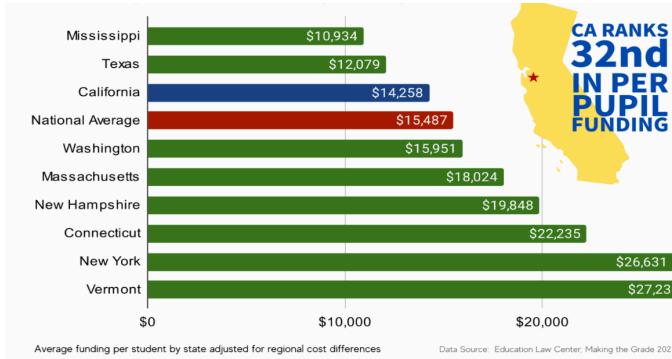




# The story of school funding

... in Marin, Ross Valley School District, and  in California



In the 1960s CA was among the top 5 in the country for per-pupil funding. **It now ranks 32nd.**

Marin County districts in general have some of the highest per-pupil funding in the state. **The Ross Valley School District (RVSD), however, is below the California state average with the lowest per-pupil revenue in Marin County**, and ranks among the **bottom 4% of districts statewide** in per-pupil funding.

## WHY? We have a Revenue Problem!

Compared to other districts in Marin:

- Our Local Property Tax income is low**—housing turnover in Fairfax and San Anselmo has been slower than in other parts of the county, making Prop 13 particularly impactful in our community.
- Our LFCC supplemental funding is low**—although our student enrollment and attendance are on the rise, the number of low-income, multilingual, and/or foster youth in our schools is low, resulting in limited supplemental and concentration state funding, and
- Our Parcel Tax income is low**—Generously supported by our community since 1987, our parcel tax currently comprises about 17%, or \$4.7M, of our \$30M budget. As compared to our nearby Districts, RVSD has a relatively low parcel tax, putting us further behind our peers when it comes to teacher salaries and student programs.

*Parcel Tax Comparison for Similar School Districts:*

District	25/26	26/27	27/28	Annual Inflation	Term
Kentfield	\$1,842.36	\$1,897.63	\$1,954.56	3%	10 yrs
Larkspur Corte Madera	\$1,053.44	\$1,106.11	\$1,161.42	5%	10 yrs
Ross Valley School District	\$720.68	\$742.30	\$764.57	3%	8 yrs
Miller Creek	\$578.05	\$595.39	\$613.25	5%	12 yrs

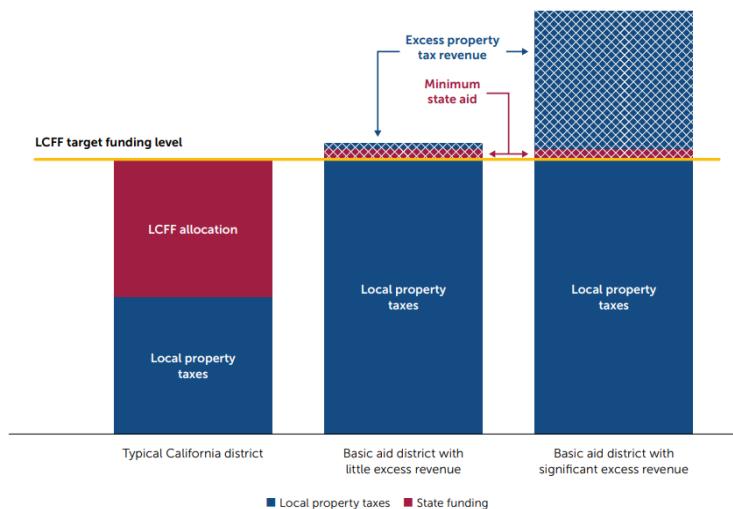


District Name	ADA	LCFF Revenues per ADA	State AVG
Laguna	8	54,895	14,494
Bolinas	100	46,649	14,494
Sausalito	263	36,141	14,494
Shoreline	444	28,643	14,837
Nicasio	33	25,369	14,494
Reed	995	21,039	14,494
Lagunitas	149	20,341	14,494
Ross	335	19,294	14,494
Tam	4,373	19,114	16,446
SRCS High	2,481	14,787	16,446
Mill Valley	2,187	14,351	14,494
Larkspur	1,123	14,154	14,494
SRCS Elem	4,206	13,623	14,494
Kentfield	1,013	12,565	14,494
Novato	6,890	12,544	14,837
Miller Creek	1,724	12,179	14,494
<b>Ross Valley</b>	<b>1,641</b>	<b>11,774</b>	<b>14,494</b>

# HOW did this happen?

Most people think that since we live in a relatively wealthy community with high performing schools, we must be well-funded. But that's just not the case.

Figure 1. Comparison of Three Hypothetical California Districts with the Same LCFF Target but Different Local Property Tax Revenues



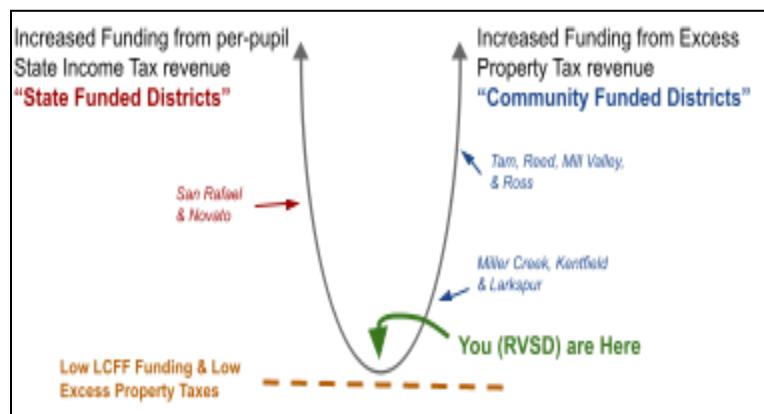
Decreased funding from Prop 13 and increased inequity in property tax income eventually led to the development of the Local Control Funding Formula (LCFF). Enacted in 2013, LCFF was a significant reform aimed at simplifying California's school funding system and directing more resources to districts with higher need students (i.e. low-income, multi-lingual learners, or foster youth). While LCFF created a more equitable framework overall, it also created a loophole that allowed some districts with high property tax revenue to keep their excess revenue over and above the LCFF formula, often (somewhat misleadingly) referred to as basic aid districts. In Marin County, all but a few school districts fall into this excess property tax structure.

California's Local Control Funding Formula (LCFF) entitles each district to a minimum per-pupil funding. That amount is represented in the image above by the orange line.

If a District's Property Tax revenue does not meet the minimum LCFF calculation, the state supplements the District's funding (i.e. **State Funded Districts** - sometimes called "LCFF Districts"). If a District's Property Tax revenue exceeds the minimum, even by just a few dollars, it gets to keep the excess property tax (i.e. **Community Funded Districts** - sometimes called "Basic Aid"). The amount of excess property tax revenue a district receives can vary widely creating serious discrepancies between districts located near one another. This enables some districts to offer smaller class sizes, more robust art and enrichment programs, and additional student support services, resources that many other districts struggle to match under the current formula. (for more information see the recently published report ["Excess Revenue, Unequal Opportunity"](#) 2025.)

Most of Marin's school districts are Community Funded and get to keep excess property tax. In fact, Marin accounts for about 10% of the state's total Community Funded districts.

**Unfortunately, RVSD teeters at the bottom of both of the state's funding structures while being surrounded by higher income districts.**





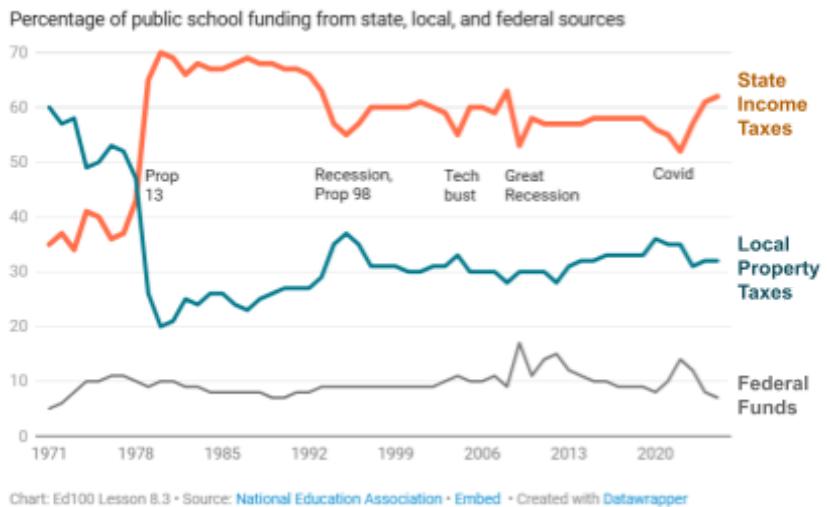
## Here's a little background about California's broken funding system ...

Through a series of historical policy shifts from 1971 to 2013 (i.e. [Serrano v. Priest](#), Prop 13, Prop 98, and LCFF—the Local Control Funding Formula), education funding shifted from a local system reliant on local property taxes to a more volatile state system reliant on state income taxes. [\[click HERE for more detail\]](#)

Unlike Marin, virtually all school districts in California currently rely heavily on state income tax to supplement local property taxes because property tax revenue does not generate sufficient funds to reach the per-student minimum guaranteed by the Local Control Funding Formula (LCFF).

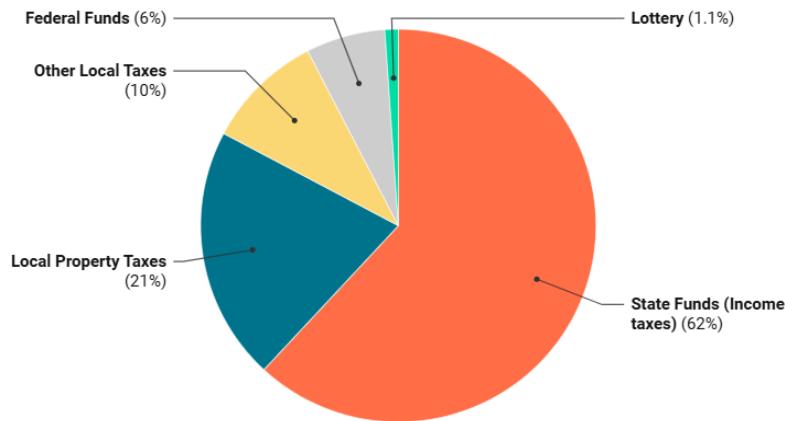
Another misperception is that the [lottery](#) fully funds our schools. A well-marketed source, it is easily overestimated in its role in funding education. After prizes and expenses, the lottery pays for only about \$200 per student or 1% of the California education budget.

### Revenue sources for California K-12 schools since 1970



### California's schools rely mainly on state income taxes

K-12 funding by source, 2023-24



[Federal](#) money also plays a relatively small role in education funding and often comes with unpredictable political strings attached. As such, it tends to fluctuate from year to year depending on the policy priorities of the political party in control at the time. Typically federal funding supports things like special education, school meals and emergencies such as COVID or major economic recessions.

Other local revenues include a variety of sources such as fees, rents, donations, grants, interest, and, most significantly, parcel taxes.

The majority of school funding relies on state income taxes and local property taxes which are then supplemented by local parcel taxes. While voluntary contributions, fundraising

events, and other community efforts are valuable, they cannot match the scale or reliability of tax-based funding. \*Note: Bonds are strictly for capital projects and are not part of a district's operating budget.