JEFFERSON PARISH SCHOOL TAX PROPOSAL, MAY 4, 2019

INBRIEF

What is the tax proposition? Jefferson Parish voters will decide whether to approve a new property tax for increased pay for teachers and other public school system employees. If approved, the tax will be levied parishwide at a rate of 7.9 mills for 10 years, beginning in 2019. The tax is expected to generate $28.8 million in the first year.

Why is it on the ballot? The Jefferson Parish School Board views its current pay scales as inadequate to attract and retain high-quality employees to support students’ academic growth. The Jefferson Parish Public School System would use the tax proceeds to implement a new pay plan that has been approved by the School Board, pending passage of the tax proposition. If the tax proposition fails, the current salary schedules will remain in place.

REPORT HIGHLIGHTS

- If voters approve the tax, a homeowner would pay $79 more annually on each $100,000 of property value above the $75,000 homestead exemption. For example, the owner of a homestead-exempt property valued at the parishwide average home sale price of $224,000 would pay $117.71 more in property taxes per year.
- Jefferson Parish has the largest public school system in Louisiana, with more than 51,000 students and an almost $500 million General Fund budget. More than 80% of the School System’s students come from low-income households, 18% have special education needs and 14% have limited English proficiency.
- Jefferson’s academic performance has fallen during the last five years. It received a “C” rating from the State in 2018. Its high school graduation rate, 71.8%, ranks 61st out of Louisiana’s 69 school districts.
- The School Board projects a $33.3 million total annual cost to implement the new pay plan. It would supplement the $28.8 million in new tax revenue with $4.5 million from current revenues. The School System would direct 73% of new tax revenue to teacher pay raises and incentive stipends. The remaining 27% would fund a portion of support staff pay raises. Current revenue would cover all school and district leader raises and a portion of support staff raises.
- The School System has lost more than 1,500 teachers during the last three years. In the 2017-18 school year, it lost 16% of its teachers. It particularly struggles to retain early career teachers. It also struggles to fill teaching positions in certain content areas and in its schools with large concentrations of English language learners and students from low-income households.
- The School System’s current entry-level teacher salary, $41,199, is nearly $3,000 (or about 7%) lower than the southeastern Louisiana regional average. Many area districts offer higher entry-level salaries. Charter schools have more discretion in setting individual teacher salaries than traditional school districts. Charters in New Orleans and Jefferson Parish reported average starting teacher salaries that range
The Jefferson Parish Public School System has returned to voters with a more well-developed pay raise proposal than the one voters rejected in 2017. Revenue from the proposed tax would allow the School System to boost teacher pay to levels that are competitive with other area districts. More competitive salaries would help the School System overcome high teacher turnover and recurring shortages that negatively impact student achievement and drive up costs. The tax would also allow the School System to meet its objective of paying all support staff above poverty-level wages. The School System has implemented spending efficiencies, but its current revenue sources are not sufficient to cover the large recurring expenditures that the new pay plan would require.

- BGR evaluated whether the tax is necessary. The tax would allow the School System to boost teacher salaries to regionally competitive levels and provide stipends to teachers exhibiting high performance or filling high priority needs. The School System’s own experience in attracting and retaining teachers, combined with national research findings and evidence of a statewide teacher shortage, indicate that pay raises and stipends could help reduce teacher turnover and recurring shortages. The tax would also allow the School System to implement a new pay plan that directs revenue to high-priority needs identified through its analysis of staffing trends. While the School System acknowledges that the support staff raises are not necessary to fill positions, they would eliminate existing compensation inequalities and ensure that all employees earn above poverty line wages. In addition, they would help the School System attract and keep superior employees. Although the School System has sought budgeting efficiencies, the size of raises necessary to sufficiently increase competitiveness requires additional revenue. The School Board has maximized the potential impact of higher salaries by adopting a comprehensive strategic plan that commits the School System to significant growth in student achievement by 2024.

If voters approve the tax, BGR recommends that the School System regularly review the effectiveness of the pay raises and incentive stipends in attracting and retaining high-quality employees.