the agenda. In keeping with provisions of the Brown Act, the Committee cannot comment on items that are not on the agenda.

Agenda:

1.0 Call to Order

Due to the Covid-19 Shelter-in-Place order, the regular meeting of the Tamalpais Union High School District Parcel Tax Committee was held online through Zoom.

The meeting was called to order 8:30am.

Corbett spoke briefly about Zoom and shared screen for agenda

2.0 Information Q&A: Brief COVID-19 update from TUHSD Board Meeting on 3/24/2020

The closure might continue through May 1. Likely possibility closed for the remainder of the year. Decision might be in the next week or so. The district is working on dynamic distance learning protocol, which will be published to the community April 3, 2020.

2.1) Share results of parcel tax Measure B election from March 3rd, 2020

- As of March 12th, only 62.91% voted 'yes' out of 53,232 votes
- 2/3rd or 66.67% 'yes' votes needed for parcel tax passage in California

Corbett gave an update about Measure B, which did not pass. It has not officially been certified yet, it was at 63.8%. We need 66.7 to pass.

The committee members had no questions

3.0 Discussion/Action Items

Review & Discuss [Parcel Tax COC Bylaws](#) & [Ballot Measure \(J\)](#)

Purpose: Audit function; not decision-making on how to make the funds that they align with measure J. we are spending the dollars on teachers. Refer to the colorful table.

- **Duties: Ensure expenditures align with ballot measure**

Annual report to trustees in October. Unaudited actuals have to be approved by October. Finalize any of our reports in late September.

Review a draft report and present to the board in October.

The committee members had no questions

- **Discuss potential format for Annual Report to Board in October**

Corbett shared that Robin, John and himself looked at several reports. A simple cover letter from the committee to the board summarizing what the findings are for five different sites, nine departments and a formal written report. All three will be brought to the September meeting.

Bill recommended that the committee make certain the format of the report has language from the measure because the measure and report align.

Corbett was in agreement. Start campaign mode for measure X

- Cover letter from PTCOC members
- Table showing teacher positions funded by Measure J proceeds
- Formal written report

TUHSD Budget Overview - Discuss 2019-20 2nd interim budget report presentation

- **2nd Interim budget report** [slidedeck](#)

Corbett reviewed the slidedeck with the committee that was presented on March 10 to the board. Where are we through January 1, 2021. No significant changes this Fiscal Year. Projecting a small surplus.

- **Discuss impact of Measure B failure & next steps**

Corbett reviewed implications of Measure B failing. First meeting tomorrow to discuss the failing of Measure B and recommendations for next steps. Discussed the

possibility of Measure X being place on the November 2020. March 15 deadline for potential layoffs. The board will need to make a final decision by May 15. Fiscal Advisory Committee to be reinstated. Only 2 regular elections left, November 2020 and March 2022. Special election dates 2021. Significant costs for special election. Option for mail in only with no polling places.

The committee discussed if TUHSD is confident in the advice given by their Campaign Consultants.

Corbett expressed his confidence in the campaign, especially since we saw up and down the state of CA measures did not do well.

Jennifer said she feels the consultant is an easy scapegoat and that it is more about the climate than their ability to perform for us.

Corbett explained there has been suggestions to suspend the Team program, limiting elective offerings, suspending the journalism release period and stipend associated. Release period only. Some student have nine classes and maybe we | should limit students to seven periods. Board has not acted on them yet, but reserved the right. Continue suspension of the teacher leadership program. Tighten our staffing next year. Minimize classes that are below contractual relations with the TFT. That adds up to @ \$1.4 million.

Jennifer asked if there be a decision to deficit spend because we are hopeful that the Parcel Tax will pass in November. Are we looking to balance or hedge a little?

Corbett said that is the exact question the board is wrestling with its all about the next parcel tax.

- **Resource: [EdSource article](#) on high failure rate of California school measures on March ballot**

The pension situation is a hot button up and down the state and that might be what negatively impacted Measure B.

Bill recommended including a line about STRS/PERS retirement.

John asked if there is a cola adjustment every year.

Corbett said there is. Some people assume that we are putting more money into that and the employee is getting more out but it is not that way. We have had success with the CEC classrooms and estimate we will save 2.5 million with opening of these classrooms

John asked if there would be cost savings for not operating the school systems for the next 3 months.

Corbett explained there have been some savings on transportation costs, food costs, some expenditure increases as in hazard pay for essential staff. Potentially insignificant to the loss of the parcel tax. Saving @ \$100,000-\$200,000.

Bill asked if the district is supposed to receive million property tax and county is only able to collect \$900,000. Are we owed the \$100,000?

Corbett explained we are owed that amount and when it does not come through he

does not know the mechanism the county uses. They float us a loan in anticipation of receiving them.

Jennifer said however we move forward we need strong leadership. Our hope is going forward that more people will say I get it and will get involved.

John asked if we going to get the tax advisory group on board before launching the campaign?

Bill said the board has a responsibility to provide quality education. It almost passed probably had to do with a lot different factors.

Corbett said Measure B was the option requiring no additional budget cuts; It will be a critical 24 months ahead.

3.3 Review PTCOC Communications protocols

- PTCOC Website: <https://www.tamdistrict.org/Page/12317>

Robin touched on the communication protocols. It has been working very well, keep all your questions send directly to either her or Corbett, no chain communications.

3.4 Approve Minutes of the January 22, 2020 PTCOC Meeting

Robin, John, Bill, Tammy, Jennifer, unanimously

4.0 Future Agenda Items

Bill requested a report from Corbett bringing us up to speed as to what people have learned about the Measure B failure

What 20-21 will look like?

Covid update

Budget update related to parcel tax

Next meeting September 20, 2020 - 8:30am

Adjournment

The meeting was adjourned at 9:57am.

5.0 Public Comment on Non-Agenda Items

At this time, members of the public may address the PTCOC on any items, not on the agenda that are within the subject matter jurisdiction of the PTCOC. Speakers are requested to limit their remarks to no more than three minutes.

There was no public comment.

Zoom Web-Conferencing Norms: Members of the public who wish to address the Committee are asked to use Zoom 'Reactions' feature at the bottom of your Zoom window and either use the 'hand' symbol to communicate to the Chairperson that you would like to address the Committee. When the Chairperson calls your name to make your public comment, please do not forget to 'unmute' your audio feature at this time so you can be heard.

6.0 Next Meeting

September 30, 2020 from 8:30-10:30am in Kreps Conference Center to review draft of 2019-20 annual report for Measure J

The Tamalpais Union High School District Parcel Tax Oversight Committee meetings are open to the public.

The public is encouraged to attend.

For more information, please call Lorie Perez, Administrative Assistant, at 415-945-1037

**BOARD OF TRUSTEES
TAMALPAIS UNION HIGH SCHOOL DISTRICT**

RESOLUTION NO. 20-2

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
TAMALPAIS UNION HIGH SCHOOL DISTRICT, CALLING AN ELECTION FOR
APPROVAL OF THE RENEWAL OF AN EDUCATION PARCEL TAX, ESTABLISHING
SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION
WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 3, 2020**

RESOLVED by the Board of Trustees ("Board") of the Tamalpais Union High School District ("District"), a school district of the County of Marin, State of California, that:

WHEREAS, since 1989, the District has relied on locally-controlled parcel tax funding to keep excellent teachers in the classrooms and challenging academic programs available to local students. Today this funding provides \$16.8 million each year, which represents 17% of the District's annual budget, and it is set to expire soon; and

WHEREAS, the District has already made \$6.7 million in annual cuts, increased class size, cut administrative staff and reduced benefits, with more cuts expected in the future; and

WHEREAS, due to increased student enrollment, District schools have needed to hire more than 70 additional teachers to serve these students. As a community-funded district, the District does not receive additional State funding as more students attend local schools; and

WHEREAS, if local parcel tax funding expires, \$16.8 million in additional cuts would be required, including significant teacher layoffs and deep cuts to academic programs; and

WHEREAS, this measure is on the ballot to renew expiring parcel tax funding at the current rate to help minimize additional teacher layoffs and cuts; and

WHEREAS, even if this measure passes, the District will face cuts; and

WHEREAS, this measure would require fiscal accountability provisions, including an independent Citizens' Oversight Committee, annual audits and safeguards to ensure all funding would stay local in District schools and could not be taken by the State or used for administrator salaries or other purposes; and

WHEREAS, property owners aged 65 and older and certain owners receiving SSI or SSDI would continue to be eligible for an optional exemption from the cost of the measure; and

WHEREAS, California Constitution, Article XIII A, section 4 and Government Code sections 50075 et seq. authorizes the District, upon approval of two-thirds of the electorate, to levy qualified special taxes on real property in the District for the purpose of providing quality educational programs in the District and other lawful purposes of the District; and

WHEREAS, in the judgment of this Board, following a public hearing and comment, it is advisable to request that the Marin County Superintendent of Schools call an election and submit to the voters of the District the question of whether the District shall levy a

qualified special tax within the District as specified in this resolution, for the purpose of raising revenue for the District; and

WHEREAS, pursuant to the Education Code and Elections Code such election may be completely or partially consolidated with any other election held on the same day and in the same territory or territory that is in part the same.

NOW, THEREFORE, IT IS DETERMINED AND ORDERED as follows:

Section 1. Recitals. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Resolution Constitutes Order of Election. This resolution shall constitute an order of election pursuant to the Education Code to the Marin County Superintendent of Schools ("County Superintendent") to call an election within the boundaries of the District on November 3, 2020.

Section 3. Date and Purpose of Measure. Pursuant to the California Constitution and Government Code, an election shall be held within the boundaries of the District on Tuesday, November 3, 2020, for the purpose of voting on a measure ("Measure") which will be presented to voters in substantially the form attached hereto as **Exhibit A**, containing the question of whether the District shall impose a qualified special tax for the educational purposes stated therein. In addition, the full text of the Measure ("Full Ballot Text") shall appear in the ballot pamphlet in substantially the form attached hereto as **Exhibit B**.

Section 4. Exemptions from Qualified Special Tax. Pursuant to any procedures adopted by the District, upon application an exemption from payment of the special tax may be granted on any parcel owned by one or more:

- (a) Persons who will attain 65 years of age prior to May 1 of the tax year and occupying said parcel as his or her principal residence ("Senior Citizen Exemption"); or,
- (b) Persons receiving Supplemental Security Income for a disability, regardless of age, and occupying said parcel as his or her principal residence ("SSI Exemption"); or
- (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").

Exemptions may be granted based on a one-time application received by the District no later than May 1 prior to the tax year. Exemptions granted under prior special taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption.

The District shall annually provide to the Marin County Tax Collector ("County Tax Collector") or other appropriate County official a list of parcels that the District has approved for an exemption.

Section 5. Collection of the Tax. The qualified special tax shall be collected by the County Tax Collector. Unpaid special taxes shall bear interest at the same rate as the rate

for unpaid *ad valorem* property taxes until paid. With respect to all general property tax matters within its jurisdiction, the County Tax Collector 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 the exemptions, the application of the qualified special tax to any parcel(s), the legality or validity of the special tax, or any other disputed matter specific to the application of the special tax, the decisions of the District shall be final and binding.

This Measure shall not affect the collection of the qualified special taxes authorized by voters as "Measure B" in November 2011 or "Measure J" in November 2018 unless this Measure is adopted, in which case Measure B and Measure J shall cease and be replaced with this Measure on the date this Measure becomes effective.

Section 6. Reporting and Oversight.

- (a) *Specific Purpose.* The proceeds of the special tax shall be applied only to the specific purposes identified in the Full Ballot Text as required by Government Code section 50075.1. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District.
- (b) *Annual Report.* No later than December 31 of each year while the special 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. The report may relate to the calendar year, fiscal year, or other appropriate annual period, as said officer shall determine, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.
- (c) *Independent Citizens' Oversight Committee.* The Board shall provide for the creation of an independent citizens' oversight committee to oversee expenditure of the funds collected pursuant to the Measure to ensure that moneys raised under this Measure are spent only for the purposes described in this Measure. The Board shall provide for the composition, duties, and other necessary information regarding the committee's formation and operation. The Board shall have the option to extend any current independent citizen oversight committee and its membership to serve as the independent citizen oversight committee for this Measure.

Section 7. Authority for Ordering Election. The authority for ordering the election is contained in the Education Code, Elections Code, Government Code, and California Constitution.

Section 8. Authority for Specifications. The authority for the specification of this election order is contained in the Education Code.

Section 9. Resolution to County Officials. The Secretary to the Board is hereby directed to cause certified copies of this Resolution and order to be delivered no later than August 5, 2020, to the County Superintendent, the Marin County Registrar of Voters ("Registrar"), and the Clerk of the Board of Supervisors of Marin County ("Board of Supervisors").

Section 10. Formal Notice. The County Superintendent is hereby requested to prepare and execute a Formal Notice of Parcel Tax Election and consolidation order in substantially the form attached hereto as **Exhibit C** (the "Formal Notice"), and to call the election by

causing the Formal Notice to be posted in accordance with the applicable law no later than August 5, 2020, or to otherwise cause the notice to be published as permitted by law. The Secretary to the Board, on behalf of and as may be requested by the County Superintendent, is authorized to cause all notices required by law in connection herewith to be published and posted, as the case may be.

Section 11. Conduct of Election.

- (a) *Request to Registrar.* Pursuant to State law, the Registrar is requested to take all steps to hold the election on November 3, 2020, in accordance with law and these specifications. The election shall be held and conducted in the manner prescribed by Elections Code section 10418.
- (b) *Voter Pamphlet.* The Registrar is hereby requested to reprint the Full Ballot Text in substantially the form attached hereto as **Exhibit B** in the voter information pamphlet to be distributed to voters pursuant to the Elections Code. In the event the Full Ballot Text will not be reprinted in the voter information pamphlet in its entirety, the Registrar is hereby requested to print, immediately below the impartial analysis of the Measure, in no less than 10-point boldface type, a legend substantially as follows:

"The above statement is an impartial analysis of Measure _____. If you desire a copy of the Measure, please call the Marin County Registrar of Voters at {phone number} and a copy will be mailed at no cost to you."

- (c) *Consolidation.* The County Superintendent and the Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections as may be held on the same day in the same territory or in territory that is in part the same.
- (d) *Canvass and Declaration of Results.* The Board of Supervisors is authorized to canvass the returns of the election and declare the result pursuant to the Elections Code.
- (e) *Cost of Election.* The District will reimburse the Registrar and the County of Marin for costs associated with the election as required by law.

Section 12. Appropriations Limit. The Board shall provide in each year for an increase in the District's appropriations limit as shall be necessary to ensure that the proceeds of the special tax may be spent for the authorized purposes.

Section 13. Ballot Arguments. The Board President and/or her designees are hereby authorized to prepare and file with the Registrar any ballot argument prepared in connection with the election, including a rebuttal argument, each within the time established by the Registrar, which shall be considered the official ballot arguments of the Board as sponsor of the Measure and to take all necessary action to prevent inclusion of false and/or misleading information in ballot materials related to the Measure.

Section 14. Official Actions. The District Superintendent, Board President, or their designees are hereby authorized to execute any other document and to perform all acts necessary to place the Measure on the ballot, including making alterations to the Measure and Full Ballot Text stated in **Exhibits A and B** hereto, and to this Resolution, to comply with requirements of law and election officials or which are, in the judgment of the Superintendent and/or Board President, in the best interests of the District.

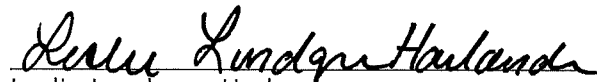
Section 15. Effective Date. This Resolution shall take effect from and after its adoption.

The foregoing resolution was introduced by Trustee Oppenheim who moved its adoption, seconded by Trustee Saavedra and adopted on July 14, 2020 by the following vote:

AYES: 5 (Harlander, Loebbaka, Oppenheim, Roenisch, Saavedra)

NOES: 0

ABSENT: 0



Leslie Lundgren Harlander
President of the Board of Trustees
of the Tamalpais Union High School District

ATTEST:



Cynthia Roenisch
Clerk of the Board of Trustees
of the Tamalpais Union High School District

EXHIBIT A

Summary of Measure

The Measure shall be summarized in the following form, and the County of Marin Registrar of Voters is requested to cause this summary of the Measure to appear on the ballot:

****** BEGIN BALLOT LABEL ******

**Tamalpais Union High School District
Quality Education Renewal Measure**

To renew \$16,800,000 in expiring annual funding and prevent deep cuts by continuing locally controlled school funding the state cannot take away, shall Tamalpais Union High School District maintain excellent hands-on science, technology, engineering, math, reading and writing instruction; attract /retain highly qualified teachers; and support music /art; by adopting a measure renewing the current \$469 annual per parcel rate for 9 years, with senior exemptions, cost of living adjustments, and independent oversight?

****** END BALLOT LABEL ******

EXHIBIT B

FULL BALLOT TEXT

****** BEGIN FULL TEXT ******

**TAMALPAIS UNION HIGH SCHOOL DISTRICT
QUALITY EDUCATION RENEWAL MEASURE**

Measure ____

[letter designation to be assigned by Marin County Registrar of Voters]

Since 1989, Tamalpais Union High School District has relied on locally-controlled parcel tax funding to keep excellent teachers in our classrooms and challenging academic programs available to our students. Today this funding provides \$16.8 million each year, which represents 17% of the District's annual budget, and it is set to expire soon.

Tamalpais Union High School District has already made \$6.7 million in annual cuts, increased class size, cut administrative staff and reduced benefits, with more cuts expected in the future. In addition, due to increased student enrollment, our schools have needed to hire more than 70 additional teachers to serve these students. As a community-funded district, Tamalpais Union High School District does not receive additional State funding as more students attend local schools.

If the local parcel tax funding expires without renewal, local schools will face \$16.8 million in additional cuts, which would include significant teacher layoffs and deep cuts to academic programs.

Measure ____ is on the ballot to renew expiring parcel tax funding at the current rate to help minimize additional teacher layoffs and cuts. Even if Measure ____ passes, our District will still face cuts.

Measure ____ will protect high quality education and renew existing local funding to:

- Maintain excellent science, technology, engineering, math, reading and writing instruction
- Attract and retain highly qualified teachers
- Support music and art programs
- Provide a high-quality education to students

Fiscal accountability is required, and all funds will stay local to support Tamalpais Union High School District schools. No funds can be taken away by the State. Independent citizens' oversight and annual audits are required. Seniors will continue to be eligible for an exemption from the cost.

TERMS

To renew \$16,800,000 in expiring annual funding and prevent deep cuts by continuing locally controlled school funding the state cannot take away, shall Tamalpais Union High School District ("District") maintain excellent hands-on science, technology, engineering, math, reading and writing instruction; attract /retain highly qualified teachers; and support music /art; by adopting a measure renewing the current \$469 annual per parcel rate for 9 years, with senior exemptions, cost of living adjustments, and independent oversight?

Moneys raised under this Measure shall be authorized to be used only for the following purposes in accordance with priorities established by the Board and to the extent of available funds:

- To maintain excellent science, technology, engineering, math, reading, and writing instruction
- To attract and retain highly qualified teachers
- To support art and music programs
- To provide a high-quality education to students

No funds will be spent on administrative salaries or benefits.

A. Amount, Basis, & Collection of Tax

Beginning November 4, 2020, the District shall be authorized to levy an annual qualified special tax at the rate of \$469 per parcel on all assessor's parcels. The authorization to levy this qualified special tax shall expire on June 30, 2029. It is intent of the voters that the tax be levied immediately following its adoption until June 30, 2029, unless extended by voters. Beginning on July 1, 2021, the rate of the qualified special tax shall be increased by three (3) percent every year to account for increases in the cost of living.

This qualified special tax is estimated to raise \$16.8 million in annual local funding for District schools. The amount of annual local funding raised by this qualified special tax will vary from year-to-year due to changes in the number of parcels subject to the levy and the cost of living increase.

If this Measure is approved, the qualified special taxes authorized by voters as "Measure B" in November 2011 and "Measure J" in November 2018 shall cease and be replaced with this Measure on the date this Measure becomes effective.

B. Exemptions

Under procedures adopted by the District, an exemption from payment of the special tax may be granted on any parcel owned by one or more persons who is/are:

1. An individual who will attain 65 years of age prior to May 1 of the tax year and occupying said parcel as his or her principal residence ("Senior Citizen Exemption"); or,
2. Receiving Supplemental Security Income for a disability, regardless of age, and occupying said parcel as his or her principal residence ("SSI Exemption"); or

3. 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").

Exemptions may be granted based on a one-time application received by the District no later than May 1 prior to the tax year. Exemptions granted under prior special taxes levied by the District will not require re-approval, subject to the District's right to verify a property owner's continuing qualification for exemption.

The District shall annually provide to the Marin County Tax Collector ("County Tax Collector") or other appropriate County official a list of parcels that the District has approved for an exemption.

C. Claims / Exemption Procedures

With respect to all general property tax matters within its jurisdiction, the County Tax Collector 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 qualified special tax including any exemptions, the application of the qualified special tax to any parcel(s), the legality or validity of the special tax, or any other disputed matter specific to the application of the special tax, the decisions of the District shall be final and binding. The procedures described herein, and any additional procedures established by the Board shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary.

D. 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 this qualified special tax.

E. Mandatory Accountability Protections

1. *Specific Purposes.* The proceeds of the special tax shall be applied only to the specific purposes identified above. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District.
2. *Annual Reports.* 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. The report may relate to the calendar year, fiscal year, or other appropriate annual period, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board.
3. *Independent Citizens' Oversight Committee.* The Board shall provide for the creation of an independent citizens' oversight committee to oversee expenditure of the funds collected pursuant to the Measure to ensure that moneys raised under this Measure are spent only for the purposes described

in this Measure. The Board shall provide for the composition, duties, and other necessary information regarding the committee's formation and operation. The Board shall have the option to extend any current independent citizen oversight committee and its membership to serve as the independent citizen oversight committee for this Measure.

F. Annual Plan

Beginning with expenditures for the 2021-2022 school year, an expenditure plan (the "Proposed Annual Plan") shall be developed annually, on or before June 30, for the succeeding fiscal year by the District staff. The Proposed Annual Plan will recommend expenditures of the tax proceeds that are consistent with the intent of the Measure. The assumptions associated with the recommended expenditures shall be included in the Proposed Annual Plan. The Proposed Annual Plan shall be presented for Board action each fiscal year in conjunction with the District's annual budget adoption process for the subsequent fiscal year. To facilitate public discussion, the Proposed Annual Plan shall be made available for public review.

G. Protection of Funding

Current law forbids any decrease in State or federal funding to the District resulting from the adoption of qualified special tax. However, if any such funding is reduced or affected because of the adoption of this local funding measure, then the Board may reduce the amount of the special taxes levied as necessary in order to restore such State or federal funding and/or maximize the District's fiscal position for the benefit of the educational program. As a result, whether directly or indirectly, no funding from this measure may be taken away by the State or federal governments.

H. 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 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.

**** END FULL TEXT ****

EXHIBIT C

FORMAL NOTICE OF SPECIAL TAX ELECTION
[For Use by County Superintendent]

NOTICE IS HEREBY GIVEN to the qualified electors of Tamalpais Union High School District of Marin County, California, that in accordance with the provisions of the Education Code and the Government Code of the State of California, an election will be held on November 3, 2020, for the purpose of submitting to the qualified electors of the District the measure summarized as follows:

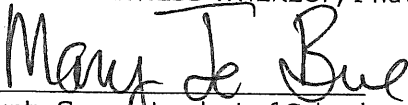
Tamalpais Union High School District
Quality Education Renewal Measure

To renew \$16,800,000 in expiring annual funding and prevent deep cuts by continuing locally controlled school funding the state cannot take away, shall Tamalpais Union High School District maintain excellent hands-on science, technology, engineering, math, reading and writing instruction; attract /retain highly qualified teachers; and support music /art; by adopting a measure renewing the current \$469 annual per parcel rate for 9 years, with senior exemptions, cost of living adjustments, and independent oversight?

By execution of this formal Notice of Election the Marin County Superintendent of Schools orders consolidation of the election with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

The Marin County Superintendent of Schools, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Governing Board of the Tamalpais Union High School District adopted July 14, 2020, in accordance with the provisions of Education Code sections 5302, 5325 and 5361.

IN WITNESS WHEREOF, I have hereunto set my hand this day, 7/21, 2020.



County Superintendent of Schools
Marin County, California