



To the Sierra Unified Community Members;

The schools of Sierra Unified have a long tradition of academic and career-educational excellence, serving students and families in our unique, mountain community. Our young students continue to experience a variety of learning opportunities in the classroom, technical labs, and on the playing fields. These experiences lead to acceptance into the finest universities, military, and trades, affording our graduates opportunities in which we can all take great pride. It is our intent and our purpose to ensure that the well-established traditions of Sierra Unified Schools are as viable for future generations as they were for so many of you. Please allow me to share our current status and assure you that with careful planning and a vigilant dedication to good stewardship, there is a real path to a strong, stable future for Sierra Unified.

As many of you know, Sierra has contended with years of unfavorable economic conditions. These conditions include a large facilities debt, prolonged declining enrollment, and an economic crisis of epic proportions at the local, state, and national levels. In the past four years, state funding shortfalls to our district total \$8.4 million. These shortages, combined with an outstanding debt of approximately \$5.2 million, and continued state funding deficits for schools, put the ability of our district to continue to serve this community in peril without the implementation of carefully executed steps. Since 2008, Sierra Unified has taken major measures to deal with this crisis. We have cut 38% of our operating budget, and eliminated 99 employee positions. We have consolidated classes from four to two campuses. We have also campaigned three times for the passage of a general obligation bond for the purpose of eliminating the facility debt; three times we were unable to garner the 55% required for approval. Heading into this year, more changes were needed to balance the budget. Thankfully, earlier state proposals to cut home-school transportation funding were blocked, averting a true worst-case scenario. With that cut off the table, our intent is to continue on a path to pay off the facility debt keeping with the original commitment, \$1.1M per year through 2017. This requires continued changes for our district. I will outline these changes, and let you know what you can expect from us in the upcoming year.

But first, let's look back. It has been said that if we don't know our history, we are condemned to repeat it. In the past, funding was solid. Even after the changes in school finance brought about by Proposition 13, there was a brief window of opportunity to capitalize on the very generous funding level of neighboring districts. In a complex set of legal maneuvers, which included the formation of the short-lived Golden Hills district in 1992, Sierra Unified was born with one of the highest per student funding structures in California. Some years later there was a legal settlement from Minarets school district resulting in a payment of nearly 4 million dollars. Our community was growing, and with the community growth, the elementary schools were becoming overcrowded. It was in a climate of these very favorable growth conditions and generous school funding that a decision was made to build the middle school out of the general fund. In the vast majority of cases, new school facilities are built through proceeds from bond sales.

In 1997, just two years after the completion of the Foothill Middle School facility, enrollment started to decline, and has done so every year since. The decline has had as much to do with the shift in employment opportunities in the mountain communities – logging in particular, as it does the expansion of other districts, such as Yosemite, then Golden Valley, Clovis Unified, and finally, Chawanakee. It used to be that far more students transferred into Sierra Unified than out. That too has changed. Liberty High School reconfigured from a grade 7-12 school to a traditional 9-12 high school and stopped allowing open enrollment into Sierra Unified. Chawanakee Unified came on line soon after, drawing students from North Fork. Clovis has always had a strict policy for transfers out of their district, and in recent years has marketed a very effective work-place residency program. As Sierra Unified began making cuts to address the funding shortfalls, parents began more and more frequently to take their students with them to attend school in the district of their work – mostly Clovis. Concerns for the **future** financial health of the district and rumors about the impending elimination of programs have in reality worked to worsen the district's budget issues. Parents, legitimately concerned about the stability of the district sought to "go now" rather than risk disaster that **may** lay ahead.

Dr. Ireland's Letter cont.

These concerns and questions are understandable. What does lay ahead for Sierra Unified, and what, if anything, is being done to bring about stability? Let me share some specifics:

1. We are taking steps to turn the tide on inter-district transfers. The same law that allows students to gain residency in the district where their parents are employed, contains a provision that caps the number leaving for work-based residency at 3%. For a district our size that means 39 students. The law also specifies that these transfers be coordinated with the sending district, which has not been the practice of our neighbors. Over the summer, we successfully put a stop to neighboring districts accepting students based on location of parent employment without the permission of SUSD. New, more restrictive Board Policy governing inter-district transfers is now in place and we have entered into formal, legally-driven agreements with our neighbors stating that the concept of open enrollment will no longer be accepted in practice or policy. The steps taken over the summer have resulted in returning \$70,000 in revenue for the current year alone and are projected to return more than \$500,000 in the first five years of this new policy implementation.

2. We are pursuing the lease and/or sale of surplus property owned by the district.

At the end of June 2012, the Foothill Conservancy took occupancy granted by lease of the vacated district office.

A lease agreement for a 13-acre parcel of land near Foothill Elementary is underway, and should be finalized within the next month.

Negotiations are in process for the sale of the school buildings at Balch Camp.

The Governing Board agreed to implement the steps required to sell 20 acres of vacant land near Highway 168 and Old Millerton Road.

3. **All SUSD** employees, including teachers, support personnel, and management have agreed to a reduction in pay of 8.7%, through a combination of salary concessions and furlough days. This yields an annual savings of more than \$800,000 to SUSD. These concessions made by employees, more than any other single move, will ensure that SUSD will see a strong future under local control.

I have every confidence that at some point the economy will grow strong enough to allow the district to improve funding for programs and upgrade facilities. I also believe that we will see an end to the declining enrollment. Our entering kindergarten class is larger than last year's by 21 students, and last year's was larger than the class before. Keeping programs for students, and ensuring that our academics are strong and well-staffed, will result in getting to a growth cycle, more quickly. We also have plans for continuing to improve on school and bus safety. We are committed to serving our students and this community.

In the days and weeks following the failure of Measure O, many community members indicated a desire to help. A local non-profit, The Sierra Foundation, joined in. I would like to encourage you to participate in this local, grass-roots effort. The enclosed brochure provides you with a safe and secure way to do that. If you'd like to contribute to paying off the facilities debt, you may do so. You can also choose to contribute to a specific program, helping to ensure its strength over these final five years of paying off the facilities debt. All funds will be collected and distributed by the Sierra Foundation. As a 501(3)c, they are held to the strictest standards of transparency and fiscal accountability. Your donation will also be tax deductible!

So many of us believe in the unique educational opportunities provided by the schools in SUSD; please join us in taking steps to turn that belief into action.

Respectfully,

Superintendent/Principal
Sierra Unified School District