

Tamalpais Union High School District

Potential Parcel Tax Renewal

September 10, 2019



Potential Parcel Tax Renewal Timeline

March 3rd, 2020 - Potential Parcel Tax Election

December 6th- Deadline to file ballot measure for the March 2020 election

November 19th - Targeted TUHSD Board Meeting to pass Parcel Tax Resolution

- Last TUHSD Board Meeting to pass Parcel Tax Resolution to file before 12/6 deadline to get on March 3rd ballot

October 29th - First draft of TUHSD Parcel Tax Resolution to be discussed at the regular Board Meeting

September 10th - Board discussed unaudited actuals and structure of potential parcel tax renewal

August 27th - Godbe Research presented community polling results at a regular board meeting

July 22nd-July 28th - Parcel tax polling was conducted

June 25nd - The Board adopted the 2019-20 Budget and LCAP; Board discussed potential Parcel Tax renewal discussed and approved staff to conduct a community survey (poll)

June 11th-June 28th - TUHSD informational mailer with survey sent to community

June 11th - The Board held a Public Hearing & Discussion on Budget Proposal

May 28th - Initial Board discussion of potential parcel tax renewal

Existing Parcel Tax details

- Provides \$16.8 million annually
- Accounts for 17% of annual budget
- Set to expire in June 2022
- Provides funding to attract and retain high-quality teachers, support academic programs, provide excellent instruction and art/music programming, and prepare students for college and careers

If parcel tax expires without renewal, TUHSD would be forced to make \$16.8 million in cuts to programs and staffing.

If parcel tax is renewed at the *existing* rate and after the \$5.8M of ongoing cuts made over the previous two years, TUHSD would still face a sustained operating deficits:

- \$3M in '20-21, \$3.8M in '21-22, \$6M in '22-23 and \$6.7M in '23-24 (*current estimates*)

An increase of \$190 per year would generate an additional \$6 million annually (starting in 2020-21) and prevents further significant cuts to staffing and programming.

Potential Parcel Tax Renewal Term

Proposed Term: 10 years effective 2020-21 school year

Rationale:

- Enrollment is a major driver of expenses for TUHSD, and as a high school district, we can forecast future enrollment for a 10 year period using incoming Kindergarten registrations at our feeder districts.
- Recent polling results suggest the community is receptive to a 10 year term

Potential Parcel Tax Renewal Amount

Proposed Increase: \$190 above current combined annual parcel tax

$$\begin{array}{rclcl} \text{(i.e.) Current Amount} & + & \text{Proposed Increase} & = & \text{Potential New Total Amount} \\ \$455 & + & \$190 & = & \$645 \end{array}$$

Rationale:

- Maintains current level of programming (i.e. broad course offerings) & staffing and prevents any further significant cuts to staffing and programs
- Maintain a balanced budget & re-establish a reserve in alignment with board policy in the 5-year extended budget forecast
- 'Potential New Total Amount' would generate \$20M annually starting in 2020-21

Major assumptions include:

- Property tax revenue projections from Marin County Department of Finance
- Enrollment projections (5 yr & 10 yr projections from May 2019)
- COLA (relative to CPI) for staff expenditures
- Unfunded State mandates (STRS/PERS, SpEd) expenditures

TBWB and Godbe Research 8/27/19 Recommendation (based on July polling data):

"Given the survey findings and the two-thirds majority required for approval, TBWB and Godbe Research recommend that the Tamalpais Union High School District continue the process to prepare for a March 2020 parcel tax measure election."

