

Oregon Senate Finance Committee Testimony
Maureen Wolf, Chair-Tigard Tualatin School Board
February 27, 2013

Good afternoon Madam Chair and members of the committee. My name is Maureen Wolf and I am the Chair of the Tigard-Tualatin School Board. Thank you for the opportunity to share the *Tigard-Tualatin* story. I'm here today to express my support for the constitutional referral to provide Voter Control for Local Option Levies.

My message is simple. The revenue generated from the local option levy is critical to our schools' success. By maintaining a levy, our district has been able to stabilize our budget at a time when state funding has experienced high degrees of uncertainty.

My purpose this morning is to:

- highlight the success of our district through its effective use of its funds
- share the financial impact of our continued local option levy
- ask for your support in giving voters control to authorize local option levies outside compression.

The Tigard-Tualatin story is one that has often been highlighted in the *Oregonian* and honored by our state. While we reflect our state's demographics, our district consistently outperforms against state averages. Our district has also been recognized as a statewide model helping struggling students through our intervention programs. Both our high schools have been rated "outstanding" on the statewide report card and two elementary schools are among the state's 30 "model" schools.

What you might not realize is the level of national recognition our district has earned. In January 2011, the Center for American Progress issued a report establishing a Return on Educational Investment. The report was to spark a national conversation about educational productivity; meaning how much learning a district produced per dollar spent, controlling for factors such as cost of living and student poverty. TTSD was identified with one of the highest returns as compared to other districts in our state.

In December, the National Center on Educational Outcomes identified Tigard-Tualatin Schools as a district that effectively uses assessments and accountability to increase performance for students with disabilities. Only a handful of districts across the country have been given this recognition. As part of your packet, I have given you a copy of this recent report.

How do these state and national accolades correlate with our local option levy? First, I must acknowledge our district leaders and staff who have been essential in our success. However, because we have been able to maintain a more stable funding model, we have been able to retain programs enabling our students to achieve at a much greater level.

Our first Levy was approved in 2000 providing \$4.2M in operating dollars in its first year and approximately \$22.4M over the 5-year life of the levy. The Local Option was renewed in the Fall of 2004, generating almost \$5M the first year (2005-06) and over \$35M during its 5-year life. In 2008 our levy was approved for the third time. We told the voters the rate would not exceed \$1 per \$1,000 assessed value and we estimated our collection would be roughly \$7M in 2010-11, the first year of the renewed levy, and would total approximately \$38 million over the life of the levy.

2009 brought a dramatic reduction in the state's K-12 Education funding. TTSD reacted swiftly to the budget cuts. We reduced our staff by almost 90 FTE, an 8% reduction in the General Fund. Recognizing the global significance of the economic downturn, our district planned for long-term shortfalls in funding. In front of you is a financial analysis entitled "Tigard-Tualatin School District Fiscal Challenges". It reflects how our district has been able to maintain a reserve for several years as noted under the General Fund Balance Usage.

By 2010, it was clear that compression was on the rise. As you review the Local Option Levy summary at the top of the page, you will see our 2012-13 compression loss is now greater than what we can collect. We will lose almost \$5 million to compression while collection is only \$3.8 million. By the end of this school year our Ending Fund Balance will be dramatically reduced as we no longer are able to manage the losses suffered from compression. If we continue to lose \$1 million annually, we will collect an estimated \$19 million from our current levy, rather than the anticipated \$37.7 million our voters approved. I believe it will be impossible to deliver the level of education expected from Tigard-Tualatin schools given the losses we have and will incur.

I am here today to ask for your assistance in allowing voters to determine the level of support given to their schools. Since the tax is temporary it holds districts accountable in how they spend their community's tax dollars. I come before you to recommend that communities be given the opportunity to fully support their local schools through the effective use of local option levies.

Thank you.

Sources:

- 1) 2011-2012 Tigard-Tualatin District Report Card: www.ode.state.or.us/data/reports/toc.aspx
- 2) Center for American Progress – Return on Educational Investment
<http://www.americanprogress.org/wp-content/uploads/issues/2011/01/pdf/dwwroi.pdf>
- 3) Chalk Board – Open Books Project for the 2010/11 School Year
http://www.openbooksproject.org/OB_District_Profile.aspx
- 4) National Center on Educational Outcomes – www.MovingYourNumbers.org
- 5) Tigard-Tualatin School District Fiscal Challenges
Prepared by David Moore, TTSD Chief Financial Officer, December 2012
- 6) Notices of District Measure Election – SEL 803 (TTSD)