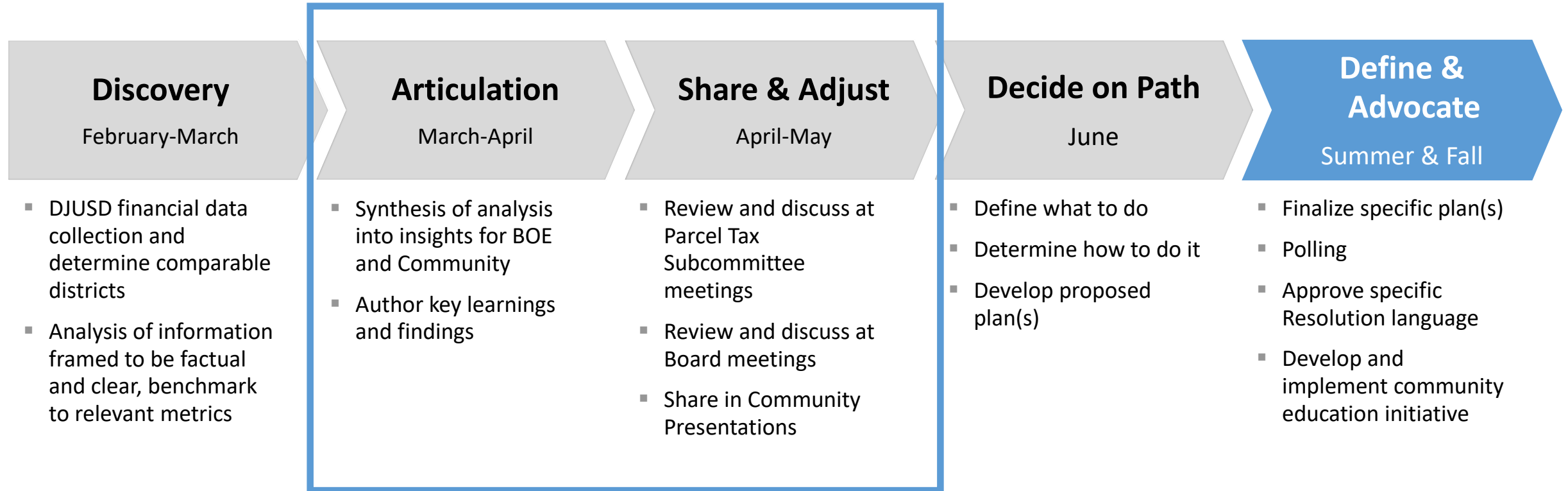




# Parcel Tax Subcommittee Board Presentation

4.18.2019

# On-going Process



# Today's Objectives

- Build on April 4<sup>th</sup> Board Presentation focused on establishing:
  - Core understanding of DJUSD revenue and expenditures
  - Comparable set of regional school districts
  - Assessment of expenditures for certificated staff
- Focus on remaining areas of analysis including:
  - Classified Expenditures and Comparison
  - Administrative Expenditures and Comparison
  - Non-Employee Expenditures and Comparison
  - Budget Projections and Enrollment Comparison
  - State-wide factors: Teacher Supply and Demand
- Outline next steps

# Budget Comparison by Object Code (2017-2018)

## Budget Comparison by Section: Davis vs. Average

Classified Salaries: 21% MORE than Average

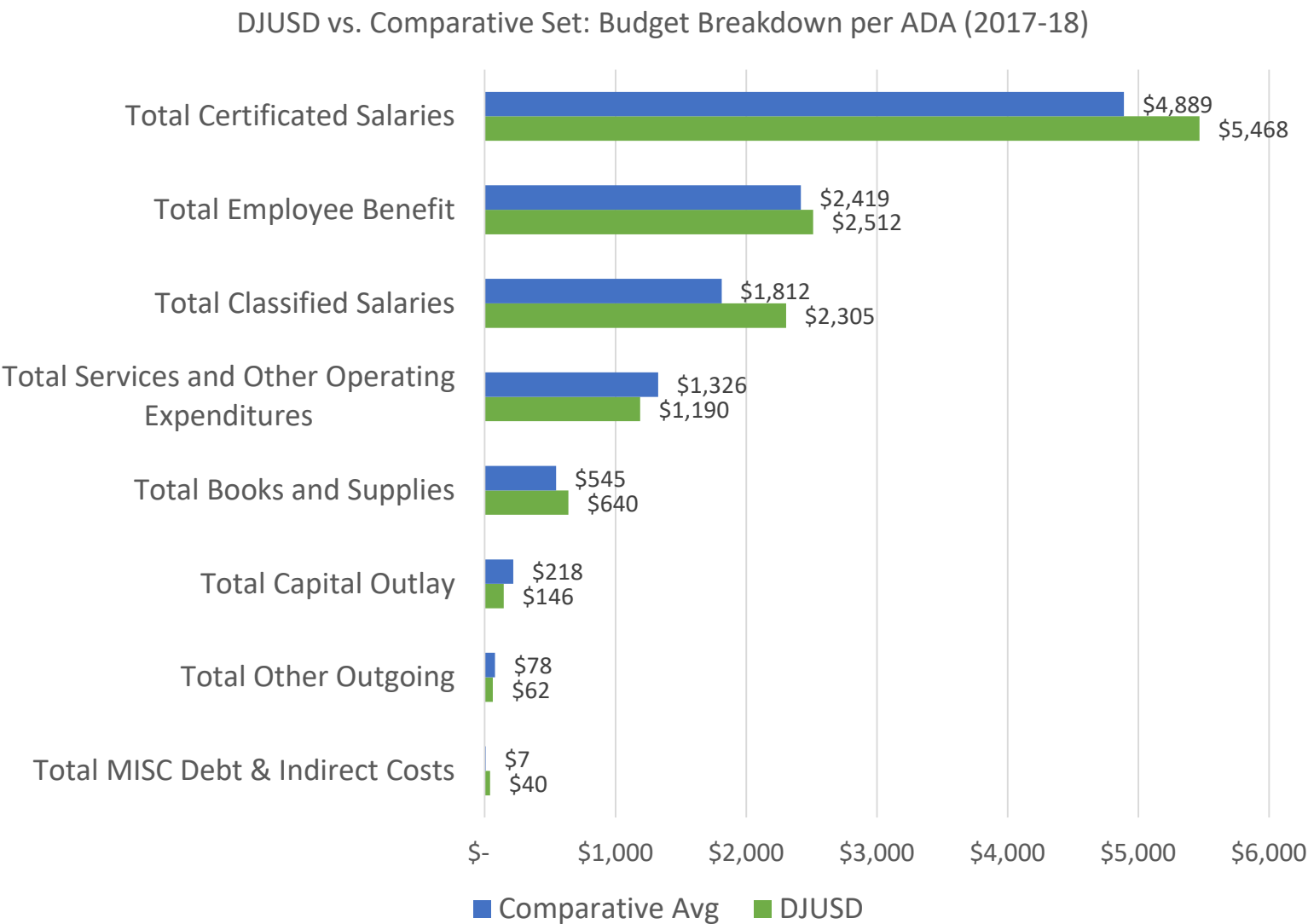
All Employee Benefits: 4% MORE than Average

Books and Supplies: 17% MORE than Average

Services & Other Operating: 10% LESS than Average

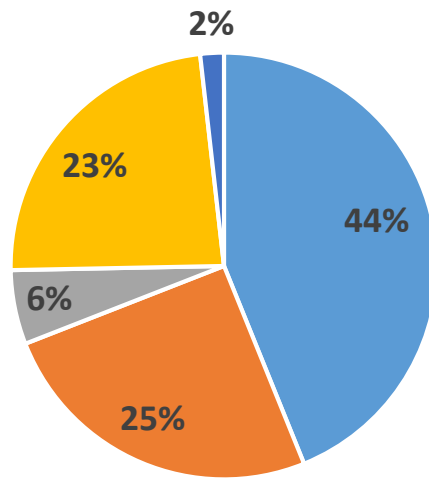
Capital Outlay: 33% LESS than Average

Other Outgoing: 20% LESS than Average



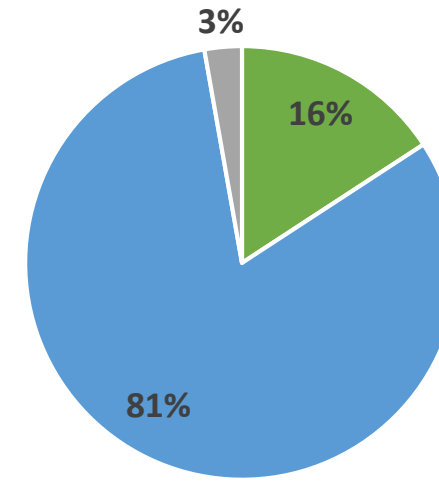
# DJUSD Classified Salary Expenditure Breakdown

Classified Salaries - \$2,305 per ADA



■ Instructional Aides ■ Support Services ■ Supervisor & Admin  
■ Clerical & Office ■ Other Classified

Instructional Aides - \$1,018

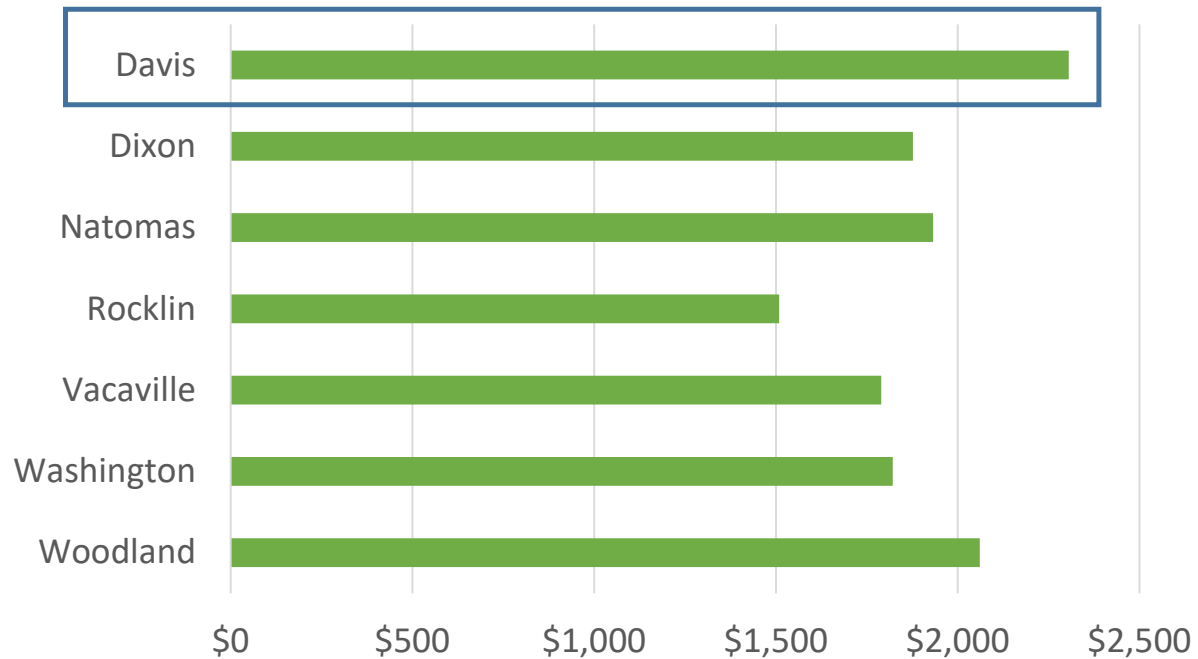


■ Education Instruction ■ Special Education Instruction  
■ Ancillary Services

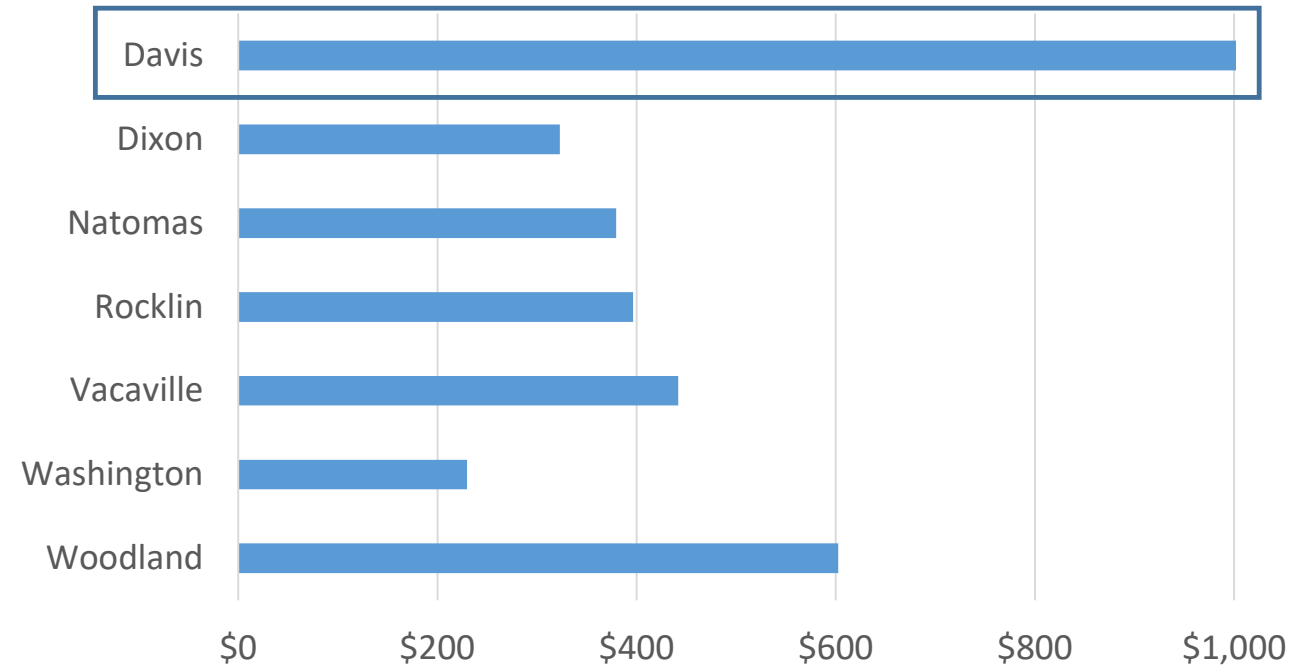
- 44% of classified salaries are spent on Instructional Aides
- 81% of Instructional Aides salaries are spent on Special Education

# Classified Salary Expenditures per ADA Comparison

Classified Salary Expenditures by Comparison Set per ADA



Instructional Aide Salary Expenditures by Comparison Set per ADA



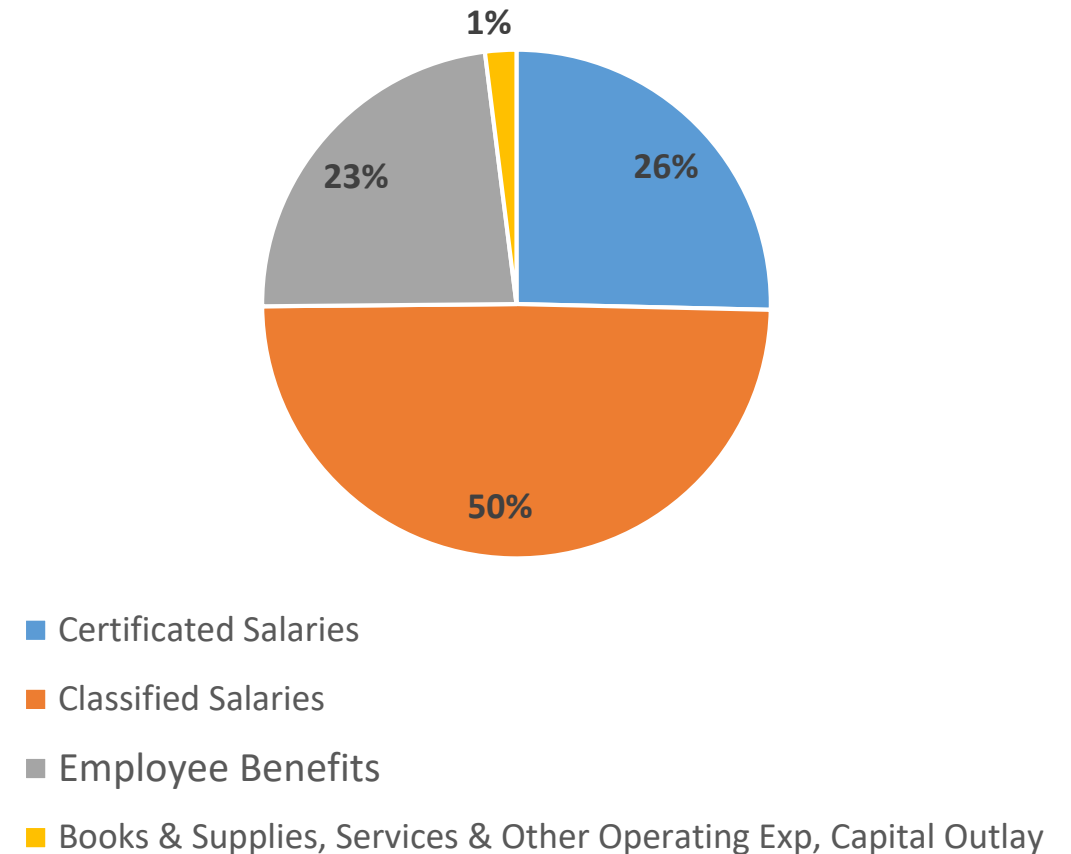
- DJUSD spends more than any of the Comparative Set on Classified Salaries.

# Special Education Expenditures per ADA

Total Special Education Program Expenditures per ADA



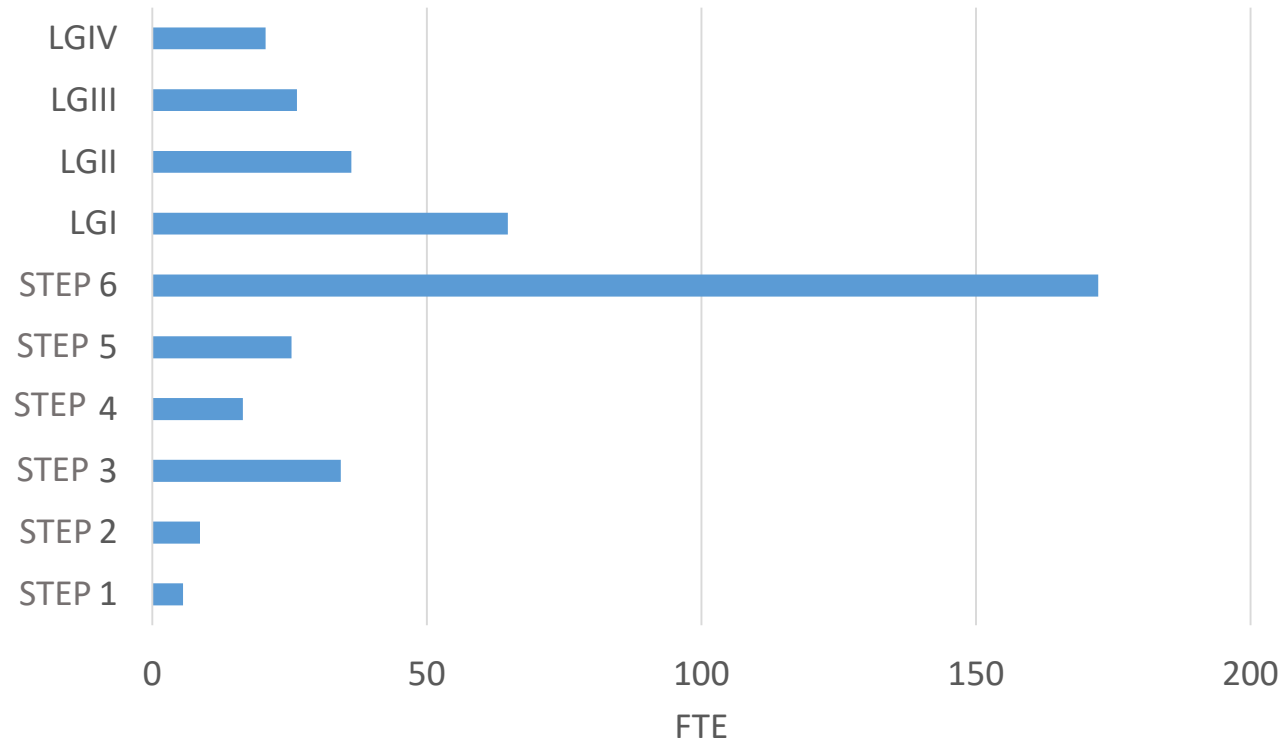
DJUSD Special Education Program Expenditures by Object Code



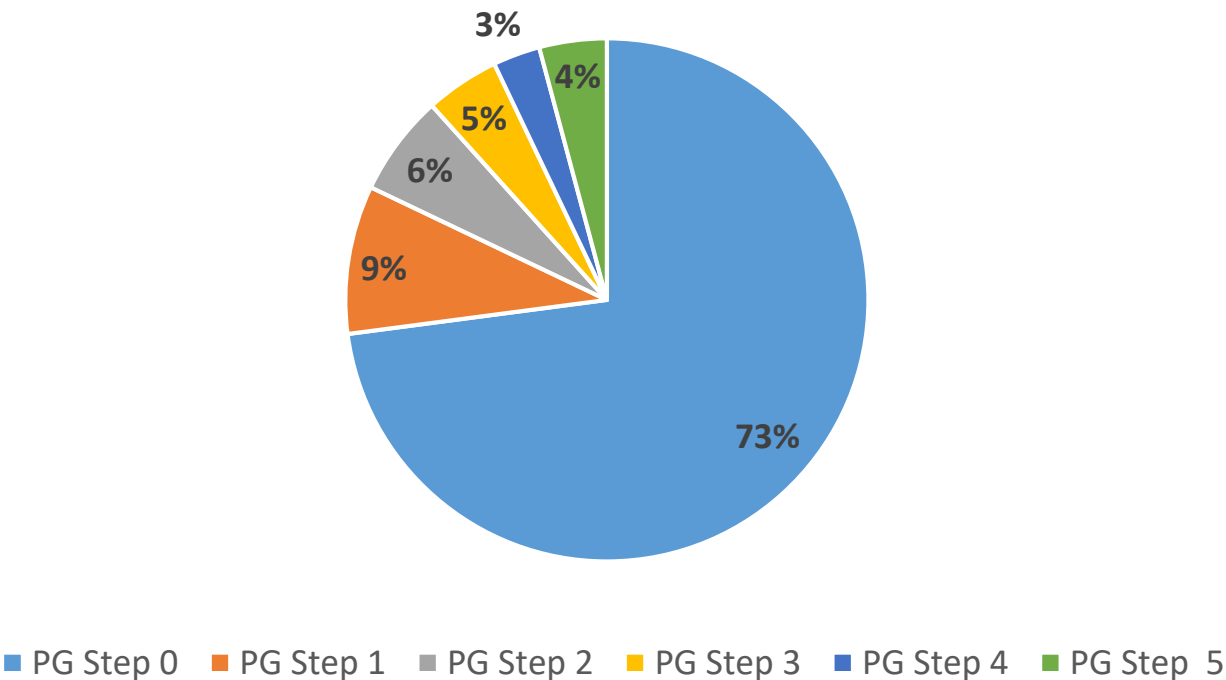
- DJUSD spends more than any of the Comparative Set on our Special Education Program.
- 50% of the Special Education spending is on Classified Salaries.

# Classified Employee Education and Experience

DJUSD Classified Experience by FTE



Classified Employee Professional Growth Step Distribution

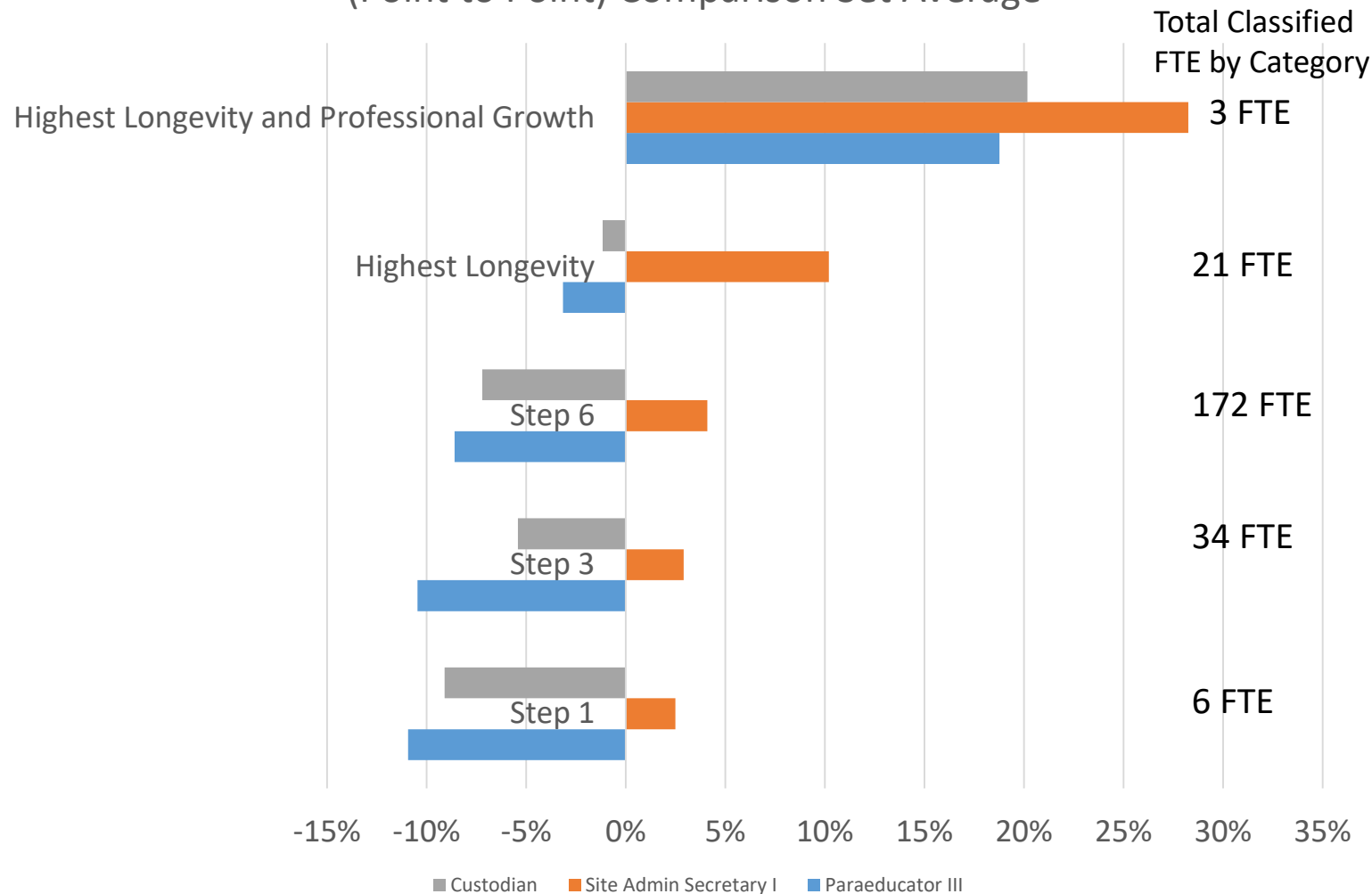


- 58% of DJUSD Classified Employees have worked for the District for fewer than 10 years.
- 70% of DJUSD Classified Employees have not completed a Professional Growth (PG) Step.



# Classified Salary Comparisons

DJUSD Classified Salary by Position in Relation to Regional  
(Point to Point) Comparison Set Average

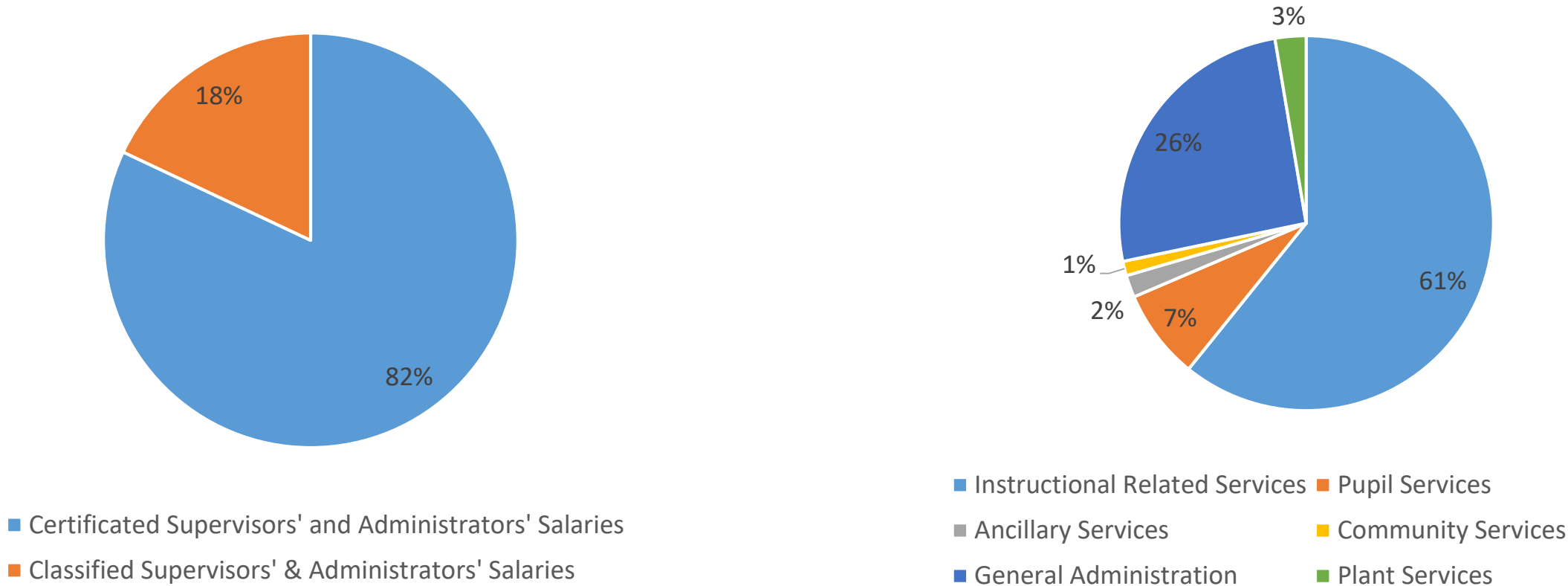


- Paraeducator III, Site Admin Secretary, and Custodian represent more than 50% of DJUSD Classified FTE.
- DJUSD pays below the Comparative Set average for 2 of these 3 position types in base salary.
- Most districts do not reward additional education for classified employees to the degree to DJUSD does.
- Employees who earn all five Professional Growth steps can earn 25% more than their base salary.

# DJUSD Administrative Salary Breakdown

DJUSD Administrative Salaries - \$716 per ADA

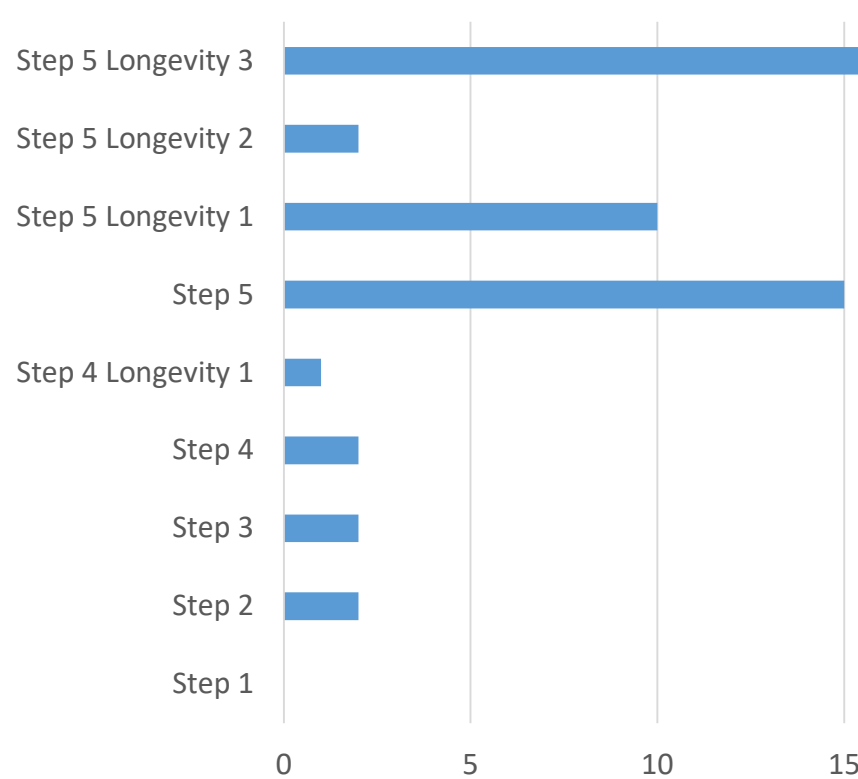
DJUSD Administrative Salaries by Object Code



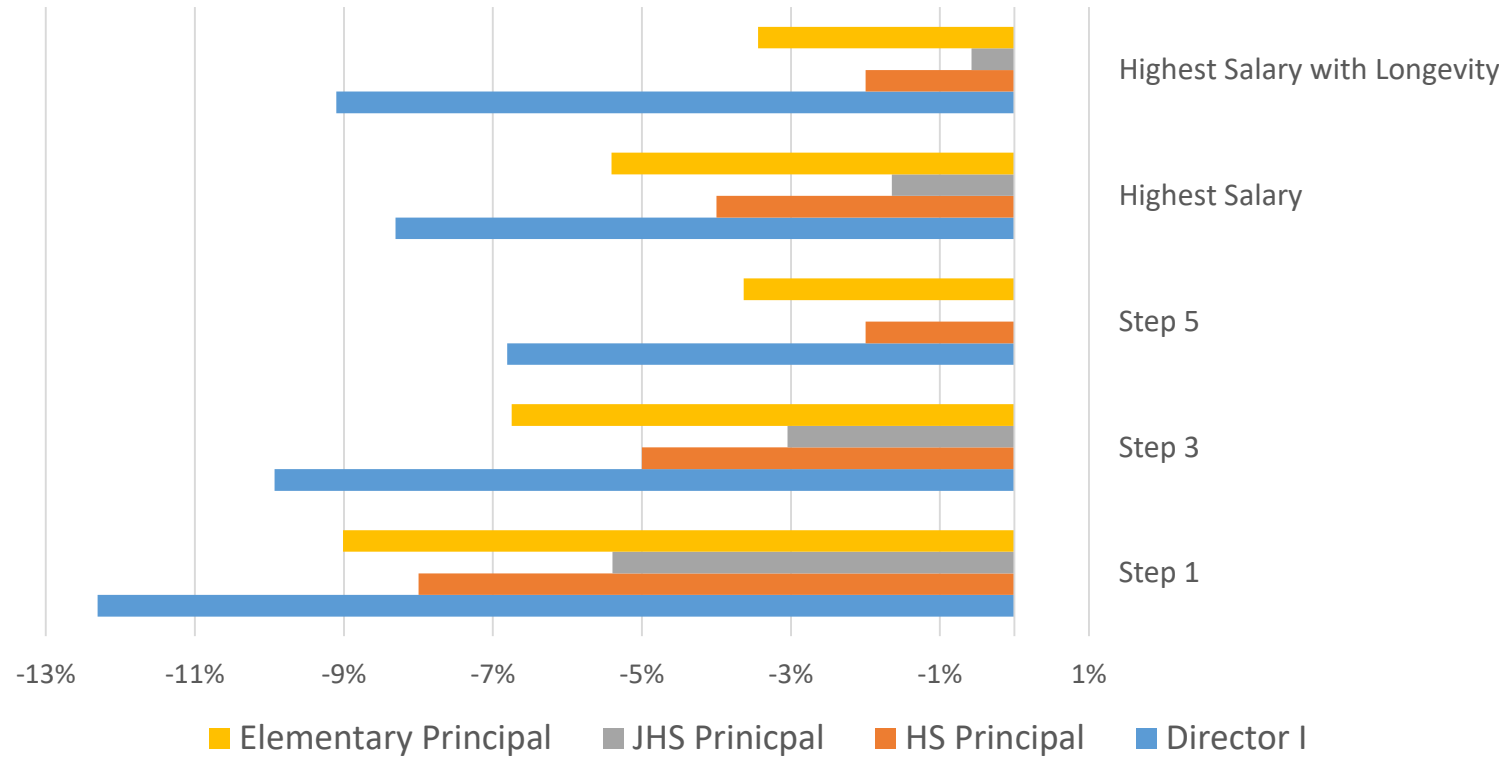
- Administrative Salaries include Principals, Vice Principals, Managers, Superintendent and Directors.
- DJUSD spends the majority of its Administrative salaries on Instructional Related Services.
- 82% of Administrative staff hold an administrative and teaching certificate.

# DJUSD Administrative Salary

DJUSD Administrative Leadership Team - Experience Distribution



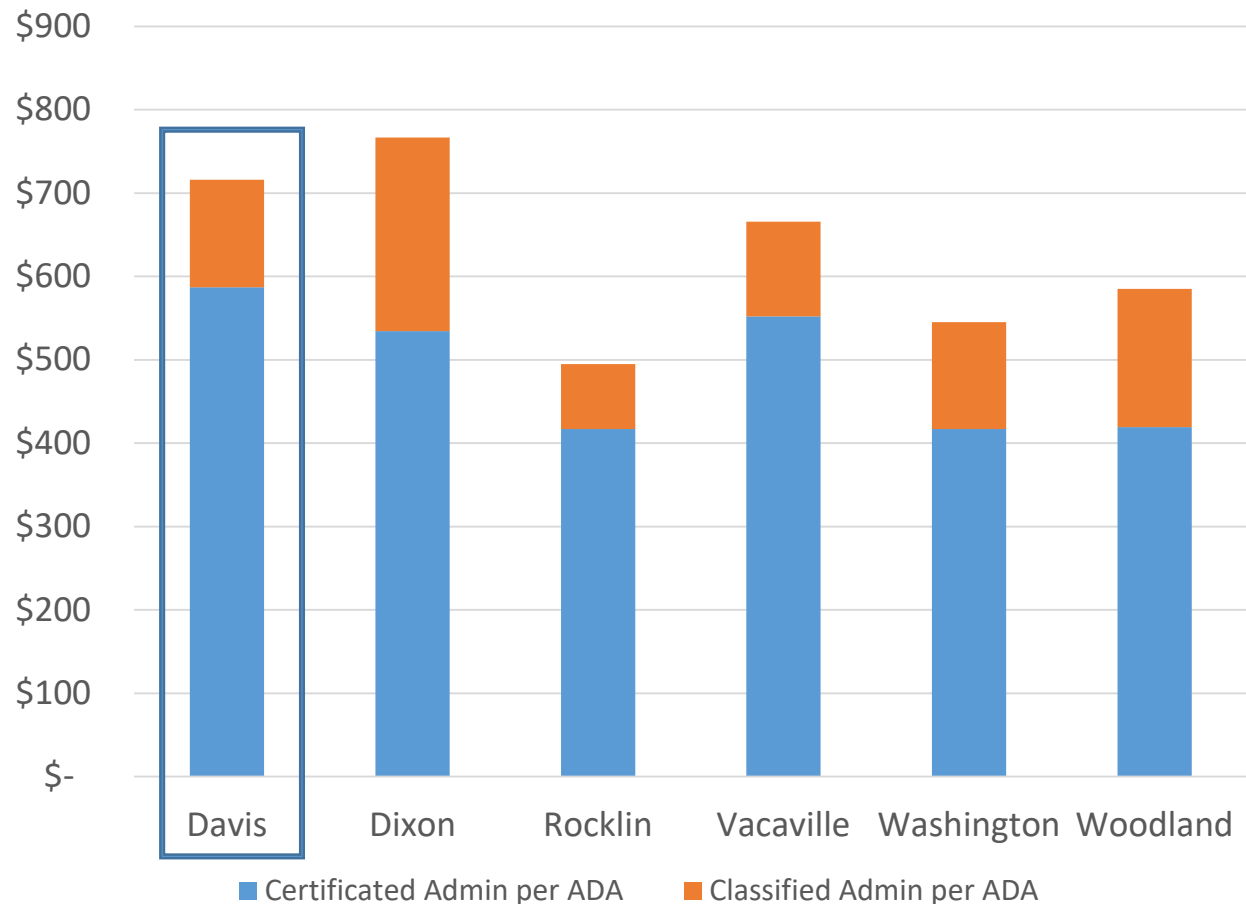
DJUSD Administrative Salaries by Position in Relation to Regional (Point to Point) Comparison Set Average



- 61% of DJUSD Administration have 3 or more years of Administrative experience in addition to their teaching experience.
- DJUSD Steps 1-4 are rarely used in initial salary placement due to low regional pay rates.
- DJUSD pays less than the comparative set average across all categories, steps and noted classifications.

# Administrative Salary Comparison

Comparative Set Administrative Salary Expenditures  
per ADA



- DJUSD spends the second highest amount, 13% more than the Comparative Set average on Administrative Salaries.
- A portion of Administrative Salaries is unique to DJUSD, including:
  - 2.5 FTE of parcel tax funded administrative positions,
  - 4.0 FTE self-sustaining/funded separately, including:
    - 2.0 FTE from the Yolo-Solano Center for Teacher Credentialing, which brings in Fees and Grants to cover all costs.
    - 1.0 FTE Energy Manager
    - 1.0 FTE Performing Arts Building Manager
- If these positions were excluded DJUSD would spend \$633 per ADA or 3% more than the comparative set (instead of 13%).

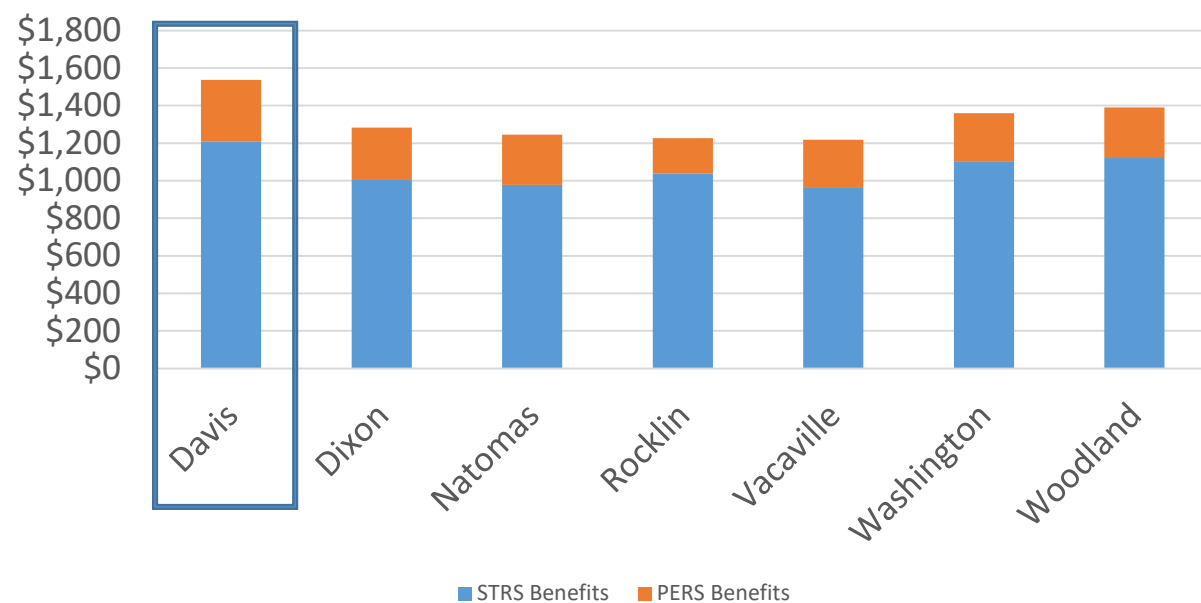
# 2017-18\* Contract Management Salaries

District	Superintendent	Deputy Superintendent	Chief Business and Operations Official	Associate Superintendent
DJUSD	\$228,094	\$177,160	\$206,000	\$165,000
Dixon	\$183,432	N/A	\$127,803	N/A
Natomas	\$284,560	\$205,000	\$205,000	\$159,597
Rocklin	\$236,974	\$184,734	\$184,734	\$167,295
Vacaville	\$194,750	N/A	\$169,623	\$169,623
Washington	\$216,910	N/A	Vacant	\$158,376
Woodland	\$224,180	N/A	\$161,874	\$172,375
% Difference between DJUSD and Comparison Set Average	1.8%	-6.0%	17.2%	-0.2%

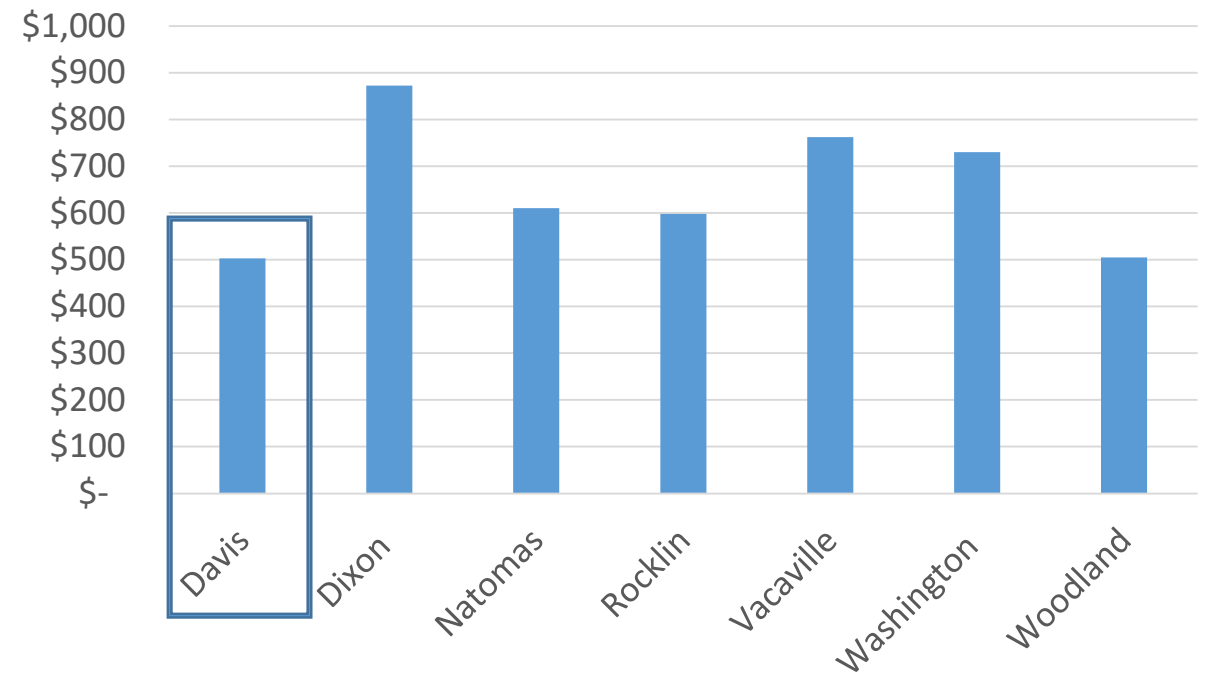
\*As of June 1, 2018

# Employee Benefits Expenditures

STRS and PERS Expenditures by Regional Comparison Set per ADA



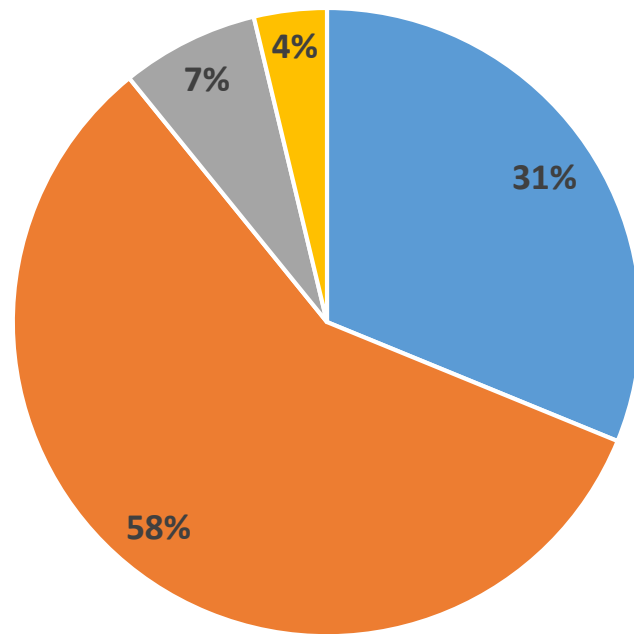
Health and Welfare Expenditures per ADA



- DJUSD spends 14% per ADA more on STRS and PERS Benefits due to more FTE and more experienced staff than the comparison set.
- DJUSD spends \$503 per ADA on Employee Health and Welfare Benefits, which is 23% below the average regional comparison expenditure amount.

# Non-Employee Expenses

DJUSD Non-Employee Expenses - \$640 per ADA

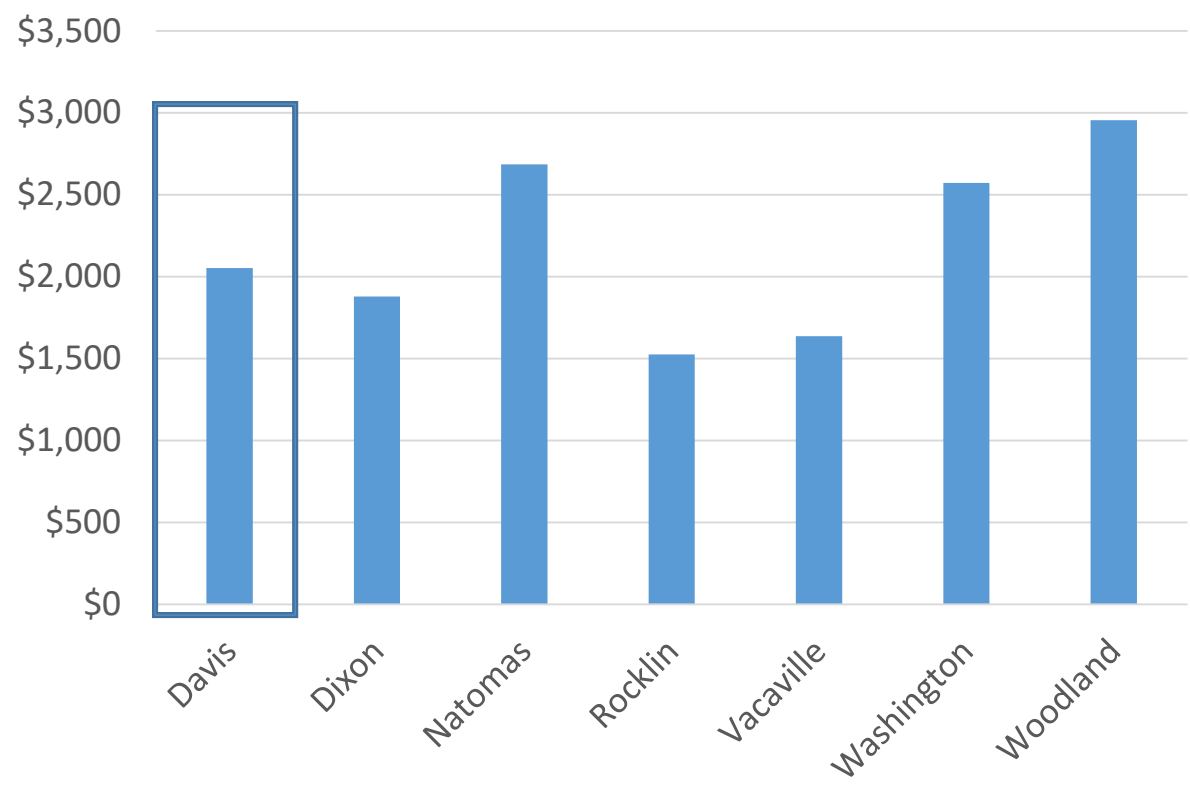


- Books & Supplies
- Services & Other Operating Expenses
- Capital Outlay
- Other Outgo

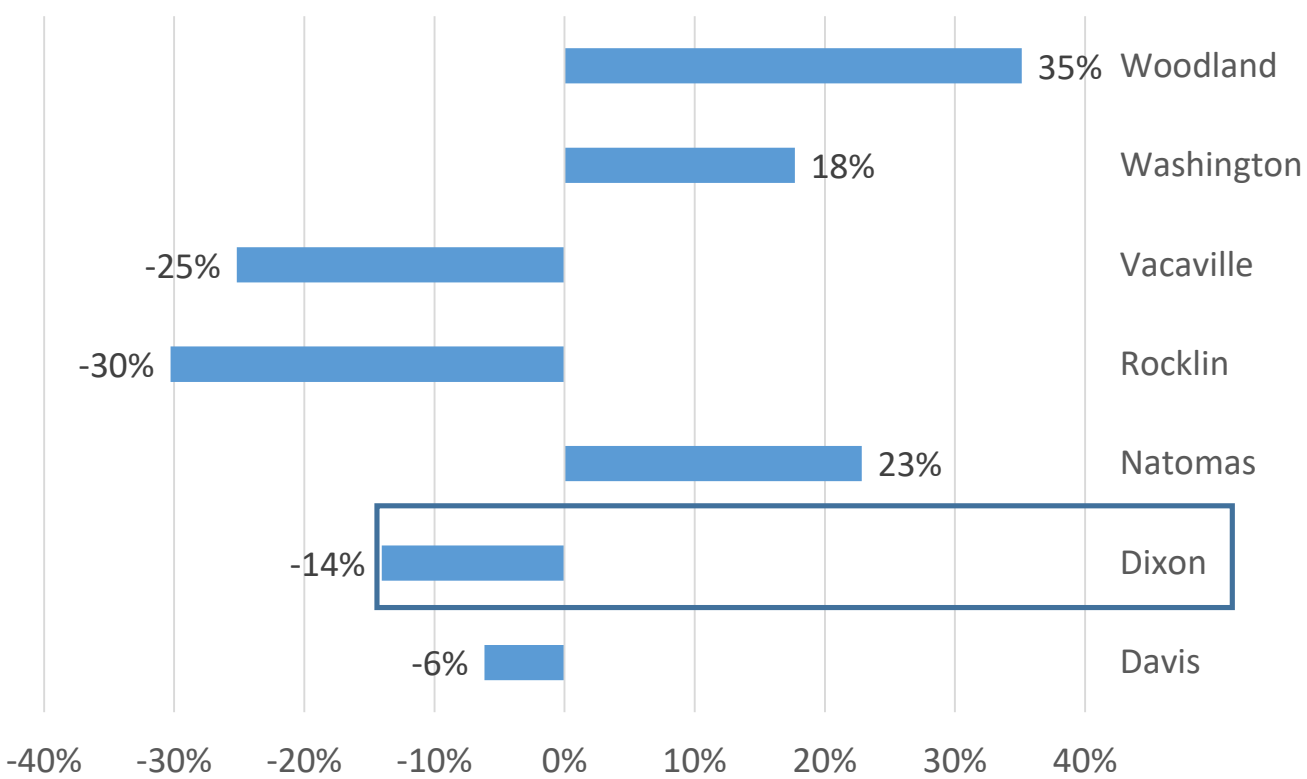
- **Books & Supplies:** Includes textbooks, instructional materials, library books, office materials, operational supplies and non-capital equipment.
- **Services & Other Operating Expenses:** Includes professional services and contracts, travel and conference, dues, insurance utilities, rentals, leases, repairs and communications.
- **Capital Outlay:** Includes facilities construction and improvements, equipment, furniture and fixtures over \$5000.
- **Other Outgo:** Includes student tuition and cost to other educational agencies, transfers of indirect costs and debt service.

# Non-employee Expenses Comparison by ADA

Total Expenses Object Codes 4000-7499 by Comparison Set per ADA



Total Expenses Object Codes 4000-7499 by Comparison Set Average

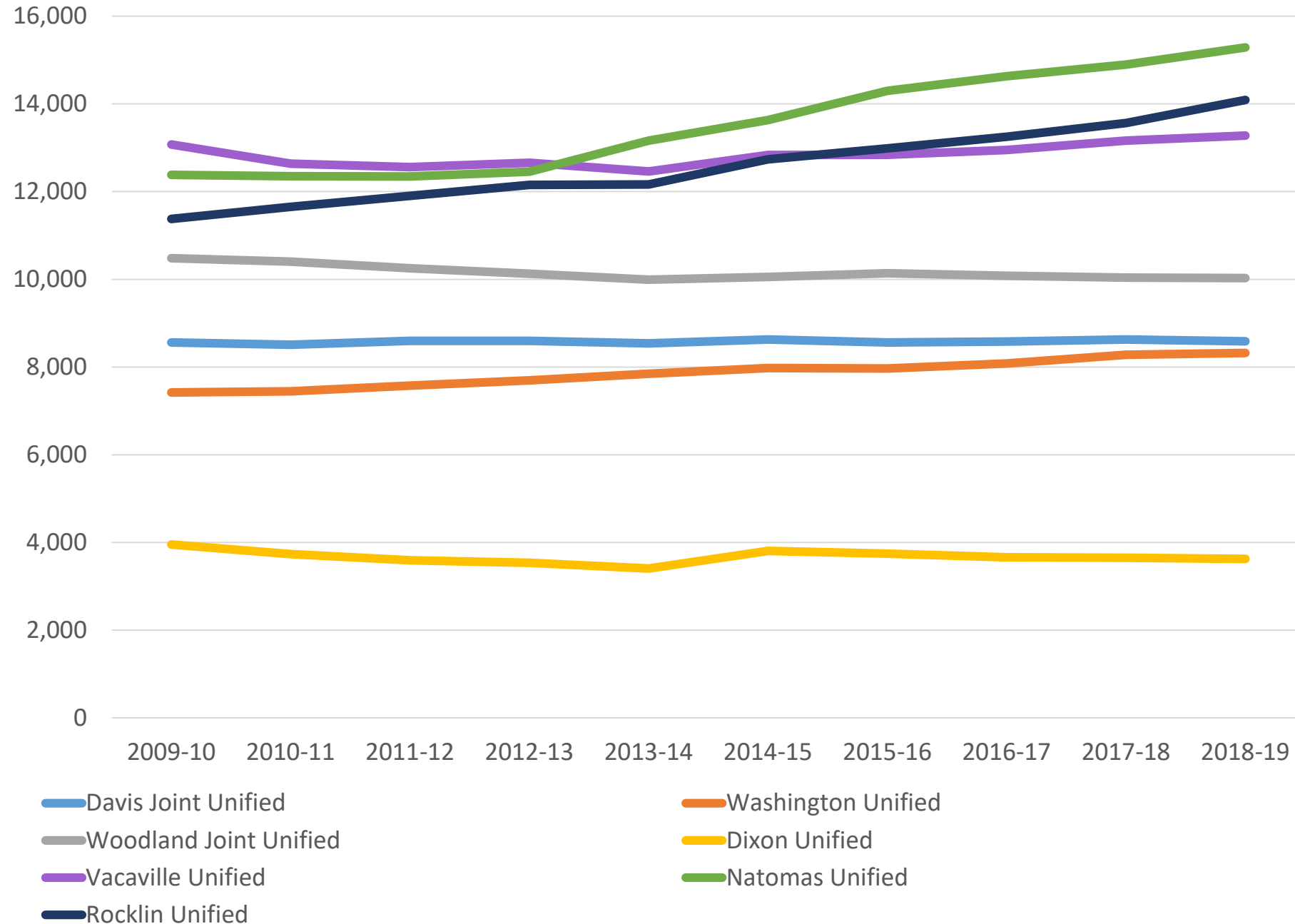


DJUSD is spending 6% less in aggregate than the comparative set average in these categories with a varied spending range among these districts.



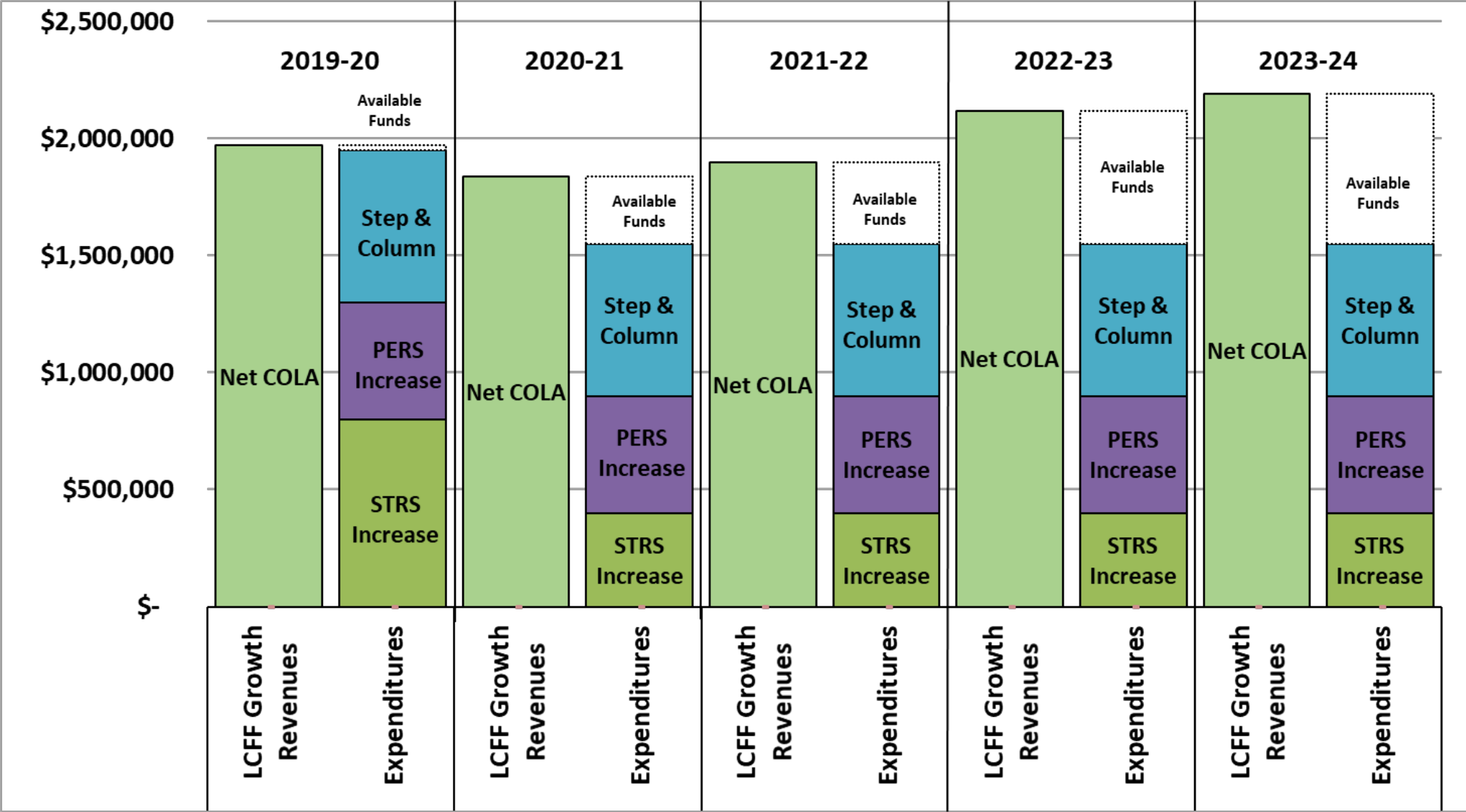
- In our comparable set, only Rocklin and Natomas have seen meaningful growth in enrollment over the past 10 years.
- DJUSD has held steady enrollment during this time period in part due to a slow but steady increase of inter-district transfer students.
- While growing enrollment increases funding and opportunities for staff and operational growth, flat to declining enrollment typically results in staff and operational challenges.

### Comparative District Enrollment 2009-2019



# Increasing Revenues and Obligations

- 87% of the revenue that is projected to come to DJUSD through 2024 will be used for mandated obligations.
- These projections include no collectively bargained salary increases or any growth in operational costs.



# Teacher Supply and Demand

## Teacher Demand Is Outpacing Supply

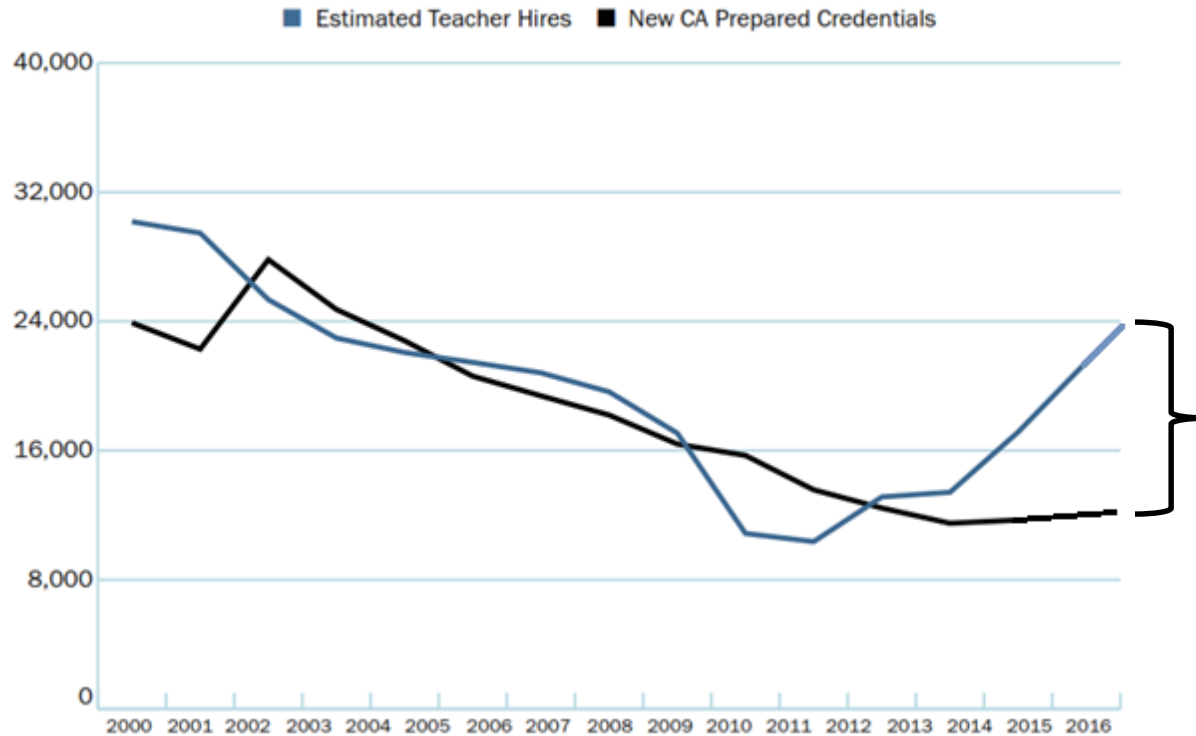


Table A: New Teaching Credentials Issued in California by Pathway, 2013-14 to 2017-18

Pathway Type	2013-14	2014-15	2015-16	2016-17	2017-18	Percent Change from 2016-17
California IHE-Prepared*	11,114	11,220	11,108	11,762	12,184	3.6%
District-Prepared**	326	308	347	570	408	-28.4%
Out-of-State/ Out-of-Country Prepared	3,334	3,682	3,985	4,180	3,926	-6.1%
Total	14,774	15,210	15,440	16,512	16,518	0.0%

\*IHE prepared includes both traditional and intern delivery models.

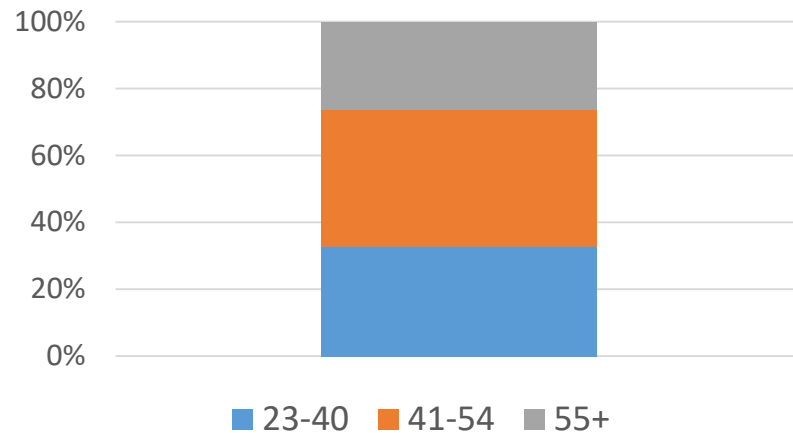
\*\*District prepared includes only the intern delivery model.

- As of 2017-18 we estimate the shortage of California Prepared Teachers to be more than 10,000 and closer to 6,000 if out-of-state teachers are included.

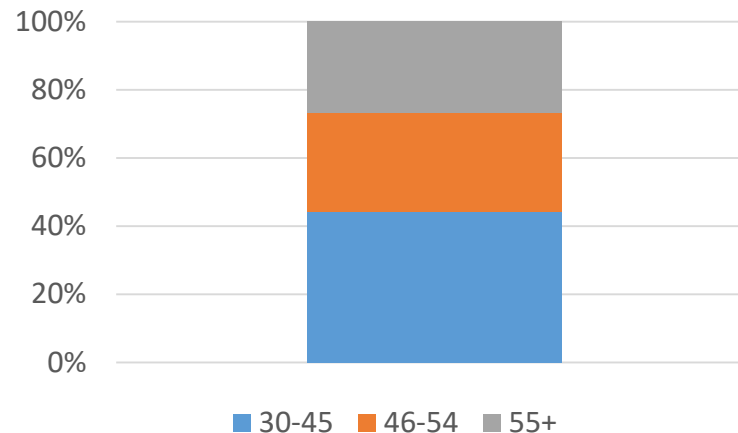
- Over the past several years teacher hires (demand) in California has been increasing, but the supply of newly credentialed teachers has not kept pace.
- A short supply of teachers leads to an increase in substandard credentials.

# Expected DJUSD Retirements

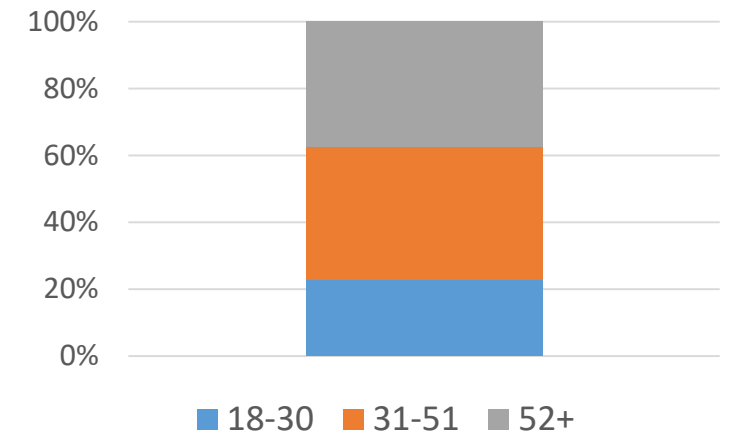
DJUSD Certificated Employee Age Distribution



DJUSD Administrative Employee Age Distribution



DJUSD Classified Employee Age Distribution



- 26% of Certificated employees are 55 or older (likely 3-9 years from retirement).\*
- 27% of Administrative employees are 55 or older (likely 3-9 years from retirement).\*
- 37% of Classified employees are 52 or older (likely 3-8 years from retirement).\*\*

\*Median STRS retirement age in 2016-17 was 62.9

\*\*Average PERS Retirement age in 2017-18 was 58.5

# Next Steps

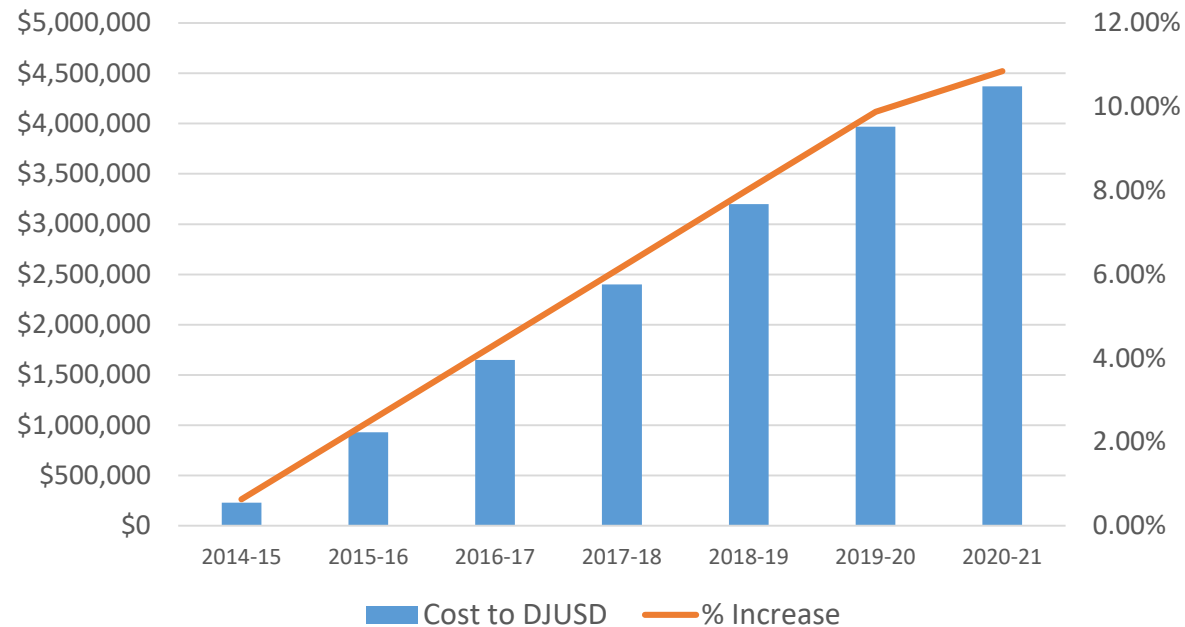
- Review feedback from this session and incorporate into final summary analysis document
- Begin to quantify:
  - The specific range of the potential compensation gap, including considerations and potential impact
  - The major potential sources of funding to address the gap, including considerations and potential impact
- Schedule additional community meetings to discuss emerging insights and potential directions forward

# Discussion/Questions

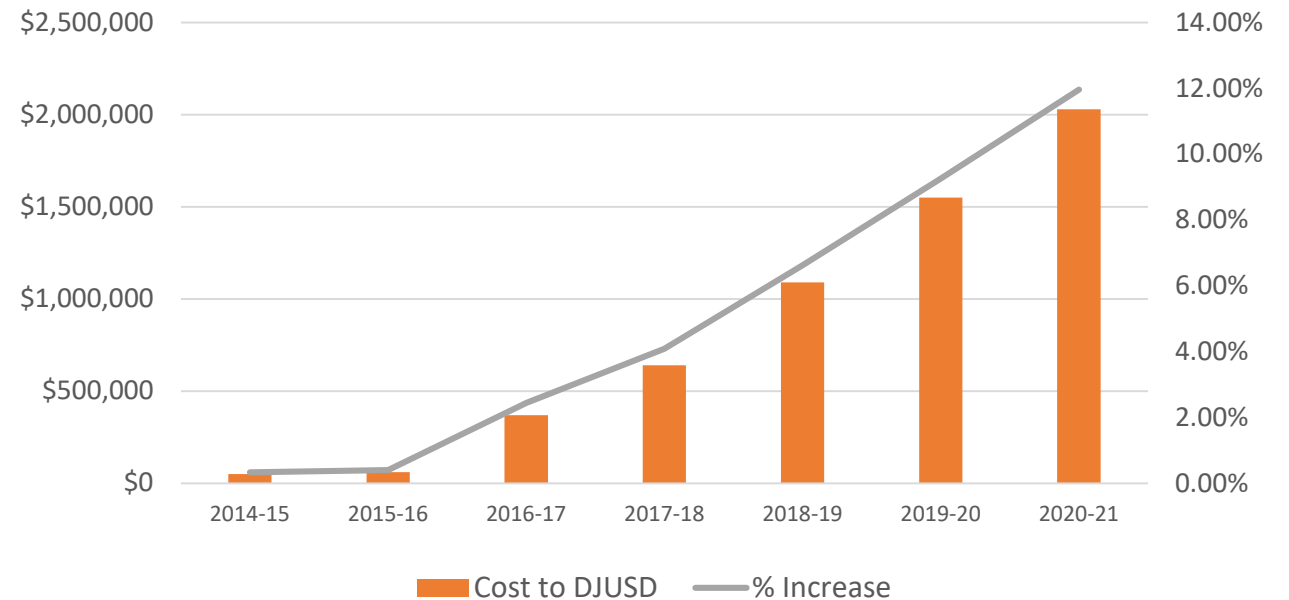
# APPENDIX

# Continued Pension Cost Increases

## STRS Impact on DJUSD Budget



## PERS Impact on DJUSD Budget

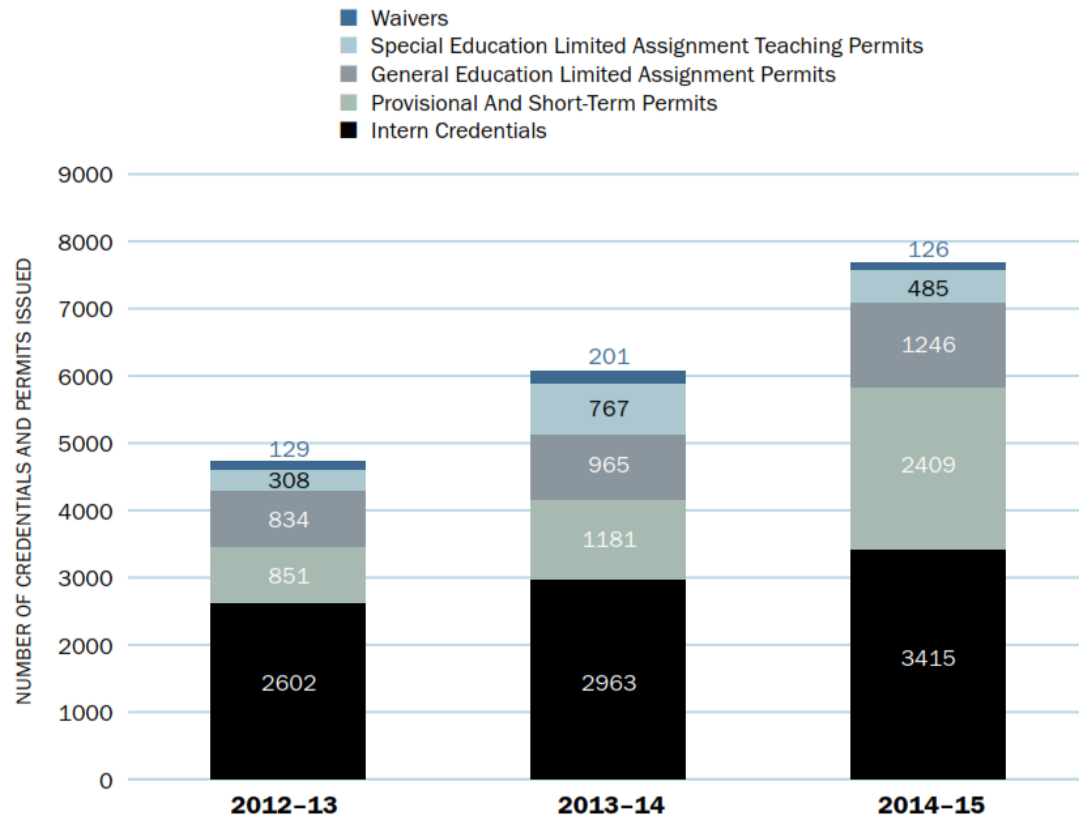


- Approximately 25% of LCFF growth revenue since 2013-14 has gone to increasing pension costs.
- In 2020-21 DJUSD will be required to allocate \$6.3 million more to STRS & PERS than it did in six years earlier.
- These costs are mandated and determined by the State of California.



# Substandard Teaching Permits/ Credentials on the Rise

Figure 2: **Substandard Permits and Credentials Are Increasing, 2012-13 to 2014-15**

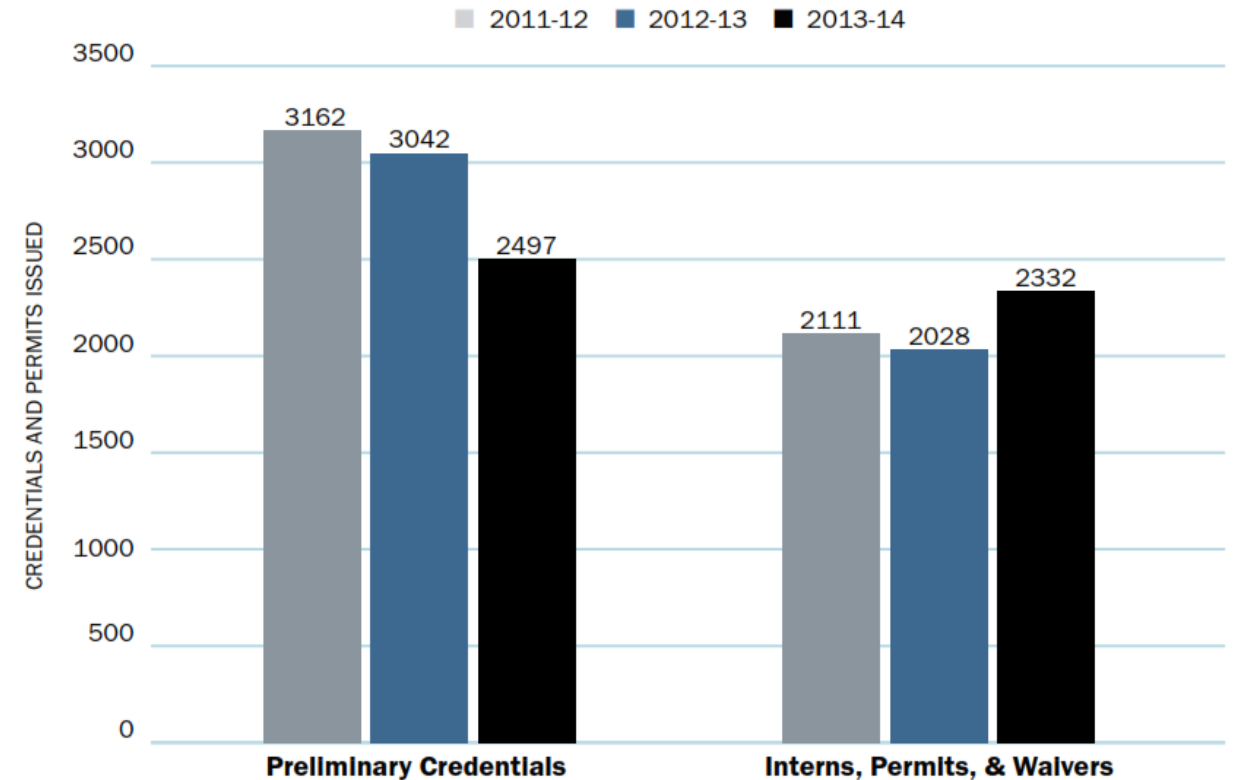


Note: Number of credentials issued between July 1st of each year and June 30 of the following year. (See Appendix B.)

Source: Data provided by the California Commission on Teacher Credentialing through a special request.

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Figure 8: **Trends In Special Education Teacher Supply**



**Credentials and permits issued, 2011-12 to 2013-14**

Source: California Commission on Teacher Credentialing.

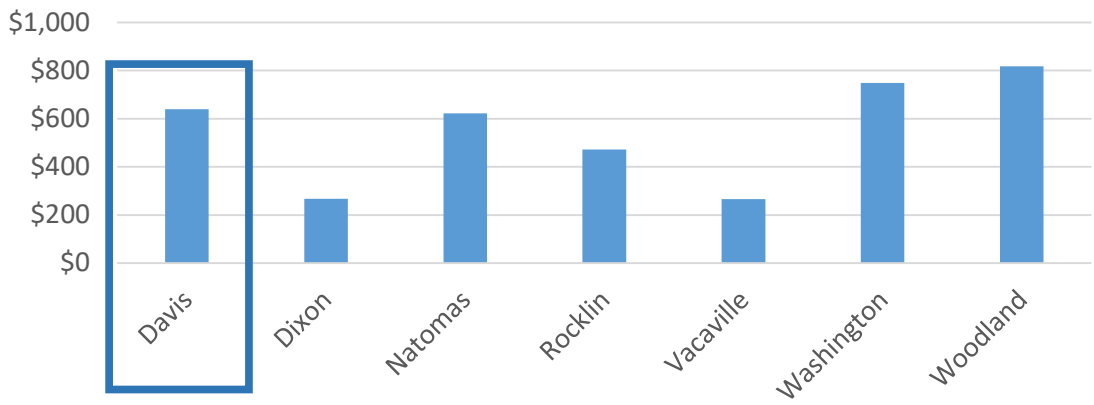
© 2016 The Learning Policy Institute

# Programming Comparison: DSHS/RHS

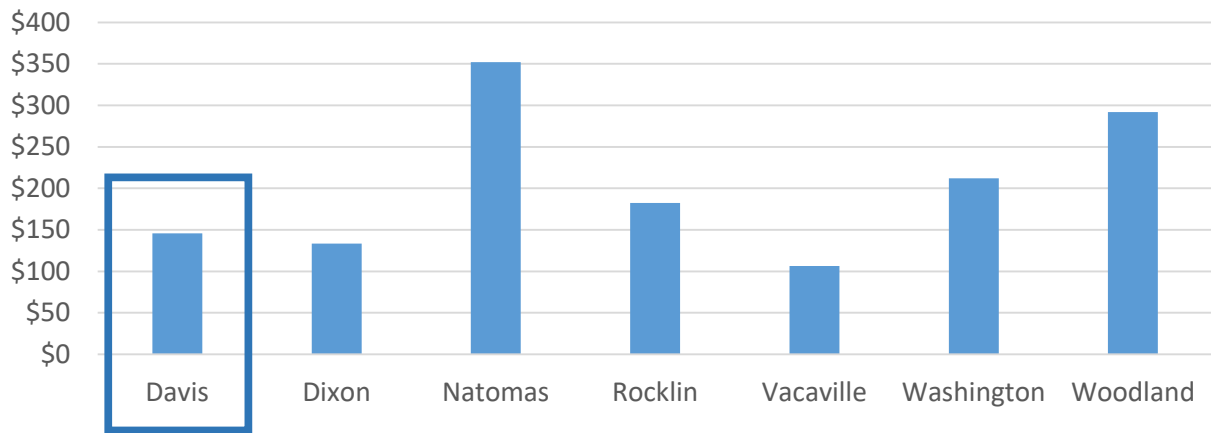
	Rocklin HS	Davis Senior HS	% Difference between DSHS and RHS
School Size	2070	1750	-15%
Grade Level Configuration	9-12	10-12	-
Counseling FTE	4 FTE (1:517)	5.5 FTE (1:318)	27%
Course Volume	32.5 per grade (130)	37 per grade (111)	12%
Athletics Teams	5.5 per grade (24)	9.33 per grade (28)	21%

# Non-Employee Expenses Comparison by ADA

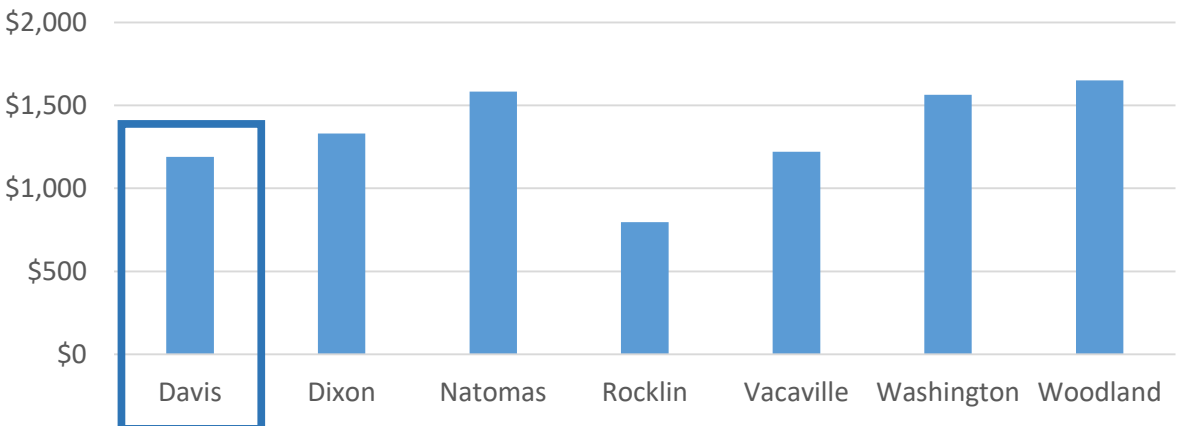
Total Expenses for Books and Supplies by Comparison Set per ADA



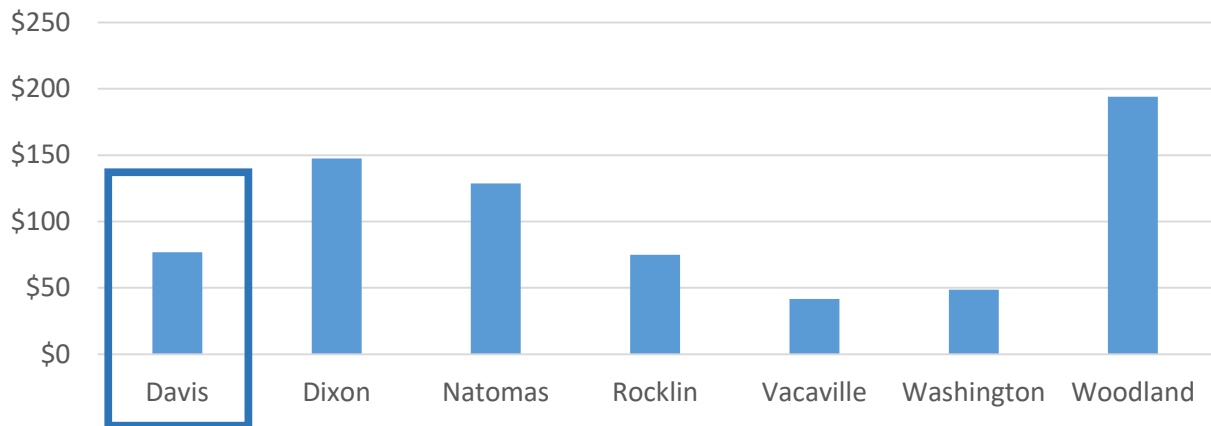
Total Expenses for Services and Other Operating Expenditures by Comparison Set per ADA



Total Expenses for Capital Outlay by Comparison Set per ADA



Total Expenses for Other Outgo by Comparison Set per ADA



# Certificated Salary Comparison (Point to Point)

DJUSD Certificated Teacher Salaries in Relation to Regional Comparison Set Average

