

Oregon House Finance Committee Testimony
Maureen Wolf, Chair-Tigard Tualatin School Board
March 7, 2013

Revenue Committee

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Good morning Chair Barnhart 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 of House Joint Resolution 8 and will share how the revenue generated from the local option levy is critical to our schools' success. I also support HJR 13. It is time that we ensure districts have stability in school funding and I believe these bills will be invaluable in that effort.

First, however, I want to thank you all for the proposed K-12 Budget of \$6.75 Billion. Increasing our budget by \$1 billion brings hope that our legislature understands the critical state of education in Oregon.

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. TTSD has been recognized as a statewide model helping struggling students through our intervention programs. We also offer the acclaimed International Baccalaureate program in both high schools. The 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.

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 just over \$4M in operating dollars in its first year and approximately \$22M over the 5-year life of the levy. 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 of \$5 million is now greater than our levy collection of \$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 \$38 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.

Some have raised concerns that allowing districts better access to local option levies will generate a funding gap between districts across the state. I whole heartedly support equitable distribution of state school funds through a funding formula that equalizes student spending. I agree every child in Oregon deserves a quality education.

We are not looking for additional money that others may not have access to. We are simply asking that districts be able to collect local money approved by their voters to support school programs. Compression creates an artificial and arbitrary barrier to the collection of levies. We ask that local option levies be held harmless from compression, the same as bond funds used to pay for new schools and technology.

Many districts do not seek a local option levy because of the unintended impacts of compression. In many districts a levy would raise a fraction of the amount levied, or, worse, in order to generate funds the rate per thousand would have to be exorbitant. By eliminating compression, districts could ask for less and raise more in many instances.

In closing, I ask that voters be given the right to determine the level of support given to their schools. Since the local option tax is temporary it holds districts accountable in how they spend their community's tax dollars.

Thank you again for your time and your interest.

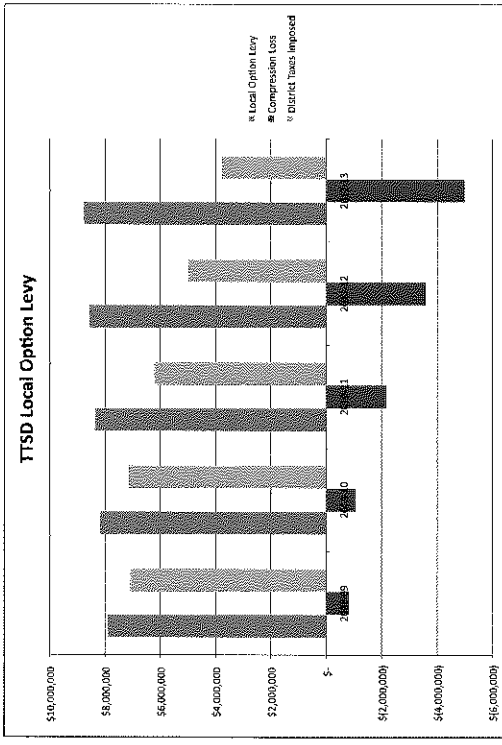
Sources:

- 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/dwwwroi.pdf>
- 3) Tigard-Tualatin School District Fiscal Challenges
Prepared by David Moore, TTSD Chief Financial Officer, December 2012
- 4) Notices of District Measure Election – SEL 803 (TTSD)

Tigard-Tualatin School District Fiscal Challenges

Local Option Levy (LOL) Compression Losses:

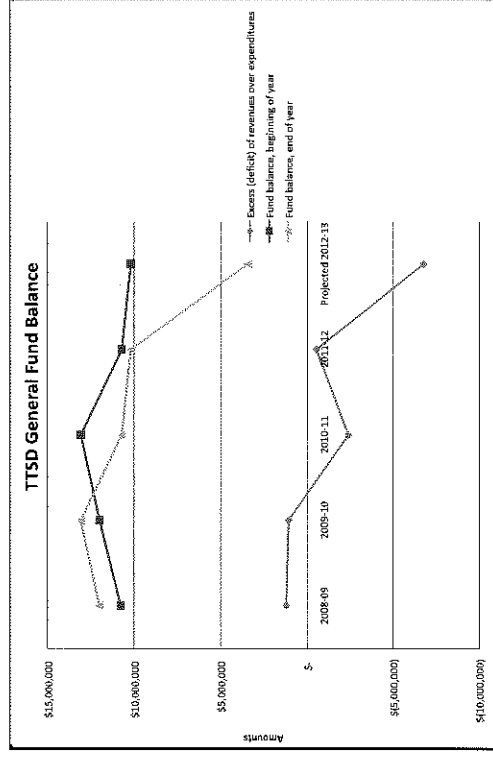
	2012-13	2011-12	2010-11	2009-10	2008-09
Local Option Levy	\$ 8,772,644	\$ 8,572,030	\$ 8,375,846	\$ 8,182,307	\$ 7,906,776
Compression Loss	(4,994,057)	(3,595,228)	(2,161,187)	(1,050,151)	(818,529)
District Taxes Imposed	\$ 3,778,587	\$ 4,976,802	\$ 6,214,659	\$ 7,132,156	\$ 7,088,247
Change from Prior Year	-24.08%	-19.92%	-12.86%	0.62%	4.05%
Compression Loss as a % of LOL	-56.93%	-41.94%	-25.80%	-12.83%	-10.35%



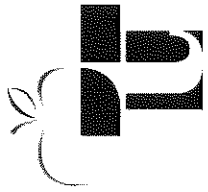
General Fund Balance Usage:

	2012-13	2011-12	2010-11	2009-10	2008-09
Revenues and Other Sources	\$ 96,363,643	\$ 100,286,699	\$ 97,525,277	\$ 99,696,242	\$ 102,414,695
Expenditures and Other Uses	(103,113,643)	(100,810,539)	(99,898,007)	(98,615,842)	(101,186,176)
Excess/Deficit	(6,750,000)	(523,840)	(2,372,731)	1,080,400	1,228,519
Beginning Fund Balance	10,194,456	10,718,296	13,091,027	12,010,627	10,782,108
Ending Fund Balance	\$ 3,444,456	\$ 10,194,456	\$ 10,718,296	\$ 13,091,027	\$ 12,010,627

Note: 2012-13 Revenues and Expenditures are budgeted numbers.



	2012-13	2011-12	2010-11	2009-10	2008-09
FTE per General Fund Budget	918.72	944.77	993.23	973.26	1,062.00
Change in FTE from Prior Year	(26.05)	(38.46)	9.97	(88.74)	2.45
Fall Enrollment	12,341	12,366	12,393	12,467	12,595
FTE as a % of Enrollment	7.44%	7.64%	7.93%	7.81%	8.43%



We are proud of our Tigard-Tualatin Schools

- Highest graduation rate among the state's large school districts
- Students out-perform their peers on state tests
- Two schools among the state's 30 "model" schools recognized for improving achievement among all demographic groups of students
- RTI (Response to Intervention) and EBIS (Effective Behavior and Instructional Support) programs considered statewide models for helping struggling students
- Achievement increases profiled in December 2012 National Center for Educational Outcomes "Moving Your Numbers" publication
- New textbooks, technology and online classes
- Up-to-date school facilities
- Great parent volunteers, community support and business partnerships

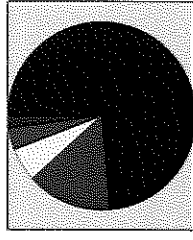
Chalkboard Open Books Project

State average spending on Teacher & Student Resources is 69%

Spending by Category

[More Financial Data >>](#)

- Teaching & Student Resources: 73.5%
- Buses, Buildings & Food: 14.7%
- Principal's Office: 5.8%
- Business Services & Technology: 3.8%
- Central Administration: 2.1%

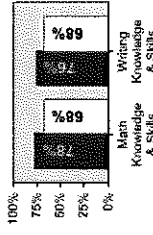


Academic Achievement

[More Academic Data >>](#)

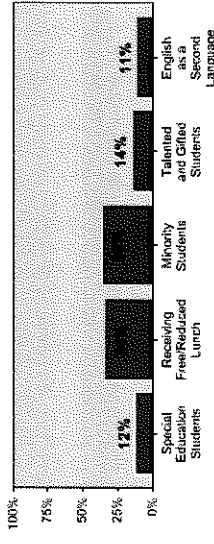
Percentage of 11th grade students that met or exceeded that state standard on Oregon Statewide Assessments during the 2010-2011 school year.

District State



Student Demographics

[More Demographic Data >>](#)



Center for American Progress Return on Educational Investment

Return on Educational Investment: A district-by-district evaluation of educational productivity. To spark a national dialogue about educational productivity, we've adapted to evaluate the return on investment (ROI) of almost every major school district in the By product, we mean how much learning a district produces for every dollar spent, after controlling for factors such as cost of living and students in poverty. Use this map to see how each district performs, and click on the tabs to toggle between our three different approaches. We call them Basic ROI, Adjusted ROI, and Predicted Index. Click here for our methodology and here for additional instructions on how best to use the site.

Basic ROI **Adjusted ROI** **Predicted Index**

Low ROI High ROI No data

Full District Report: Tigard-Tualatin School District 23

School District	Basic ROI	Adjusted ROI	High ROI	No data
Tigard-Tualatin School District 23	77	53	66	76
Umatilla School District 006	53	66	76	76
Vale School District 084	66	76	76	76
Vernonia School District 47	76	76	76	76
Warrenton-Hammond School District 13	66	76	76	76
Williamina School District 30	46	76	76	76
Winston-Dillard School District 116	70	76	76	76
Woodburn School District 103	54	76	76	76
Yamhill-Carlton School District 001	66	76	76	76
Yoncalia School District 032	70	76	76	76

Oregon

Identify high-achieving, low-spending school districts

95 BEST \$0

45

Adjusted Per Pupil Spending

Urbanicity	Enrollment	Percent Low Income	Adj. Per Pupil Spending	State Achievement Index	Basic ROI
Suburb: La	12,745	25%	\$6,920	77	77
Town: Dist	1,270	71%	\$7,823	53	53
Rural: Dist	901	52%	\$6,091	66	66
Rural: Dist	692	35%	\$9,343	76	76
Rural: Frfrh	877	36%	\$9,059	66	66
Rural: Frfrh	956	51%	\$7,312	46	46
Town: Rnt	1,595	48%	\$7,163	70	70
Town: Frfrh	5,121	88%	\$6,545	54	54
Rural: Dist	1,206	30%	\$7,942	66	66
Rural: Rnt	340	59%	\$9,677	70	70

MOVING YOUR NUMBERS

TIGARD-TUALATIN SCHOOL DISTRICT: ACHIEVEMENT PROFILE

Using Assessment and Accountability to Increase Performance for Students With Disabilities as Part of District-wide Improvement



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