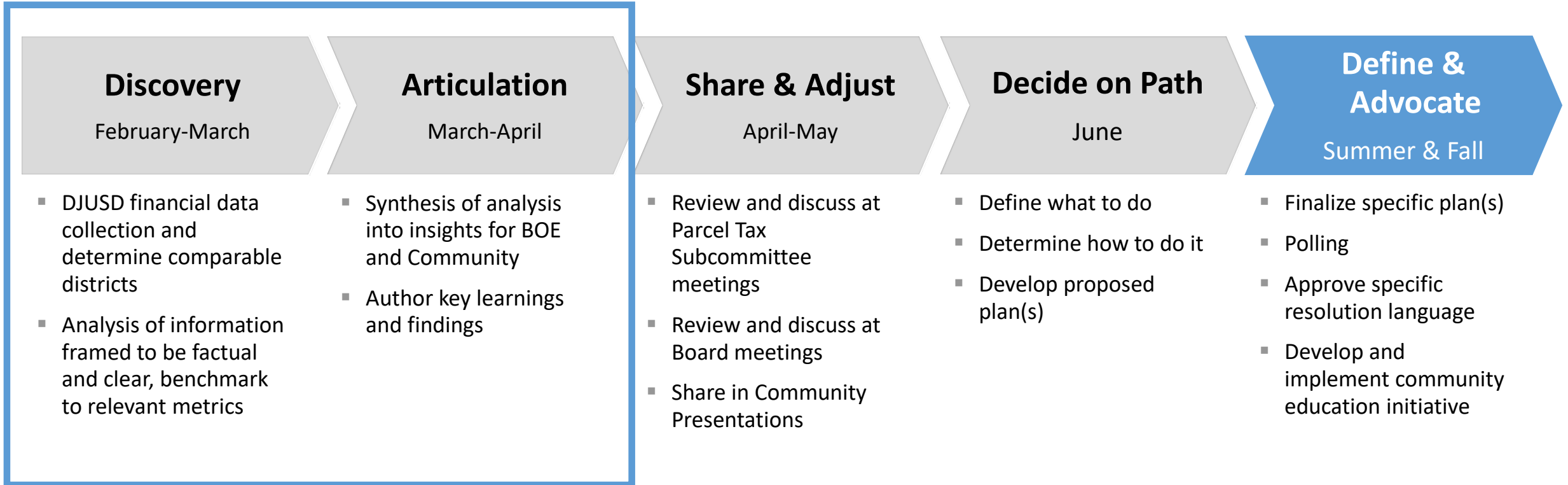




Parcel Tax for Employee Compensation – Board Subcommittee Update

April 4, 2019

Tentative Process



Presentation Focus

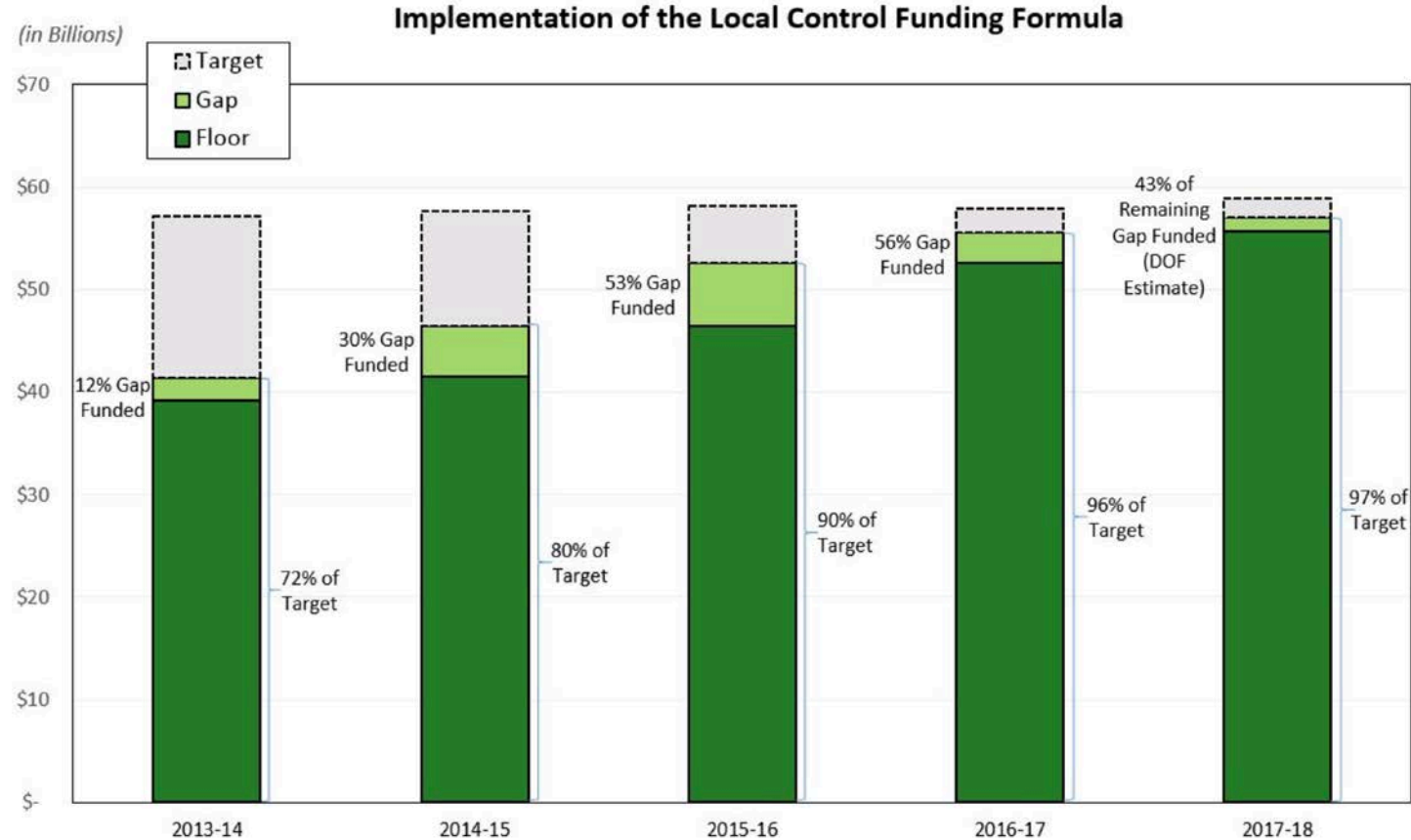
- Proposition 13 & Proposition 98 funding implications
- LCFF impact on DJUSD
- Overview of DJUSD revenue, expenditures, and certificated employee compensation
- Establish set of comparable schools districts and provide initial comparisons on revenue, expenditures and certificated employee compensation
- Discussion & next steps

Historical Impact: Proposition 13 & Proposition 98

- Proposition 13
 - CA School Funding was same as national average until 1985, subsequent funding decline lead to Proposition 98
 - CA now near the lowest in national funding
- Proposition 98
 - Requires a minimum percentage of state budget be spent on K-12 Education
 - Includes economic performance formulas to determine funding levels
 - Has no relationship to 'adequate funding,' only a relationship to state budget

LCFF Overview

- LCFF reallocated school finances based on students need and gave school districts more flexibility in spending.
- Districts receive greater funding for students who are low-income, an English learner, homeless and foster youth.
- The LCFF is broken down into: Base, Supplemental, and Concentration grants.
- 2018-19 - At target (2007-08 adjusted for inflation)



LCFF Funding = Base Grant + Supplemental Grant + Concentration Grant

LCFF Formula: Base Grant

- The LCFF Base Grant provides funding based on a school district’s average daily attendance (ADA) and number of students in each grade span.
- This funding is further supplemented at certain grade levels
 - ADA from grades K-3 receive a 10.4% bonus on the base grant with progress toward class size average of under 24.5 students
 - ADA from grades 9-12 receive a 2.6% bonus on the base grant

$$\text{Grant \$ Per ADA} * (\text{ADA}_{K-3} * (1 + .104)) + (\text{ADA}_{9-12} * (1 + .026)) + \text{ADA}_{4-8} = \text{Total Grant}$$

Grade Span	2017–18 Base Grant per ADA
K-3	\$7,193
4-6	\$7,301
7-8	\$7,518
9-12	\$8,712

- Applicable for programs striving for class size avg under 24.5 students

- 2.6% increase to allow for additional costs associated in grade 9-12 classes
- No compliance requirements

Grade Span	2018–19 Base Grant/ Adjusted Base Grant per ADA
K-3	\$8,235
4-6	\$7,571
7-8	\$7,796
9-12	\$9,269

LCFF Formula: Supplemental Grant

- Districts receive a 20% Supplemental grant (over the base grant) for ADA of Unduplicated students.
 - Each student can only count once in a supplemental grant, even if they meet multiple criteria.
 - Unduplicated Pupils (UPP) include English Learners (EL), Socio-economically disadvantaged (SED) students, homeless and foster youth.

Base Grant *

Grade Span	2018-19 Base Grant/ Adjusted Base Grant per ADA
K-3	\$8,235
4-6	\$7,571
7-8	\$7,796
9-12	\$9,269

Total ADA *

- The total ADA for a district varies widely per district based on size and attendance rate

Unduplicated Pupil % (UPP) *

- This is the percentage of ADA that comes from targeted disadvantaged pupils
- Targeted pupils include: EL, SED, homeless and foster youth

20% = Supplement Grant

- Targeted students receive 20% supplemental funding for additional educational costs

LCFF Formula: Concentration Grant

- Districts receive an additional 50% of the per capita adjusted base grant for the Unduplicated Pupils that exceed 55% of a District's enrollment.
- This revenue assists schools/districts with a disproportionately high number of Unduplicated Pupils in order to address greater learning needs.

Base Grant * Total ADA * UPP_(Unduplicated Pupil %) that exceeds 55% * 50%. = Concentration Grant Total

Grade Span	2018–19 Base Grant/ Adjusted Base Grant per ADA
K-3	\$8,235
4-6	\$7,571
7-8	\$7,796
9-12	\$9,269

- The total ADA for a district varies widely per district

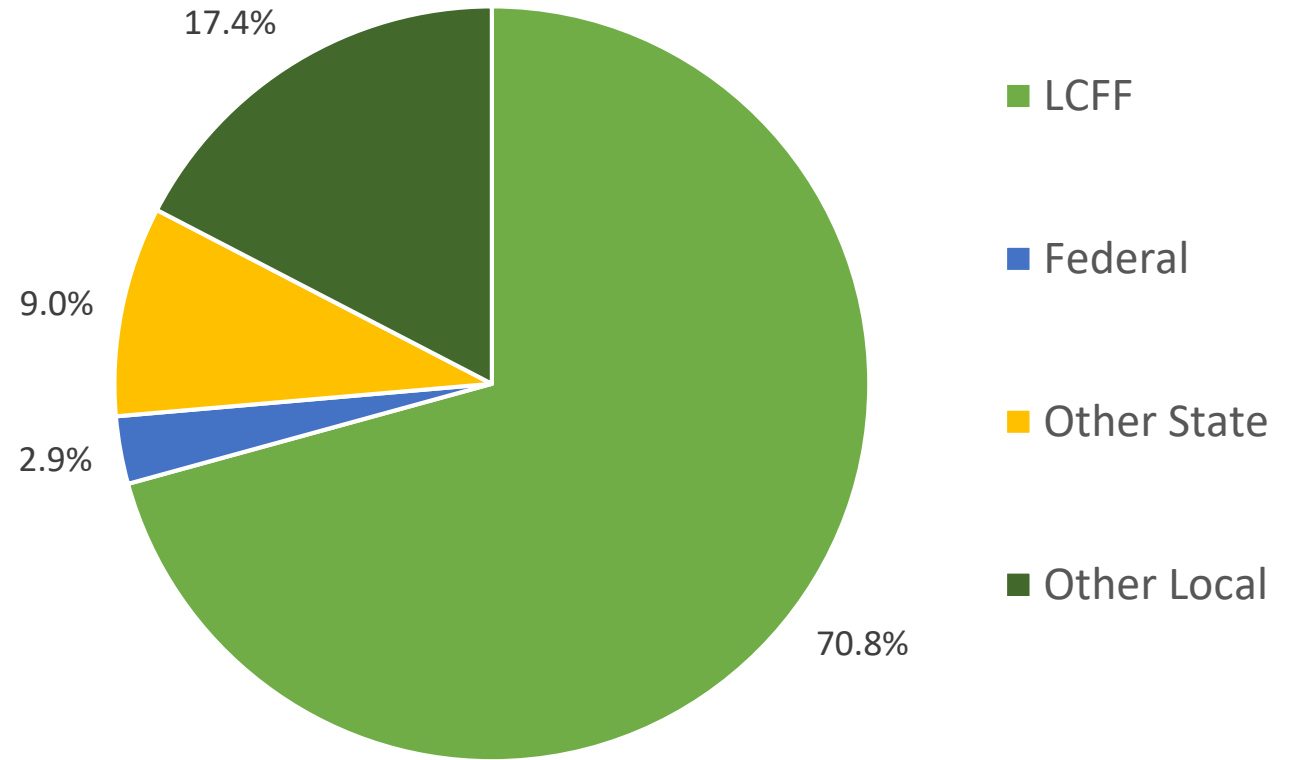
- This is the percentage of ADA that comes from Unduplicated Pupils above 55%
- Targeted pupils include: EL, SED, Homeless, & Foster Youth

- Districts with a large % of Targeted Pupils receive 50% supplemental funding for additional educational costs

DJUSD Revenue Breakdown

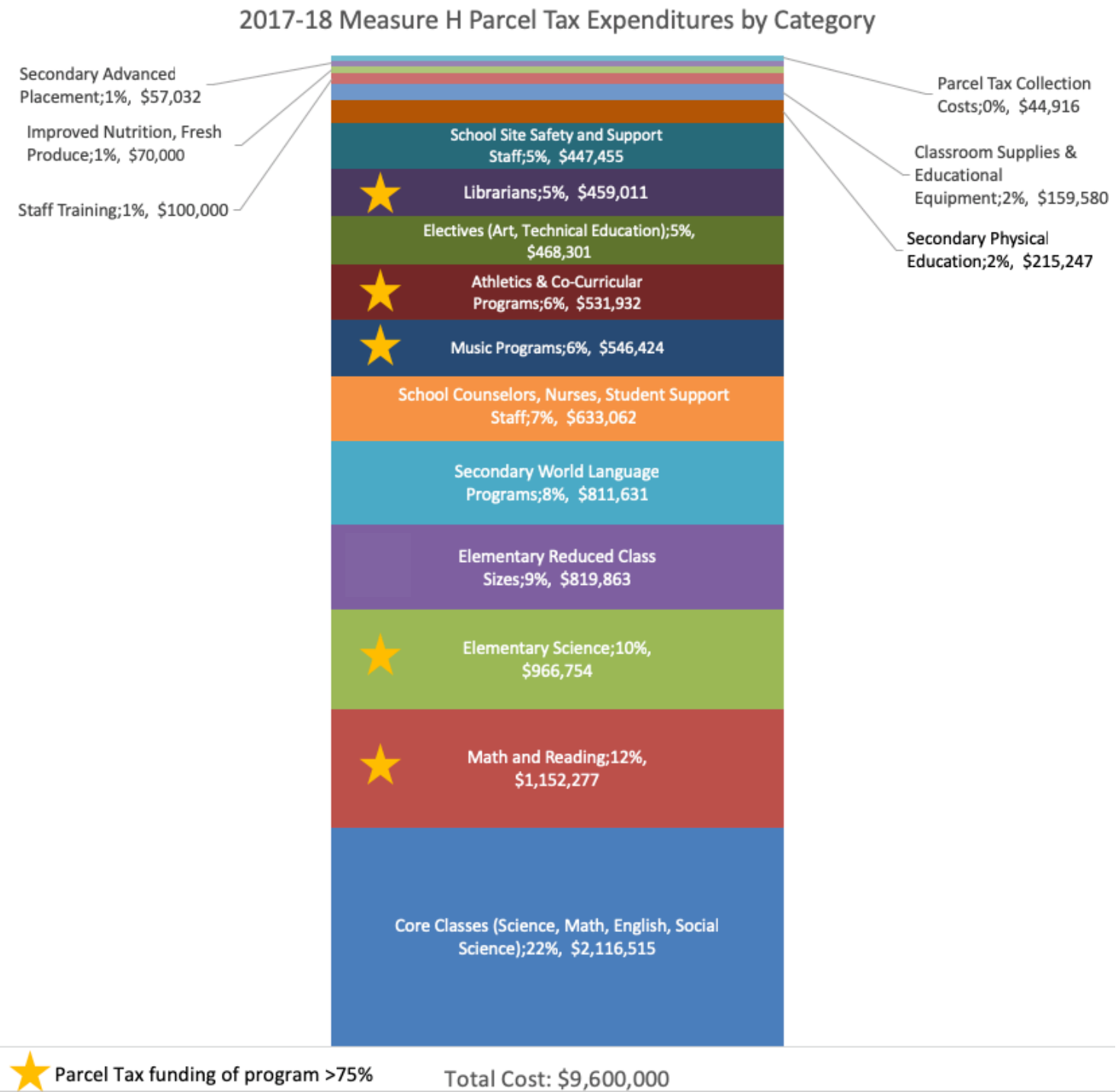
- The majority of DJUSD Revenue comes from state LCFF funding
- Federal revenue is not a significant revenue source for any district in the comparative set
- Other State revenue is consistent across the comparative set
- Most of DJUSD's Other Local revenue comes from a restricted parcel tax voted on by the community

Total Revenue 2017-18
\$90,272,576



DJUSD Parcel Tax

- Davis is unique among regional districts in that it receives the benefits of a parcel tax.
- In 2016, Davis voters passed Measure H
 - Generates \$9.6 million a year
 - Improves school quality and variety of educational programs.
 - 1 in 5 teachers funded by parcel tax.
 - Provides secondary students with a 7th school period.
 - Most of these programs would not exist in the same form or to the same extent without the parcel tax.



DJUSD Expenditure Breakdown

Certificated Non-Management Salaries

- Salary expenditure for certificated employees; primarily teachers

Classified Non-Management Salaries

- Salary expenditure for classified employees; primarily support roles in a school system (custodial, clerical, paraeducators, etc.)

Employee Benefits

- Includes Health and Welfare benefits & Statutory benefit

Books & Supplies

Services & Operations

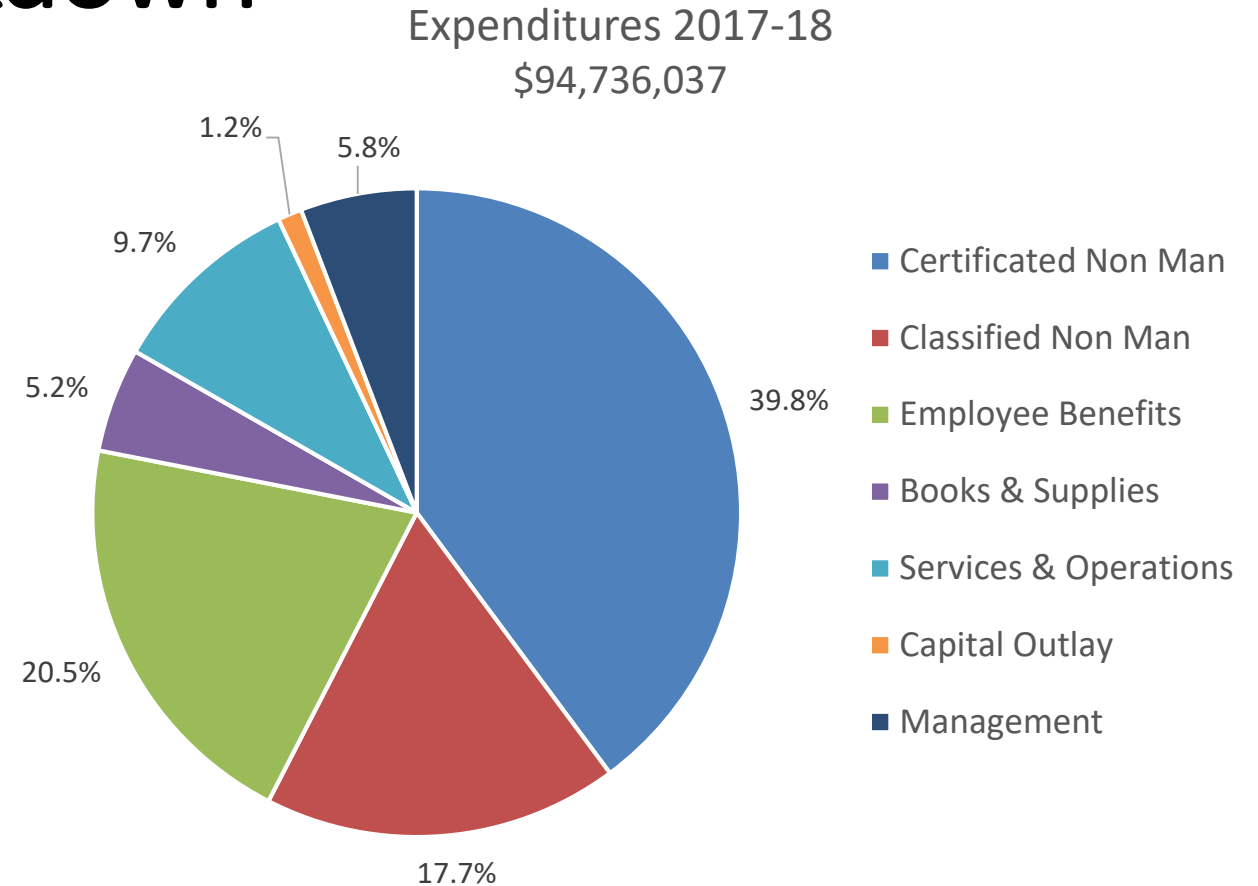
- This covers costs such as: utilities, leases, repairs, insurance, services, etc.

Capital Outlay

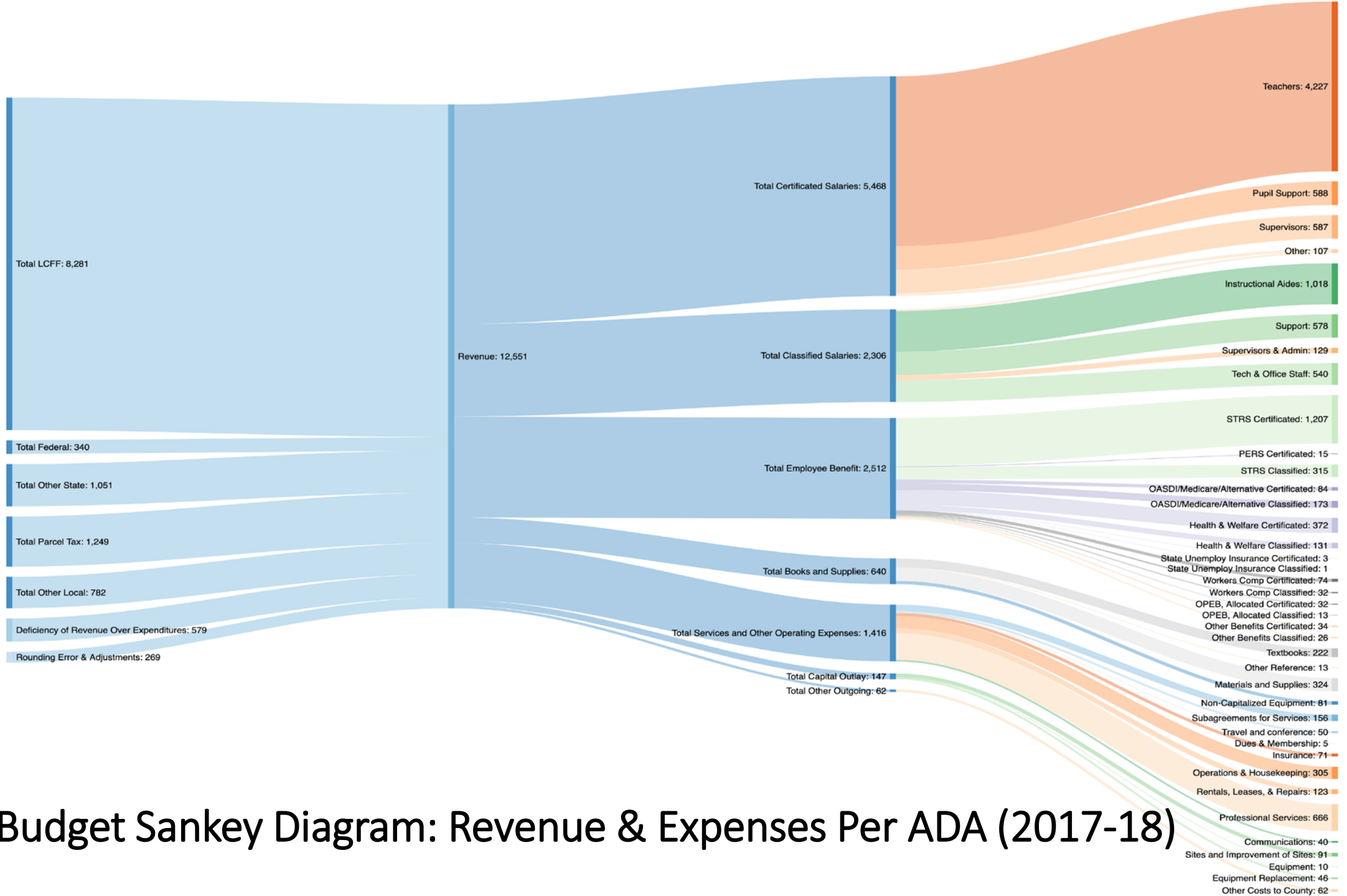
- This expense covers the purchase of fixed/tangible assets such as equipment and buildings

Management

- Expenditure for district management employees



- Davis spends the vast majority of its budget on salary and benefits (83.8% of expenses)



DJUSD Budget Sankey Diagram: Revenue & Expenses Per ADA (2017-18)

DJUSD Certificated Salary Schedule Breakdown

Columns:

By earning additional professional development/college credits or advanced degrees, teachers can advance into a new column of the salary schedule. Different districts offer column movement for different amounts of education.

Salary:

When salaries on the schedule are increased, that increase is factored through all the other steps and columns of the salary schedule.

Steps:

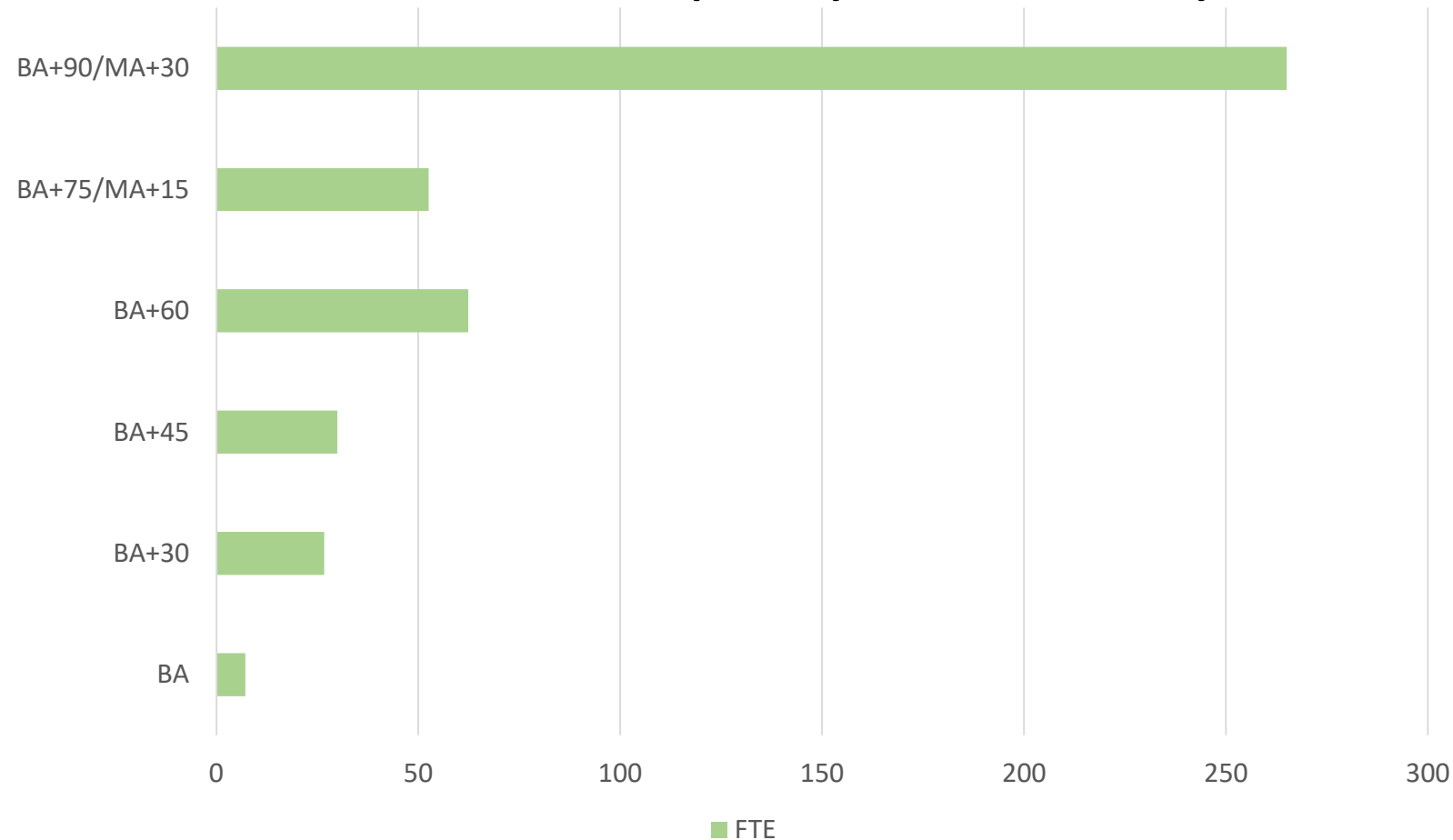
For each additional year of work, a teacher moves down another step on the schedule, to a new pay level.

FTE Calculation:

FTE stands for “Full Time Equivalent”. One full time teacher (according to a district’s definition of full time) is one FTE. Not all FTE’s represent individual people due to part time positions.

CERTIFICATED TEACHER SALARY SCHEDULE WITH PLACEMENT, 2017-18 (FORM J-90)																
DISTRICT	DISTRICT NAME				P-2 REG ADA		TOTAL SALARY		TOTAL FTE		AVERAGE SALARY					
5772678	DAVIS JOINT UNIFIED				8,243		32,065,939		443.78		72,256		** DISTRICT CONFIRMED**			
CLASS I				CLASS II		CLASS III		CLASS IV		CLASS V		CLASS VI				
BA				BA+30		BA+45		BA+60 OR MA		BA+75 OR MA+15		BA+90 OR MA+30				
STEP	Annual Salary	F.T.E.		Annual Salary	F.T.E.		Annual Salary	F.T.E.		Annual Salary	F.T.E.		Annual Salary	F.T.E.		
1	40,169	2.00		43,996	7.80		43,996	5.00		44,524	0.60		45,866	0.00		
2	40,482	0.00		44,524	5.00		44,524	1.00		45,866	4.00		47,815	1.00		
3	42,202	0.00		45,054	0.00		45,866	2.00		47,815	7.00		49,847	1.00		
4	43,996	2.00		45,866	3.00		47,815	1.00		49,847	6.00		51,965	4.70		
5	45,866	1.50		47,815	0.00		49,847	1.00		51,965	7.45		54,174	2.00		
6	47,815	0.00		49,847	2.00		51,965	3.00		54,174	2.00		56,476	3.00		
7	49,847	0.00		51,965	1.40		54,174	2.10		56,476	3.80		58,876	0.50		
8	49,847	0.00		54,174	2.20		56,476	1.00		58,876	1.00		61,378	0.00		
9	49,847	0.00		56,476	0.00		58,876	0.00		61,378	2.00		63,987	4.90		
10	49,847	1.00		58,876	0.00		61,378	3.00		63,987	2.20		66,706	3.20		
11	49,847	0.00		58,876	1.00		61,378	1.00		63,987	2.00		66,706	1.60		
12	49,847	0.70		58,876	0.00		63,987	0.00		66,706	1.67		69,541	0.50		
13	49,847	0.00		58,876	0.00		63,987	1.00		66,706	0.00		69,541	2.00		
14	49,847	0.00		58,876	1.00		66,706	0.00		69,541	2.00		72,496	2.47		
15	49,847	0.00		58,876	1.20		66,706	2.60		69,541	1.20		72,496	3.00		
16	49,847	0.00		58,876	0.00		69,541	0.00		72,496	0.80		75,577	3.00		
17	49,847	0.00		58,876	0.00		69,541	1.80		72,496	3.60		75,577	1.00		
18	49,847	0.00		58,876	1.10		72,496	0.00		75,577	1.50		78,789	1.50		
19	49,847	0.00		58,876	0.00		72,496	1.00		75,577	1.00		78,789	2.00		
20	49,847	0.00		58,876	0.00		75,577	0.40		78,789	2.00		82,138	1.50		
21	49,847	0.00		58,876	0.00		75,577	1.00		78,789	1.00		82,138	2.00		
22	49,847	0.00		58,876	1.00		75,577	1.00		78,789	7.55		82,138	9.70		
23	49,847	0.00		58,876	0.00		75,577	0.00		78,789	0.00		82,138	0.00		
24	49,847	0.00		58,876	0.00		75,577	0.00		78,789	1.00		82,138	1.00		
25	49,847	0.00		58,876	0.00		75,577	1.00		78,789	1.00		82,138	1.00		

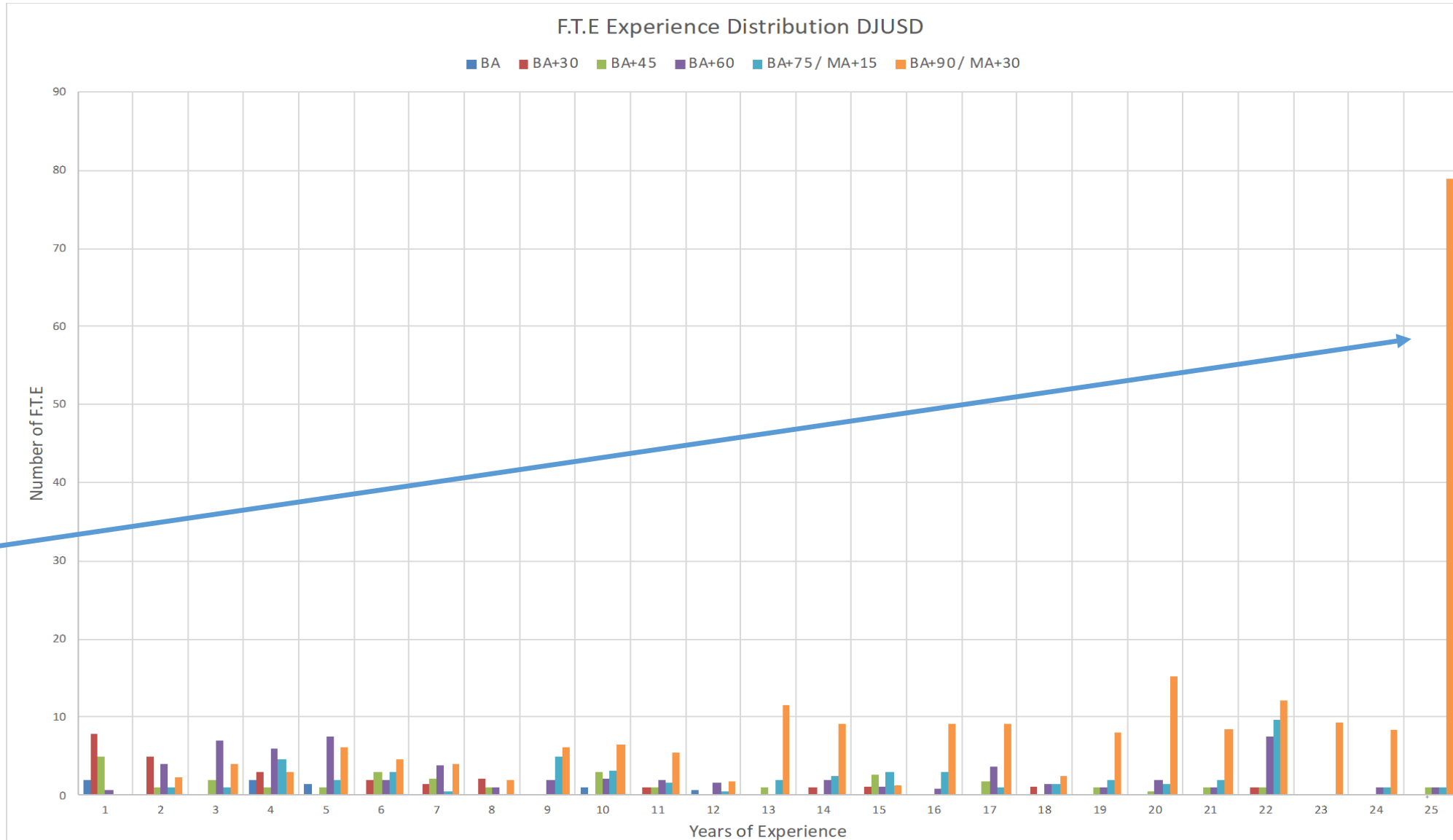
DJUSD Certificated Employee Analysis



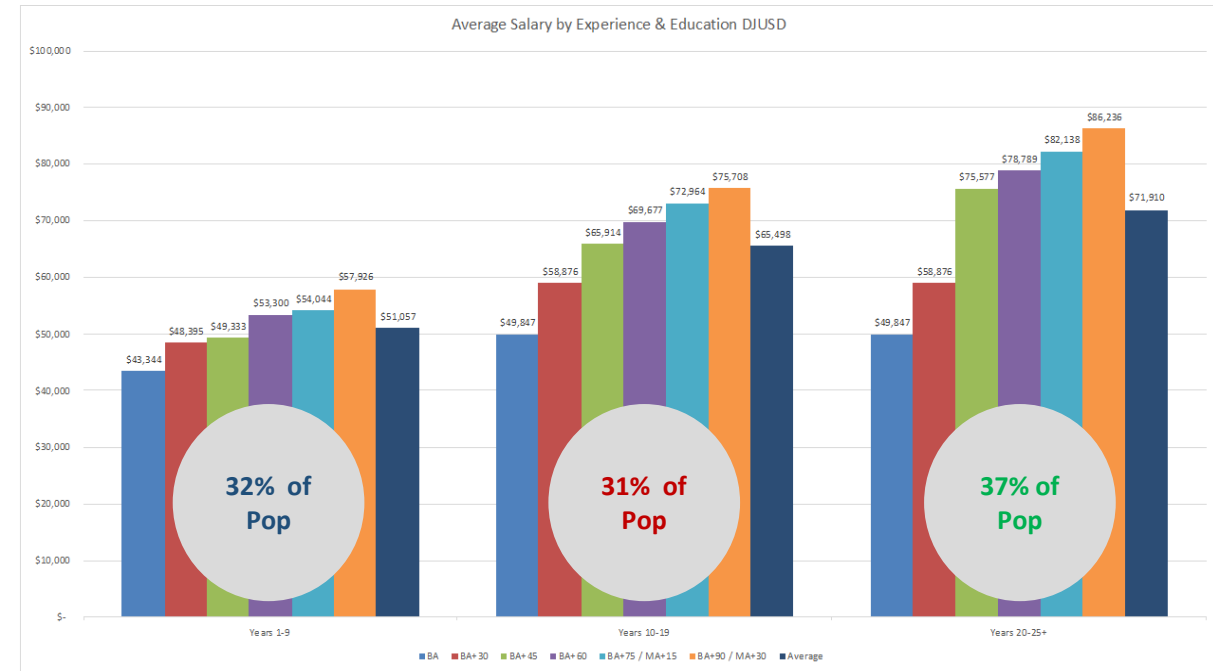
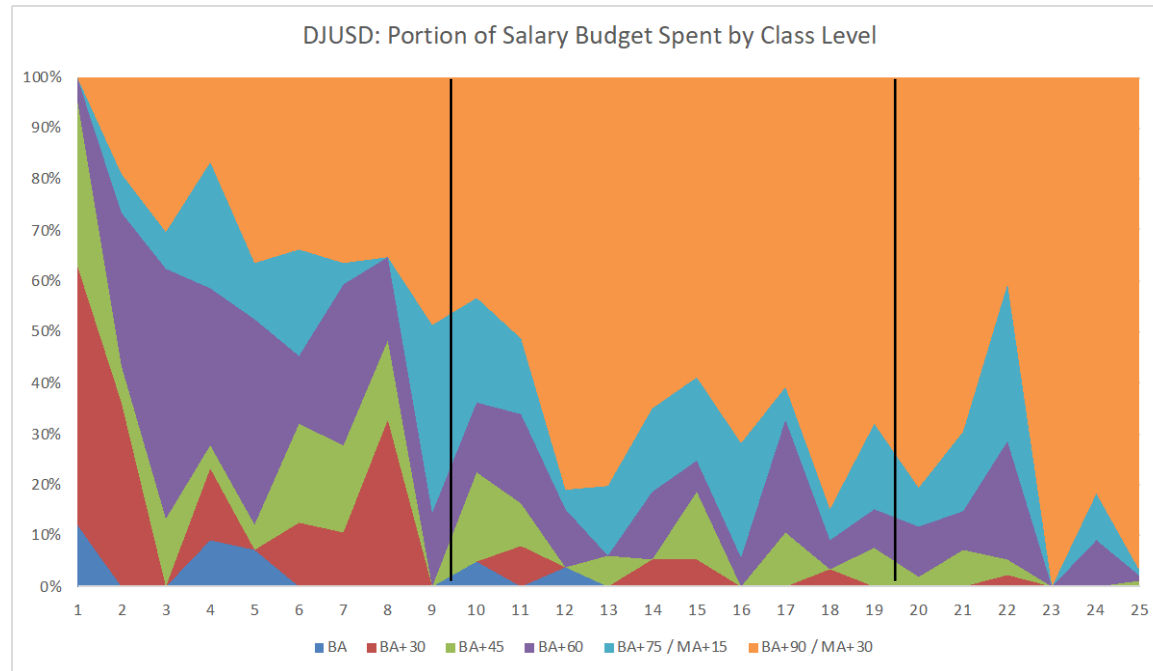
- The vast majority of FTE's in DJUSD have at least a BA+60 credit hours of experience.
- The majority of FTE's hold a BA+90/MA+30

DJUSD Certificated Employee Analysis

- The vast majority of FTE's in DJUSD have 25+ years of experience.
- DJUSD is not hiring many less-experienced staff
- ~60% of FTE's are in the maximum credential class (Class VI)
- Nearly 80 FTE are at year 25 in experience and the highest education column.



DJUSD Certificated Salary Budget Breakdown



- DJUSD spends the majority of its Certificated Salary Budget on the most educated Certificated employees
- The majority of DJUSD's certificated teachers is made up of employee's in BA+90/MA+30

District Comparative Set Rationale

The following districts were selected by DAVIS JOINT UNIFIED School District for this comparative study. In cases where the data reflects "Comparative Set" the figure represents the following districts:

- DIXON UNIFIED
- NATOMAS UNIFIED
- ROCKLIN UNIFIED
- VACAVILLE UNIFIED
- WASHINGTON UNIFIED
- WOODLAND JOINT UNIFIED

These districts were chosen due to their:

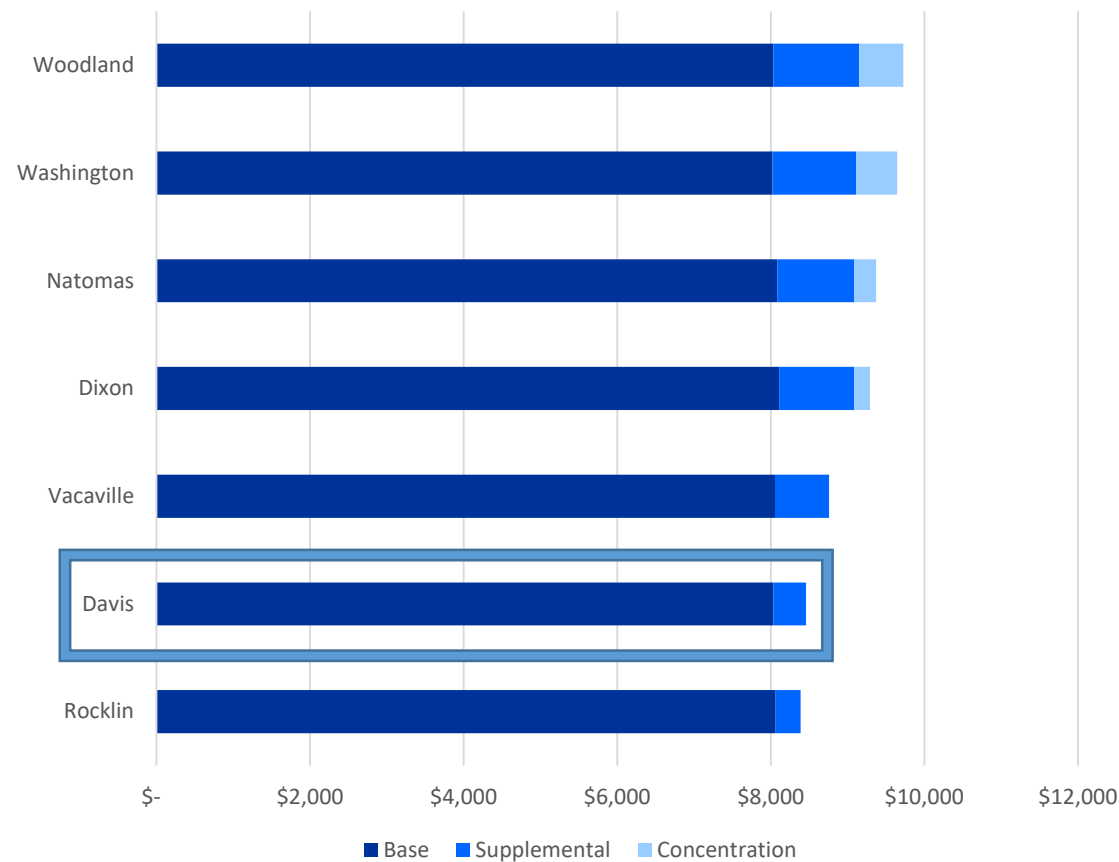
- Geographic distance from DJUSD (+/- 40 miles)
- Relative ADA range (+/- 5,000 students)

Comparative Set at a Glance

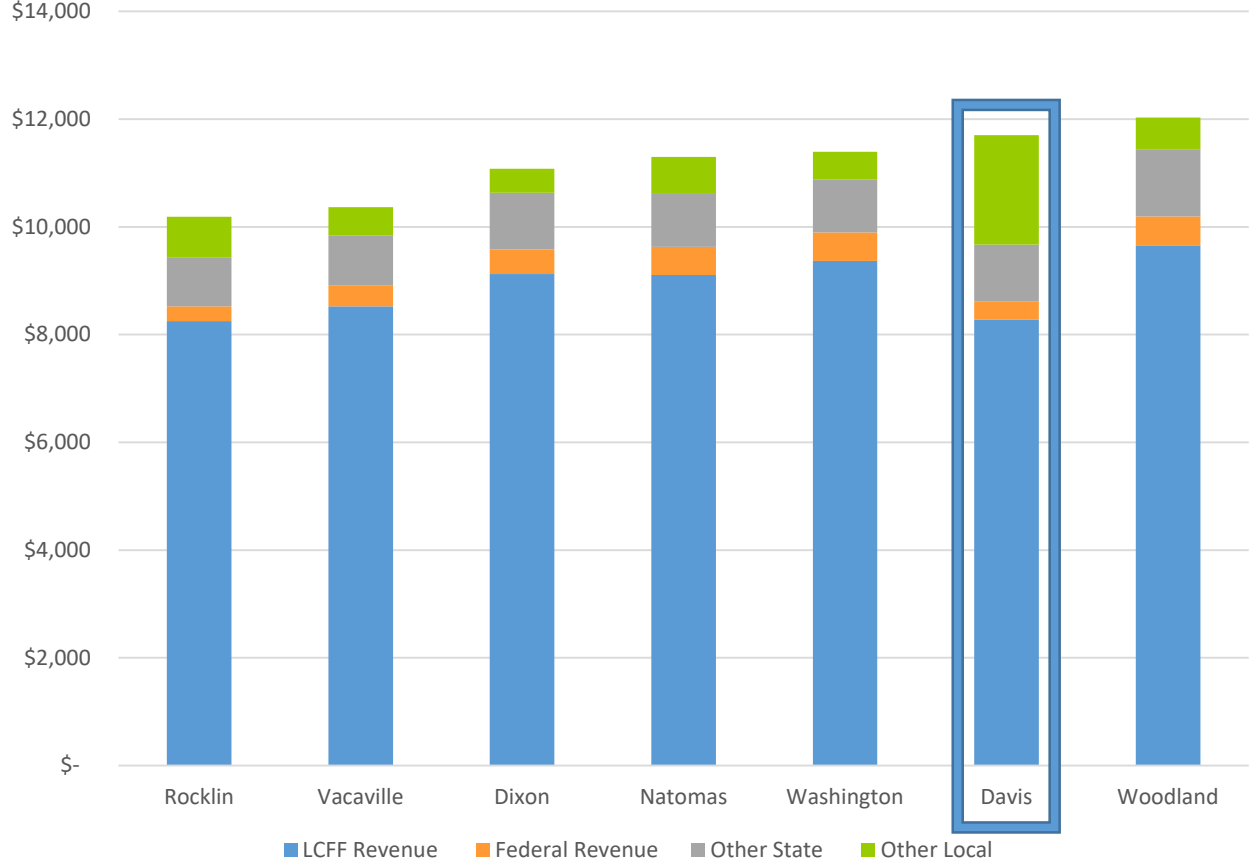
DISTRICT	Miles from DJUSD	Enrollment 2017- 2018	ADA 2017- 2018	2017- 2018 ADA %	Total Certificated FTE 2017- 2018	Undupl Count 2017- 2018	LCFF Revenue 2017- 2018 Per ADA	% Difference Between 2017-18 LCFF & DJUSD	LCFF % Related to 2017-18 State Average
Davis		8,035	7,695	95.8%		26.3%	\$8,300		85.1%
Woodland	11	9,770	9,352	95.7%		69.4%	\$9,497	14.4%	97.4%
Washington	13	7,832	7,391	94.4%		68.3%	\$9,447	13.8%	96.9%
Vacaville	23	11,348	10,850	95.6%		43.8%	\$8,591	3.5%	88.1%
Dixon	10	3,243	3,061	94.4%		60.2%	\$9,177	10.6%	94.1%
Natomas	17	9,943	9,376	94.3%		62.0%	\$9,137	10.1%	93.7%
Rocklin	36	11,821	11,407	96.5%		20.0%	\$8,250	-0.6%	84.6%
Average	18.3	8,856	8,447	95.2%		50.0%	8,914	7.4%	91.4%

Comparative District Revenue Breakdown

LCFF Funding Target By Grant Type per ADA (2017-18)



Total Revenue Breakdown per ADA (2017-18)



Budget Breakdown by Object Code (2017-2018)

Budget Comparison by Section: Davis vs. Average

Certificated Salaries: 11% **MORE** than Average

Classified Salaries: 21% **MORE** than Average

Employee Benefit: 4% **MORE** than Average

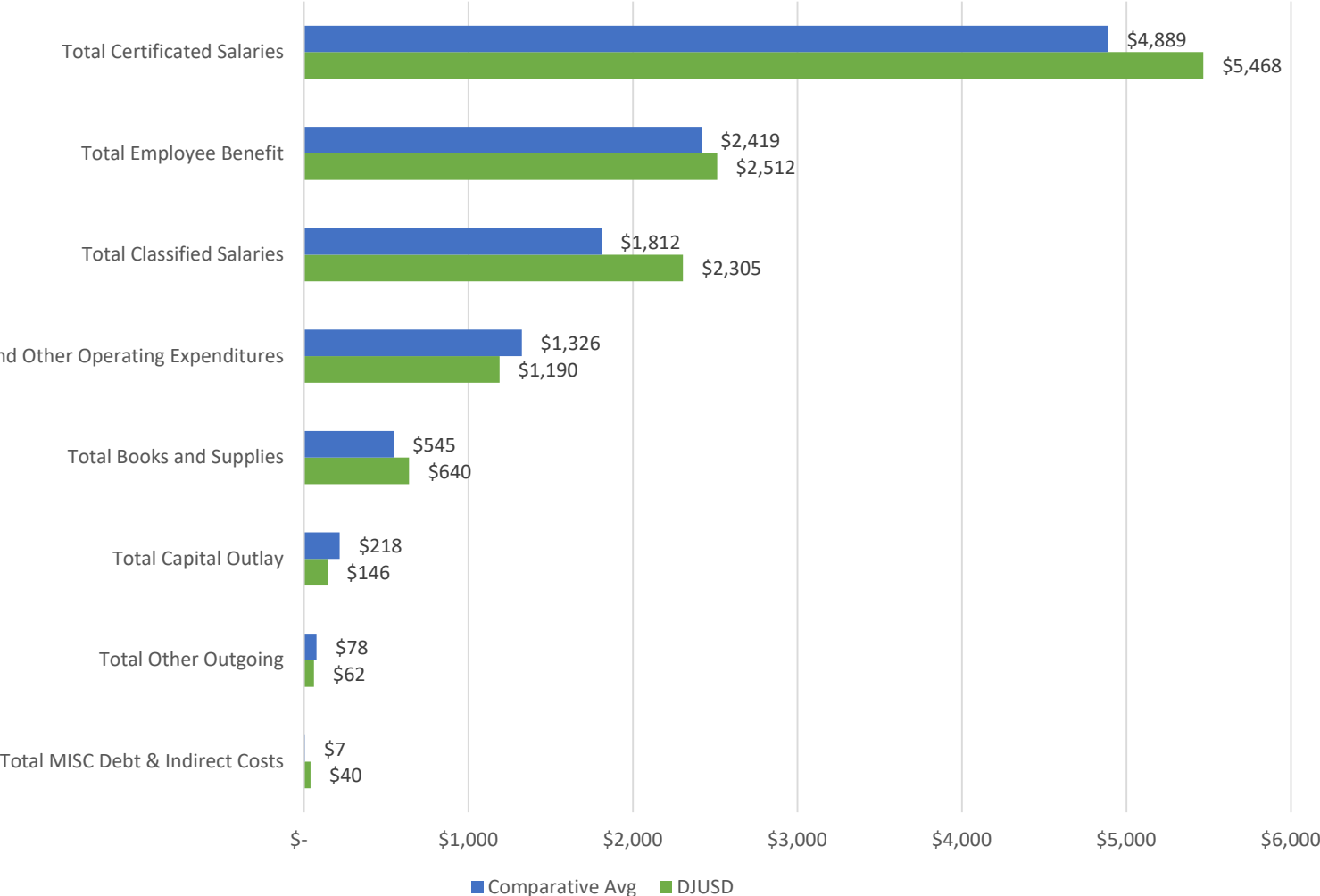
Books and Supplies: 17% **MORE** than Average

Services & Other Operating: 10% **LESS** than Average

Capital Outlay: 33% **LESS** than Average

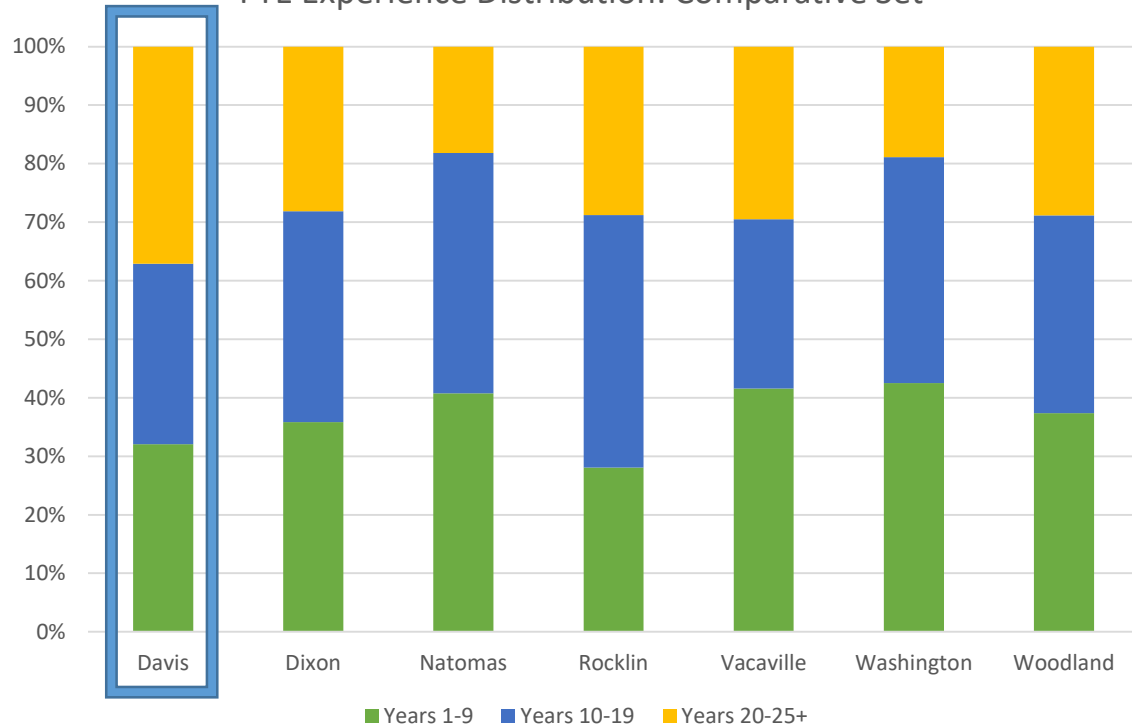
Other Outgoing: 20% **LESS** than Average

DJUSD vs. Comparative Set: Budget Breakdown per ADA (2017-18)

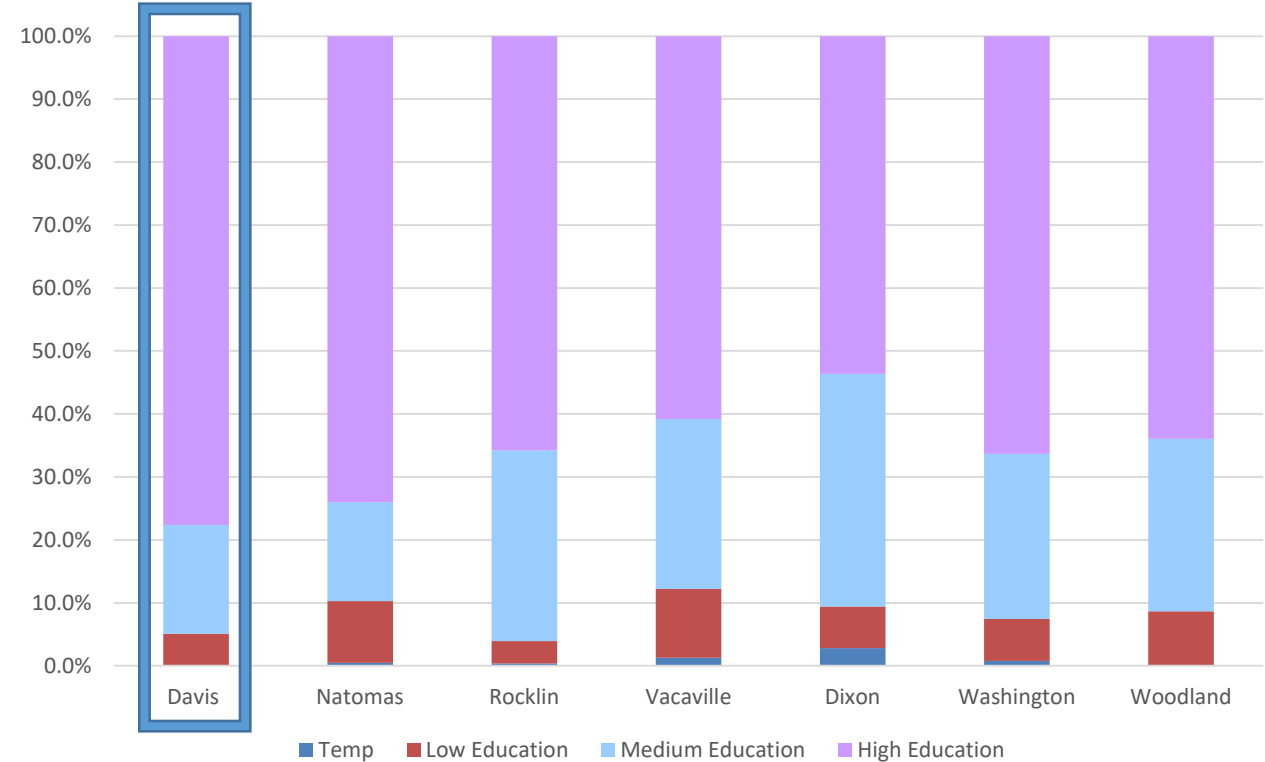


DJUSD vs. Comparative Set: Certificated Salaries

FTE Experience Distribution: Comparative Set

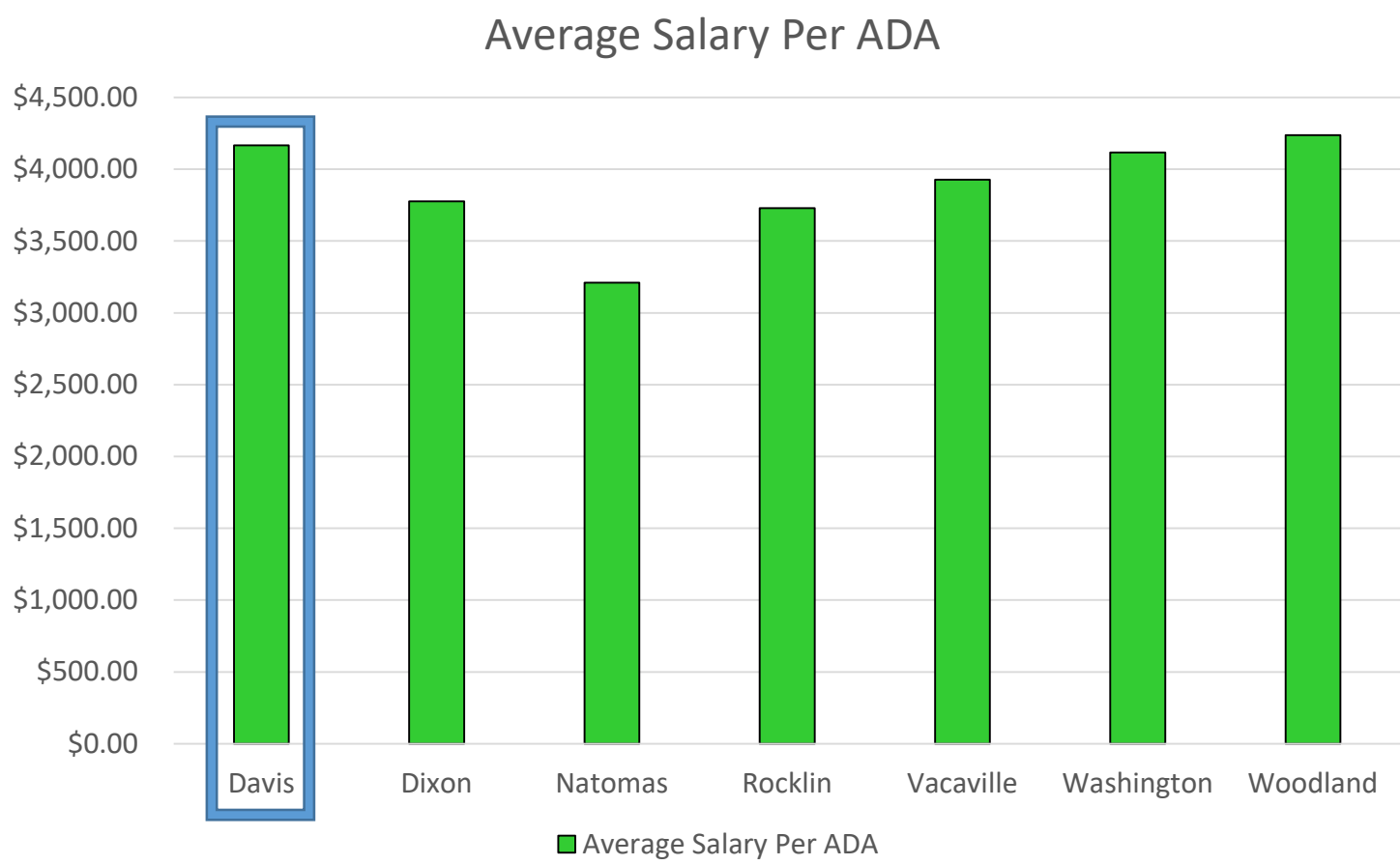


Salary Distribution by Education Level



- Davis has the highest relative FTE population in the 20-25+ years of experience category of any district
- Davis has the 2nd smallest population of lower experience FTE's of any comparative district
- Davis spends more on its High Education FTE's than any other District in the comparative set
- Davis spends the 2nd lowest amount on its Low Education FTE's of any other District in the comparative set

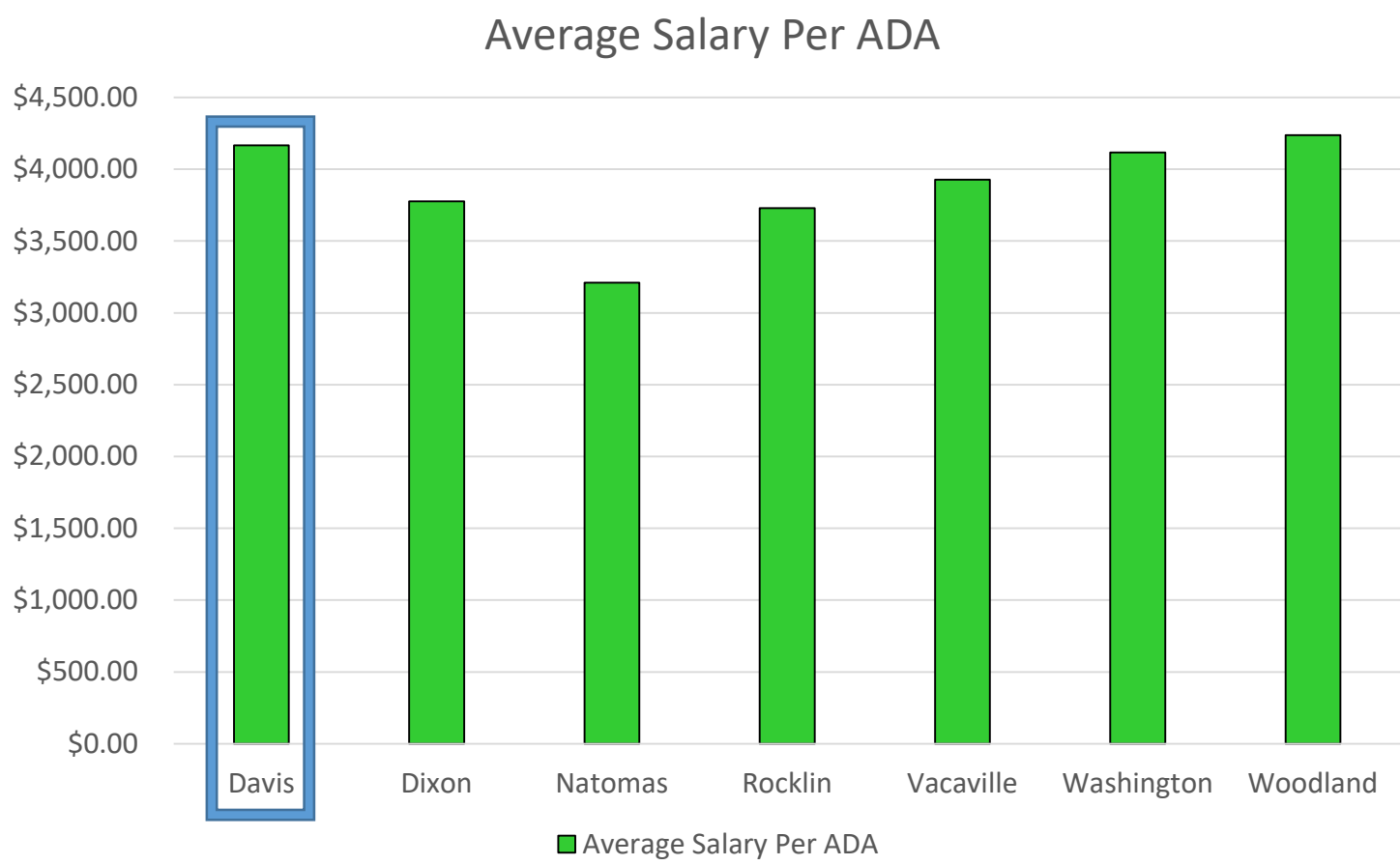
DJUSD vs. Comparative Set: Certificated Salaries



District	Avg Salary 17-18	Avg Salary Per ADA
Davis	\$72,258	\$4,167.21
Dixon	\$68,436	\$3,776.16
Natomas	\$68,850	\$3,209.28
Rocklin	\$75,678	\$3,729.17
Vacaville	\$68,239	\$3,927.36
Washington	\$71,171	\$4,117.15
Woodland	\$69,150	\$4,237.21

- Davis has the second highest average salary per ADA.
- Average salary is a combination of experience, education and staffing.

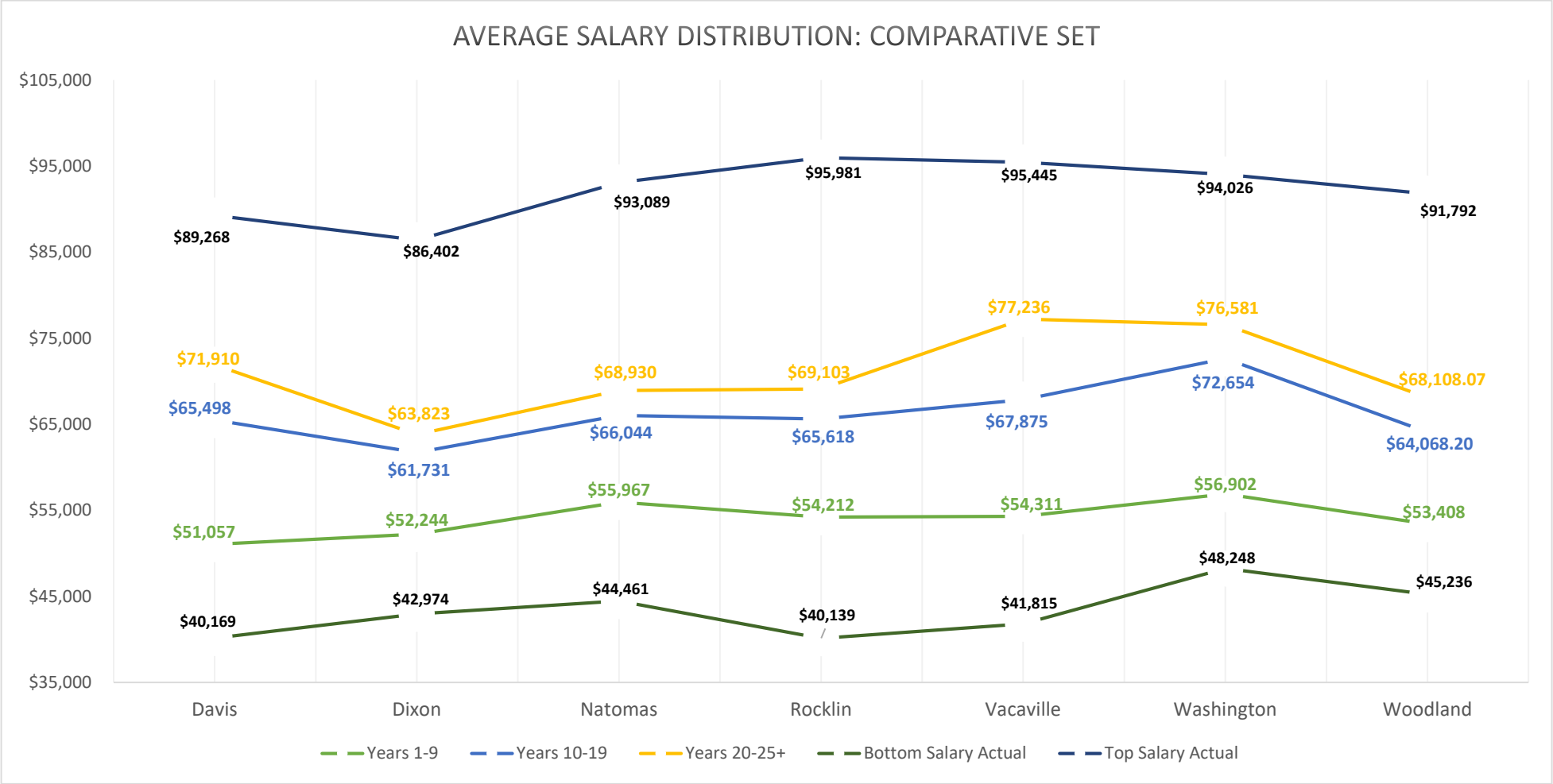
DJUSD vs. Comparative Set: Certificated Salaries



District	Avg Salary 17-18	FTE's per 100 ADA
Davis	\$72,258	5.8
Dixon	\$68,436	5.5
Natomas	\$68,850	4.7
Rocklin	\$75,678	4.9
Vacaville	\$68,239	5.8
Washington	\$71,171	5.8
Woodland	\$69,150	6.1

- Davis has the second highest average salary per ADA.
- Davis has the second highest FTE per 100 ADA.

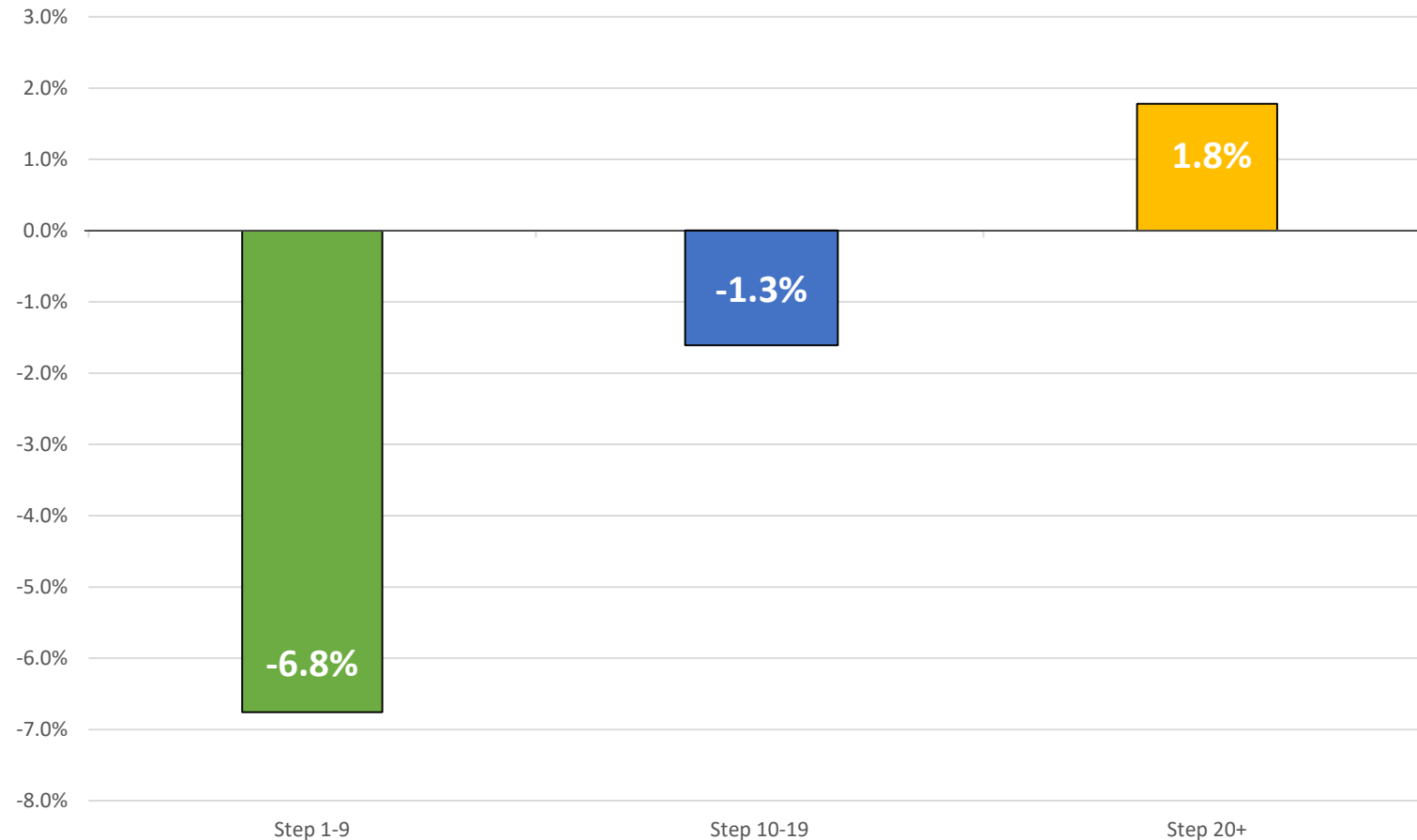
DJUSD vs. Comparative Set: Certificated Salaries



- Davis has the 2nd greatest average pay gap between low and high experience FTE's
- Davis has the 2nd lowest 'bottom' teacher salary.
- Davis has the 2nd lowest 'top' teacher salary.

DJUSD vs. Comparative Set: Certificated Salaries

DJUSD: Teacher Compensation Relative to Comparative Set (% diff)



- Davis has a 6.8% lower average salary for Teachers in steps 1-9 in relation to the Comparative Set.
- Davis has a 1.3% lower average salary for Teachers in steps 10-19 in relation to the Comparative Set.
- Davis has a 1.8% higher average salary for Teachers in steps 20+ in relation to the Comparative Set.

Discussion & Next Steps

- Implications for follow-up work
 - Deeper assessment of existing areas
 - Additional Comparisons
 - Educational Program
 - Classified Employees
 - Management Employees
 - Additional topics
 - Macro Factors (e.g., teacher supply shortage, state funding limits, declining enrollment, pensions, employee retirements)
 - Strategic Options
- Key areas of focus for next Parcel Tax Subcommittee/Board Meeting