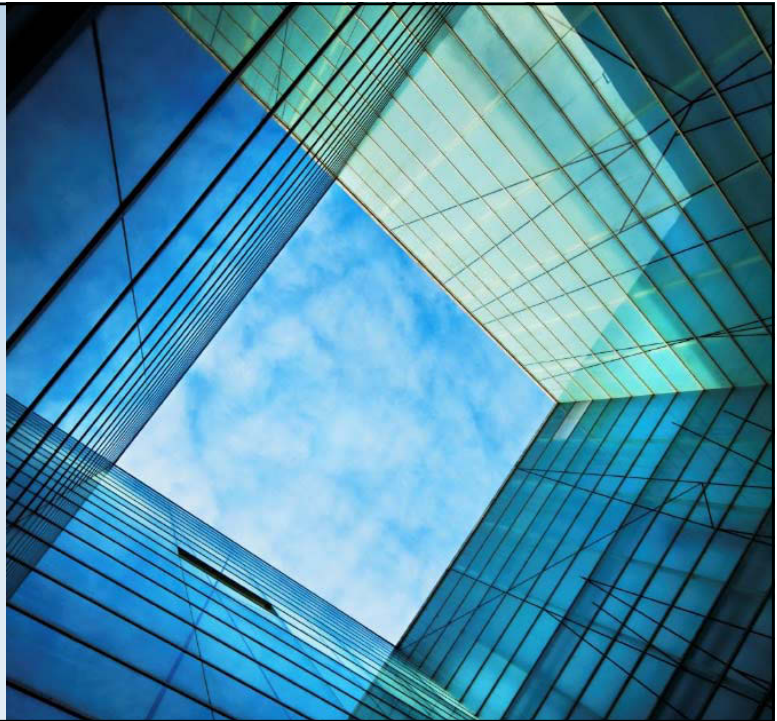


SILENT RECESSION

WestEd

Amador County Unified School District

Jared Critchfield
Assistant Superintendent,
Business



- The following report is derived from an article produced by WestEd entitled, "Silent Recession: Why California School Districts are Underwater Despite Increases in Funding."
- WestEd is a nonpartisan, nonprofit research, development, and service agency that works with education and other communities throughout the United States and abroad to promote excellence, achieve equity, and improve learning for children, youth, and adults.
- The comparative data in this report covers the last 5 fiscal years for ACUSD and ACOE.

West Ed

“Despite projected increases in state and local education funding between 2017/18 and 2021/22, California school districts face fiscal pressures that threaten to destabilize school district budgets and force reductions in services to students. Examples of these fiscal pressures include reduced funding due to declining enrollment; the costs of upkeep and renovations for aging school facilities; increasing special education program costs; increasing employee health care costs; and the costs associated with recruiting, retaining, and training teachers, including ensuring competitive wages. Still, for many California school districts, the most daunting fiscal pressure is the rising cost of employee pensions, totaling a \$1-billion increase over the previous year in cost to districts statewide in the 2017/18 school year alone.” (Silent Recession, p.4)

FISCAL PRESSURE

- AGING SCHOOL FACILITIES
- SPECIAL EDUCATION PROGRAM COSTS
- EMPLOYEE HEALTH CARE COSTS
- COMPETITIVE WAGES
- EMPLOYEE PENSIONS

FISCAL PRESSURES: AMADOR COUNTY SCHOOLS

“To meet industry standards for facilities, schools would need to spend on maintenance and improvements an amount each year that is equivalent to about 7 percent of what it would cost to replace each building..., or \$1,083 per student, each year.” (Silent Recession, p.13)

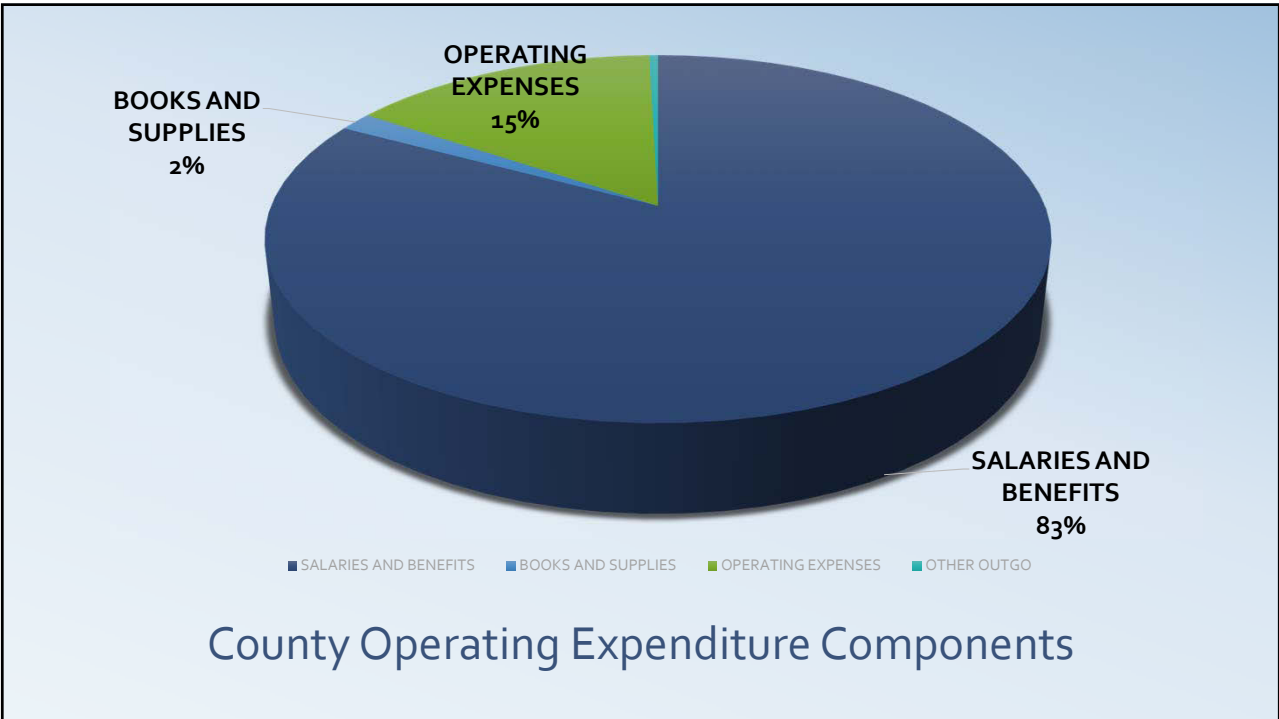
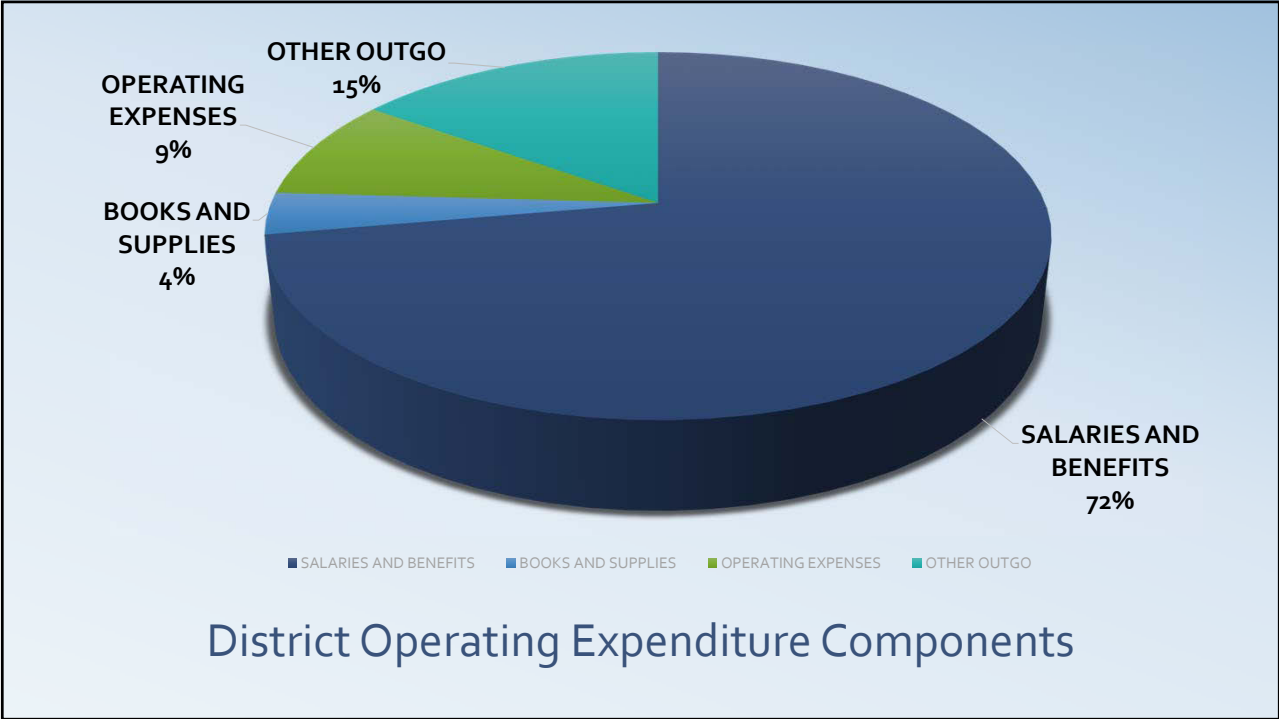
- \$4.4 million per year in Amador County Schools
- Current maintenance budget for 2018-19 is \$1.35 million

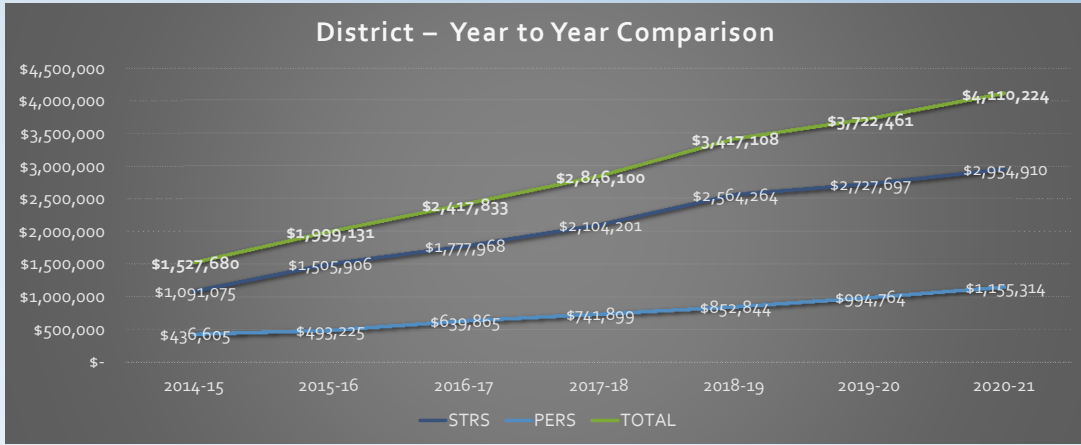
AGING FACILITIES

“The LAO (Legislative Analyst’s Office) estimates that the cost of educating students with disabilities is, on average, twice as much as the cost of educating general education students.” (Silent Recession, p.10)

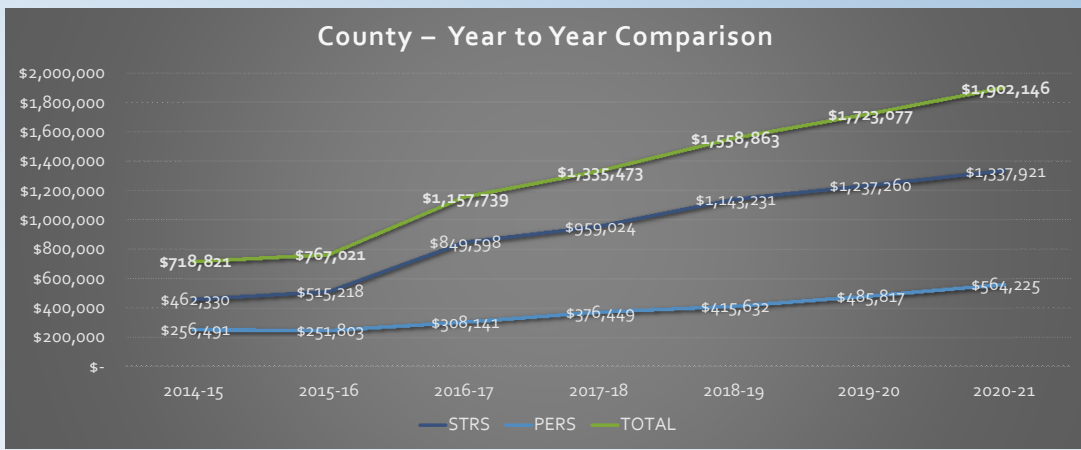
“The increases to special education funding have not matched the escalating cost of maintaining high-quality, legally compliant services.” (Silent Recession, p.10)

SPECIAL EDUCATION PROGRAM COSTS





Rising Costs of STRS and PERS



Rising Costs of STRS and PERS

DISTRICT

Salaries & Benefits	2013-14	2014-15	2015-16	2016-17	2017-18
Certificated Salaries	\$11,622,802	\$12,963,054	\$13,436,293	\$14,720,916	\$14,820,423
Classified Salaries	\$3,973,866	\$4,141,332	\$4,354,727	\$4,770,506	\$4,954,675
Benefits	\$4,415,806	\$5,103,255	\$6,298,432	\$7,355,714	\$7,738,396
Total	\$20,012,474	\$22,207,641	\$24,089,452	\$26,847,136	\$27,513,494

COUNTY

Salaries & Benefits	2013-14	2014-15	2015-16	2016-17	2017-18
Certificated Salaries	\$4,957,157	\$4,124,639	\$4,676,693	\$4,746,315	\$5,108,591
Classified Salaries	\$1,891,309	\$2,174,740	\$2,262,952	\$2,410,292	\$2,279,219
Benefits	\$1,911,324	\$1,995,848	\$2,084,130	\$2,276,955	\$2,684,220
Total	\$8,759,790	\$8,295,227	\$9,023,775	\$9,433,562	\$10,072,030

“Many commentators have noted that pension costs, which are largely outside of the control of district leaders, will likely reduce investments in current employees and programs, effectively crowding out other investments.

Such crowding out means that school districts may be forced to make tradeoffs as they balance competing costs and adjust to constrained revenues. District leaders will need to consider how to make spending (and cutting) decisions, while keeping their goals for student success at the center of their decision-making process.”
(Silent Recession, p.17)

TRADEOFFS

Krausen, K., & Willis, J. (2018). Silent Recession: Why California school districts are underwater despite increases in funding. San Francisco, CA: WestEd.

REFERENCE