

Review of Sources for Potential Salary Increases

June 25, 2019

Background

- We recognize that AUSD salaries for years have been among the lowest in Alameda County.
- It is a shared interest of the Board, community, and staff that the District attract and retain excellent employees.
- The District has made some progress in past years, but more work is needed.

Historical Compensation Increases

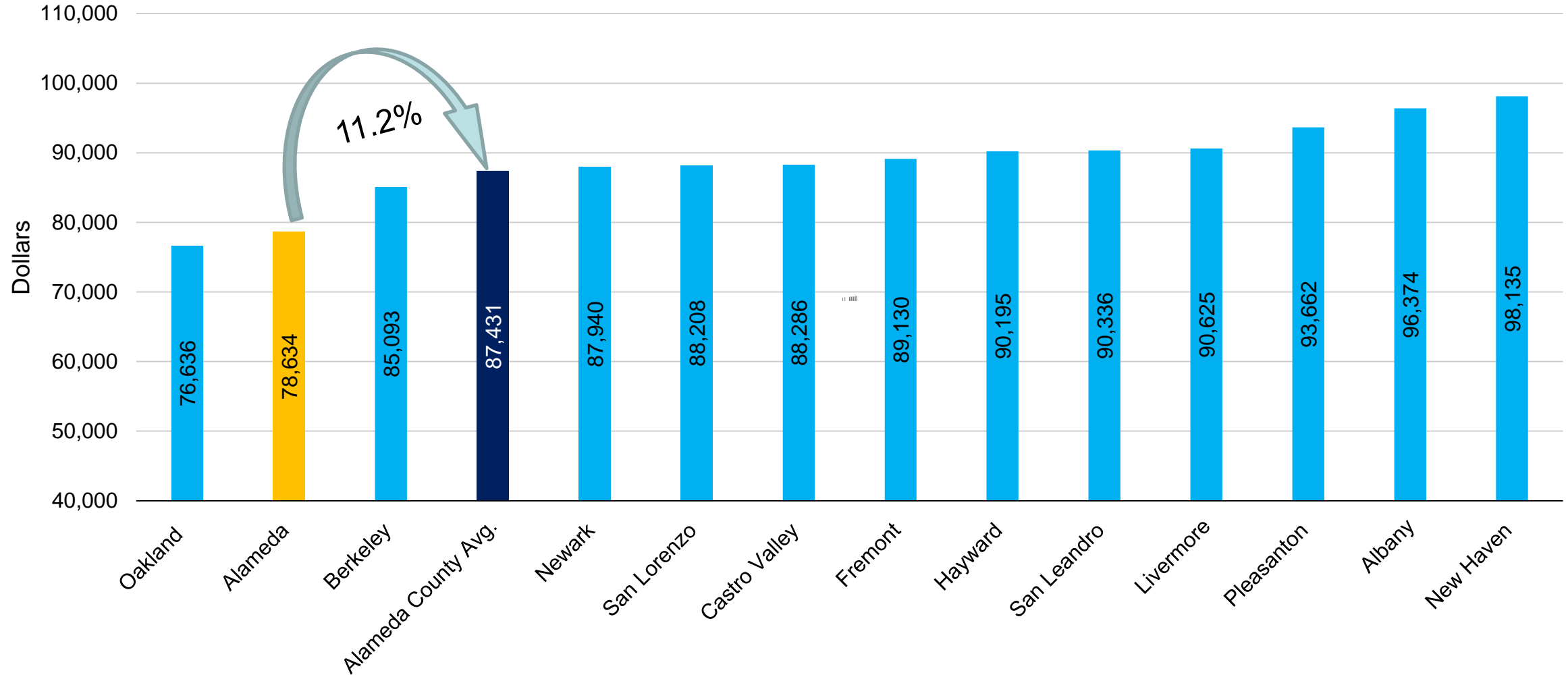
Bargaining Unit	Type	2012-13	2013-14	2014-15	2015-16*	2016-17**	2017-18	2018-19***	Total
AEA	On-going	2.50%	0.75%	1.75%	4.00%	4.00%	0.50%	5.04%	18.54%
	One-time		1.25%						1.25%
CSEA 27	On-going	1.50%	1.75%	1.75%	5.00%	3.11%	0.50%	4.50%	18.11%
	One-time		1.25%					1%	2.25%
CSEA 860	On-going	1.50%	1.75%	1.75%	5.00%	3.11%	0.50%	4.50%	18.11%
	One-time		1.25%					1%	2.25%

*Does not include 1% that was added towards dental benefits for AEA members, stipend for teachers delivering speech services, and hourly teacher rate.

**AEA raise was effective 12-1-16

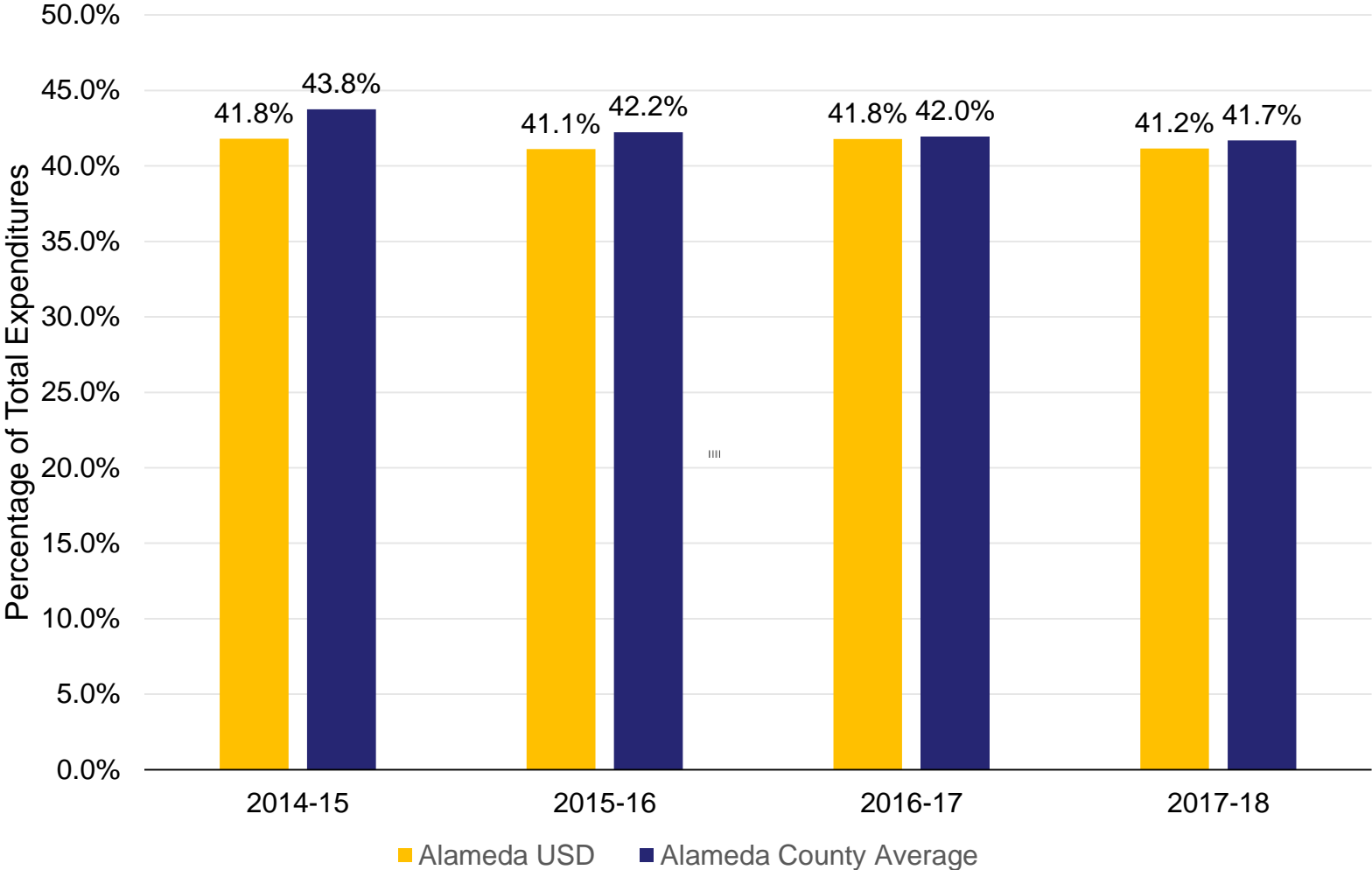
***Includes addition of 1 work-day for AEA members, for a total of 186 days

Alameda County: Average Salary Plus Average Health Benefits for a Teacher



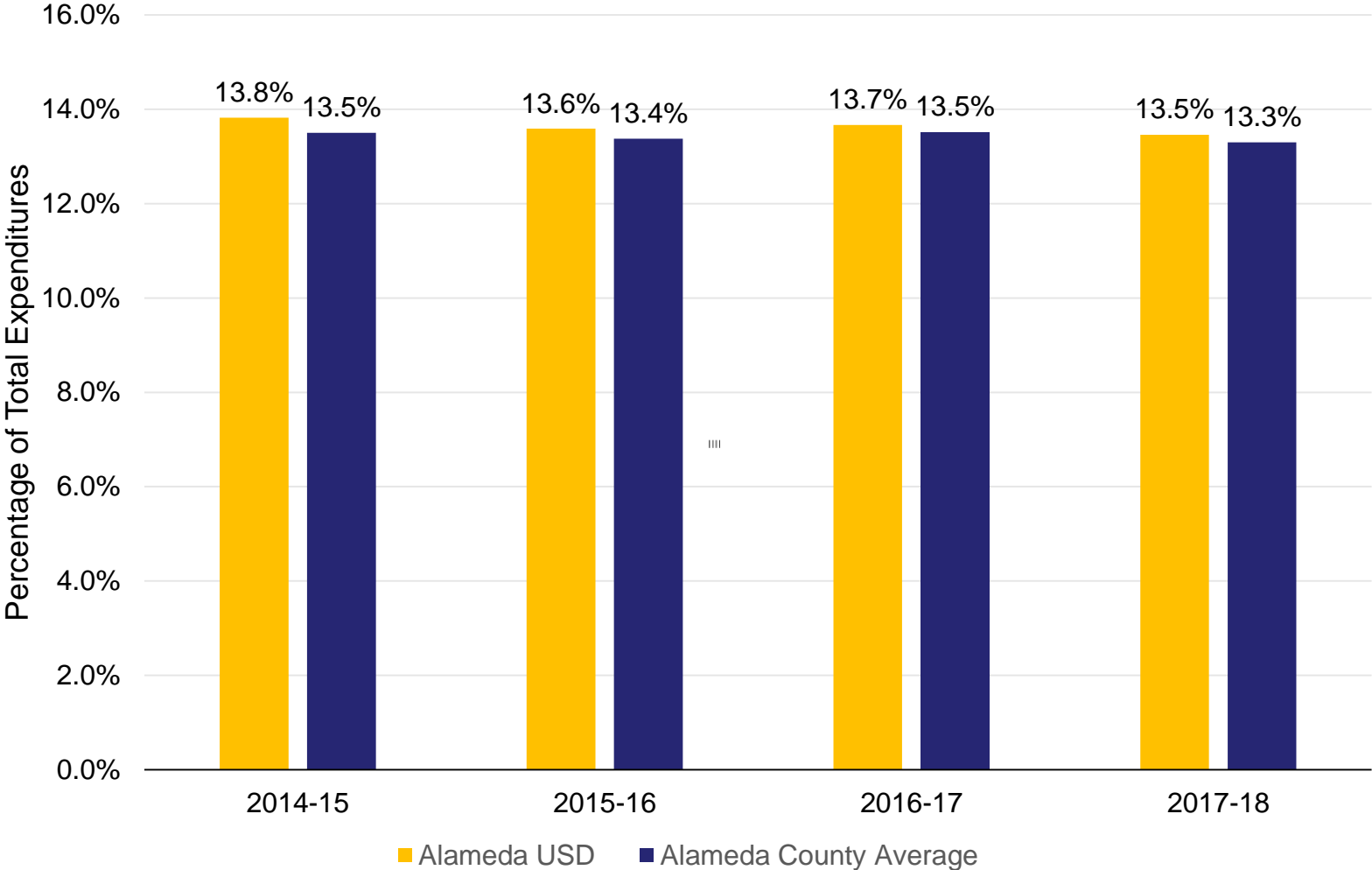
Certificated Non-Management Salaries – Percentage of Total Expenditures

Includes teachers, counselors, and all other certificated employees

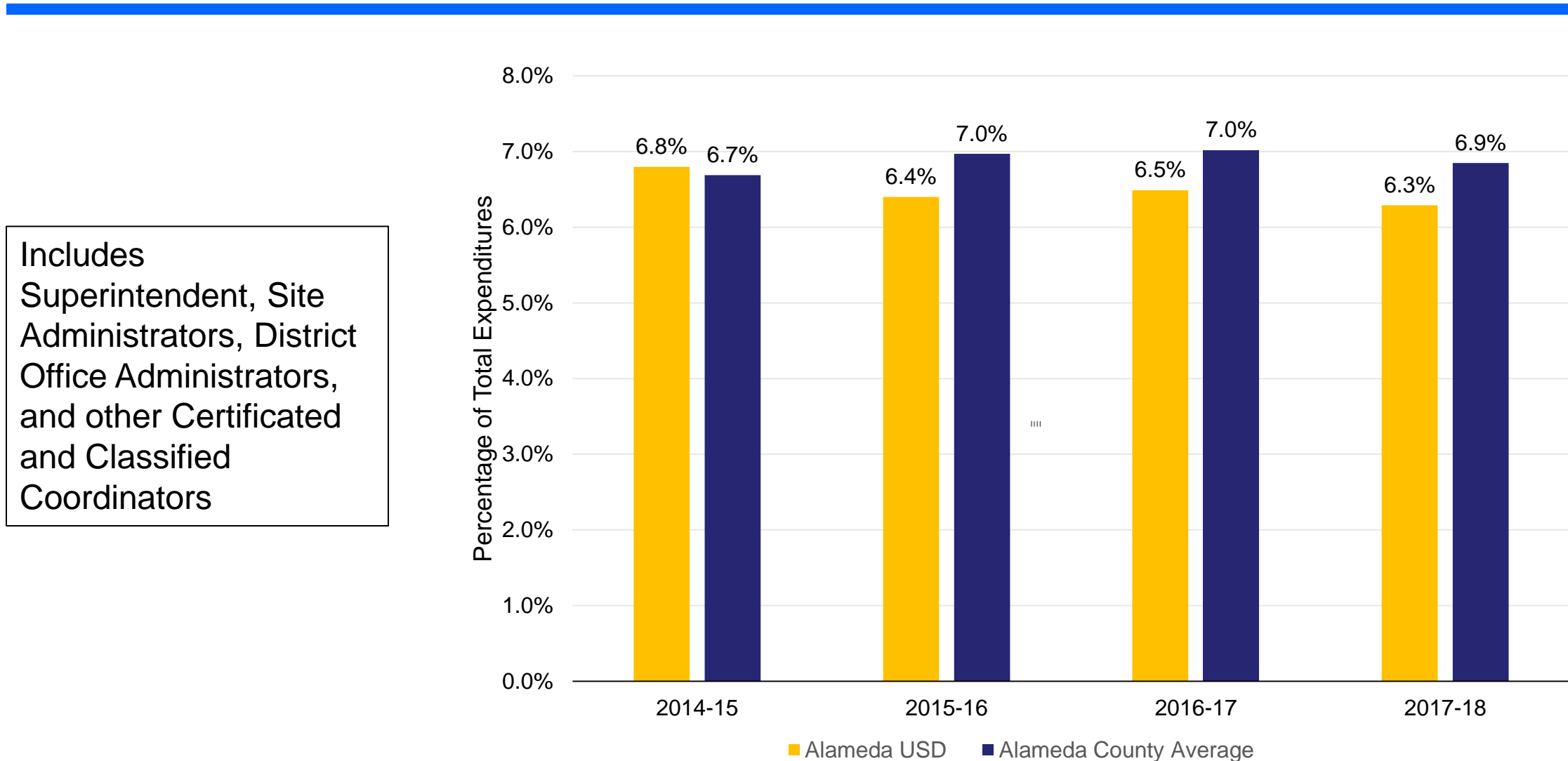


Classified Non-Management Salaries – Percentage of Total Expenditures

Includes
Paraprofessionals,
Custodial, Clerical,
and all other
classified
employees



Management Salaries – Percentage of Total Expenditures



Recap of Significant Variances Between AUSD & Comparative Districts

- AUSD salaries remain relatively low compared to other school districts.
- AUSD is spending approximately the same percentage on salaries as other districts in the County.

Budget Cuts Implemented

Reduction of \$3.2 million in various programs

- Cuts to Innovative Programs at Bay Farm, Earhart, Maya Lin, and Encinal Schools
- Reduction in staffing for Teachers on Special Assignment providing English language support
- Tighter staffing at secondary schools
- Elimination of Extended Day Kindergarten Program
- Reduction in District Office services
- Elimination of discretionary technology funds
- Reduction in Deferred Maintenance spending

Cost to Bring AUSD's Salaries to the County Average

- Cost of 1% increase for all employees in 2019-20 is \$840,000
 - \$859K for 2020-21
 - \$871K for 2021-22
- Cost of increase to bring salaries to the Alameda County average:
 - $\$840,000 \times 11\% = \$9,240,000$ per year

Revenue Streams

- During implementation of Local Control Funding Formula (LCFF), funding increases were a result of the combination of COLA and the gap closure percentage.
- State reached full implementation of LCFF funding in 2018-19. Starting 2019-20, gap closure funding will no longer be provided.
- In a COLA-only environment, the annual increase will cover the cost of step and column movement and may leave very small amount for raises.
- \$3.2M in cuts is being implemented during 2018-19 & 2019-20 to give a 4.5% raise and add 1 additional work day for teachers.
- Additional cuts of \$9.2M, 3 times the size of cuts implemented in 2018-19 and 2019-20, would not be operationally feasible.
- Future raises to bring salaries to the Alameda County average would have to be covered using local revenue streams (i.e., parcel taxes).

Parcel Tax Process

- Engage a consultant and opinion pollster to assess the feasibility of a parcel tax measure
- Evaluate potential parcel tax proposals to be tested in polling
- Evaluate upcoming election opportunities for placing a parcel tax measure on the ballot
- Conduct a statistically reliable opinion survey of Alameda voters to assess community priorities and attitudes related to a local parcel tax measure
- Analyze opinion data and develop recommendations for a potential measure to be presented to the Board
- If a measure appears feasible, develop a measure for the ballot and conduct informational outreach in the community to raise awareness of funding needs and funding proposal

Discussion & Board Guidance