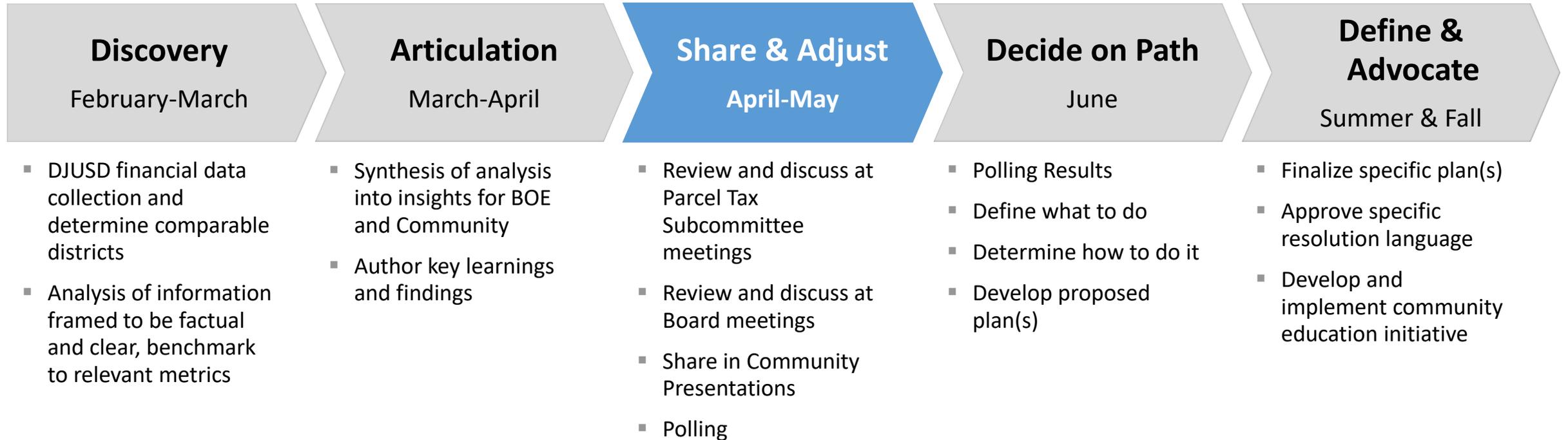


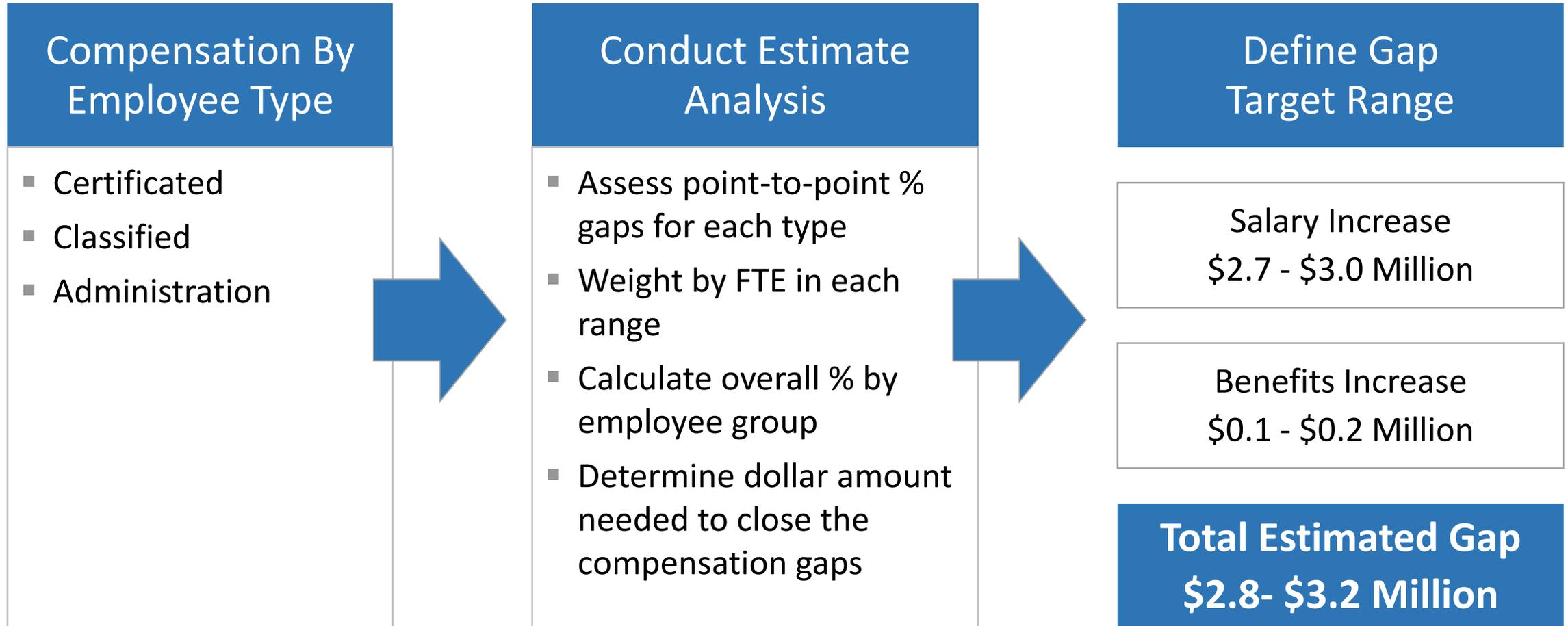


Parcel Tax for Employee Compensation – Board Subcommittee Update 5.2.2019

Process



Method for Calculating the Gap

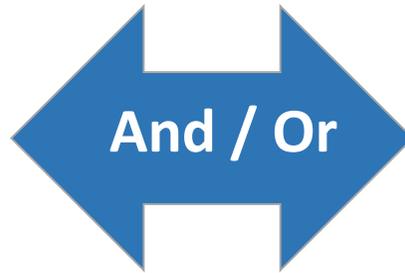


Note: Any changes in compensation are subject to collective bargaining

Options for Bridging the Gap

Cut Costs

- Reduce or eliminate school programs
- Increase class size
- Close a school(s)
- Reduce non-employee budgets



Increase Revenue

- Seek a parcel tax
- Increase enrollment
- Increase ADA
- Seek changes to state funding

Reduce Programs to Reprioritize Funds to Compensation

- Major Programs
 - Student Nutrition* and Children's Center (Staff and Supplies) (\$0.3m)
 - Athletics (AD, Support Staff, Coach Stipend) (\$0.5m)*
 - Central Support Services (12 FTE, \$0.7m)
 - Libraries (24 FTE, \$1.3m)*
 - Site Support Services (26 FTE, \$1.4m)*
 - 7th Period (20 FTE, \$1.4m)*
 - Education Specialists (Reading, Science, Math, etc.) (24 FTE, \$1.7m)**
 - Counseling (27 FTE, \$2.2m)*
 - Special Education (Program changes via IEP and not feasible to make reductions for compensation increases)

* Parcel Tax Funded

** Some Parcel Funding and Would Require Collective Bargaining

Reduce Programs to Reprioritize Funds to Compensation

- Class Size
 - +1 – K-3 (3 FTE, \$210k)**
 - +1 – 4-6 (2 FTE, \$140k)
 - +1 – 7-12 (5 FTE, \$350k)*
- School Closure
 - Junior High (\$700k)***
 - Elementary (\$550k)***

* Parcel Tax Funded

** Some Parcel Funding and Would Require Collective Bargaining

*** Includes staffing for Site Administration (Principal/Vice Principal, Office Staff), support services (Library, Counseling, Reading, Safety and Custodial)

Reduce Programs to Reprioritize Funds to Compensation

- Non-Employee Costs: Site and Department Budgets
 - Materials and Supplies (10%, \$140k)*
 - Travel and Conference (10%, \$200k)
 - Outside Services (10%, \$130k)**

* Excludes textbooks and required equipment (staff and student technology)

** Excludes required services (utilities, insurance, communications, multi-year leases and legal costs, network, financial, personnel and student information and technology systems)

Raise Local Revenue

- Local Parcel Tax
 - Local parcel tax supplemental to current parcel tax
 - Assessed by individual parcel or by square footage of structure on parcel

Increase Attendance Rate (ADA) and Enrollment

- Attendance

- Each 1% in ADA generates \$0.7 Million in revenue
- DJUSD is currently at 96% attendance rate -- roughly at the state average
- Getting to 100% could generate up to \$2.8 Million
- We have put significant effort into growing ADA with limited results to date

- Enrollment

- Each out-of-boundary student contributes \$9,000 to DJUSD revenue
- An additional 120 students would not change the basic structure of the school district, with a net revenue increase of approximately \$1.0 Million

Advocate for State Law Change

- Lobby for CSBA “Full and Fair Funding” for DJUSD and all California school districts
 - Could result in an additional \$1,961 per student, totaling \$15 Million
- Lobby for mandated cost reimbursement
 - Could result in an additional \$0.5 to \$1.0 Million
- Lobby for changes in ADA regulations
 - Could result in an additional \$0.7 Million

Key Factors Impacting Options

- Cost reductions will impact the quality and amount of educational programs and services
- Cost reductions will limit budget flexibility in the face of an economic downturn or unexpected changes
- An additional local tax will have to be approved by 2/3 of local voters
- Changes in state funding are outside of local control and subject to many other budget demands for limited funds
- There are not enough teachers to meet demand across the state, and we anticipate significant retirements in DJUSD over the next 3-7 years

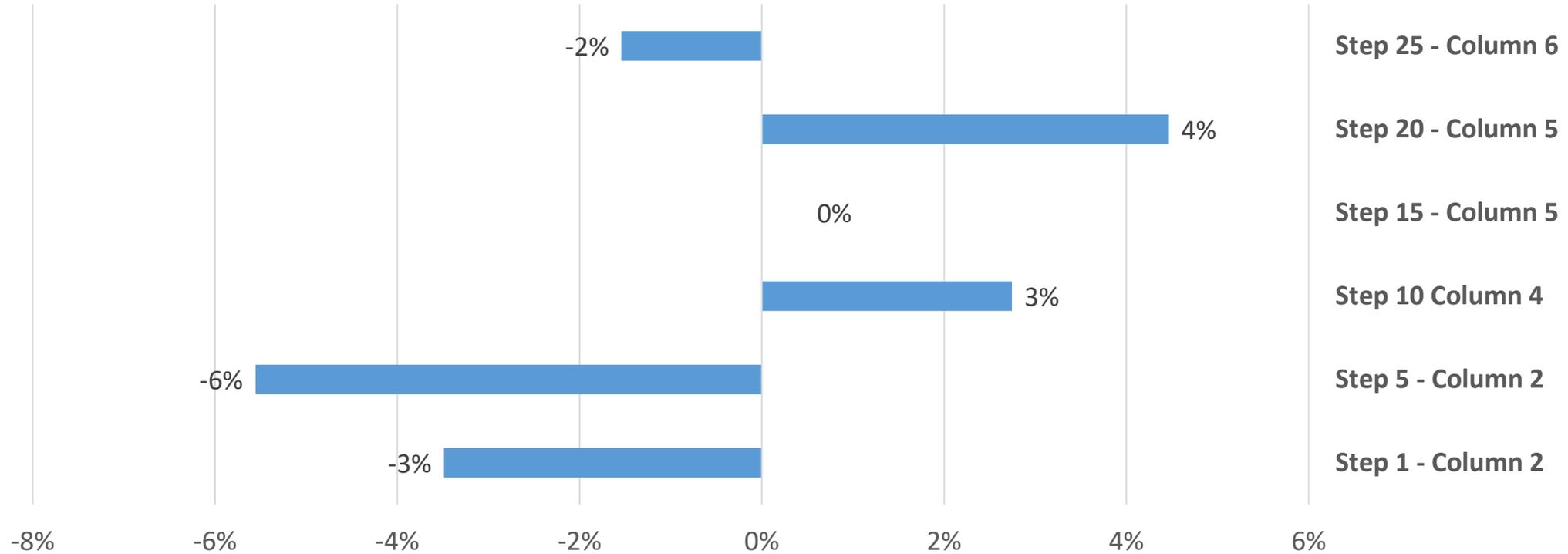
Next Steps

- Discuss the options for closing the gap with the Board
- Incorporate feedback into analysis and direction
- Identify a set of scenarios
 - Revenue only
 - Cost only
 - Mix
- Discuss and generate feedback on scenarios at Parcel Tax Subcommittee meeting(s)
- Review options at a subsequent Board meeting

Appendix

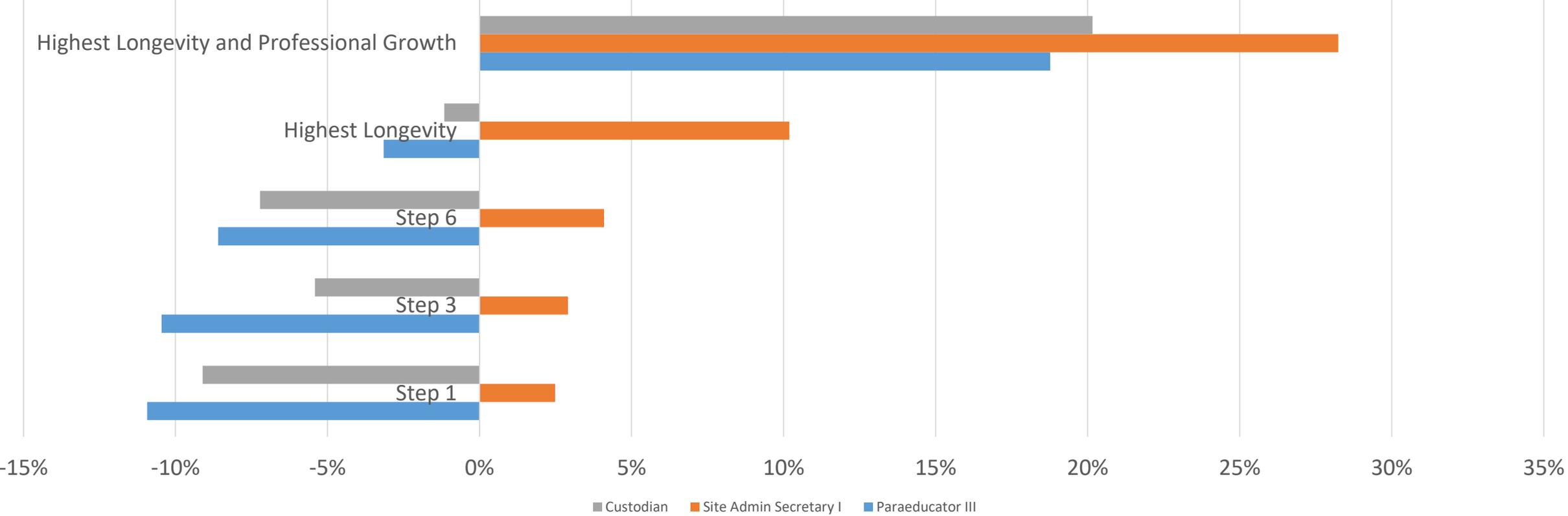
Certificated Salary Comparison (Point-to-Point)

DJUSD Certificated Teacher Salaries in Relation to Regional Comparison Set Average



Classified Salary Comparisons (Point-to-Point)

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



DJUSD Administrative Salary Comparisons (Point-to-Point)

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

