



IN BRIEF

ON THE BALLOT

Jefferson Parish School Tax, November 18, 2017

November 2017

Overview of the Proposition

The Jefferson Parish School Board has proposed a new parishwide, 8.45-mill property tax for 10 years, beginning in 2018. The School Board estimates the tax would yield approximately \$27.9 million in the initial year to increase the pay of teachers and other employees.

When it voted to call the millage election, the School Board committed to raise the salaries of all employees of the Jefferson Parish Public School System by the following amounts:

- A \$4,000 increase in base pay for every certified teacher.
- A \$3,000 increase in base pay for all other employees in positions with an average annual salary of at least \$20,000.
- A 10% increase in base pay for all employees in positions with an average annual salary of less than \$20,000.

Key Background and Findings

- If voters approve the tax, the School Board's total property tax rate would increase 37% from 22.91 mills to 31.36 mills. A homeowner with a homestead exempt property valued at \$200,000 would pay an additional \$105.63 per year.
- The new millage would increase the School System's \$470 million operating budget by approximately 6%. Salaries and benefits account for more than three-quarters of operating expenditures.
- The School System employs slightly more than 6,600 people. Approximately half are certified teachers. The School System made its most recent increases in the salary schedules for teachers in 2010 and for other employees in 2008.
- The School Board sought the millage proposal out of concern that its salaries, particularly for teachers, are no longer competitive with salaries paid by other school districts in southeast Louisiana. Several School Board members have pointed to difficulties retaining early- and mid-career teachers and recruiting new teachers.
- BGR observed the School System has challenges recruiting and retaining new teachers. Its relatively low entry-level pay (\$40,949 vs. \$44,168 on average in southeast Louisiana) may play a role. However, without a comprehensive study of pay disparities, it is difficult to set any increase relative to the need. In addition, the proposed increase does not create an incentive or articulate a vision for staff performance. Furthermore, the School System has shown little evidence of a problem retaining employees other than early-career teachers.
- The School System has not studied the potential effectiveness of the pay raise proposal in addressing teacher recruitment and retention problems. It did not commission or undertake its own comprehensive assessment of employee pay to determine the levels of pay increases it needs. This runs counter to the best practice of a periodic pay study that is benchmarked to comparable agencies.
- The pay raise proposal has leapfrogged a long-running effort to address the School System's aging school facilities. The School Board made this decision in short order, with little public deliberation on the School System's long-term needs and priorities.

BGR Position

AGAINST. BGR recognizes that attracting and retaining high-quality public school employees is important for Jefferson Parish. However, BGR cannot support the tax because the School Board did not (1) undertake the comprehensive study necessary to justify the proposed pay raises and (2) analyze the pay raises in the context of competing system priorities and revenue demands.

The School Board has rushed into this millage proposition without a comprehensive benchmarking analysis to determine whether the pay increases are fair, reasonable and appropriately scaled to the labor market. Instead, the School Board approved across-the-board, fixed-dollar pay raises that apply categorically, without adjustment for variables such as current salary, job classification, performance or length of service. It has also shown little evidence of a problem retaining employees other than early-career teachers.

Further, the School Board did not carefully consider the pay raise proposal in the context of other system priorities, including facilities. Before the School Board asks voters for a major tax increase, it should comprehensively examine its funding needs and priorities.

Read the full report at www.bgr.org.